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DRAFT RED HERRING PROSPECTUS
Dated September 30, 2024
(*This Draft Red Herring Prospectus will be updated upon filing with the RoC*)
(Please read Section 32 of the Companies Act, 2013)
100% Book Built Offer

RAHEE INFRATECH LIMITED

Corporate Identity Number: **U67120WB1996PLC076870**

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
Kemwell Manor, 5th floor, 10/D/2, Ho Chi Minh Sarani, Kolkata – 700 071, West Bengal, India	107, Lakhinarayan Talla Road, Shalimar, Howrah, 711 103, West Bengal, India	Kundan Jaiswal, Company Secretary and Compliance Officer	**Tel:** +91 33 2668 3533 **Email:** cs@rahee.com	www.rahee.com

OUR PROMOTERS: PRADEEP KHAITAN, PAWAN KHAITAN, RAVI KHAITAN, MRIDUL COMMODITIES PRIVATE LIMITED, RAHEE VINIYOG LIMITED, SHALIMAR FABRICATORS PRIVATE LIMITED AND PPR ASSOCIATES

DETAILS OF THE OFFER

Type	Fresh Issue Size***	Offer for Sale size	Total Offer size	Eligibility and Reservations
Fresh Issue and Offer for Sale	Up to [●] Equity Shares of face value of ₹ 2 each aggregating up to ₹ 4,200.00 million	Up to 2,780,857 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million	Up to [●] Equity Shares of face value of ₹ 2 each aggregating to ₹ [●] million	The Offer is being made pursuant to Regulation 6(1) of the SEBI ICDR Regulations, as amended. For further details, see "*Other Regulatory and Statutory Disclosures – Eligibility for the Offer*" on page 444. For details in relation to share reservation among QIBs, NIIs, RIBs and Eligible Employees, see "*Offer Structure*" on page 461.

DETAILS OF THE OFFER FOR SALE BY THE SELLING SHAREHOLDERS AND WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE

Name of the Selling Shareholders	Type	Maximum Number of Equity Shares Offered/ Amount in (₹ million)	Weighted Average Cost of Acquisition per Equity Share (in ₹)*
Pradeep Khaitan	Promoter Selling Shareholder	Up to 1,059,843 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million	3.19
Pawan Khaitan	Promoter Selling Shareholder	Up to 519,400 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million	2.82
Ravi Khaitan	Promoter Selling Shareholder	Up to 834,257 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million	3.32
Nandini Khaitan	Promoter Group Selling Shareholder	Up to 52,500 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million	4.29
Shashi Khaitan	Promoter Group Selling Shareholder	Up to 314,857 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million	0.67

**As certified by Singhi & Co., Chartered Accountants, by way of their certificate dated September 30, 2024.*

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of our Equity Shares is ₹ 2 each. The Floor Price, Cap Price and the Offer Price (as determined and justified by our Company, in consultation with the BRLMs, on the basis of the assessment of market demand for Equity Shares by way of the Book Building Process, in accordance with SEBI ICDR Regulations, and as stated in "*Basis for Offer Price*" on page [●]) 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 and/ 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 investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the 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 offered in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does the SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 36.

ISSUER'S AND SELLING SHAREHOLDER'S 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. Each of the Selling Shareholders, severally and not jointly accepts responsibility for and confirms the statements made or confirmed by them in this Draft Red Herring Prospectus to the extent of information specifically pertaining to themselves and their respective Offered Shares and assume responsibility that such statements are true and correct in all material respects and are not misleading in any material respect.

LISTING

The Equity Shares to be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges being BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**" together with BSE, the "**Stock Exchanges**"). For the purposes of the Offer, [●] is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGERS

Logos of Book Running Lead Managers	Name of Book Running Lead Manager	Contact Person	Email and Telephone
	IIFL Securities Limited	Nishita Mody/ Pawan Jain	**Email:** raheeinfra.ipo@iiflcap.com **Tel:** +91 22 4646 4728
	Equirus Capital Private Limited	Jenny Bagrecha	**Email:** raheeinfra.ipo@equirus.com **Tel:** +91 22 4332 0735

REGISTRAR TO THE OFFER

Logo of the Registrar	Name of Registrar	Contact Person	Email and Telephone
	KFin Technologies Limited	**Contact Person:** M. Murali Krishna	**Tel:** +91 40 6716 2222 **E-mail**: raheeinfratech.ipo@kfintech.com

BID/ OFFER PROGRAMME

ANCHOR INVESTOR BID/ OFFER PERIOD	[●]*	**BID/OFFER OPENS ON**	[●]	**BID/OFFER CLOSES ON**[**]	[●]**^

* *Our Company, in consultation with the BRLMs, 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.*

** *Our Company, in consultation with the BRLMs, may decide to close the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date, in accordance with the SEBI ICDR Regulations.*

*** *Our Company, in consultation with the BRLMs, may consider an issue of Specified Securities, as may be permitted under applicable law, to any person(s), aggregating up to ₹ 840.00 million at its discretion, prior to filing of the Red Herring Prospectus with the RoC ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.*

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

DRAFT RED HERRING PROSPECTUS
Dated September 30, 2024
(*This Draft Red Herring Prospectus will be updated upon filing with the RoC*)
(Please read Section 32 of the Companies Act, 2013)
100% Book Built Offer

RAHEE INFRATECH LIMITED

Our Company was originally incorporated as "Ramchander Heeralall" as an unregistered partnership firm, under the Indian Partnership Act, 1932. Subsequently, the firm was registered as "Ramchander Heeralall Limited", at Calcutta, as a public limited company, under Part IX of the Companies Act, 1956, and was issued a certificate of incorporation on January 30, 1996 by the registrar of companies, West Bengal at Calcutta. The Company was also issued a certificate for commencement of business on February 1, 1996 by the registrar of companies, West Bengal at Calcutta. The name of the Company was changed to "Rahee Industries Limited", for the purpose of branding, pursuant to a Board resolution dated August 22, 1997 and a resolution passed in the extra ordinary general meeting of the Shareholders held on August 26, 1997 and consequently a fresh certificate of incorporation dated August 3, 1998 was issued by the registrar of companies, West Bengal at Calcutta. Thereafter, our Company's name was changed to "Rahee Infratech Limited" pursuant to a Board resolution dated July 26, 2010 and a resolution passed in the extra ordinary general meeting of the Shareholders held on July 27, 2010 and consequently a fresh certificate of incorporation dated August 3, 2010 was issued by the registrar of companies, West Bengal at Kolkata ("**RoC**"). For further details, see "*History and Certain Corporate Matters – Brief History of our Company*" on page 269.

Registered Office: Kemwell Manor, 5th floor, 10/D/2, Ho Chi Minh Sarani, Kolkata – 700 071, West Bengal, India; **Corporate Office**: 107, Lakhinarayan Talla Road, Shalimar, Howrah, 711 103, West Bengal, India
Contact Person: Kundan Jaiswal, Company Secretary and Compliance Officer; **Tel:** +91 33 2668 3533
E-mail: cs@rahee.com; **Website**: www.rahee.com; **Corporate Identity Number:** U67120WB1996PLC076870

OUR PROMOTERS: PRADEEP KHAITAN, PAWAN KHAITAN, RAVI KHAITAN, MRIDUL COMMODITIES PRIVATE LIMITED, RAHEE VINIYOG LIMITED, SHALIMAR FABRICATORS PRIVATE LIMITED AND PPR ASSOCIATES

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH ("EQUITY SHARES") OF RAHEE INFRATECH LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE ("OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER"). THE OFFER COMPRISES OF A FRESH ISSUE OF UP TO [●] EQUITY SHARES BY OUR COMPANY AGGREGATING UPTO ₹4,200.00 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 2,780,857 EQUITY SHARES (THE "OFFERED SHARES") INCLUDING UP TO 1,059,843 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY PRADEEP KHAITAN, UP TO 519,400 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY PAWAN KHAITAN, UP TO 834,257 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY RAVI KHAITAN (COLLECTIVELY THE "PROMOTER SELLING SHAREHOLDERS"), UP TO 52,500 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY NANDINI KHAITAN AND UP TO 314,857 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY SHASHI KHAITAN (COLLECTIVELY THE "PROMOTER GROUP SELLING SHAREHOLDERS" AND TOGETHER WITH THE PROMOTER SELLING SHAREHOLDERS THE "SELLING SHAREHOLDERS" AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER FOR SALE"). THE OFFER SHALL CONSTITUTE [●] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES, AGGREGATING UP TO ₹ [●] MILLION (CONSTITUTING UP TO [●] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL), FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES ("EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●] % AND [●] %, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. OUR COMPANY MAY, IN CONSULTATION WITH THE BRLMS, OFFER A DISCOUNT UP TO ₹ [●] PER EQUITY SHARE TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT").

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 2 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT SIZE AND EMPLOYEE DISCOUNT (IF ANY) WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLMS, AND WILL BE ADVERTISED IN ALL EDITIONS OF THE [●], AN ENGLISH LANGUAGE NATIONAL DAILY NEWSPAPER WITH WIDE CIRCULATION, ALL EDITIONS OF [●], A HINDI LANGUAGE NATIONAL DAILY NEWSPAPER WITH WIDE CIRCULATION AND ALL EDITIONS OF [●], A BENGALI LANGUAGE DAILY NEWSPAPER WITH WIDE CIRCULATION (BENGALI BEING THE REGIONAL LANGUAGE OF WEST BENGAL WHERE OUR REGISTERED OFFICE IS LOCATED), 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, IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

OUR COMPANY, IN CONSULTATION WITH THE BRLMS, MAY CONSIDER AN ISSUE OF SPECIFIED SECURITIES, AS MAY BE PERMITTED UNDER APPLICABLE LAW, TO ANY PERSON(S), AGGREGATING UP TO ₹ 840.00 MILLION AT ITS DISCRETION, PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC ("PRE-IPO PLACEMENT"). THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLMS. IF THE PRE-IPO PLACEMENT IS COMPLETED, THE AMOUNT RAISED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO COMPLIANCE WITH RULE 19(2)(B) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, SHALL NOT EXCEED 20.00% OF THE SIZE OF THE FRESH ISSUE. PRIOR TO THE COMPLETION OF THE OFFER, OUR COMPANY SHALL APPROPRIATELY INTIMATE THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT, PRIOR TO ALLOTMENT PURSUANT TO THE PRE-IPO PLACEMENT, THAT THERE IS NO GUARANTEE THAT OUR COMPANY MAY PROCEED WITH THE OFFER OR THE OFFER MAY BE SUCCESSFUL AND WILL RESULT INTO LISTING OF THE EQUITY SHARES ON THE STOCK EXCHANGES. FURTHER, RELEVANT DISCLOSURES IN RELATION TO SUCH INTIMATION TO THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT (IF UNDERTAKEN) SHALL BE APPROPRIATELY MADE IN THE RELEVANT SECTIONS OF THE RED HERRING PROSPECTUS AND THE PROSPECTUS.

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding 10 Working Days. In cases of *force majeure*, banking strike or similar unforeseen circumstances, our Company in consultation with the BRLMs, 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, shall 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 BRLMs and at the terminals of the members of the Syndicate and by intimation to the Self-Certified Syndicate Banks ("**SCSBs**") and other Designated Intermediaries and Sponsor Bank(s), as applicable.

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "**SCRR"**), read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made in accordance with Regulation 6(1) of the SEBI ICDR Regulations, through the Book Building Process wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs"**) (such portion referred to as "**QIB Portion**"), provided that our Company in consultation with the BRLMs, may allocate up to 60% of the Net QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (the "**Anchor Investor Portion**"), out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("**Anchor Investor Allocation Price**"), in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (excluding the Anchor Investor Portion) (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 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 Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors 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 Investors and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, Equity Shares will be allotted on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Offer Price (net of Employee Discount, if any). All potential Bidders (except Anchor Investors) are required to mandatorily use the Application Supported by Blocked Amount ("**ASBA")** process providing details of their respective ASBA accounts, and UPI ID in case of UPI Bidders, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank(s) under the UPI Mechanism, as applicable, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For further details, see '*Offer Procedure'* on page 466.

RISKS IN RELATION TO FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 2. The Offer Price/ Floor Price/ Cap Price, as determined and justified by our Company, in consultation with the BRLMs, 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 134 should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an 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 this Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in 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 have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 36.

ISSUER'S AND SELLING SHAREHOLDER'S 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. Each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms the statements made or confirmed by them in this Draft Red Herring Prospectus to the extent of information specifically pertaining to themselves and their respective Offered Shares and assume 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 listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of the Offer, [●] shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 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 up to the Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 505.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER
IIFL SECURITIES	equirus	KFINTECH EXPERIENCE TRANSFORMATION
IIFL Securities Limited 24th Floor, One Lodha Place, Senapati Bapat Marg Lower Parel (West) Mumbai 400013 Maharashtra, India **Tel:** +91 22 4646 4728 **E-Mail:** raheeinfra.ipo@iiflcap.com **Website:** www.iiflcap.com **Investor Grievance e-mail:** ig.ib@iiflcap.com	**Equirus Capital Private Limited** 12th Floor, C Wing, Marathon Futurex, N.M. Joshi Marg, Lower Parel, Mumbai – 400013 Maharashtra, India **Tel.:** +91 22 4332 0735 **E-mail**: raheeinfra.ipo@equirus.com **Website:** www.equirus.com **Investor grievance e-mail:** investorsgrievance@equirus.com	**KFin Technologies Limited** Selenium, Tower-B, Plot No. 31 and 32 Financial District Nanakramguda, Serilingampally Hyderabad 500 032 Telangana, India **Tel:** +91 40 6716 2222 **E-mail:** raheeinfratech.ipo@kfintech.com **Website:** www.kfintech.com **Investor grievance e-mail:** einward.ris@kfintech.com **Contact Person:** M. Murali Krishna **SEBI Registration No.:** INR000000221

DRAFT RED HERRING PROSPECTUS
Dated September 30, 2024
(*This Draft Red Herring Prospectus will be updated upon filing with the RoC)*
(Please read Section 32 of the Companies Act, 2013)
100% Book Built Offer

Contact person: Nishita Mody/ Pawan Jain **SEBI registration No:** INM000010940	**Contact person:** Jenny Bagrecha **SEBI Registration Number:** INM000011286	

BID/OFFER PROGRAMME					
ANCHOR INVESTOR BID/ OFFER PERIOD	**[●]***	**BID/ OFFER OPENS ON**	**[●]**	**BID/ OFFER CLOSES ON**	**[●]**^**

* *Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investors shall Bid during the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid/Offer Opening Date.*

** *Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one 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 pm 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 otherwise specified or the context otherwise indicates, requires or implies, shall have the meanings as provided below. References to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification shall be deemed to include all amendments, supplements, re-enactments and modifications thereto, from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time thereunder.

The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, the SEBI Act, the SEBI ICDR Regulations, SEBI Listing Regulations, the SCRA, the Depositories Act and 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. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document, the definitions given below shall prevail.

Notwithstanding the foregoing, the terms used in "Objects of the Offer", "Basis for Offer Price", "Statement of Special Tax Benefits", "Industry Overview", "Key Regulations and Policies", "History and Certain Corporate Matters", "Financial Information", "Financial Indebtedness", "Outstanding Litigation and Material Developments", "Other Regulatory and Statutory Disclosures", and "Description of Equity Shares and Terms of Articles of Association Interpretation" on pages 122, 134, 144, 151, 265, 269, 316, 431, 434, 444 and 486 respectively, shall have the respective meanings ascribed to them in the relevant sections.

General Terms

Term(s)	Description
"Our Company" or "the Company" or "the Issuer"	Rahee Infratech Limited, a public limited company incorporated under the Companies Act, 1956, whose registered office is situated at Kemwell Manor, 5th floor, 10/D/2, Ho Chi Minh Sarani, Kolkata – 700 071, West Bengal, India
"We" or "us" or "our"	Unless the context otherwise indicates, requires or implies, refers to our Company, together with our Subsidiaries, on a consolidated basis

Company related terms

Term(s)	Description
"Articles of Association" or "Articles" or "AoA"	The articles of association of our Company, as amended from time to time
Associate	The associate of our Company, being Pandrol Rahee Technologies Private Limited, the details of which are set out in "*Subsidiaries, Associate and Jointly Controlled Operations*" on page 278
Audit Committee	The audit committee of our Board constituted in accordance with the Companies Act, 2013 and the SEBI Listing Regulations and as described in "*Our Management – Committees of our Board – Audit Committee*" on page 291
"Auditors" or "Statutory Auditors"	The statutory auditors of our Company, namely, Singhi & Co., Chartered Accountants
"Board" or "Board of Directors"	The board of directors of our Company, as constituted from time to time or any duly constituted committee thereof, and as described in "*Our Management – Board of Directors*" on page 284
CARE	CARE Analytics and Advisory Private Limited
CARE Report	Industry report prepared by CARE titled "*Industry Research Report on Indian Railway Infrastructure*" dated September 2024 commissioned for by our Company. The CARE Report is available on the website of our Company at https://www.rahee.com/investor and has also been included in "*Material Contracts and Documents for Inspection – Material Documents*" on page 505
Chairman	The chairman of our Board, namely, Pradeep Khaitan
"Chief Financial Officer" or "CFO"	The chief financial officer of our Company, being Rajesh Kumar Goenka. For further details, see *"Our Management – Key Managerial Personnel and Senior Management Personnel"* on page 301
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, being Kundan Jaiswal. For further details, see *"Our Management – Key Managerial Personnel and Senior Management Personnel"* on page 301
Corporate Office	The corporate office of our Company, situated at 107, Lakhinarayan Talla Road, Shalimar, Howrah, 711 103, West Bengal, India

Term(s)	Description
Corporate Promoters	The corporate promoters of our Company being, Mridul Commodities Private Limited, Rahee Viniyog Limited, Shalimar Fabricators Private Limited and PPR Associates
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Board constituted in accordance with the Companies Act, 2013 as described in "*Our Management – Committees of our Board of Directors – Corporate Social Responsibility Committee*" on page 295
Director(s)	The director(s) on the Board of Directors
Equity Shares	The equity shares of our Company of face value of ₹ 2 each
"Executive Director(s)" or "Whole-time Director(s)"	The executive or whole-time director(s) on the Board of Directors. For further details of the Executive Directors, see "*Our Management – Board of Directors*" on page 284
Group Companies	Our group companies as disclosed in section "*Our Group Companies*" on page 311
Individual Promoters	The individual promoters of our Company being Pradeep Khaitan, Pawan Khaitan and Ravi Khaitan
Jointly Controlled Operations	The unincorporated joint operations of our Company, active as on the date of this Draft Red Herring Prospectus, being Rahee GPT JV, Texmaco Rahee JV, Rahee Jhajharia E to E JV, Kalindee Rail Nirman (E) Ltd – Rahee Infratech Ltd Joint Venture , ATEPL Rahee JV, Rahee Mangalam JV, Rahee Emrail JV, GR JV, GPT Rahee JV, RG JV, Rockeira Rahee JV, Rahee PRT Consortium JV the details of which are set out in "*Subsidiaries, Associate and Jointly Controlled Operations*" on page 278
"Key Managerial Personnel" or "KMP"	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013, as disclosed in "*Our Management – Key Managerial Personnel and Senior Management Personnel*" on page 301
Managing Director	The managing director of our Company, being Pradeep Khaitan. For further details, see *"Our Management – Board of Directors"* on page 284
Materiality Policy	The policy adopted by our Board of Directors pursuant to its resolution dated September 14, 2024 for identification of group companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus
Material Subsidiary	The material subsidiary of our Company, being Rahee Track Technologies Private Limited
"Memorandum of Association" or "Memorandum" or "MoA"	The memorandum of association of our Company, as amended from time to time
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with the Companies Act, 2013 and the SEBI Listing Regulations, and as described in "*Our Management – Committees of our Board of Directors – Nomination and Remuneration Committee*" on page 293
Non-Executive, Independent Director	A non-executive, independent Director appointed as per the Companies Act, 2013 and the SEBI Listing Regulations. For further details of our Non-Executive Director(s), see "*Our Management – Board of Directors*" on page 284
Promoters	Collectively, the Individual Promoters and Corporate Promoters
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in "*Our Promoters and Promoter Group*" on page 304
Promoter Group Selling Shareholders	Nandini Khaitan and Shashi Khaitan
Promoter Selling Shareholders	Pradeep Khaitan, Pawan Khaitan and Ravi Khaitan
Registered Office	The registered office of our Company, situated at Kemwell Manor, 5th floor, 10/D/2, Ho Chi Minh Sarani, Kolkata – 700 071, West Bengal, India
"Registrar of Companies" or "RoC"	Registrar of Companies, West Bengal at Kolkata
Restated Consolidated Financial Information	The Restated Consolidated Financial Information comprise financial statements of the Company and its subsidiaries (collectively, "**the Group**") and its associate. The Restated Consolidated Financial Information of our Company comprises of the restated consolidated statement of assets and liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022 and restated consolidated statement of profit and loss (including other comprehensive income), restated consolidated statement of changes in equity and restated consolidated financial statement of cash flows for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, a summary of material accounting policies, and other explanatory information of our Company which includes jointly controlled operations of the Group accounted on proportionate basis, compiled from the audited consolidated financial statements of the Group and its associate as at

Term(s)	Description
	and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, which were prepared in accordance with the Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (referred to as "**Ind AS**"). The Restated Consolidated Financial Information have been restated in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI.
Risk Management Committee	The risk management committee of our Board constituted in accordance with the SEBI Listing Regulations, and as described in "*Our Management - Committees of the Board – Risk Management Committee*" on page 296
Selling Shareholders	Collectively, the Promoter Selling Shareholders and Promoter Group Selling Shareholders
"Shareholder(s)"	The holders of the Equity Shares from time to time.
"Senior Management Personnel" or "SMP"	Senior management personnel of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations as described in "*Our Management – Key Managerial Personnel and Senior Management Personnel*" on page 301
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board constituted in accordance with the Companies Act, 2013 and the SEBI Listing Regulations, as described in "*Our Management – Committees of our Board of Directors – Stakeholders' Relationship Committee*" on page 294
Specified Securities	Specified securities means 'equity shares' and 'convertible securities' as defined under Regulation 30(2)(1)(eee) of SEBI ICDR Regulations
Subsidiaries	The subsidiaries of our Company, being Rahee Track Technologies Private Limited, Rahee Steeltech Private Limited, Response Metalcrafts Private Limited and Serpentine Weldtech Engineering Private Limited, the details of which are set out in "*Subsidiaries, Associate and Jointly Controlled Operations*" on page 278

Offer related terms

Term	Description
Abridged Prospectus	The memorandum containing such salient features of a prospectus as may be specified by the SEBI in this regard
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"	Allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Offered Shares pursuant to the Offer for Sale, in each case to the successful Bidders
Allotment Advice	The note or advice or intimation of Allotment, sent to all the Bidders who have bid in the Offer after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, who applies under the Anchor Investor Portion in accordance with the SEBI ICDR Regulations and the Red Herring Prospectus who has Bid for an amount of at least ₹100 million
Anchor Investor Allocation Price	The price at which allocation will be done to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus. The Anchor Investor Allocation Price shall be determined by our Company, in consultation with the BRLMs
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 as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Anchor Investor Bid/ Offer Period	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 Managers will not accept any Bids from Anchor Investors and allocation to the 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 BRLMs
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, not later than one Working Day after the Bid/Offer Closing Date

Term	Description
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the BRLMs, 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 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 to authorise an SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of the UPI Mandate Request by UPI Bidders 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 a UPI Bidder, which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder using the UPI Mechanism
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	Bidder(s), except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Bankers to the Offer	The Escrow Collection Bank(s), the Refund Bank(s), the Public Offer Account Bank(s) and the Sponsor Bank(s), as the case may be
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, described in "*Offer Procedure*" on page 466
Bid	An indication to make an offer during the Bid/Offer Period by ASBA Bidders pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Offer Period by the Anchor Investors pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto, in accordance with the SEBI ICDR Regulations and the Red Herring Prospectus and the relevant Bid cum Application Form. The term "Bidding" shall be construed accordingly
Bid Amount	In relation to each Bid, the highest value of the Bids indicated in the Bid cum Application Form (less Employee Discount, if any) and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid and in the case of Retail Individual Bidders, 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 ASBA Bidder, as the case may be, upon submission of such Bid Eligible Employees applying in the Employee Reservation Portion can apply at the Cut Off Price and the Bid Amount shall be Cap Price, net of Employee Discount, if any, multiplied by the number of Equity Shares Bid for such Eligible Employee and mentioned in the Bid cum Application Form The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹500,000 (net of Employee Discount, if any). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000 (net of Employee Discount, if any). Only in the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000 (net of Employee Discount, if any)
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the case may be
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, which shall be notified in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper, and all editions of [●], a Bengali daily newspaper (Bengali being the regional language of West Bengal, where our Registered Office is located), each with wide circulation. Our Company, in consultation with the BRLMs, 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

Term	Description
	Regulations. In case of any revision, the extended Bid/Offer Closing Date shall be widely disseminated by notification to the Stock Exchanges and shall also be notified on the websites of the BRLMs and at the terminals of the Syndicate Members and communicated to the Designated Intermediaries and the Sponsor Bank(s), which shall also be notified in an advertisement in the same newspapers in which the Bid/Offer Opening Date was published, as required under the SEBI ICDR Regulations
Bid/Offer Opening Date	Except in relation to any Bids received from Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and all editions of [●], a Bengali daily newspaper (Bengali being the regional language of West Bengal, where our Registered Office is located), each with wide circulation
Bid/Offer Period	Except in relation to any bids received from the 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. Provided that the Bid/Offer Period shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., the Designated Branches for SCSBs, Specified Locations for 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 described in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
"Book Running Lead Managers" or "BRLMs"	The book running lead managers to the Offer, being IIFL Securities Limited and Equirus Capital Private Limited
Broker Centres	The broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker (in case of UPI Bidders, using the UPI Mechanism). The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), updated from time to time
"CAN" or "Confirmation of Allocation Note"	Notice or intimation of allocation of the Equity Shares to be sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/ Offer Period
Cap Price	The higher end of the Price Band, subject to any revision thereto, above which the Offer Price and Anchor Investor Offer 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(s) Agreement	The agreement to be entered into among our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, Syndicate Members, and the Bankers to the Offer for collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account(s) and where applicable, remitting refunds of the amounts collected from Bidders, on the terms and conditions thereof
Client ID	Client identification number maintained with one of the Depositories in relation to a dematerialised account
"Collecting Depository Participant" or "CDPs"	A depository participant, as defined under the Depositories Act and registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the UPI Circulars, issued by SEBI as per the list available on the websites of the Stock Exchanges, as updated from time to time
Cut-off Price	The Offer Price, finalised by our Company, in consultation with the BRLMs, which shall be any price within the Price Band. Only Retail Individual Investors Bidding in the Retail Portion are entitled to Bid at the Cut- off Price. No other category of Bidders is entitled to Bid at the Cut-off Price Only Retail Individual Bidders bidding in the Retail Portion and Eligible Employees Bidding in the Employee Reservation Portion are entitled to Bid at the Cut-off Price (net of Employee Discount, if any, for Eligible Employees). QIBs (including Anchor Investor) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation, bank account details and UPI ID, as applicable

Term	Description
Designated Branches	Such branches of the SCSBs which will collect the ASBA Forms used by the ASBA Bidders and a list of which is available on the website of the SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time, or any such other website as may be prescribed by the SEBI
Designated CDP Locations	Such centres of the CDPs where ASBA Bidders can submit the ASBA Forms The details of such Designated CDP Locations, along with the names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and updated from time to time
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account(s) to the Public Offer Account(s) or the Refund Account(s), as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, instructions issued through the Sponsor Bank(s)) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account(s), in terms of the Red Herring Prospectus and the Prospectus, following which Equity Shares will be Allotted in the Offer
Designated Intermediaries	Collectively, the Syndicate, Sub-Syndicate Members/agents, SCSBs (other than in relation to RIBs using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the Bidders in the Offer In relation to ASBA Forms submitted by RIBs Bidding in the Retail Portion, and HNIs bidding with an application size of up to ₹0.50 million (not using the UPI Mechanism) and Eligible Employees in the Employee Reservation Portion 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 Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, Sub-Syndicate Members, Registered Brokers, SCSBs, CDPs and RTAs In relation to ASBA Forms submitted by QIBs (excluding Anchor Investors) and NIIs (not using the UPI Mechanism), Designated Intermediaries shall mean SCSBs, Syndicate, Sub- Syndicate Members, Registered Brokers, SCSBs, CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to the 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) and updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	[●]
“Draft Red Herring Prospectus” or “DRHP”	This draft red herring prospectus dated September 30, 2024 filed with SEBI and issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda hereto
Employee Discount	Our Company, in consultation with the BRLMs, may offer a discount of up to [●]% on the Offer Price (equivalent of ₹ [●] per Equity Share) to Eligible Employees which shall be announced at least two Working Days prior to the Bid / Offer Opening Date
Eligible Employees	Permanent employees, working in India (excluding such employees who are not eligible to invest in the Offer under applicable laws), of our Company or of Corporate Promoter or of our Subsidiaries; or a Director of our Company, whether whole-time or not, as of the date of the filing of the Red Herring Prospectus with the RoC and continues to be a permanent employee until the date of submission of the Bid cum Application Form, but not including (i) Promoters; (ii) persons belonging to the Promoter Group; or (iii) Directors who either themselves or through their relatives or through any body corporate, directly or indirectly, hold more than 10% of the outstanding Equity Shares of our Company. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000 (net of Employee Discount, if any). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000. Only in the event of an under-subscription in the Employee Reservation Portion post initial Allotment,

Term	Description
	such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000 (net of Employee Discount, if any)
Eligible FPIs	FPIs that are eligible to participate in the Offer 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 constitutes an invitation to purchase the Equity Shares offered thereby
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Red Herring Prospectus and the Bid cum Application Form will constitute an invitation to subscribe to or purchase the Equity Shares
Employee Reservation Portion	The portion of the Offer being up to [●] Equity Shares aggregating ₹[●] million which shall not exceed 5% of the post-Offer equity share capital of our Company, available for allocation to Eligible Employees, on a proportionate basis
Equirus	Equirus Capital Private Limited
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 the Anchor Investors will transfer money through direct credit or NACH or NEFT or RTGS in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	The bank(s), which are clearing member(s) and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Escrow Account(s) will be opened, in this case, being [●]
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name appears as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revisions thereof, at or above which the Offer Price and Anchor Investor Offer Price will be finalised and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares
Fraudulent Borrower	A company or person, as the case may be, categorised as a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on fraudulent borrowers issued by the RBI and as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Fresh Issue	The fresh issue component of the Offer comprising an issuance of up to [●] Equity Shares at ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹4,200.00 million by our Company Our Company, in consultation with the BRLMs, may consider an issue of Specified Securities, as may be permitted under applicable law, to any person(s), aggregating up to ₹ 840.00 million at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus
"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 BRLMs
Gross Proceeds	The gross proceeds of the Fresh Issue that will be available to our Company
IIFL	IIFL Securities Limited
Monitoring Agency	[●]
Monitoring Agency Agreement	The agreement to be entered into between our Company and the Monitoring Agency prior to filing of the Red Herring Prospectus

Term	Description
Mutual Fund(s)	Mutual fund(s) registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Mutual Fund Portion	5% of the Net QIB Portion or [●] Equity Shares 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
Net Offer	The Offer less the Employee Reservation Portion
Net Proceeds	Gross 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-related expenses, see "*Objects of the Offer*" on page 122
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Net Offer consisting of [●] Equity Shares, which 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 Bidders with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two-thirds of such portion shall be reserved for Bidders 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, subject to valid Bids being received at or above the Offer Price
"Non-Institutional Bidders" or "NIBs" or "Non-Institutional Investors"	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with SEBI that are not QIBs (including Anchor Investors) or Retail Individual Bidders or Eligible Employees bidding in the Employee Reservation Portion who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Offer	The initial public offering of up to [●] Equity Shares of face value of ₹ 2 each for cash at a price of ₹[●] each, aggregating up to ₹[●] million, comprising of the Fresh Issue and the Offer for Sale. The offer comprises the Net Offer and Employee Reservation. Our Company, in consultation with the BRLMs, may consider an issue of Specified Securities, as may be permitted under applicable law, to any person(s), aggregating up to ₹ 840.00 million at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.
Offer Agreement	The agreement dated September 30, 2024 entered into among our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements have been agreed to in relation to the Offer
Offer for Sale	The offer for sale of up to 2,780,857 Equity Shares aggregating up to ₹[●] million by the Selling Shareholders including up to 1,059,843 Equity Shares aggregating up to ₹[●] million by Pradeep Khaitan, up to 519,400 Equity Shares aggregating up to ₹[●] million by Pawan Khaitan, up to 834,257 Equity Shares aggregating up to ₹[●] million by Ravi Khaitan, up to 52,500 Equity Shares aggregating up to ₹[●] million by Nandini Khaitan and up to 314,857 Equity Shares aggregating up to ₹[●] million by Shashi Khaitan
Offer Price	The final price (within the Price Band) at which Equity Shares will be Allotted to the successful Bidders (except for the Anchor Investors), in terms of the Red Herring Prospectus and the Prospectus, which shall not be lower than the face value of the Equity Shares. 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 BRLMs in terms of the Red Herring Prospectus. The Offer Price will be determined by our Company, in consultation with the BRLMs, on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus.

Term	Description
	A discount of ₹ [●] per Equity Share may be offered to Eligible Employees bidding in the Employee Reservation Portion. This Employee Discount, if any, will be decided by our Company, in consultation with the BRLMs.
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholders. For details about use of the Offer Proceeds, see "*Objects of the Offer*" on page 122.
Offered Shares	Up to 2,780,857 Equity Shares of face value of ₹ 2 each aggregating up to ₹[●] million, being offered in the Offer for Sale by the Selling Shareholders
Pre-IPO Placement	Our Company, in consultation with the BRLMs, may consider an issue of Specified Securities, as may be permitted under applicable law, to any person(s), aggregating up to ₹ 840.00 million at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.
Price Band	Price band of a minimum price of ₹[●] per Equity Share (*i.e.,* the Floor Price) and the maximum price of ₹[●] per Equity Share (*i.e.*, the Cap Price), including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall be less than or equal to 120% of the Floor Price. The Price Band and the minimum Bid Lot and Employee Discount, if any, for the Offer will be decided by our Company, in consultation with the BRLMs, and shall be notified in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and all editions of [●], a Bengali daily newspaper (Bengali being the regional language of West Bengal, where our Registered Office is located), each with wide circulation, 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 BRLMs, shall finalize the Offer Price
Promoters' Contribution	Aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company that is eligible to form part of the minimum promoter's contribution, as required under the provisions of the SEBI ICDR Regulations, held by our Promoters, which shall be locked-in for a period of 18 months from the date of Allotment
Prospectus	The prospectus for the Offer to be filed with the RoC on or after the Pricing Date in accordance with the provisions of Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations, and 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 addenda or corrigenda thereto
Public Offer Account(s)	'No-lien' and 'non-interest-bearing' bank account(s) opened in accordance with Section 40(3) of the Companies Act, 2013, with the Public Offer Account Bank(s) to receive money from the Escrow Account(s) and the ASBA Accounts maintained with the SCSBs on the Designated Date
Public Offer Account Bank(s)	The bank(s) which are clearing members and registered with the SEBI as a banker to an issue under the SEBI BTI Regulations, with which the Public Offer Account(s) shall be opened, being [●]
"Qualified Institutional Buyer(s)" or "QIBs"	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIB Bidders	QIBs who Bid in the Offer
QIB Portion	The portion of the Offer (including Anchor Investor Potion) being not more than 50% of the Net Offer comprising [●] Equity Shares, which shall be available for allocation on a proportionate basis to QIBs (including Anchor Investors), subject to valid Bids being received at or above the Offer Price or the Anchor Investor Offer Price, as applicable
"Red Herring Prospectus" or "RHP"	The red herring prospectus for the Offer to be issued by our Company in accordance with the Companies Act and the SEBI ICDR Regulations which will not have complete particulars of the Offer Price and 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 after filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto

Term	Description
Refund Account(s)	The account opened with the Refund Bank from which refunds, if any, of the whole or part of the Bid Amount shall be made to Anchor Investors
Refund Bank(s)	The bank which are a clearing member registered with SEBI under the SEBI BTI Regulations, with whom the Refund Account(s) will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate, and eligible to procure Bids in terms of circular number no. CIR/CFD/14/2012 dated October 4, 2012 and the UPI Circulars, issued by SEBI
Registrar Agreement	The agreement dated September 30, 2024 entered into among our Company, the 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"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids from relevant Bidders at the Designated RTA Locations in terms of SEBI circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI and as per the list available on the websites of BSE and NSE, and the UPI Circulars
"Registrar to the Offer" or "Registrar"	KFin Technologies Limited
"Retail Individual Bidders" or "RIBs" or "RII" or "Retail Individual Investors"	Individual Bidders who have Bid for Equity Shares for an amount of not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through the *karta* and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Portion	Portion of the Offer being at least 35% of the Net Offer, consisting of [●] Equity Shares, which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, which shall not be less than the minimum Bid Lot, subject to valid Bids being received at or above the Offer Price
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in their Bid cum Application Forms or any previous Revision Forms. QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of the quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion Bidding in the Retail Portion (subject to the Bid Amount being up to ₹200,000) can revise their Bids during the Bid/Offer Period and can withdraw their Bids until the Bid/Offer Closing Date
"Self-Certified Syndicate Banks" or "SCSBs"	The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40, or such other website as may be prescribed by SEBI from time to time In accordance with the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, and SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, issued by SEBI, UPI Bidders using UPI Mechanism may apply through the SCSBs and mobile applications (apps) whose name appears on the SEBI website. The said list is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId =43, as updated from time to time
Share Escrow Agent	[●]
Share Escrow Agreement	The agreement to be entered into among the Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding Centres where the Syndicate shall accept ASBA Forms from the Bidders, a list of which is which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
Sponsor Bank(s)	Bank(s) registered with SEBI which will be appointed by our Company to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and/or payment instructions of the UPI Bidders into the UPI, in this case being [●]
"Syndicate" or "members of the Syndicate"	Collectively, the BRLMs and the Syndicate Members
Syndicate Agreement	The agreement to be entered into among the members of the Syndicate, our Company, the Selling Shareholders and the Registrar to the Offer in relation to the collection of Bid cum Application Forms by the Syndicate

Term	Description
Syndicate Members	Syndicate members as defined under Regulation 2(1)(hhh) of the SEBI ICDR Regulations, namely, [●]
Underwriters	[●]
Underwriting Agreement	The agreement to be entered into among our Company, the Selling Shareholders and the Underwriters, on or after the Pricing Date but before filing of the Prospectus with the RoC
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI
UPI Bidders	Collectively, individual investors applying as (i) Retail Individual Bidders in the Retail Portion (ii) individuals applying as Non-Institutional Bidders with a Bid Amount of up to ₹500,000 in the Non-Institutional Portion and (iii) Eligible Employees Bidding under the Employee Reservation Portion, and Bidding under the UPI Mechanism through ASBA Forms(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹500,000 shall use the UPI Mechanism and shall provide their UPI ID in the Bid cum Application Form submitted with: (i) a Syndicate Member, (ii) a stock broker registered with a recognised 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	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI 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/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, to the extent these circulars are not rescinded by the SEBI RTA Master Circular), SEBI RTA Master Circular (to the extent it pertains to UPI), SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022, and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022, and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard
UPI ID	An ID created on UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Bidder 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(s) to authorise blocking of funds in the relevant ASBA Account through the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism that may be used by a UPI Bidder in accordance with the UPI Circulars to make an ASBA Bid in the Offer
UPI PIN	Password to authenticate UPI transaction
"Wilful Defaulter"	A company or person, as the case may be, categorised as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI and as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Working Day(s)	All days on which commercial banks in Mumbai, India 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 and business-related terms

Term(s)	Description
Ballastless Track	Railway track formation made with concrete bed, without use of loose ballast on track bed. Rails are directly held on the concrete bed using base plates and fastening system.
Ballasted Tracks	Railway track formation using track ballast to form the track bed upon which railway sleepers are laid to hold the rails.
EPC	Engineering, Procurement and Construction
Dhenkanal, Odisha Fabrication Unit	Our steel fabrication unit located in Dhenkanal, Odisha
Fabrication Units	Collectively, the Dhenkanal, Odisha Fabrication Unit and the Howrah, West Bengal Fabrication Unit
Flash Butt Welding	Electrical resistance-based butt welding technology for welding of two rails on track
H-beam steel sleeper/ H-beam sleepers	Steel sleepers made from H Beam rolled section
Howrah, West Bengal Fastening and Steel Sleeper Unit	Our fastening and steel sleeper unit located in Howrah, West Bengal
Howrah, West Bengal Fastening, Bolt and Rail Pad Unit	Our fastening, bolt and rail pad unit located in Howrah, West Bengal
Howrah, West Bengal Fabrication Unit	Our fabrication unit located in Howrah, West Bengal
Howrah, West Bengal Track and Turnout Devices Unit	Our track and turnout devices located in Howrah, West Bengal
HSR/HSR(s)	High Speed Rail/ High Speed Rails
HTW crossing	Heat Treated Welded Crossings
Indian Railways	A statutory body under the Ministry of Railways, Government of India which operates India's national railway system.
Mainline Tracks	The primary rail network for plying of rolling stock from one point to other.
Manufacturing Facilities	Collectively, the Howrah -West Bengal Fastening and Steel Sleeper Unit, the Howrah-West Bengal Fastening, Bolt and Rail Pad Unit, Howrah-West Bengal Fabrication Unit and the Howrah, West Bengal Track and Turnout Devices Unit, Sangareddy District-Telangana Track and Turnout Devices Unit and Dhenkanal, Odisha Fabrication Unit
Metro Rail	Rapid transit or mass rapid transit system, commonly referred to as metro rail, is a type of high-capacity public transport that is generally built in urban areas.
National Rail Plan	Plan prepared by Indian Railway, aimed to formulate strategies based on both operational capacities and commercial policy initiatives to increase modal share of the Railways
Pandrol Rahee	Pandrol Rahee Technologies Private Limited, our Associate
Pandrol Rahee Fastenings Unit	A fastenings unit operated by Pandrol Rahee Technologies Private Limited
Pandrol Rahee Castings Unit	A ductile iron castings unit operated by Pandrol Rahee Technologies Private Limited
Rail expansion joints	A product used on track to compensate the thermal expansion and contraction of rails
RDSO	Research Design and Standards Organisation
Sangareddy District, Telangana Track and Turnout Devices Unit	Our track and turnout devices located in Sangareddy District, Telangana
Swing nose crossings	A type of crossing where the nose is movable with use of point machine
Switch Expansion Joint	A product used on track to compensate the thermal expansion and contraction of rails
Turnout components	Fittings used to lay the turnout rails on the sleepers such as clips, base plates, rail pads and plastic insulators
Tracktec	Track Tec GmbH Poland
Turnout systems	A mechanical system laid on track to help change the direction of the train
Vande Bharat Express	A semi-high speed train operated by the Indian Railways.
Zero Restraint Fastening System	A specialised fastening system for bridges, designed to apply zero force for holding the rails, thereby allowing free expansion contraction of rails on bridges

Conventional Terms/Abbreviations

Term	Description
AGM	Annual General Meeting
"Alternative Investment Funds" or "AIFs"	Alternative investment funds as defined in, and registered under the SEBI AIF Regulations
BSE	BSE Limited
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF
Category I FPIs	FPIs registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF
Category II FPIs	FPIs registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF
CDSL	Central Depository Services (India) Limited
CIN	Corporate identity number
Companies Act, 1956	The Companies Act, 1956, read with the rules, regulations, clarifications and modifications notified thereunder
"Companies Act" or "Companies Act, 2013"	The Companies Act, 2013, read with the rules, regulations, clarifications and amendments notified thereunder
CSR	Corporate social responsibility
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996, as amended
"DP" or "Depository Participant"	A depository participant as defined under the Depositories Act
DIN	Director Identification Number
DP ID	Depository Participant's identity number
DPIIT	Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
EGM	Extraordinary General Meeting
EPS	Earnings per share
FDI	Foreign direct investment
FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT through notification dated October 15, 2020 effective from October 15, 2020
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations notified thereunder
"FEMA Non-debt Instruments Rules" or the "FEMA NDI Rules"	The Foreign Exchange Management (Non-debt Instruments) Rules, 2019
"Financial Year" or "Fiscal(s)" or "Fiscal Year" or "FY"	The period of 12 months ending March 31 of that particular calendar year
FPIs	Foreign portfolio investors as defined in, and registered with SEBI under the SEBI FPI Regulations
Fugitive Economic Offender	Fugitive Economic Offender as defined under Regulation 2(1)(p) of the SEBI ICDR Regulations
FVCI	Foreign Venture Capital Investors (as defined under the SEBI FVCI Regulations) registered with SEBI
GDP	Gross Domestic Product
"Government of India" or "Central Government" or "GoI"	The Government of India
GST	Goods and Services Tax
HUF(s)	Hindu undivided family(ies)
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Income Tax Act	Income-tax Act, 1961
Ind AS	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013, as amended
Ind AS 24	Indian Accounting Standard 24, "Related Party Disclosures", notified under Section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended

Term	Description
Ind AS 37	Indian Accounting Standard 37, "Provisions, Contingent Liabilities and Contingent Assets", notified under Section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015, as amended
Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016, as amended
"INR" or "Rupee" or "₹" or "Rs."	Indian Rupee, the official currency of the Republic of India
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IRDAI Investment Regulations	Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016
IST	Indian Standard Time
IT	Information technology
MCA	Ministry of Corporate Affairs, Government of India
MSMEs	Micro, small and medium enterprises
N.A./ NA	Not Applicable
NACH	National Automated Clearing House
NBFC	Non-Banking Financial Companies
Net Asset Value (NAV)	NAV is calculated by dividing net asset by number of equity shares outstanding at the end of the year adjusted for the split in the face value of the equity shares and issue of Bonus Equity Shares
NEFT	National electronic fund 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 Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. Therefore, net worth for the Company includes paid-up share capital, retained earnings, securities premium, other comprehensive income, capital redemption reserve and general reserve and excludes capital reserve on business combinations under common control, as at March 31, 2024, March 31, 2023 and March 31, 2022
NPCI	National Payments Corporation of India
"NR" or "Non-resident"	A person resident outside India, as defined under the FEMA, including Eligible NRIs, FPIs and FVCIs registered with the SEBI
NRI	A person resident outside India, as defined under FEMA
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
P/E Ratio	Price/earnings ratio
PAN	Permanent Account Number allotted under the Income Tax Act
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RTGS	Real time gross settlement
SCORES	SEBI Complaints Redress System
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SMS	Short message service
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
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 ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended

Term	Description
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Mutual Fund Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI RTA Master Circular	SEBI master circular bearing SEBI/HO/MIRSD/POD-1/P/CIR/2024/37dated May 7, 2024
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employees 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	The erstwhile Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed pursuant to the SEBI AIF Regulations
"Systemically Important NBFCs" or "NBFC-SI"	Systemically important non-banking financial company registered with the RBI and as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Stock Exchanges	The BSE and the NSE
TAN	Tax deduction and collection account number
U.S. GAAP	Generally accepted accounting principles in the United State of America
U.S. Securities Act	The United States Securities Act of 1933, as amended
"US$" or "USD" or "US Dollar"	United States Dollar, the official currency of the United States of America
"USA" or "U.S." or "US"	United States of America
VCFs	Venture capital funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
"Year" or "Calendar Year"	Unless the context otherwise requires, shall mean the twelve-month period ending December 31

Financial and operational Key Performance Indicators

KPI	Description
Revenue from operations	Revenue from operations is used by the management to track the revenue profile of the business and in turn helps assess the overall financial performance of the Company and size of the business.
Total Income	Total Income is used by the management to track the revenue from operations profile and other income of the overall business and in turn helps assess the overall financial performance of the Company and size of the business.
Revenue CAGR (Fiscal 2022 – Fiscal 2024)	Growth in revenue from operations provides information regarding the growth of the business for the respective period.
EBITDA	EBITDA provides information regarding the operational profitability of the business. It facilitates evaluation of the year-on-year performance of the business. This excludes share of profit from associates.
EBITDA Margin	EBITDA Margin (%) is an indicator of the operational profitability of company's business and assists in tracking the margin profile of the business and the historical performance and provides financial benchmarking against peers.
Profit after tax (excluding profit of share of associate)	PAT (excluding profit of share of associate) represents the profit/loss that the company's make for the financial year or during a given period. It provides information regarding the overall profitability of the company's business.
Profit after tax (attributable to owners of the Company including share of profit of associate)	Profit after tax (attributable to owners of the company including share of profit of associate) refers to the portion of net profit that is specifically attributable to the shareholders or owners of the parent company including earnings from associates. It provides information about actual earnings that belong to the shareholders of the company.
PAT Margin (excluding share of profit of associate) (%)	PAT Margin (excluding share of profit of associate) (%) is an indicator of the overall profitability of the company's business and provides financial benchmarking against peers as well as to compare against the historical performance of company's business.
Net Worth	Net Worth is an indicator of a company's financial standing/ position as of a certain date. Net Worth is also known as Book Value or Shareholders' Equity.
Net Debt to Equity Ratio	The Net Debt to Equity Ratio is a measure of the extent to which a company can cover debt and represents debt position in comparison to the company's equity position. It helps evaluate company's financial leverage.
Net Debt to EBITDA Ratio	Net Debt to EBITDA ratio enables to measure the ability and extent to which a company can cover debt in comparison to the EBITDA being generated by the Company.
Return on Net Worth (%)	Return on Net worth (%) represents how efficiently a company generate profits from the shareholders' funds.

KPI	Description
Return on Capital Employed (ROCE)	Return on Capital Employed represents how efficiently a company generate earnings before interest & tax from the capital employed.
Net Working Capital	Net Working Capital financial metric that measures company's liquidity and ability to meet short-term obligations.
Net Working Capital Days	Net Working Capital Days is a metric that shows how many days it takes for a company to convert its working capital into sales revenue.
Order Book	Order Book represents the estimated contract value of the unexecuted portion of the existing assigned EPC contracts and manufacturing orders received by the Company and is an indicator of visibility of future revenue for our Company.
Order Book-to-bill ratio	Book-to-Bill Ratio is an indicator of the size of the order book as of a particular period to the revenue generated for that period.
Percentage of revenue from repeat customers	% of revenue from repeat customers indicates the repeat business received from top 20 customers and is an indicator of the repeat business received from top 20 customers. Repeat business is defined as revenue earned from those customers in the current fiscal from whom revenue was earned in Fiscal 2021, 2022, or 2023.
Revenue from top 10 customers	Revenue from top 10 customers indicates the Company's reliance on top 10 customers.
Bid Closed	Bid Closed is the aggregate value of the bids submitted by the Company for which the result was declared in the Fiscal year and indicates the bidding intensity of the Company to win new business.
Bid Won	Bids Won is the aggregate value of new contracts won in the Fiscal and indicates the new business won by the Company.
Bid to Win Ratio	Bid to Win Ratio is an indicator of the success of the Company in winning new business.

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain conventions

All references to "India" contained in this Draft Red Herring Prospectus are to the Republic of India and its territories and possessions and all references herein 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 to the "U.S.", "U.S.A." or the "United States" are to the United States of America and its territories and possessions.

Unless otherwise specified, all references to time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time ("**IST**"). Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

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

Financial data

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

Unless stated otherwise or the context otherwise requires, the financial data and financial ratios in this Draft Red Herring Prospectus are derived from the Restated Consolidated Financial Information. The Restated Consolidated Financial Information comprise financial statements of the Company and its subsidiaries (collectively, "**the Group**") and its associate. The Restated Consolidated Financial Information of our Company comprises of the restated consolidated statement of assets and liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022 and restated consolidated statement of profit and loss (including other comprehensive income), restated consolidated statement of changes in equity and restated consolidated financial statement of cash flows for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, a summary of material accounting policies, and other explanatory information of our Company which includes jointly controlled operations of the Group accounted on proportionate basis, compiled from the audited consolidated financial statements of the Group and its associate as at and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, which were prepared in accordance with the Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (referred to as "**Ind AS**"). The Restated Consolidated Financial Information have been restated in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI.

Unless otherwise stated or the context otherwise indicates, any percentage amounts, (excluding certain operational metrics), as set out in "*Offer Document Summary*", "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 22, 36, 232 and 390. Restated Consolidated Financial Information for the Fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022 included in this Draft Red Herring Prospectus are derived from audited consolidated financial statements for the Fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022 prepared in accordance with Ind AS, the provisions of the Companies Act and other accounting principles generally accepted in India and restated by our Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI. Ind AS differs from accounting principles with which you may be familiar, such as Indian GAAP, IFRS and US GAAP.

Ind AS, Indian GAAP, IFRS and U.S. GAAP differ in certain significant respects from other accounting principles and standards with which investors may be more familiar. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of Indian GAAP, IFRS, U.S. GAAP or any other accounting principles or standards. If we were to prepare our financial statements in accordance with such other accounting principles, our results of operations, financial condition and cash flows may be substantially different. For details in connection with risks involving differences between Ind AS, Indian GAAP, IFRS and U.S. GAAP, see "*Risk Factors – Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as US GAAP and IFRS which may affect investors' assessments of our Company's financial condition*" on page 70. Prospective investors should consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. 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, Ind AS, the Companies

Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

All figures, including financial information, in decimals (including percentages) have been rounded off to two decimals. However, where any figures may have been sourced from third-party industry sources, such figures may be rounded-off to such number of decimal points as provided in such respective sources. In this Draft Red Herring Prospectus, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row; any such discrepancies are due to rounding off.

All figures in diagrams and charts, including those relating to financial information, operational metrics and key performance indicators, have been rounded to the nearest decimal place, whole number, thousand or million, as applicable.

Non-Generally Accepted Accounting Principles Financial Measures

Certain Non-Generally Accepted Accounting Principles ("**Non-GAAP**") measures presented in this Draft Red Herring Prospectus such as NAV, EBITDA, EBITDA Margin, PAT Margin, ROCE, RoNW, Net Working Capital, Order Book-to-Bill Ratio, Order Book, Revenue CAGR, Net Debt to EBITDA Ratio, Net Working Capital Days, and Net Debt to Equity Ratio are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the year / period 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, or IFRS. In addition, these Non-GAAP measures, and other statistical and other 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, a comparison of similarly titled Non-GAAP measures or statistical or other information relating to operations and financial performance between companies may not be possible. Other companies may calculate the Non-GAAP measures differently from us, limiting their usefulness as a comparative measure. Although the Non-GAAP measures are not a measure of performance calculated in accordance with applicable accounting standards, we compute and disclose them as our Company's management believes that they are useful information in relation to our business and financial performance.

Currency and units of presentation

All references to:

(i) "₹" or "Rupees" or "Rs." or "INR" are to Indian Rupees, the official currency of the Republic of India.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in millions, except where specifically indicated. One million represents 10 lakh or 1,000,000 and ten million represents 1 crore or 10,000,000. However, where any figures that may have been sourced from third party industry sources are expressed in denominations other than millions in their respective sources, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in such respective sources.

Exchange rates

This Draft Red Herring Prospectus contains conversions 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 information with respect to the exchange rate between the Indian Rupee and the U.S. Dollar, as on the dates indicated, is set out below:

(in ₹)

Currency	Exchange Rate as on		
	March 31, 2024	March 31, 2023	March 31, 2022
1 US$	83.37	82.22	75.81

Source: www.fbil.org.in

Note: If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day has been disclosed. Exchange rate is rounded off to two decimal places.

Industry and market data

Unless stated otherwise, industry related information and market data contained in this Draft Red Herring Prospectus, including in "*Risk Factors*", "*Industry Overview*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 36, 151, 232 and 390, respectively, have been obtained or derived from the report titled

"*Industry Research Report on Indian Railway Infrastructure*" dated September 2024 that has been prepared by CARE ("**CARE Report**") 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 which is available on the website of our Company at https://www.rahee.com/investor. CARE was appointed by our Company and does not have direct/ indirect interest in or relationship with our Company, Promoters, Directors, KMPs, SMPs or the Book Running Lead Managers as confirmed pursuant to their consent letter dated September 27, 2024, except to the extent of issuing the CARE Report. For risks in relation to the CARE Report, see "*Risk Factors – Certain sections of this Draft Red Herring Prospectus contain information from the CARE Report which we commissioned and purchased and any reliance on such information for making an investment decision in the Offer is subject to inherent risks*" on page 64.

Except for the CARE Report, we have not commissioned any report for purposes of this Draft Red Herring Prospectus and any market and industry related data, other than that extracted or obtained from the CARE Report, used in this Draft Red Herring Prospectus has been obtained or derived from publicly available documents and other industry sources.

The CARE Report is subject to the following disclaimer:

This report is prepared by CARE Analytics and Advisory Private Limited (CareEdge Research). CareEdge Research has taken utmost care to ensure veracity and adequacy of the information while developing this report based on information available in CareEdge Research's proprietary database, and other sources including the information in public domain, considered by CareEdge Research as reliable after exercise of reasonable care and diligence. The views and opinions expressed herein do not constitute the opinion of CareEdge Research to buy or invest in this industry, sector or companies operating in this sector or industry and is also not a recommendation to enter into any transaction in this industry or sector in any manner whatsoever.

This report has to be seen in its entirety; the selective review of portions of the report may lead to inaccurate assessments. All forecasts in this report are based on assumptions considered to be reasonable by CareEdge Research at the time of issuance of this report; however, the actual outcome may be materially affected by changes in the industry and economic circumstances, which could be different from the projections.

Nothing contained in this report is capable or intended to create any legally binding obligations on the sender or CareEdge Research. The subscriber/user assumes the entire risk of any use made of this report or data herein. This report is for the information of the authorized recipient in India only and any reproduction of the report or part of it would require explicit written prior approval of CareEdge Research.

CareEdge Research shall reveal the report to the extent necessary and called for by appropriate regulatory agencies, viz., SEBI, RBI, Government authorities, etc., if it is required to do so.

Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but the accuracy, completeness and relevance of such information shall be subject to the disclaimers, context and underlying assumptions of such sources. The data used in these sources may have been reclassified or re-ordered by us for the purposes of presentation. Data from these sources may also not be comparable. The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends upon the reader's familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which our Company conducts business and methodologies and assumptions may vary widely among different market and industry sources. The CARE Report is disclosed in the Offer Documents and there are no parts, information, data (which may be relevant for the proposed Offer), left out or changed in any manner. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "*Risk Factors – Certain sections of this Draft Red Herring Prospectus contain information from the CARE Report which we commissioned and purchased and any reliance on such information for making an investment decision in the Offer is subject to inherent risks*" on page 64.

In accordance with the SEBI ICDR Regulations, "*Basis for Offer Price*" on page 134 includes information relating to our peer group companies. Such information relating to our peer group has been derived from publicly available sources or the CARE Report, believed to be reliable and verified by J B S & Company, Chartered Accountants, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Accordingly, no investment decision should be made solely on the basis of such information.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain statements which are not statements of historical fact and may be described as "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "goal", "expect", "estimate", "intend", "objective", "plan", "project", "should" "will", "will continue", "seek to", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements 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. For the reasons described below, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Therefore, 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.

These forward-looking statements are based on our present plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements.

Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as statements based on them could prove to be inaccurate. Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which we operate 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, volatility 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 laws, regulations and taxes, changes in competition in our industry, incidence of natural calamities and/or acts of violence.

Important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

1. Dependence on railroad infrastructure projects undertaken or awarded by government authorities and other government owned public sector undertakings;

2. Dependence on our Manufacturing Facilities and we are subject to certain risks in our manufacturing process due to the usage of heavy machinery in our manufacturing operations;

3. Dependence on a significant part of our revenue from some customers;

4. Our raw material cost constitutes a significant percentage of our total expenses;

5. Reliance on a limited number of suppliers for our raw material;

6. Dependence on securing tenders for projects, which involves cost estimations for the bidding process and is a competitive process;

7. The number of orders we have received in the past, our current order book and our growth rate may not be indicative of the number of orders we will receive in future;

8. Impact of delays in the collection of receivables from our customers;

9. Failure to comply with the high quality standards and stringent performance requirements by our customers may lead to the cancellation of existing and future orders, recalls, liquidated damages, invocation of performance bank guarantees, security deposit or warranty and indemnity or liability claims; and

10. Reliance on our Associate, Pandrol Rahee Technologies Limited, to carry out the manufacture of advanced rail fastening systems and impact of termination of the agreement.

Certain information in "*Risk Factors*", "*Industry Overview*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 36, 151, 232 and 390, respectively, of this Draft Red Herring Prospectus have been obtained from the CARE Report prepared by CARE.

For further discussion of 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 36, 232 and 390, 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 gains or losses in the future could materially differ from those that have been estimated and are not 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 our 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. None of our Company, our Promoters, our Directors, our KMPs, SMPs, the Selling Shareholders, the Syndicate or any of their respective affiliates has 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 the SEBI ICDR Regulations, our Company will ensure that investors are informed of material developments from the date of the Red Herring Prospectus until the date of Allotment pursuant to the Offer.

In accordance with regulatory requirements including requirements of SEBI and as prescribed under applicable law, the Selling Shareholders will, ensure that investors in India are informed of material developments in relation to the statements and undertakings specifically made or confirmed by them in relation to themselves as a Selling Shareholders and their respective Offered Shares from the date of the Red Herring Prospectus until the date of Allotment pursuant to the Offer. Only statements and undertakings which are specifically confirmed or undertaken by the Selling Shareholders about or in relation to themselves as a Selling Shareholders and their respective Offered Shares, in this Draft Red Herring Prospectus shall be deemed to be statements and undertakings made by the Selling Shareholders.

OFFER DOCUMENT SUMMARY

The following is a general summary of certain disclosures and terms of the Offer included in this Draft Red Herring Prospectus and is neither exhaustive, nor purports to contain a summary of all the disclosures in this Draft Red Herring Prospectus or the Red Herring Prospectus or the Prospectus when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the detailed information appearing elsewhere in this Draft Red Herring Prospectus, including "Risk Factors", "The Offer", "Capital Structure", "Objects of the Offer", "Industry Overview", "Our Business", "Our Promoters and Promoter Group", "Financial Information", "Outstanding Litigation and Material Developments", "Offer Procedure" "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Description of Equity Shares and Terms of the Articles of Association Interpretation" on pages 36, 83, 94, 122, 151, 232, 304, 316, 434, 466, 390 and 486, respectively.

*Unless otherwise indicated, industry and market data used in this section has been derived from industry report titled 'Industry Research Report on Indian Railway Infrastructure' dated September 2024 ("**CARE Report**") prepared and issued by CARE Ratings Limited ("**CARE**"), appointed by us and exclusively commissioned and paid for by us in connection with the Offer. Unless otherwise indicated, all 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. CARE was appointed by our Company and is not connected to our Company, our Directors, and our Promoters. A copy of the CARE Report is available on the website of our Company at https://www.rahee.com/investor.*

Summary of the primary business of our Company

We are an integrated railway civil engineering, manufacturing and construction company in India with a 31.69% CAGR growth in revenue from Fiscal 2022 to Fiscal 2024. We are focused on providing manufacturing and construction services including the design, supply, construction and installation of tracks, turnkey bridge construction projects including both substructure and superstructure and the design, manufacture and supply of turnouts and track devices, rail fastening systems and sleepers. We are an RDSO approved supplier of turnouts and special track devices to the Indian Railways. We also manufacture and supply advanced rail fastening systems to the Indian Railways which are used in metros and HSRs in India. We are an EPC contractor of ballastless tracks for Mainline in India for the Indian Railways.

For further details, see "*Our Business*" on page 232.

Summary of the industry in which our Company operates

As per the National Rail Plan, capital investments in rail track infrastructure is estimated to be approximately ₹24 trillion till CY2051 of which 62% is for high speed rail. The projected investment in Semi-High Speed Railways is expected to increase from ₹327 billion in CY2024 to ₹596 billion in CY2030. The projected investment in Mainline Tracks is expected to increase from ₹470 billion in CY2024 to ₹696 billion in CY2030. The projected investment in Metro Rail is expected to increase from ₹210 billion from CY 2024 to ₹319 billion in CY2030. As per the CARE Report, the projected market size for railway turnouts and points crossings are expected to increase from ₹11,995 million in CY2024 to ₹18,957 million in CY2030 at a CAGR of 8%. The expected CAGR is at 9% for railway bridges which is expected to grow from ₹63,749 million in 2024 to ₹106,192 million in 2030.

For further details, see "*Industry Overview*" on page 151.

Names of our Promoters

Our Promoters are Pradeep Khaitan, Pawan Khaitan, Ravi Khaitan, Mridul Commodities Private Limited, Rahee Viniyog Limited, Shalimar Fabricators Private Limited and PPR Associates. For details, see "*Our Promoters and Promoter Group*" on page 304.

Offer size

The details of the Offer are summarised below:

Offer of Equity Shares(1)(3)	Up to [●] Equity Shares of face value of ₹ 2 each for cash at price of ₹ [●] per Equity Share (including a share premium of [●] per Equity Share) aggregating up to ₹ [●] million
of which:	
(i) Fresh Issue(1)(3)	Up to [●] Equity Shares of face value of ₹ 2 each aggregating up to ₹ 4,200.00 million
(ii) Offer for Sale(2)	Up to 2,780,857 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million
The Offer comprises:	
Employee Reservation Portion(4)	Up to [●] Equity Shares aggregating up to ₹ [●] million

Net Offer	[●] Equity Shares aggregating up to ₹ [●] million

(1) *The Offer has been authorised by a resolution of our Board of Directors at their meeting held on September 28, 2024 and our Board has taken on record the participation of the Selling Shareholders in the Offer for Sale pursuant to a resolution dated September 28, 2024. The Fresh Issue has been authorised by our Shareholders pursuant to a special resolution passed on September 28, 2024.*

(2) *Each of the Selling Shareholders, severally and not jointly, have confirmed their participation of their respective portion in the Offer for Sale vide the consent letters dated September 27, 2024. The Selling Shareholders have confirmed that the Offered Shares have been held by them, severally and not jointly, for a period of at least one year prior to filing of this Draft Red Herring Prospectus in accordance with Regulation 8 of the SEBI ICDR Regulations and accordingly, are eligible for the Offer in accordance with the provisions of the SEBI ICDR Regulations. For details on the authorization of the Selling Shareholders in relation to the Offered Shares, see "The Offer" and "Other Regulatory and Statutory Disclosures" on pages 83 and 444, respectively.*

(3) *Our Company, in consultation with the BRLMs, may consider an issue of Specified Securities, as may be permitted under applicable law, to any person(s), aggregating up to ₹ 840.00 million at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.*

(4) *In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000 (net of Employee Discount) subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000 (net of Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion after allocation up to ₹ 500,000 (net of Employee Discount) shall be added to the Net Issue. Our Company may, in consultation with the BRLMs, consider offering a discount of ₹ [●] per Equity Share to Eligible Employees, which shall be announced at least two Working Days prior to the Bid / Offer Opening Date. For details, see "Offer Structure" beginning on page 461.*

The Offer and Net Offer shall constitute [●]% and [●]% of the post Offer paid up Equity Share capital of our Company, respectively. The above table summarises the details of the Offer. For further details of the offer, see "*The Offer*" and "*Offer Structure*" on pages 83 and 461, respectively.

Objects of the Offer

The objects for which the Net Proceeds from the Fresh Issue shall be utilised are as follows:

Particulars	Amount (in ₹ million)(2)
Funding of capital expenditure requirements of our Company towards purchase of machinery, equipment and vehicles	500.00
Funding the working capital requirements of our Company	2,800.00
General corporate purposes(1)	[●]
Net Proceeds(1)	[●]

(1) *To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Fresh Issue.*

(2) *Our Company, in consultation with the BRLMs, may consider an issue of Specified Securities, as may be permitted under applicable law, to any person(s), aggregating up to ₹ 840.00 million at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.*

For further details, see "*Objects of the Offer*" on page 122.

Aggregate pre-Offer and post-Offer shareholding of our Promoters, members of the Promoter Group and Selling Shareholders as a percentage of the paid-up Equity Share capital of our Company

The aggregate pre-Offer and post-Offer shareholding of our Promoters, members of our Promoter Group and Selling Shareholders as a percentage of the pre-Offer paid-up and post-Offer paid-up Equity Share capital of our Company is set out below:

Name of the Shareholder	Number of Equity Shares held as on the date of this DRHP	Percentage of the pre-Offer paid-up Equity Share capital (%)	Percentage of the post-Offer paid-up Equity Share capital (%)#
Promoters			
Pradeep Khaitan*	4,074,320	6.28	[●]
Ravi Khaitan*	4,811,810	7.41	[●]
Pawan Khaitan*	2,586,520	3.99	[●]
Mridul Commodities Private Limited	30,925,890	47.66	[●]
Rahee Viniyog Limited	17,358,300	26.75	[●]
PPR Associates	311,500	0.48	[●]
Total holding of the Promoters (A)	**60,068,340**	**92.57**	[●]
Promoter Group			
Shashi Khaitan**	629,710	0.97	[●]
Nandini Khaitan**	522,860	0.81	[●]
Rahul Khaitan	1,315,290	2.03	[●]
Ayush Khaitan	178,000	0.27	[●]
Pawan Kumar Khaitan (HUF)	177,760	0.27	[●]
Pradeep Kumar Khaitan (HUF)	1,570,930	2.42	[●]
Ravi Kumar Khaitan (HUF)	75,470	0.12	[●]
Nehal Mittal	189,000	0.29	[●]
Prerna Agarwal	49,290	0.08	[●]
Total holding of the Promoter Group (other than Promoters) (B)	**4,708,310**	**7.26**	[●]
Total (A + B = C)	**64,776,650**	**99.83**	[●]

* *Also, the Promoter Selling Shareholders*

** *Also, the Promoter Group Selling Shareholders*

\# *To be updated in the Prospectus*

Summary of Selected Financial Information

Summary of selected financial information derived from our Restated Consolidated Financial Information is as follows:

(in ₹ million, except per share data)

Particulars	As at and for the Fiscal		
	March 31, 2024	March 31, 2023	March 31, 2022
(A) Equity Share capital	64.89	64.89	64.89
(B) Net worth(1)	3,133.49	2,423.92	1,937.96
(C) Revenue from operations	9,657.37	7,858.21	5,568.38
(D) Profit/ (loss) after tax	609.97	505.31	439.01
(E) Profit/ (loss) for the year	761.25	521.24	470.96
(F) Basic earnings per equity share (in ₹/share)(2)	10.99	7.65	5.83
(G) Diluted earnings per equity share (in ₹/share)(2)	10.99	7.65	5.83
(H) Net Asset Value per share (in ₹/share)(3)	48.29	37.36	29.87
(I) Total borrowings(4)	2,140.95	1,576.96	1,381.74

Notes:

1. *Net Worth means the aggregate value of paid-up share capital and other equity created out of the profits, 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, derived from the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation, capital reserves and amalgamation.*
2. *Basic EPS and Diluted EPS for all the year are considered post the spilt in the face value of equity shares and issue of Bonus Equity Shares in accordance with Ind AS 33 – Earning Per Share notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended). Basic EPS and Diluted EPS = Restated profit for the year attributable to equity shareholders of the Company divided by total weighted average number of equity shares outstanding at the end of the year.*
3. *NAV is calculated by dividing net asset by number of equity shares outstanding at the end of the year adjusted for the split in the face value of the equity shares and issue of Bonus Equity Shares.*
4. *Total borrowings includes current and non-current borrowings.*

For further details, see "*Restated Consolidated Financial Information*" on page 316.

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

There are no auditor qualifications in the auditor's examination report for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 and accordingly, there are no qualifications which have not been given effect to in the Restated Consolidated Financial Information.

Summary of outstanding litigation

A summary of outstanding litigation proceedings involving our Company, Subsidiaries, Directors, Group Companies and Promoters, in accordance with the SEBI ICDR Regulations and the Materiality Policy, as of the date of this Draft Red Herring Prospectus is disclosed below:

Name of Individual/Entity	Number of Criminal Proceedings	Number of Tax Proceedings	Number of Statutory or Regulatory Proceedings	Number of Disciplinary Actions by the SEBI or the stock exchanges against our Promoters in the last five Fiscals	Number of Material Civil Proceedings	Aggregate amount involved (*in ₹ million*)*
Company						
Against our Company	1	8	1	Not applicable	3	209.03
By our Company	1	Nil	Nil	Not applicable	2	12.97
Directors**						
Against our Directors	2	11	1	Not applicable	3	14.88
By our Directors	Nil	Nil	Nil	Not applicable	Nil	Nil
Promoters						
Against our Promoters	2	16	1	Nil	3	20.39
By our Promoters	Nil	Nil	Nil	Not applicable	Nil	Nil
Subsidiaries						
Against our Subsidiaries	Nil	Nil	1	Not applicable	Nil	Nil
By our Subsidiaries	Nil	Nil	Nil	Not applicable	Nil	Nil
Group Companies						
Outstanding litigation that has a material impact on our Company	Nil	Nil	Nil	Not applicable	Nil	Nil

* *To the extent quantifiable*

** *Includes Directors who are Promoters*

For further details, see "*Outstanding Litigation and Material Developments*" on page 434.

Risk Factors

The following is a summary of the top ten risk factors in relation to our Company:

1. Dependence on railroad infrastructure projects undertaken or awarded by government authorities and other government owned public sector undertakings;

2. Dependence on our Manufacturing Facilities and we are subject to certain risks in our manufacturing process due to the usage of heavy machinery in our manufacturing operations;

3. Dependence on a significant part of our revenue from some customers;

4. Our raw material cost constitutes a significant percentage of our total expenses;

5. Reliance on a limited number of suppliers for our raw material;

6. Dependence on securing tenders for projects, which involves cost estimations for the bidding process and is a competitive process;

7. The number of orders we have received in the past, our current order book and our growth rate may not be indicative of the number of orders we will receive in future;

8. Impact of delays in the collection of receivables from our customers;

9. Failure to comply with the high quality standards and stringent performance requirements by our customers may lead to the cancellation of existing and future orders, recalls, liquidated damages, invocation of performance bank guarantees, security deposit or warranty and indemnity or liability claims; and

10. Reliance on our Associate, Pandrol Rahee Technologies Limited, to carry out the manufacture of advanced rail fastening systems and impact of termination of the agreement.

Investors should please see the section entitled "*Risk Factors*" beginning on page 36 to have an informed view before making an investment decision.

Summary of contingent liabilities

The details of our contingent liabilities (as per Ind AS 37) as on March 31, 2024, derived from the Restated Consolidated Financial Information are as set out below:

(in ₹ million)

Particulars	As of March 31, 2024
a) Liabilities in respect to guarantees issued by Banks & Others	
1.) Inland Bank Guarantee (Indian Bank, ICICI Bank, Axis Bank, Union Bank of India & BOI)	2,312.25
2.) Foreign Bank Guarantee (Union Bank of India, Axis Bank)	4.36
3.) Corporate Guarantee	308.00
b) Claims against the Group not acknowledged as debts	
Value Added Taxes	16.30
Central Sales Taxes	-
Entry Taxes	0.48
Central Excise Taxes	-
Service Tax (inclusive of penalty)	102.81
Income Tax	45.20

Note 1: The Company including one of its Subsidiary Company has received an Order dated 24th May, 2023 under section 147 read with section 144B of the Income tax Act, 1961 in respect of A.Y. 2013-14 with a demand of Rs.120.03 million (including interest liability of ₹64.64 million). The group has filed an appeal u/s 246A of the Income Tax Act, 1961 against the aforesaid order disputing the fact the additional income of ₹163.79 million was added to taxable income without any details or particulars in the assessed order. In view of the above, the group does not envisage any liability arising out of the same. The same has been disposed off during the year ended 31st March 2024.

Note 2: The Company including one of its Subsidiary Company aggrieved order passed by Central Excise-Adj. Hyderabad in year 2014-2015 and on demand of ₹ 61.25 million under Central excise duty plus interest and penalty, has filed appeal with CESTAT-Hyderabad and an amount of ₹4.59 million was deposited under protest toward the said demand raised by the Department. The concerned Appellate Authority has passed Order dated 10.07.2023 in favour of the group. Accordingly, the Company has made application for refund for pre-deposit amount of ₹ 4.59 million lying with concerned department. The same has been disposed off during the year ended 31st March 2024.

Note 3: The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

Note 4: During the month of March 2024, the Income Tax Department ('the department') had conducted a search under section 132 of the Income Tax Act, 1961 ('the Act') at the Company along with its one of the subsidiary Company's registered office, corporate office, few of its manufacturing locations, residence of few of its key managerial personnel, other premises and few of its group entities. During the search proceedings, the Company along with its Subsidiary and group entities provided necessary information and responses to the department. The department has also seized cash amounting to ₹3.00 million from the residence of key managerial personnel. Additionally, the department has taken certain documents, data backups and other information for further investigation. Subsequently, the department issued summons to Assesses / witnesses under Section 131/137/36 of the Act on the Company, Subsidiary Company and its group companies. All such entities have complied with such notices and as on date of approval of Restated Consolidated financial information, the department has not issued any demand notice etc on the Company/Subsidiary Company / group entities. As per the Company's tax advisors, the outcome can only be determined after the assessment/re-assessment proceedings are initiated. Based on the above, no material adjustment is envisaged by the management at this stage to these Restated Consolidated Financial Information.

For details, see "*Restated Consolidated Financial Information – Note 45*" on page 360.

Summary of related party transactions

A summary of the related party transactions for the Fiscals ended March 31, 2024, 2023 and 2022 as per Ind AS 24 – Related Party Disclosures read with the SEBI ICDR Regulations and derived from our Restated Consolidated Financial Information is set out below:

(in ₹ million)

Particulars	Relationship with Company	For the F.Y. 2023-24	Percentage of Revenue from operations for F.Y. 2023-24	For the F.Y. 2022-23	Percentage of Revenue from operations for F.Y. 2022-23	For the F.Y. 2021-22	Percentage of Revenue from operations for F.Y. 2020-21
Sales/Fabrication/Commission Income							
Pandrol Rahee Technologies (P) Ltd (Sale)	**Associate Companies**	112.42	1.16%	40.59	0.52%	49.63	0.89%
Shalimar Fabricators Pvt Ltd.	**Enterprise where KMP along with relatives have significant influence or Control**	5.10	0.05%	2.15	0.03%	1.78	0.03%
Pandrol Rahee Technologies (P) Ltd (Commission)	**Associate Companies**	115.62	1.20%	15.52	0.20%	-	-
Pandrol Rahee Precision Industries Pvt Ltd	**Enterprise where KMP along with relatives have significant influence or Control**	0.03	0.00%	1.72	0.02%	-	-
Financial Guarantee Commission Income							
Pandrol Rahee Technologies (P) Ltd	**Associate Companies**	2.31	0.02%	1.61	0.02%	-	-
Purchase/Fabrication Charges							
Pandrol Rahee Technologies (P) Ltd	**Associate Companies**	437.64	4.53%	580.23	7.38%	269.93	4.85%
Shalimar Fabricators Pvt Ltd.	**Enterprise where KMP along with relatives have significant influence or Control**	85.10	0.88%	274.25	3.49%	334.53	6.01%
Fixed Assets Sale							
Shalimar Fabricators Pvt. Ltd.	**Enterprise where KMP along with relatives have significant influence or Control**	0.27	0.00%	-	-	-	-
Fixed Assets Purchase							
Shalimar Fabricators Pvt. Ltd.	**Enterprise where KMP along with relatives have significant influence or Control**	48.64	0.50%	-	-	-	-
Pandrol Rahee Technologies Pvt Ltd	**Enterprise where KMP along with relatives have significant influence or Control**	1.54	0.02%	-	-	-	-
Equipment Hire Charges							
Shalimar Fabricators Pvt. Ltd.	**Enterprise where KMP along with relatives have significant influence or Control**	37.74	0.39%	4.03	0.05%	-	-
Labour Charges							
Shalimar Fabricators Pvt. Ltd.	**Enterprise where KMP along with relatives have significant influence or Control**	103.62	1.07%	96.63	1.23%	-	-
Pandrol Rahee Technologies Pvt Ltd	**Enterprise where KMP along with relatives have**	0.76	0.01%	-	-	-	-

Particulars	Relationship with Company	For the F.Y. 2023-24	Percentage of Revenue from operations for F.Y. 2023-24	For the F.Y. 2022-23	Percentage of Revenue from operations for F.Y. 2022-23	For the F.Y. 2021-22	Percentage of Revenue from operations for F.Y. 2020-21
	significant influence or Control						
Car Hire Charges							
Shalimar Fabricators Pvt. Ltd.	**Enterprise where KMP along with relatives have significant influence or Control**	5.74	0.06%	-	-	-	-
Repairing Charges							
Shalimar Fabricators Pvt. Ltd.	**Enterprise where KMP along with relatives have significant influence or Control**	-	-	0.01	0.00%	-	-
Director Sitting Fees							
Anushree Jain	**Key Management Personnels (KMP)**	0.16	0.00%	0.21	0.00%	-	-
Rajesh Kumar Bansal	**Key Management Personnels (KMP)**	0.36	0.00%	0.39	0.00%	-	-
Dinkar Rai Joshi	**Key Management Personnels (KMP)**	0.22	0.00%	0.08	0.00%	-	-
Interest Income							
Pandrol Rahee Precision Industries Pvt Ltd	**Enterprise where KMP along with relatives have significant influence or Control**	-	-	-	-	1.32	0.02%
Shalimar Fabricators Pvt. Ltd.	**Enterprise where KMP along with relatives have significant influence or Control**	-	-	0.70	0.01%	0.47	0.01%
Mridul Commodities (P) Ltd.	**Entity exercising significant influence over company**	2.91	0.03%	3.31	0.04%	1.36	0.02%
Rahee Viniyog Ltd.	**Enterprise where KMP along with relatives have significant influence or Control**	0.43	0.00%	-	-	1.54	0.03%
RWJ Mercantile Pvt. Ltd.	**Enterprise where KMP along with relatives have significant influence or Control**	0.48	0.00%	2.04	0.03%	0.74	0.01%
Staff deputation charges received							
Pandrol Rahee Precision Industries Pvt Ltd	**Enterprise where KMP along with relatives have significant influence or Control**	-	-	1.10	0.01%	0.42	0.01%
Interest Payment							
Mridul Commodities (P) Ltd.	**Entity exercising significant influence over company**	2.70	0.03%	3.73	0.05%	2.51	0.05%
Shalimar Fabricators Pvt. Ltd.	**Enterprise where KMP along with relatives have significant influence or Control**	0.87	0.01%	0.08	0.00%	-	-
Rahee Viniyog Ltd.	**Enterprise where KMP along with**	3.46	0.04%	1.19	0.02%	-	-

Particulars	Relationship with Company	For the F.Y. 2023-24	Percentage of Revenue from operations for F.Y. 2023-24	For the F.Y. 2022-23	Percentage of Revenue from operations for F.Y. 2022-23	For the F.Y. 2021-22	Percentage of Revenue from operations for F.Y. 2020-21
	relatives have significant influence or Control						
Re-imbursement of Expenses							
Avantika Khaitan	**Relatives of KMP**	-	-	0.78	0.01%	-	-
Ayush Khaitan	**Relatives of KMP**	4.75	0.05%	2.84	0.04%	-	-
Devansh Khaitan	**Relatives of KMP**	2.47	0.03%	1.76	0.02%	-	-
Pawan Khaitan	**Key Management Personnels (KMP)**	1.34	0.01%	1.05	0.01%	-	-
Pradeep Khaitan	**Key Management Personnels (KMP)**	0.47	0.00%	0.22	0.00%	-	-
Mr. Ravi Khaitan	**Key Management Personnels (KMP)**	0.89	0.01%	1.53	0.02%	-	-
Loan/Advances Repayment							
Mridul Commodities (P) Ltd	**Entity exercising significant influence over company**	177.17	1.83%	39.98	0.51%	162.33	2.92%
Shalimar Fabricators Pvt. Ltd.	**Enterprise where KMP along with relatives have significant influence or Control**	-	-	11.11	0.14%	-	-
Rahee Viniyog Ltd.	**Enterprise where KMP along with relatives have significant influence or Control**	220.43	2.28%	38.98	0.50%	-	-
Loan/Advances Taken							
Mridul Commodities (P) Ltd	**Entity exercising significant influence over company**	100.00	1.04%	120.70	1.54%	122.50	2.20%
Shalimar Fabricators Pvt. Ltd.	**Enterprise where KMP along with relatives have significant influence or Control**	1.50	0.02%	7.18	0.09%	-	-
Rahee Viniyog Ltd.	**Enterprise where KMP along with relatives have significant influence or Control**	243.80	2.52%	94.15	1.20%	19.18	0.34%
Loan/Advances Given							
Pandrol Rahee Precision Industries Pvt Ltd	**Enterprise where KMP along with relatives have significant influence or Control**	-	-	-	-	13.22	0.24%
Mridul Commodities (P) Ltd	**Entity exercising significant influence over company**	100.00	1.04%	50.00	0.64%	90.00	1.62%
Shalimar Fabricators Pvt. Ltd.	**Enterprise where KMP along with relatives have significant influence or Control**	-	-	-	-	9.95	0.18%
Rahee Viniyog Ltd.	**Enterprise where KMP along with relatives have significant influence or Control**	100.00	1.04%	-	-	2.75	0.05%
RWJ Mercantile Pvt. Ltd.	**Enterprise where KMP along with relatives have**	22.40	0.23%	25.43	0.32%	12.60	0.23%

Particulars	Relationship with Company	For the F.Y. 2023-24	Percentage of Revenue from operations for F.Y. 2023-24	For the F.Y. 2022-23	Percentage of Revenue from operations for F.Y. 2022-23	For the F.Y. 2021-22	Percentage of Revenue from operations for F.Y. 2020-21
	significant influence or Control						
Mr. Pradeep Khaitan	**Key Management Personnels (KMP)**	-	-	-	-	0.24	0.00%
Mr. Pawan Khaitan	**Key Management Personnels (KMP)**	-	-	-	-	5.21	0.09%
Mr. Ravi Khaitan	**Key Management Personnels (KMP)**	-	-	-	-	3.83	0.07%
Mr. Rahul Khaitan	**Relatives of KMP**	-	-	-	-	0.50	0.01%
Mr. Ayush Khaitan	**Relatives of KMP**	-	-	-	-	0.68	0.01%
Mr. Devansh Khaitan	**Relatives of KMP**	-	-	-	-	0.08	0.00%
Mrs. Nandini Khaitan	**Relatives of KMP**	-	-	-	-	0.12	0.00%
Advances Given							
Khaitan Brothers	**Enterprise where KMP along with relatives have significant influence or Control**	-	-	0.34	0.00%	0.07	0.00%
Loans / Advances Refund Back (Inclusive of Interest)							
Pandrol Rahee Precision Industries Pvt Ltd	**Enterprise where KMP along with relatives have significant influence or Control**	-	-	-	-	13.22	0.24%
RWJ Mercantile Pvt. Ltd.	**Enterprise where KMP along with relatives have significant influence or Control**	51.10	0.53%	18.90	0.24%	10.50	0.19%
Mr. Pradeep Khaitan	**Key Management Personnels (KMP)**	-	-	-	-	0.10	0.00%
Mr. Pawan Khaitan	**Key Management Personnels (KMP)**	-	-	-	-	5.24	0.09%
Mr. Rahul Khaitan	**Relatives of KMP**	-	-	-	-	0.50	0.01%
Mrs. Chetna Khaitan	**Relatives of KMP**	-	-	-	-	0.10	0.00%
Pawan Kr Khaitan (HUF)	**Enterprise where KMP along with relatives have significant influence or Control**	-	-	-	-	0.01	0.00%
Khaitan Brothers	**Enterprise where KMP along with relatives have significant influence or Control**	0.34	0.00%	-	-	-	-
Salary (including bonus) & Commission							
Mr. Ravi Khaitan	**Key Management Personnels (KMP)**	7.20	0.07%	3.12	0.04%	9.56	0.17%
Mr. Pawan Khaitan	**Key Management Personnels (KMP)**	9.60	0.10%	4.02	0.05%	11.99	0.22%
Mr. Pradeep Khaitan	**Key Management Personnels (KMP)**	2.64	0.03%	-	-	8.00	0.14%
Mr. Ayush Khaitan	**Relatives of KMP**	7.20	0.07%	3.24	0.04%	3.18	0.06%
Mrs. Nandini Khaitan	**Relatives of KMP**	1.50	0.02%	0.78	0.01%	0.77	0.01%
Mrs. Nehal Mittal	**Relatives of KMP**	0.40	0.00%	0.30	0.00%	0.30	0.01%
Mrs. Chetna Khaitan	**Relatives of KMP**	0.60	0.01%	0.60	0.01%	0.59	0.01%
Mr. Devansh Khaitan	**Relatives of KMP**	7.20	0.07%	3.24	0.04%	3.18	0.06%
Mrs. Avantika Khaitan	**Relatives of KMP**	1.50	0.02%	0.78	0.01%	0.77	0.01%
Mrs. Prerna Agarwal	**Relatives of KMP**	0.40	0.00%	0.30	0.00%	0.30	0.01%
Mrs. Shashi Khaitan	**Relatives of KMP**	1.50	0.02%	0.78	0.01%	0.77	0.01%
Ms. Uditi Khaitan	**Relatives of KMP**	1.50	0.02%	0.84	0.01%	0.83	0.01%

Particulars	Relationship with Company	For the F.Y. 2023-24	Percentage of Revenue from operations for F.Y. 2023-24	For the F.Y. 2022-23	Percentage of Revenue from operations for F.Y. 2022-23	For the F.Y. 2021-22	Percentage of Revenue from operations for F.Y. 2020-21
Mr. Rahul Khaitan	**Relatives of KMP**	8.28	0.09%	4.80	0.06%	4.80	0.09%
Mrs. Harshita Khaitan	**Relatives of KMP**	1.50	0.02%	0.78	0.01%	0.77	0.01%
Corporate Guarantee Given							
Pandrol Rahee Technologies (P) Ltd	**Associate Companies**	-	-	124.00	1.58%	60.00	1.08%
Donations Given							
IP Khaitan Charitable Trust	**Enterprise where KMP along with relatives have significant influence or Control**	-	-	0.05	0.00%	0.10	0.00%
Rahee Foundation	**Enterprise where KMP along with relatives have significant influence or Control**	-	-	0.10	0.00%	0.02	0.00%
Dividend Paid							
Mr. Ravi Khaitan	**Key Management Personnels (KMP)**	0.48	0.00%	0.38	0.00%	0.29	0.01%
Mr. Pradeep Khaitan	**Key Management Personnels (KMP)**	0.42	0.00%	0.33	0.00%	0.25	0.00%
Mr. Pawan Khaitan	**Key Management Personnels (KMP)**	0.26	0.00%	0.21	0.00%	0.16	0.00%
Mr. Rahul Khaitan	**Relatives of KMP**	0.13	0.00%	0.11	0.00%	0.08	0.00%
Mr. Ayush Khaitan	**Relatives of KMP**	0.02	0.00%	0.01	0.00%	0.01	0.00%
Mrs. Nandini Khaitan	**Relatives of KMP**	0.05	0.00%	0.04	0.00%	0.03	0.00%
Mrs. Nehal Mittal	**Relatives of KMP**	0.02	0.00%	0.02	0.00%	0.01	0.00%
Mrs. Prerna Agarwal	**Relatives of KMP**	-	-	-	-	-	-
Mrs. Shashi Khaitan	**Relatives of KMP**	0.06	0.00%	0.05	0.00%	0.04	0.00%
Pradeep Kr Khaitan (HUF)	**Enterprise where KMP along with relatives have significant influence or Control**	0.16	0.00%	0.13	0.00%	0.09	0.00%
Pawan Kr Khaitan (HUF)	**Enterprise where KMP along with relatives have significant influence or Control**	0.02	0.00%	0.01	0.00%	0.01	0.00%
Ravi Kr Khaitan (HUF)	**Enterprise where KMP along with relatives have significant influence or Control**	0.01	0.00%	0.01	0.00%	-	-
Mridul Commodities (P) Ltd.	**Entity exercising significant influence over company**	3.09	0.03%	2.47	0.03%	1.86	0.03%
Rahee Viniyog Ltd.	**Enterprise where KMP along with relatives have significant influence or Control**	1.74	0.02%	1.39	0.02%	1.04	0.02%
PPR Associates	**Enterprise where KMP along with relatives have significant influence or Control**	0.03	0.00%	0.02	0.00%	0.02	0.00%

List of Related Party transactions eliminated during the period/year while preparing the Restated Consolidated Financial Information for the FY 2021-22 till 2023-24

(in ₹ million)

Particulars	Relationship with Company	Elimination 23-24	Percentage of Revenue from operations for F.Y. 2023-24	Elimination 22-23	Percentage of Revenue from operation for F.Y. 2022-23	Elimination 21-22	Percentage of Revenue from operations for F.Y. 2020-21
Sales/Fabrication/Commission Income							
Rahee Track Technologies (P) Ltd.	Subsidiaries	287.55	2.98%	76.79	0.98%	389.76	7.00%
Rahee Steeltech Private Limited.	Subsidiaries	1.82	0.02%	-	-	-	-
Financial Guarantee Commission Income							
Rahee Track Technologies (P) Ltd.	Subsidiaries	7.65	0.08%	7.49	0.10%	-	-
Purchase/Fabrication Charges							
Rahee Track Technologies (P) Ltd.	Subsidiaries	7.61	0.08%	0.06	0.00%	0.53	0.01%
Rahee Steeltech Private Limited	Subsidiaries	2.14	0.02%	-	-	-	-
Car Hire Charges							
Rahee Track Technologies (P) Ltd.	Subsidiaries	0.18	0.00%	-	-	-	-
Equipment Hire Charges							
Rahee Track Technologies (P) Ltd.	Subsidiaries	0.20	0.00%	-	-	-	-
Interest Income							
Serpentine Weldtech Engg (P) Ltd.	Subsidiaries	0.04	0.00%	1.62	0.02%	2.20	0.04%
Response Metalcraft Pvt. Ltd.	Subsidiaries	0.10	0.00%	0.08	0.00%	0.07	0.00%
Rahee Steeltech Private Limited	Subsidiaries	2.16	0.02%	2.70	0.03%	0.16	0.00%
Interest Payment							
Rahee Steeltech Private Limited	Subsidiaries	-	-	10.56	0.13%	-	-
Loan/Advances Given							
Serpentine Weldtech Engg (P) Ltd.	Subsidiaries	1.90	0.02%	2.39	0.03%	3.36	0.06%
Response Metalcraft Pvt. Ltd.	Subsidiaries	0.03	0.00%	0.01	0.00%	0.02	0.00%
Rahee Steeltech Private Limited.	Subsidiaries	4.30	0.04%	6.40	0.08%	21.03	0.38%
Loans / Advances Refund Back (Inclusive of Interest)							
Serpentine Weldtech Engg (P) Ltd.	Subsidiaries	1.90	0.02%	25.63	0.33%	-	-
Rahee Steeltech Private Limited	Subsidiaries	0.02	0.00%	12.45	0.16%	-	-
Response Metalcraft Pvt. Ltd.	Subsidiaries	0.94	0.01%	-	-	-	-
Commission Paid							
Serpentine Weldtech Engg (P) Ltd.	Subsidiaries	-	-	3.41	0.04%	5.47	0.10%
Corporate Guarantee Given							
Rahee Track Technologies (P) Ltd.	Subsidiaries	-	-	-	-	150.00	2.69%
Corporate Guarantee Released							
Rahee Track Technologies (P) Ltd.	Subsidiaries	234.20	2.43%	147.00	1.87%	-	-
Investment made							
Serpentine Weldtech Engg (P) Ltd	Subsidiaries	-	-	23.00	0.29%	-	-

For further details of the related party transactions, see "*Restated Consolidated Financial Information – Note 52*" on page 364.

Details of all financing arrangements

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

Weighted average price at which the Specified Securities were acquired by our Promoters and the Selling Shareholders, in the last one year preceding the date of this Draft Red Herring Prospectus

The weighted average price at which the Equity Shares were acquired by our Promoters and Selling Shareholders in the last one year preceding the date of this Draft Red Herring Prospectus are:

Name	Number of Equity Shares acquired in the one year preceding the date of the DRHP#	Weighted average price of acquisition per Equity Share (in ₹)*
Promoters		
Pradeep Khaitan**	2,092,160	Nil
Pawan Khaitan**	1,293,260	Nil
Ravi Khaitan**	2,405,905	Nil
Mridul Commodities Private Limited	15,462,945	Nil
Rahee Viniyog Limited	8,679,150	Nil
PPR Associates	155,750	Nil
Promoter Group Selling Shareholders		
Nandini Khaitan	261,430	Nil
Shashi Khaitan	314,855	Nil

* *As certified by Singhi & Co., Chartered Accountants, by way of their certificate dated September 30, 2024.*
*** Also, the Promoter Selling Shareholders*
 # Allotment pursuant to the bonus issue in the ratio of 1 Equity Share for every 1 Equity Share passed by the Board at their meeting dated August 24, 2024 and approved by the Shareholders at their Extraordinary general meeting dated August 24, 2024.

Average cost of acquisition of shares for our Promoters and the Selling Shareholders

The average cost of acquisition of Equity Shares for our Promoters and Selling Shareholders is as set out below:

Name of acquirer	Number of Equity Shares held as on the date of DRHP	Average cost of Acquisition per Equity Share (in ₹)*
Promoters		
Pradeep Khaitan**	4,074,320	3.19
Pawan Khaitan**	2,586,520	2.82
Ravi Khaitan**	4,811,810	3.32
Mridul Commodities Private Limited	30,925,890	3.89
Rahee Viniyog Limited	17,358,300	4.64
PPR Associates	311,500	12.90
Promoter Group Selling Shareholders		
Nandini Khaitan	522,860	4.29
Shashi Khaitan	629,710	0.67

* *As certified by Singhi & Co., Chartered Accountants, by way of their certificate dated September 30, 2024.*
** *Also, the Promoter Selling Shareholders*

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

The weighted average cost of acquisition of all shares transacted in the last one year, eighteen months and three years preceding the date of this Draft Red Herring Prospectus is as follows:

Period	Weighted average cost of acquisition per Equity Share (in ₹)*^	Cap Price is 'X' times the weighted average cost of acquisition#	Range of acquisition price: Lowest price^ – Highest price (in ₹)*
Last one year preceding the date of this Draft Red Herring Prospectus	60.00	[●]	0-60.00
Last eighteen months preceding the date of this Draft Red Herring Prospectus	60.00	[●]	0-60.00
Last three years preceding the date of this Draft Red Herring Prospectus	60.00	[●]	0-60.00

* *As certified by Singhi & Co., Chartered Accountants, by way of their certificate dated September 30, 2024.*

Information will be included after finalization of the Price Band.
^ The bonus issue in the ratio of 1 Equity Share for every 1 Equity Share passed by the Board at their meeting dated August 24, 2024 and approved by the Shareholders at their extraordinary general meeting dated August 24, 2024.

Details of price at which Specified Securities were acquired in the last three years preceding the date of this Draft Red Herring Prospectus by our Promoters, the Promoter Group, the Selling Shareholders or Shareholder(s) with rights to nominate Director(s) or other special rights

Except as stated below, there have been no Specified Securities 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 Selling Shareholders. There are no Shareholders with nominee director or other special rights. The details of the price at which these acquisitions were undertaken are stated below:

Name of the acquirer	Date of acquisition of Equity Shares	Number of Equity Shares acquired	Acquisition price per Equity Share (in ₹)*^
Promoters			
Pradeep Khaitan**	September 14, 2024	2,092,160	Nil
Pawan Khaitan**	September 14, 2024	1,293,260	Nil
Ravi Khaitan**	September 14, 2024	2,405,905	Nil
Mridul Commodities Private Limited	September 14, 2024	15,462,945	Nil
Rahee Viniyog Limited	September 14, 2024	8,679,150	Nil
PPR Associates	September 14, 2024	155,750	Nil
Promoter Group			
Nandini Khaitan***	September 14, 2024	261,430	Nil
Shashi Khaitan***	September 14, 2024	314,855	Nil
Ayush Khaitan	September 14, 2024	89,000	Nil
Rahul Khaitan	September 14, 2024	657,645	Nil
Pawan Kumar Khaitan (HUF)	September 14, 2024	88,880	Nil
Pradeep Kumar Khaitan (HUF)	September 14, 2024	785,465	Nil
Ravi Kumar Khaitan (HUF)	September 14, 2024	37,735	Nil
Nehal Mittal	September 14, 2024	94,500	Nil
Prerna Agarwal	September 14, 2024	24,645	Nil

* As certified by Singhi & Co., Chartered Accountants, by way of their certificate dated September 30, 2024.
** Also, the Promoter Selling Shareholders.
*** Also, the Promoter Group Selling Shareholders.
^ The bonus issue in the ratio of 1 Equity Share for every 1 Equity Share held by the Shareholders, authorized by a resolution passed by the Shareholders dated August 24, 2024.

Pre-IPO Placement

Our Company, in consultation with the BRLMs, may consider an issue of Specified Securities, as may be permitted under applicable law, to any person(s), aggregating up to ₹ 840.00 million at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

Issuance of equity shares in the last one year for consideration other than cash or bonus issue

Except as disclosed in "*Capital Structure – Issue of shares issued for consideration other than cash or by way of bonus issue"* on page 105, our Company has not issued any Equity Shares in the last one year from the date of this Draft Red Herring Prospectus, for consideration other than cash or bonus issue.

Split/ consolidation of Equity Shares in the last one year

Except as disclosed in "*Capital Structure – Notes to Capital Structure – Share capital history of our Company"* on page 95, our Company has not undertaken split or consolidation of its Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not applied for any exemption under regulation 300 (2) from complying with any provisions of securities laws from SEBI, as on the date of this Draft Red Herring Prospectus.

SECTION II – RISK FACTORS

An investment in our Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry and segments in which we operate or to India. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial, may also impair our business, results of operations, financial condition and cash flows. If any of the following risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our business, results of operations, financial condition and cash flows could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. To obtain a complete understanding of our Company and our business, you should read this section in conjunction with "Our Business", "Industry Overview", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 232, 151, 316 and 390, respectively, as well as the other financial, statistical and other information contained in this Draft Red Herring Prospectus. In making an investment decision, you must rely on your own examination of the terms of the Offer, the Company and its business including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

Our Company's financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular fiscal year are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscal 2024, Fiscal 2023 and Fiscal 2022, 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 316. Please also refer to "Definitions and Abbreviations" on page 1 for certain terms used in this section. The Restated Consolidated Financial Information is based on our audited financial statements and is restated in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations. Our audited financial statements are prepared in accordance with Indian Accounting Standards, which differs in certain material respects with IFRS and U.S. GAAP. For details, see "Risk Factors – Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as US GAAP and IFRS which may affect investors' assessments of our Company's financial condition" on page 70.

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. See "Forward-Looking Statements" on page 20.

Unless the context otherwise requires, in this section, references to "we", "us", "our" "our Company" or "the Company" refers to Rahee Infratech Limited and its Subsidiaries on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Industry Research on Indian Railways Infrastructure " dated September 2024 (the "**CARE Report**", and the date of the CARE Report, the "**Report Date**") 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 an engagement letter entered into with our Company dated June 6, 2024. 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 is available on the website of our Company at www.rahee.com/investors. 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. There are no parts, data or information (which may be relevant for the proposed issue), that have been left out or changed in any manner. The views expressed in the CARE Report are that of CARE. For more information and risks in relation to commissioned reports, see "Risk Factors – Certain sections of this Draft Red Herring Prospectus contain information from the CARE Report which we commissioned and purchased and any reliance on such information for making an investment decision in the Offer is subject to inherent risks" on page 64. Also see, "Certain Conventions, Presentation of Financial, Industry and Market Data – Industry and Market Data" on page 18.*

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. You 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.

Internal Risk Factors

1. ***Our business and revenues are substantially dependent on railroad infrastructure projects undertaken or awarded by government authorities and other government owned public sector undertakings. 77.31% of our revenue from operations in Fiscal 2024 is from government authorities and entities related to the government. Any change in government policies or the restructuring of existing projects may adversely affect our business and results of operations. Further, revenue from government contracts is prone to delays and longer working capital cycles, which could in turn adversely affect our business and results of operations.***

Our business and revenues are substantially dependent on railway infrastructure projects including bridge works and track works undertaken or awarded by government authorities and other entities related to the government such as zonal railways and public sector undertakings. Set out below is our revenue contribution from contracts awarded to us by the government and government-controlled entities in Fiscal 2024, Fiscal 2023 and Fiscal 2022, together with such revenue contribution as a percentage of our total revenue from operations for the same period:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)
Government authorities and entities related to the government	7,466.01	77.31%	5,300.95	67.46%	4,093.06	73.51%

We expect such contracts to continue to account for a high percentage of our revenue from operations in the future. Any adverse change in the policies adopted by the central government regarding award of its projects such as pre-qualification criteria could adversely affect our ability to bid for and/ or win such projects.

Further, the projects in which central and state governments participate may be subject to delays, extensive internal processes, policy changes, and changes due to local, national and internal political forces, insufficiency of government funds or changes in budget allocations of governments or other entities. Since government entities are responsible for awarding contracts and are parties to the development and operation of certain of our projects, our business is directly and significantly dependent on their support and co-operation. Any withdrawal of support or adverse changes in their policies may lead to our agreements being restructured or renegotiated and could, though not monetarily quantifiable at this time, materially and adversely affect our financing, capital expenditure, revenues, development or operations relating to our existing projects as well as our ability to participate in competitive bidding or negotiations for our future projects. This in turn could materially and adversely affect our results of operations and financial condition. While there have been no instances of renegotiation or restructuring of contracts by such government and government controlled entities in the last three Fiscals, we cannot assure you that such instances may not occur in the future which may have an impact on our business and financial condition.

Our ability to negotiate the terms of contracts with the government and the state government is limited and we may be required to accept unusual or onerous provisions in such contracts in order to be engaged for such projects. While we would typically be paid for works completed prior to the date of termination, no further amount would be payable to us by the customer. This could result in the resources allocated by us to a terminated project being rendered idle until such assets are assigned in another project or being rendered permanently redundant. While there have been no instances of termination of our contracts with customers in the last three Fiscals, we cannot assure you that such instances may not occur in the future which may have an impact on our business and financial condition.

Central and state governments, zonal railways and other government bodies typically take a longer period than corporates in the private sector to make payment for services rendered. Our reliance on contracts with government bodies may lead to a longer working capital cycle. There is no assurance that we will be able to obtain payment from the zonal railways and other government bodies in a timely fashion, or, if bad debts fall due, that we will be able to enforce repayment for such amounts.

2. ***Our business is dependent on and will continue to depend on our Manufacturing Facilities, and we are subject to certain risks in our manufacturing process due to the usage of heavy machinery in our manufacturing operations. Any slowdown or shutdown in our manufacturing operations could have an adverse effect on our business, cash flows, financial condition and results of operations.***

We have four Manufacturing Facilities located in Howrah, West Bengal and Sangareddy District, Telangana and two steel fabrication sites located in Howrah, West Bengal and Dhenkanal, Odisha. Our Associate, Pandrol Rahee has a fastenings manufacturing facility in Hyderabad, Telangana and a castings facility in Barjora, West Bengal. Any disruptions, breakdown or shutdown of our Manufacturing Facilities, due to, *inter alia*, (i) breakdown or failure of equipment, (ii) disruption in power supply or processes, (iii) performance below expected levels of efficiency, (iv) obsolescence, (v) labour disputes, (vi) infectious diseases (such as the COVID-19 pandemic), (vii) political instability, (viii) natural calamities like storms, and (ix) fire hazards could result in the damage or destruction of a significant portion of our manufacturing abilities, significant delays in the transport of our products and raw materials and/or otherwise adversely affect our business, results of operations, financial condition, cash flows and future prospects.

Our business is dependent upon our ability to manage our Manufacturing Facilities, which are subject to various operating risks. Any significant malfunction or breakdown of our machinery, our equipment, our IT systems or any other part of our manufacturing processes or systems may entail significant repair and maintenance costs and cause delays in our operations. If we are unable to maintain, repair our machinery, equipment, IT systems or any other part of our manufacturing processes or systems in a timely manner or at all, our operations may need to be suspended until we procure the appropriate machinery, equipment or systems to replace them. In addition, we may be required to carry out planned shutdowns of our facilities for maintenance, inspections and testing, or may shut down certain facilities for capacity expansion and equipment upgrades. In Fiscal 2024, 2023 and 2022, we have spent ₹26.31 million, ₹29.33 million and ₹36.56 million, respectively, towards general repair and maintenance of our machinery and equipment. We cannot assure you that such general repair and maintenance costs for our machinery will not increase in the future which could have a material adverse effect on our business, results of operations, financial condition, cash flows and future prospects. Interruptions in production may also increase our costs and reduce our sales and may require us to make substantial capital expenditures to remedy the situation or to defend litigation that we may become involved in as a result, which may negatively affect our reputation, profitability, business, financial condition, results of operations, cash flows and prospects.

Our business operations involve the usage of heavy machinery such as cantilever erection crawler cranes, mobile heavy lift cranes and pick and carry cranes which are operated by our employees. These activities can be extremely dangerous and any accident, including any mechanical and operational failures could cause serious injury to people or property and in certain circumstances, even death. We have had one incident in Fiscal 2024 where during track laying work, an employee fractured his leg due to an accident. Further, an incident occurred where a cement mixer truck owned by our Company was involved in a road accident which resulted in the death of a person. We cannot assure you that such incidents may not occur in the future. Any disruption in the operation of our Manufacturing Facilities due to any of the foregoing risks could adversely affect our business, financial condition, results of operation and prospects. In addition, many of these operating and other risks may result in suspension of our operations and the imposition of civil or criminal penalties. Any accident caused due to mechanical or operational failure may cause our workforce to discontinue working at our Manufacturing Facilities due to concerns of safety, which may have an adverse impact on operations. Our Manufacturing Facility may also be adversely impacted by a shortage or unavailability of electricity or water. For further details, see "*Risk Factors - A shortage or unavailability of electricity could affect our manufacturing operations and may have an adverse effect on our business, results of operations and financial condition*" on page 58.

We also undertake mobile flash butt welding through our fleet of five flash butt welding machines. These mobile flash butt welding manufacturing units, which are road-cum-rail vehicles, allow us to address the requirements of our customers in a wide geographical expanse. Due to its mobile nature, these manufacturing units are subject to various external factors which may impact their operations and increase maintenance costs. While no such incidents have occurred in Fiscal 2024, Fiscal 2023 and Fiscal 2022, we cannot assure you that such incidents may not occur in the future, which may have an adverse effect on our business, results of operations or financial condition.

Our inability to effectively respond to any slowdown or shutdown and to rectify any disruption, in a timely manner and at an acceptable cost, could also lead to an inability to comply with our customers' requirements and would result in us breaching our contractual obligations which would have a material adverse effect on our financial condition and results of operations.

3. ***We derive a significant part of our revenue from some customers. If one or more of such customers choose not to source their requirements from us or to terminate our contracts or purchase orders, our business, cash flows, financial condition and results of operations may be adversely affected.***

The table set forth below provides the revenue contribution and revenue contribution as a percentage of our total revenue from contracts with customers of our largest customer, our top 10 customers and our top 20 customers, for Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Customers	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)
Largest customer	4,504.71	46.65%	1,989.25	25.31%	1,788.59	32.12%
Top 10 customers*	8,478.72	87.80%	6,971.86	88.72%	5,035.28	90.43%

Customers	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)
Top 20 customers	8,692.63	90.01%	7,272.78	92.55%	5,264.27	94.54%

* *While more than 50% of our revenue from operations originates from our top 10 customers, names of the customers have not been included in the above table as consents for disclosure of certain customer names were not available. Further, since this information is commercially sensitive to our business, we are unable to disclose the names of our top 10 customers.*

We expect that we will continue to be reliant on our major customers for the foreseeable future. Accordingly, any failure to retain these customers and/or negotiate and execute contracts with such customers on terms that are commercially viable, could adversely affect our business, financial condition and results of operations. In addition, any defaults or delays in payments by a major customer or insolvency or financial distress of any major customer may have an adverse effect on business, financial condition and results of operations. Our reliance on a select group of customers may also constrain our ability to negotiate our arrangements, which may have an impact on our profit margins and financial performance.

We typically rely on purchase orders issued by our customers under our manufacturing division, to govern the volume and other terms of our sales of products and services. Many of the purchase orders we receive from our customers specify a price per unit and delivery schedule. Any cancellation or termination by our customers or delay or reduction in their orders or instances where anticipated orders fail to materialize can result in mismatch between our inventories of raw materials and of manufactured products, thereby increasing our costs relating to maintaining our inventory and reduction of our margins. Should such an amendment or cancellation take place, it may adversely impact our production schedules and inventories, and therefore adversely affect our profitability and liquidity. Further, we may not find any customers or purchasers for the surplus or excess capacity, in which case we would be forced to incur a loss.

4. Our raw material cost constitutes a significant percentage of our total expenses. Any increase in the prices, availability and quality of raw materials could adversely affect our reputation, business, results from operations, financial conditions and cash flows.

We undertake procurement of raw materials from both domestic and international sources based on factors including but not limited to market availability, pricing and quality. The primary raw material which we utilize at our Manufacturing Facilities is structural steel, plates, rounds, rails and cement for construction site.

Although our agreements with customers typically contain price variation clauses, we may be exposed to the price risks associated with purchasing our raw materials consumed as we may be unable to recover the entire increase in price or if we are unable to enter into contracts with customers which contain such price variation clauses. Further, in cases where the holding period of the raw material exceeds the average holding period, we may be required to have additional working capital coverage, for the purposes of maintaining such raw materials which may increase our raw material cost. Although we aim to accommodate such excessive cost in our subsequent/future orders, there can be no assurance that we shall be successful in passing such costs to our customers in the subsequent orders in part, or in full, or at all. Further, any increase in the price of raw materials consumption, which our Company is unable to pass on the impact of, would have a material adverse effect on our Company's business and financial position. While our Company maintains a higher inventory of raw materials than required, our business and financial position may be impacted by an increase in the price of raw materials.

We have not entered into long-term contracts with our raw material suppliers and all our procurements and supplies are by way of purchase orders/sales orders/short-term contracts which govern the commercial terms, including but not limited to the minimum product standards, quantity and price. Our suppliers have access to our competitors who may offer better commercial terms than we may provide. In the absence of long-term contracts establishing formal exclusive relationships between us and such parties, we cannot assure that such business relationships shall last for long or at all and we may lose a significant portion of our revenues to our competitors. A change in preference of our raw material suppliers can result in discontinuation of our engagement with them and such a move could materially and adversely impact our business. Although, we have a strong emphasis on quality, timely delivery of raw materials and personal interaction by the senior management with our suppliers, any change in the buying pattern of buyers and preferences of suppliers can adversely affect the business and the profitability of our Company.

The table below sets out the cost of raw materials incurred together with such cost as a percentage of our total expenses in Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	In ₹ million	As a percentage of total expenses (%)	In ₹ million	As a percentage of total expenses (%)	In ₹ million	As a percentage of total expenses (%)
Cost of raw material consumed	4,757.01	53.28%	3,787.10	52.53%	2,406.82	48.24%

If our suppliers cease supply to our Company for reasons including due to commercial disagreements, insolvency of the suppliers or supply chain issues, we may be unable to source our raw materials from alternative suppliers on similar commercial terms or within a reasonable timeframe. This may adversely impact our production and eventually our business, results of operations, financial conditions and cash flows. In such a scenario, we may also breach contractual terms of delivery and installation which we have entered into with our customers, which may have an adverse impact on our results of operations, financial conditions and cash flows.

5. ***We rely on a limited number of suppliers for our raw material, loss of these suppliers may have an adverse effect on our business, results of operations and financial conditions.***

We are reliant on a limited number of suppliers for the supply of raw materials for our operations. The table below sets out the raw materials which we have obtained from our largest supplier, top 5 suppliers and top 10 suppliers together with such supply as a percentage of our total raw materials supply in Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Raw materials sourced (in ₹ million)	% of total raw materials sourced (%)	Raw materials sourced (in ₹ million)	% of total raw materials sourced (%)	Raw materials sourced (in ₹ million)	% of total raw materials sourced (%)
Largest supplier of raw materials	1,523.57	29.79%	1,698.85	42.23%	662.09	23.35%
Top 5 suppliers of raw materials	3,071.19	60.05%	2,850.98	70.88%	1,544.81	54.49%
Top 10 suppliers of raw materials*	3,600.21	70.40%	3,224.93	80.17%	1,787.85	63.07%

* *While more than 50% of our raw materials originates from our top 10 suppliers, names of the suppliers have not been included in the above table as consents for disclosure of certain supplier names were not available. Further, since this information is commercially sensitive to our business, we are unable to disclose the names of our top 10 suppliers.*

If one or more of our suppliers ceases supply to our Company for reasons including due to commercial disagreements, insolvency of the supplier or supply chain issues, we may be unable to source our raw materials from alternative suppliers on similar commercial terms or within a reasonable timeframe. This may adversely impact our production and eventually our business, results of operations, financial conditions and cash flows. In such a scenario, we may also breach contractual terms of delivery and installation which we have entered into with our customers, which may have an adverse impact on our results of operations, financial conditions and cash flows.

6. ***Most of our projects are awarded to us through a competitive bidding process involving governmental authorities. Therefore, our business is dependent on securing tenders for projects, which involves cost estimations for the bidding process. Inability to accurately estimate the cost or match the prices quoted by our competitors, may lead to loss of tender creating an adverse impact on our business, results of operations, financial condition and cash flows. We may be unable to recover all or some of the additional expenses incurred, which could adversely affect our financial condition, results of operation and cash flows.***

We obtain a large portion of our business through a competitive bidding process in which we compete for projects based on, among other factors, pricing, technical capabilities and performance, as well as reputation for quality, experience, past track record, and financing capabilities. The growth of our business depends on our ability to obtain projects including through being awarded tenders in a competitive bidding process. Once the prospective bidders satisfy the qualification requirements of the tender, the project is usually awarded based on the quote submitted by the prospective bidder. We prepare our quotes through estimations based on our budget and bid for the proposals. Once the bids are evaluated by the customer, the bidder offering a competitive price and meeting other criteria is awarded the project. We spend considerable time and resources in the preparation and submission of bids. We cannot assure you that we would bid where we have been prequalified to submit a bid or that our bids, when submitted would be accepted. The table below sets out details in relation to the bids submitted by our Company and our bid to win ratio in Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Year	Bids submitted		Bids closed*		Bids lost		Bids won		Bids for which results are awaited		Bid to win ratio[#]	
	Number of bids	Value (in ₹ millions)	Number of bids	Value (in ₹ millions)	Number of bids	Value (in ₹ millions)	Number of bids	Value (in ₹ millions)	Number of bids	Value (in ₹ millions)	Number of bids	(in value (%))
Fiscal 2024	46	48,300.00	39	45,505.00	24	31,625.00	15	13,880.00	7	2,795	38.46%	30.50%
Fiscal 2023	22	33,850.00	22	33,850.00	15	25,880.00	7	7,970.00	-	-	31.82%	23.55%
Fiscal 2022	15	55,420.00	15	55,420.00	10	47,450.00	5	7,970.00	-	-	33.33%	14.38%

* *Bids closed = number of bids submitted – bids for which results are awaited + bids submitted in previous fiscal that were opened in the current Fiscal.*

[#] *Bid to win ratio is (Bids won/ Bids closed)*100.*

At the time of submitting our bid to acquire a contract, we provide estimated costs involved for the completion of the project including costs related to raw materials, manpower, fuel, equipment, and any additional expenses that may be incurred during the execution of the project. However, an increase in the quantity of raw material, fuel and labour required to execute the project, whether on account of unforeseen construction conditions, or failure or delays on part of our contractors/ sub-contractors, or change in the project or any other reasons could cause the actual expense to us for executing the project to vary from the assumptions underlying our bid for such contract, which could expose us to increases in our actual costs and as such reduced profit margins or losses. We may or may not be able to recover all or some of the additional expenses, which may have a material adverse effect on our results of operations, cash flows and financial condition.

Further, as most of the projects involve long implementation periods (i.e., are spread over a longer period of time), cost escalation in our industry is a frequent issue although most of the agreements includes clauses relating to cost escalations. Therefore, any sudden fluctuations in costs or material availability or any other unanticipated costs will substantially impact the business operations, cash flows and financial condition.

Projects awarded to us may be subject to litigation by unsuccessful bidders. Legal proceedings may result in delay in award of the projects and/or notification of appointed dates, for the bids where we have been successful, which may result in us having to retain unallocated resources and as a result, it would adversely affect our results of operations and financial condition. Further, we may be required to incur substantial expenditure, time and resources in defending such litigation. Any unsuccessful outcome in any such proceedings may lead to termination of a contract awarded to us, which could have a material adverse effect on our future revenues and profits.

We may lose bids to our competitors pursuant to competitive bidding processes due to various factors, including factors which may be beyond our control, such as market conditions and external economic outlook. In the past we have lost certain bids on account of competitors offering lower price. We cannot assure you that we would not lose any bids in future as well. Further, any increase in competition during the bidding process or reduction in our competitive capabilities could have a material adverse effect on our market share.

With reference to projects where our bids have been successful, there may be delays in award of the projects, in procurement of approvals, as may be required for commissioning of the projects, which may delay our projects as well as result in cost overruns, and/or notification of starting dates, which may result in us having to retain resources which remain unallocated, thereby adversely affecting our financial condition and results of operations.

In relation to such contracts and bids in connection with government we may also be subject to additional regulatory scrutiny associated with commercial transactions with government owned or controlled entities and agencies. Further, in certain instances, we may face delays associated with collection of receivables from government owned or controlled entities.

7. The number of orders we have received in the past, our current order book and our growth rate may not be indicative of the number of orders we will receive in future. Any delays, modifications in execution, modifications or cancellations of our orders expose us to revenue volatilities adversely impacting our revenue from contracts with customers, cash flows and financial conditions.

Our order book as of March 31, 2024 was ₹22,962.70 million. Our revenue may be materially impacted if the time taken or amount payable for completion of any ongoing order of our Company exceeds the contractual estimate. The growth of our order book is a cumulative indication of the revenues that we expect to recognise in future periods with respect to our existing contracts. We cannot assure you that the income anticipated in our order book will be realised or if realised, will be realised on time or result in profits. While none of our orders have been cancelled or terminated in its entirety prematurely in the last three Fiscals. there can be no assurance that the orders will not be cancelled or terminated prematurely in the future, and our Company will receive any applicable termination payments in time or at all or that the amount paid will be adequate to enable our Company to recover its investments in respect of the prematurely cancelled order. In such events, we may have to bear the actual costs for such production incurred by us which may exceed the agreed work as a result of which, our future earnings may be lower from the amount of the order book and if any of the forgoing risks materialize, our cash flow position, revenues and earnings may be adversely affected.

The completion of our orders involves various execution risks which may make us unable to complete our orders within the scheduled time including order delays, modifications in the scope or cancellations may occur from time to time, due to delay in payments by our customers or due to our own defaults, incidents of force majeure, cash flows problems, regulatory delays and any other factor beyond our control. In view of the above, orders can remain in our order book for extended periods of time because of the nature of the order and the timing of the services required by our customers. Delays in the completion of an order may lead to delay in payments from our customers.

We cannot assure you that in future we would not default on any of the existing terms of our orders resulting in the payment of liquidated damages. Such delays in the execution of orders results in the cost overruns and affects our payment milestones subsequently impacting our revenue recognition method. Such delays also expose our business to revenue volatility thereby creating an adverse impact on our revenue, cash flows and financial conditions. We may not be able to maintain and enhance our production capabilities within scheduled time or implement our production plans effectively at all.

8. ***We may be affected by delays in the collection of receivables from our customers and may not be able to recover adequately on our claims which could lead to material adverse effect on our business, prospects, financial condition and results of operations.***

Our business is working capital intensive and hence, trade receivables and inventories form a substantial part of our current assets, borrowings and net worth. We also intend to use ₹ 2,800.00 million from the Net Proceeds towards funding our working capital requirements. For details, see "*Objects of the Offer- Details of the Objects- Funding the working capital requirements of the Company*" on page 126.

Our working capital requirements for Fiscal 2024, Fiscal 2023 and Fiscal 2022, together with our working capital requirements as a percentage of our revenue from operations for the respective periods are set in the table below:

Fiscal 2024		Fiscal 2024		Fiscal 2022	
Net working capital* (in ₹ million)	Working capital requirements as a percentage of revenue from operations (%)	Net working capital (in ₹ million)*	Working capital requirements as a percentage of revenue from operations (%)	Net working capital (in ₹ million)*	Working capital requirements as a percentage of revenue from operations (%)
3,564.82	36.91	2,463.01	31.34	1,904.24	34.20

* *Net Working Capital is calculated as Inventories + Trade Receivables + Bank balances other than cash and cash equivalents + Other financial assets + contract assets + other current assets - trade payables - other financial liabilities (less creditors for capex) – contract liabilities - current tax liabilities – provisions - other current liabilities.*

Generally, we sell our products against future payment with credit terms varying according to local market practice. Our credit term typically vary from 15 days to 30 days. Our agreements with governmental authorities do not typically have a credit period. However, our customers may be adversely affected by a number of factors beyond their control which could affect their financial condition and consequently their ability to pay us for products and construction services that we have sold or are present in their inventory. Although we have not experienced any significant defaults in the past, in periods of declining economic conditions, there can be no assurance that such losses shall not be material, which may have an adverse effect on our business, financial condition and results of operations. Based on our Restated Consolidated Financial Information set out below are certain parameters as of the dates indicated:

Particulars	As of March 31		
	2024	2023	2022
Trade receivables (in ₹ million)	801.48	623.70	553.10
Trade Payables (in ₹ million)	1,637.20	1,206.70	826.79
Debtor Days*	30	29	36
Creditor Payable Days**	33	119	128

*Notes: *(Trade Debtors/Revenue from Operations)*365*
***(Trade Payables/Cost of Goods Sold)*365*

Additionally, in the event of any dispute or a default regarding our payments, we may be constrained to initiate appropriate recovery proceedings which may adversely affect our relations with customers whose loyalties may change in favour of our competitors thereby negatively impacting our order book numbers. There can be no assurance that any legal action taken by our Company against such defaulting customers shall be adjudicated in our favour, and in case of an adverse finding, we may not be able to recover our dues from them, which shall adversely impact our financial condition and results of operations. Further, we may be subject to reputational losses and we may not be perceived as a favoured supplier as potential customers may not be desirous of engaging in commercial arrangements with us in anticipation of similar proceedings being instituted against them as well. This could have an adverse effect on our business, financial condition and results of operations.

Further, our dependency on government agencies exposes us to potential risks stemming from changes in government policies and regulations. Any change in government policy could result in delays or cancellations of existing projects, thereby affecting our revenue streams. Additionally, alterations in funding allocation or budgetary constraints of government agencies may influence their ability to make timely payments for our services, potentially leading to liquidity challenges for our Company. Similarly, due to the nature of our business, we are required to have large inventories which is primarily constituted of work in progress. Our working capital borrowings may be stressed if we are unable to manage our inventory on optimum basis, which could lead to a disparity in our cash f lows and our profitability might also be negatively impacted.

9. We are measured against high quality standards and stringent performance requirements by our customers. Any failure by us to comply with these standards or performance requirements may lead to the cancellation of existing and future orders, recalls, liquidated damages, invocation of performance bank guarantees, security deposit or warranty and indemnity or liability claims, which could adversely affect our reputation, business, results from operations, financial conditions, cash flows and prospects.

We are focused on providing manufacturing and construction services spanning track substructure and superstructure, which includes turnkey bridge construction projects, supply and installation of railway tracks, design and manufacture of turnouts and track devices, rail fastening systems and sleepers. Given the nature of application of our products and engineering processes to a critical industry such as railways, our products are measured against high quality standards and stringent specifications of our customers. Further, we manufacture products such as turnouts and track devices, rail fastening systems and sleepers as per the customer specifications. These specifications are provided by our customers through technical and quality standard specifications which form part of the request for quotations or tender documents circulated by our customers or as part of the contracts or purchase orders which we enter into with our customers. Our customers provide a varying range of specifications which include, inter alia, specifications in connection with the design and manufacturing, testing and inspection, safety, quality and sourcing of raw material, packaging, shipment and delivery, adherence and compliance with environmental, health and safety laws and usage of skilled manpower. We cannot assure you that we will be able to meet such technical specifications and quality standards imposed by our customers, at all times. The failure by us to achieve or maintain compliance with these requirements or quality standards may disrupt our ability to supply products to our customers until compliance with such requirements or standards is achieved. While we have not experienced such issues in the past, there could be instances of cancellation of orders by customers.

Further, our agreements with customers typically require us to provide, without any additional charge, assistance and facilities required for inspection and tests of our products and construction services, which may be undertaken either by our customers or by any external third party.

Actual or claimed defects in construction quality during the construction of our projects or defects in manufacturing of our products, could give rise to cancellation of existing and future orders, recalls, liquidated damages, invocation of performance bank guarantees, security deposit or warranty and indemnity or liability claims. Further, we may not be able to recover such increased costs from our clients in part, or at all, for any defects observed in the projects or damage caused to the project on account of the fault of our workers. We may further face delays in the estimated project completion schedule in respect of such projects on account of additional works required to be undertaken towards rectifying such construction faults, and we may have to appoint additional workforce and resources in order to complete the project within the pre-determined time period, which may result in increased expenditure for our Company, which we may not be able to pass on to our clients. While any of the aforementioned events which could materially impact our projects or business operations, have not occurred in the past three Fiscals we cannot assure you that any claims in respect of the quality of our construction or products will not arise in the future and would not affect our business or financial condition. In the event any material events which bring the quality of our services could impact our eligibility to bid for railroad and track construction work and other projects may be affected, or in the event any defects in our construction trigger the extreme circumstances leading to termination or affect public interest, could lead to termination of our contracts, blacklisting and may lead to litigations and therefore, could adversely affect our business operations and result of operations.

There have been no instances in the past three Fiscals where we were not able to meet the scheduled timelines of delivery. However, we cannot assure you that we will meet scheduled timelines in the future and if we are unable to do so, it may impact our results of operations and financial conditions.

We cannot assure you that in future we will not default on any of the existing terms, delivery timelines, specifications or quality standards prescribed by our customers, which may result in the cancellation of existing and future orders, recalls, liquidated damages, invocation of performance bank guarantees or warranty, indemnity and liability claims. Further, such delays in the execution of orders results in the cost overruns and affects our payment milestones subsequently impacting our revenue.

10. We carry out the manufacture of advanced rail fastening systems through our Pandrol Rahee, our Associate. Any inability to assess or identify the risks and liabilities, associated with Pandrol Rahee or withdrawal of Pandrol from Pandrol Rahee or, in some cases, significant losses from the Pandrol Rahee may have an adverse effect on our business, results of operations and financial condition. Termination of the agreement entered into with our Associate will adversely affect our results of operations.

We entered into an agreement with Pandrol, a part of the Delachaux Group, headquartered in France, which is a global player in rail fastening systems which has provided services in more than 100 countries and 400 railways across the world (*Source: CARE Report*), in 2004, to bring advanced elastic fastening systems to India by forming Pandrol Rahee. Our Company holds 40% of Pandrol Rahee. Pandrol Rahee offers high speed rail fastening systems, mainline ballastless track systems, Metro Rail fastening sytems, mainline ballasted fastening systems, noise and vibration solutions and other specialized devices to support rail modernization.

The following table shows our share of total profit from Pandrol Rahee, our Associate and such profit as a percentage of our net profit after tax for Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Profit from Pandrol Rahee, our Associate (₹ in million)	151.28	15.93	31.95
Percentage of net profit after tax post share of profit in Pandrol Rahee, our Associate (%)	19.87%	3.06%	6.78%

If Pandrol Limited fails to perform its obligations as per the requirements of the contract, it could result in breach of the terms of the contract. Failure to effectively protect ourselves against risks for any of these reasons could expose us to costs and potentially lead to material losses, which could adversely affect our business, results of operations and financial condition. The agreement entered into between Pandrol Limited and our Company can be terminated by either party upon the occurrence of a material breach of any obligation under the agreement which is not remedied within 30 days, if either party goes into liquidation whether compulsory or voluntary or either party shall have an administrator appointed, or shall have a receiver, administrative receiver or manager appointed over any part of its assets or undertaking, or if there is a change in control of our Company to a person or entity who in the opinion of Pandrol are or may be competitors of Pandrol or whom Pandrol considers hostile to its interests. Further, either party to the agreement may terminate the agreement at any time. Accordingly, if Pandrol Limited were to terminate the agreement entered into with our Company, it may have an adverse impact on our financial condition and results from operations.

Any disputes that may arise between us and Pandrol Limited may cause delays in completion of our manufacturing commitments and have an impact on our results of operations and financial conditions. While we have not experienced any disputes with Pandrol Limited in the past, we cannot assure that our relationship in the future will be amicable, which may have an impact on our financial condition and results from operations.

11. Our Manufacturing Facilities are currently concentrated in the states of West Bengal, Odisha and Telangana in India. Any significant social, political, economic or seasonal disruption, natural calamities or civil disruptions in West Bengal, Odisha or Telangana could have an adverse effect on our business, results of operations, financial condition and cash flows.

Our Company has four Manufacturing Facilities and two steel fabrication facilities while our Associate, Pandrol Rahee has two manufacturing facilities located across West Bengal, Odisha and Telangana. Due to the geographic concentration of our Manufacturing Facilities, our operations are susceptible to local and regional factors, such as economic and weather conditions, natural disasters, political, demographic and population changes, and other unforeseen events and circumstances. Such factors could result in the damage or destruction of a significant portion of our manufacturing abilities, and/or otherwise materially adversely affect our business, results of operations, financial condition and cash flows.

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 faced any material disruptions in Fiscal 2024, Fiscal 2023 and Fiscal 2022 of our operations due to factors, events or circumstances specific to their geographical location, we cannot assure you that there will not be any significant developments in these regions in the future, which may adversely affect our business, results of operations, financial condition and cash flows.

12. Our business is substantially dependent on our design and engineering teams to accurately carryout the pre-approval engineering studies for potential orders. Inability of our design and engineering teams to accurately estimate the cost of the project and to execute an order would have an adverse impact on our business, results of operations, financial condition and cash flows.

We have developed in-house resources with key competencies to deliver a project from conceptualization to completion which includes our qualified design and engineering team. We rely on our in-house team for timely and efficient execution of our orders. Our construction and manufacturing processes are supported by our in-house design and engineering teams which enable us to offer construction solutions, as well as to continually undertake incremental enhancements and improvements of our processes and designs. Our in-house design and engineering teams consist of 10 engineers.

Inability of our design and engineering teams to accurately estimate the cost of the project and to execute an order, would have an adverse impact on our business, results of operations, financial condition and cash flows. While our design process and design team allows us to develop new and differentiated products and respond to evolving industry trends and sectors and our customers' preferences, delays in introducing new products or services which will be suitable for any new industry sectors or failure to offer products at competitive prices may cause existing and potential customers to purchase our competitors' products.

In addition to design and engineering, our teams carry out detailed inspection of the relevant area for construction to record and highlight important features and identify any issues that may be of importance in terms of implementation and operation of our orders. While our teams have the necessary skill and experience in carrying our pre-approval engineering studies, we may not able to assure the accuracy of such studies. The accuracy of the pre-approval studies is dependent on the following key elements; (i) preparing a project road map-based investigation of the order site; (ii) undertaking engineering surveys and preliminary designs which broadly include carrying out inventory and detailed condition surveys, carrying our preliminary investigations, availability of construction materials and implementing design in accordance with environmental and social concerns; and (iii) preparation of bills of quantities covering all the items required in the work. Any deterrence or deviation in the estimation and calculation of the key elements may hamper the quality of the pre-approval engineering study, on which we rely before submitting any tenders for the relevant order. Any deviation during the implementation and operation of the order as compared to our pre-approval estimates could have a material adverse effect on our cash flows, results of operations and financial condition.

13. We are dependent on third-party contract labourers for several aspects relating to our construction and manufacturing activities. Any disruption in the supply of contract labour or our inability to control the composition of our contract labour could adversely affect our business, results of operations, financial conditions and cash flows.

We rely on the performance by our construction contractors for timely completion of our projects and for the recruitment of contract labourers, and are therefore exposed to execution risks, including the risk of the unavailability of requisite manpower when needed, and liability towards labourers under applicable Indian laws which may adversely affect our financial condition and results of operation. Any deviation during the execution of the order as compared to our pre-approval estimates could have a material adverse effect on our cashflows, results of operations and financial condition. Any delay in undertaking such ancillary jobs may adversely affect our business. Our operations are dependent on a large pool of contract labour and an inability to access adequate contract labour at reasonable costs may adversely affect our business prospects and results of operations.

We engage a large number of contract labourers depending on the requirements of labour-intensive projects particularly in our Manufacturing Facilities and at the time of construction and erection of bridge works. The number of contract labours vary from time to time based on the nature and extent of work involved in our on-going projects. While we have not had an instance in the last three Fiscals, where our projects have suffered due to the unavailability of contract labours, we cannot assure you that such an instance may not arise in the future, which may have an impact on our project execution timelines and our business and financial conditions.

We enter into arrangements with sub-contractors for the recruitment of contract labour as per our requirements for a fixed period of time. There is no assurance that we may be able to renew these arrangements on a timely basis or at all. We do not have direct control over the timing or quality of the services and supplies provided by such third parties. Contractors hired by us may be unable to provide the requisite manpower on a timely basis, or at all, or may be subjected to disputes with their personnel, which, in turn, may affect production at our Manufacturing Facilities and timely delivery of our products to our customers. Although our Company does not engage such contract labours directly, we may be held responsible for any wage payments to be made to such contract labours in the event of default by the independent contractors. While the amount paid in such an event can be recovered from the independent contractor, any significant requirement to fund the wage requirements of the engaged labourers or delay in recovering such amounts from the independent contractors may have an adverse effect on our cash flows and results of operations. Any disruption to the supply of such labour for our Manufacturing Facilities or our inability to control the composition and cost of our contract labour could adversely affect our business, results of operations, financial condition and cash flows. Further, India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. If labour laws become more stringent, it may become difficult for us to maintain flexible human resource policies, discharge employees or downsize, any of which could have an adverse effect on our business, results of operations, financial condition and cash flows.

14. ***Our Corporate Promoters, Rahee Viniyog Limited and Mridul Commodities Private Limited were categorized as high risk financial institutions by the Financial Intelligence Unit, Department of Revenue, Government of India ("FIU-IND") in the list of non banking financial companies categorized as 'High Risk Financial Institutions' by FIU-IND on account of non-compliance with Prevention of Money Laundering Act, 2002 ("PMLA") and the rules under the PMLA, i.e. non-registration of principal officer.***

Our Corporate Promoters, Rahee Viniyog Limited and Mridul Commodities Private Limited were categorized as high risk financial institutions by the Financial Intelligence Unit, Department of Revenue, Government of India in the list of non-banking financial companies categorized as 'High Risk Financial Institutions' by FIU-IND on account of non-compliance with the PMLA and the rules made under the PMLA, i.e., non-registration of principal officer as on January 31, 2018. The Reserve Bank of India issued a show cause notices dated March 15, 2018 and March 13, 2018 ("**SCNs**") to our Corporate Promoters, Mridul Commodities Private Limited and Rahee Viniyog Limited, respectively, observing violations and non-compliance in connection with failure to communicate the name, designation and address of the principal officer to FIU-IND , failure to submit mandatory returns to the RBI and failure to submit certificates from its statutory auditors for the financial years ended March 31, 2016 and/ or 2017. Our Corporate Promoters, Mridul Commodities Private Limited and Rahee Viniyog responded to their respective show cause notices by way of their respective letters dated March 30, 2018 demonstrating compliance with the issues highlighted by RBI in the SCN. While the name of our Corporate Promoters, Rahee Viniyog Limited and Mridul Commodities Private Limited was not appearing in the list of non-banking financial companies categorized as 'High Risk Financial Institutions' by FIU-IND on account of non-compliance with the PMLA and the rules made under the PMLA, i.e., non-registration of principal officer dated June 30, 2018, we cannot assure you that our Corporate Promoter may not be included in such list in the future or that such past or future inclusion, if any, may have a material adverse effect on our business or reputation.

15. ***Any underutilization of our manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.***

The table below sets forth the installed production capacity and the capacity utilization at each of our Manufacturing Facilities for Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Facility	Nature of the Products Manufactured	Fiscal 2024			Fiscal 2023			Fiscal 2022		
		Installed Capacity (MTPA)	Actual Production (MTPA)	Capacity Utilization (%)	Installed Capacity (MTPA)	Actual Production (MTPA)	Capacity Utilization (%)	Installed Capacity (MTPA)	Actual Production (MTPA)	Capacity Utilization (%)
Howrah, West Bengal Fastening and Steel Sleeper Unit	Railway track and construction material	6,400	5,760	90.00%	6,400	3,781	59.08%	6,400	4,401	68.77%
Howrah, West Bengal Fastening, Bolt and Rail Pad Unit	Railway track and construction material	3,500	457	13.06%	3,500	635	18.15%	3,500	980	28.00%
Howrah, West Bengal Fastening, Bolt and Rail Pad Unit	Rubber and allied products	1,000	295	29.54%	1,000	303	30.31%	1,000	449	44.90%
Howrah, West Bengal Fabrication Unit	Fabrication	8,500	7,735	91.00%	8,500	7,390	86.94%	8,500	5,140	60.47%
Dhenkanal, Odisha	Fabrication	42,000	-	0.00%	-	-	0.00%	-	-	0.00%

Facility	Nature of the Products Manufactured	Fiscal 2024			Fiscal 2023			Fiscal 2022		
		Installed Capacity (MTPA)	Actual Production (MTPA)	Capacity Utilization (%)	Installed Capacity (MTPA)	Actual Production (MTPA)	Capacity Utilization (%)	Installed Capacity (MTPA)	Actual Production (MTPA)	Capacity Utilization (%)
Fabrication Unit#										
Howrah, West Bengal Track and Turnout Devices Unit	Railway track and construction material	8,250	3,192	38.69%	8,250	1,722	20.87%	8,250	4,298	52.09%
Sangareddy District, Telangana Track and Turnout Devices Unit	Railway track and construction material	3,850	1,424	36.99%	3,850	1,539	39.97%	3,850	3,450	89.61%

* *As certified by Biswadeep Chatterjee, Chartered Engineer, by certificate dated September 21, 2024.*

\# *Production from Dhenkanal, Odisha Fabrication Unit was started in the month of April 2024*

Notes:

(i) The information relating to the installed capacity of the manufacturing facilities as of the dates included above are based on various assumptions and estimates that have been taken into account for calculation of the installed capacity. The assumptions and estimates include the standard capacity calculation practice of Railway Track products manufacturing and after examining the calculations and explanations provided by the Company and the reactor capacities and other ancillary equipment installed at the facilities. The assumptions and estimates taken into account include the number of working days in a year as 288 days to 312 days , which varies from unit to unit. The installed capacity of the manufacturing facilities as of 31st March 2024 have been provided on an annualized basis.

(ii) The information relating to the actual production at the manufacturing facilities as of the dates included above are based on the examination of the internal production records provided by the Company, explanations provided by the Company, the period during which the manufacturing facilities operate in a year, expected operations, availability of raw materials, downtime resulting from schedule maintenance activities, unscheduled break down , as well as operating efficiencies.

(iii) Capacity utilisation has been calculated on the basis of actual production during the relevant financial year divided by the aggregate installed capacity of the relevant manufacturing facility as the date of end of relevant financial year.

(iv) The Dhenkanal Odisha Fabrication Unit was commission in April 2024. As a result, there was no production in the financial year 2024, 2023 and 2022.

These figures are not indicative of future capacity utilisation rates, which is dependent on various factors, including availability of raw materials, demand for our services, customer preferences, our ability to manage our inventory and implement our growth strategies. Underutilisation of our manufacturing capacities over extended periods, or significant underutilisation in the short-term, could materially and adversely impact our business, growth prospects and future financial performance.

16. *If any of our projects are terminated prematurely, we may not receive payments due to us, which could adversely affect our business, financial condition and results of operation.*

Our agreements can be terminated prematurely for several reasons, including:

- failure to comply with operational or maintenance standards prescribed under agreements;
- failure to provide, extend or replenish performance security required under agreements;
- failure to cure a default within the stipulated cure period;
- failure to achieve project milestones to complete a project within the prescribed timelines;
- abandonment or intention to abandon construction or operation of a project by us without the prior written consent of the project owner;
- occurrence of a material adverse effect, as defined under our agreements;
- any assignment of rights, obligations, or assets by our Company;
- occurrence of a force majeure event, such as an act of god, act of war, expropriation or compulsory acquisition of any project assets by the government, industrial strikes and public agitation;
- bankruptcy, insolvency, initiation of liquidation, dissolution, winding up or amalgamation of our Company or the relevant subsidiary or joint venture;
- failure to comply with any other material term of the relevant agreement;

- failure to perform work in accordance with the terms of the agreement or stoppage of work, resulting in a breach of our agreements;

If any of the foregoing occur, project owners may terminate our agreements with them, which will adversely affect our business, financial condition, cash flows and results of operations. While in the last three Fiscals, we have not had any instance of termination of projects, we cannot assure you that such instance may not occur in the future.

17. We depend on forming joint ventures to implement projects and our inability to enter into or successfully manage such joint ventures could impose additional financial and performance obligations resulting in reduced profits or in some cases significant losses from the joint venture which could have a material adverse effect on our business, financial condition and results of operations.

Our Company, time to time, enters into various joint ventures agreements with other parties for the purposes of bidding and execution of projects. Our inability to enter into joint ventures will result in our inability to bid for projects where we are unable to bid for ourselves. Further, upon entering into a joint venture with another party, we may be unable to successfully manage such joint ventures which could impose additional financial and performance obligations resulting in reduced profits or in some cases significant losses from the joint venture. The success of these joint ventures depends significantly on the satisfactory performance by the joint venture partner and fulfilment of its obligations. Any default by our joint venture partners in the performance of their respective obligations could adversely impact our business and results of operations. In such cases we may be required to make additional investments and/ or provide additional services to ensure adequate performance and delivery of the contracted services that we are liable to provide. Additional obligations, if any, could result in reduced profits or in some cases losses for us.

The inability of a joint venture partner to continue with a project due to financial or legal difficulties could mean that we would bear increased and possibly sole responsibility for the completion of the project and bear a correspondingly greater share of the financial risk of the project. Further any disputes that may arise between us and our strategic partners may cause delays in completion or the suspension or abandonment of the project. While there have been no such instances in Fiscal 2024, Fiscal 2023 and Fiscal 2022, we cannot assure that our relationships with our joint venture partners in the future will be amicable or that we will have any control over their actions. The realization of any of these risks and other factors may have an adverse effect on our business, results of operations and financial condition.

18. Some of our Subsidiaries have incurred losses in the last three Fiscals and may do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.

The table below sets forth details in relation to the losses incurred by some of our Subsidiaries during Fiscal 2024, Fiscal 2023 and Fiscal 2022. Rahee Steeltech Private Limited has not commenced operations but has incurred fixed expenses which has resulted in a loss. Serpentine Welding Engineering Private Limited and Response Metalcrafts Private Limited have negligible operations but have incurred fixed expenses, which has resulted in a loss.

(*in ₹ million*)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Serpentine Weldtech Engineering Private Limited	(1.17)	(0.06)	1.67
Rahee Steeltech Private Limited	(1.25)	0.74	(0.05)
Response Metalcrafts Private Limited	0.16	(0.14)	(0.04)

In order to continue their operations, our Subsidiaries may require continual financial support from our Company either as debt or as equity. We may not have the ability to provide such support on a continual basis.

19. Our inability to effectively manage project execution and milestone schedules may lead to project delays which may adversely affect our business and results of operations.

Our business is dependent on our ability to effectively manage the execution of our projects. An inability to effectively manage our operations, including ineffective or inefficient project management procedures could increase our costs and expenses, result in project delays and thereby materially and adversely affect our profitability. Further our contracts typically provide specified milestones to be achieved within a specific timeframe, and we may be liable to our clients for any failure to meet such project milestones within the stipulated schedule in accordance with the terms of the relevant contract. The effectiveness of our project management processes and our ability to execute projects in a timely manner may be affected by various factors, including:

- delays in receipt of work schedules and engineering inputs, approvals and decisions required from the customer;

- delays in delivery of raw materials, components or equipment;

- changes to project plans and process requirements;
- delays due to interface issues;
- delays in performance by the sub-contractors;
- delays due to environmental considerations;
- onsite accidents and accidents during delivery and installation of our products;
- delays in transportation of construction components;
- unavailability of skilled and unskilled labour;
- local strikes, work stoppages and curfews by political parties;
- adverse weather conditions; and
- adverse changes to the relevant legal, regulatory or tax regimes.

Further if a project is delayed our customers may invoke the bank guarantees that we have provided in connection with the performance of the project or retain our security deposits as compensation for such damages. Such factors would have an adverse effect on our results of operations and financial condition.

20. Our Company has availed certain unsecured borrowings which are repayable on demand. Any such demand may adversely affect our business, cash flows, financial condition and results of operations.

Our Company has availed certain unsecured borrowings which are repayable on demand, with or without the existence of an event of default. The table below sets out the details of the unsecured borrowings by our Company and our Subsidiaries as of March 31, 2024:

Loan From	Loan To	Amount outstanding as of March 31, 2024 (in ₹ millions)
Tata Capital Channel Financing	Rahee Infratech Limited	92.25
Receivables Exchange of India Limited	Rahee Infratech Limited	144.99
Mridul Commodities Private Limited*	Rahee Infratech Limited	15.00
Rahee Viniyog Limited*	Rahee Infratech Limited	79.61

* *These entities form a part of the promoter group*

For further details in relation to our indebtedness, please see section titled "*Financial Indebtedness*" on page 431. In the event that our lenders seek a repayment of their respective loans, we would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. If we are unable to procure such financing, we may not have adequate funds to undertake new initiatives or complete our ongoing strategies. As a result, any such demand for repayment of unsecured borrowings may adversely affect our business, cash flows, financial condition and results of operations.

21. We will not receive any proceeds from the Offer for Sale. The Promoter Selling Shareholders and Promoter Group Selling Shareholders will receive the Net Proceeds from the Offer for Sale.

The Offer consists of a Fresh Issue and an Offer for Sale. The Promoter Selling Shareholders and the Promoter Group Selling Shareholders shall be entitled to the Net proceeds from the Offer for Sale, which comprise proceeds from the Offer for Sale net of Offer expenses shared by the Selling Shareholder, and our Company will not receive any proceeds from the Offer for Sale.

22. We face certain competitive pressures from the existing competitors and new entrants in both public and private sector. Increased competition and aggressive bidding by such competitors is expected to make our ability to procure business in future more uncertain which may adversely affect our business, financial condition and results of operations.

In our construction division, our competition for each project varies based on the type of project, contract value and potential margins, the complexity and location of the project, the reputation of the customer and risks relating to revenue generation. Some of our competitors may have greater industry or local experience, and substantial financial, technical and other resources which enables them to undertake larger projects or obtain better financing arrangements. Further, our ability to bid for and win projects is dependent on a number of factors including our ability to show experience in executing large projects and to demonstrate that we have the right engineering and construction capabilities. We may not always meet pre-qualification criteria in our own right, and as a result, we may need to partner or collaborate with other companies. If we are unable to partner with other companies or lack the credentials to be the partner-of-choice for other companies, we may lose the opportunity to bid for a particular project. Further, after we collaborate with another company, we face the risk that such companies might compete with us for future projects using the know-how and skills that they have learnt from us.

Few of our competitors may win market share from us by providing lower cost solutions to our customers, with or without adversely affecting their profit margins or by offering technologically advanced products or services. Even if our offerings address industry and customer needs, our competitors may be more responsive to these needs and more successful at selling their products. If we are unable to provide our customers with superior products and services at competitive prices or successfully market those services to current and prospective customers, we could lose customers, market share or be compelled to reduce our prices, thereby adversely affecting our business, results of operations and financial condition. Our profitability and growth can also be affected by other competitive pressures such as competition for skilled engineering and technology professionals with a proven delivery track record. Our competitors' actions, including expanding their manufacturing capacity, expansion of their operations to newer geographies or product segments in which we compete, or the entry of new competitors into one or more of our markets could cause us to lower prices in an effort to maintain our sales volume. Any of the aforementioned factors could adversely affect our business, results of operations, financial condition and cash flows.

23. We have substantial indebtedness which requires significant cash flows to service and limits our ability to operate freely. Any breach of terms under our financing arrangements or our inability to comply with repayment and other covenants in the financing agreements could adversely affect our business, financial condition, cash flows and credit rating.

We have entered into agreements in relation to financing arrangements with certain banks for working capital facilities, equipment financing, vehicle loans and bank guarantees. The table below sets out our total borrowings as of Fiscal 2024, Fiscal 2023 and Fiscal 2022:

(in ₹ millions)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total Borrowings*	2,140.95	1,576.96	1,381.74

***** *Total borrowings consist of current and non-current borrowings*

The agreements with respect to our borrowings contain restrictive covenants, including, but not limited to, requirements that we obtain consent from our lenders prior to undertaking certain matters including, among others, undertaking any new project or implementing any scheme of expansion/ diversification or capital expenditure, acquiring fixed assets, drastic change in the management set-up of our Company, change in the capital structure of our Company or the constitutional documents of our Company, change in ownership or control, or change in the threshold prescribed for shareholding of certain shareholders of our Company. In the event our Company commits a default under the loan agreements, the lenders shall have a right to convert the outstanding amount into fully paid-up Equity Shares of our Company, in their sole and absolute discretion. For details, see "*Financial Indebtedness*" on page 431. As our assets are hypothecated in favour of lenders, our rights in respect of transferring or disposing of these assets are restricted. This may also limit our ability to incur future debt and create security thereby requiring us to obtain the respective lenders' consent prior to entering into certain transactions.

While, as on the date of this Draft Red Herring Prospectus, we have complied with all covenants and obtained all requisite consents from our lenders for undertaking the Offer, there can be no assurance that we will be able to comply with the financial or other covenants prescribed under the documentation for our financing arrangements or that we will be able to obtain consents necessary to take the actions that may be required to operate and grow our business in the future. Further, if we fail to service our debt obligations, the lenders have the right to enforce the security created in respect of our secured borrowings. A default under certain of our financing agreements may also result in cross-defaults under other financing agreements and result in the outstanding amounts under such other financing agreements becoming due and payable immediately. If the lenders choose to enforce security and dispose our assets to recover the amounts due from us, our business, financial condition and results of operations may be adversely affected.

Any failure to comply with the conditions and covenants in our financing agreements or the creation of additional encumbrances that is not waived by our lenders or guarantors or otherwise cured or occurrence of a material adverse event could lead to an event of default and consequent termination of our credit facilities or acceleration of amounts due under such facilities could adversely affect our business, financial condition, results of operations and cash flows.

24. Our Promoters and Whole-time Directors, Pawan Khaitan and Ravi Khaitan are unable to trace their education degrees.

Our Promoters and Whole-time Directors, Pawan Khaitan and Ravi Khaitan, have completed their higher secondary education. While for Ravi Khaitan we have relied on the marksheet to disclose details of his educational qualification included in "*Our Management – Brief Profiles of our Directors*" on page 286, we are unable to trace the documentary evidence in relation to the educational qualification for Pawan Khaitan. Accordingly, to the extent of disclosures relating to the foregoing, reliance has been placed on the statement of marks obtained in connection with such degree. We cannot assure you that the details of the educational qualifications in relation to the aforementioned Promoters and Whole-time Directors and Senior Management Personnel included in the "*Our Management*" chapter are complete, true and accurate. We cannot assure you that we will not be subject to risks arising from the unavailability of such records.

25. We are required to comply with various government regulations, including obtaining licenses, permits, approvals and consents under certain environmental laws, which are critical for operating our Manufacturing Facilities. If we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business, results of operations and cash flows may be adversely affected.

Our operations are subject to extensive government regulations, and we are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in India and in respective regions that we have operations, generally for carrying out our business and manufacturing our products and. For details of applicable regulations and approvals relating to our business and operations, see "*Government and Other Approvals*" on page 441.

Several of these approvals are granted for a limited duration and require renewal. Accordingly, we have applied for renewal of our fire licenses in relation to our Manufacturing Facilities. We have also applied for the shops and establishments licenses in relation to our Registered Office, which is yet to be received. While we have valid approvals as on the date of this Draft Red Herring Prospectus, we are unable to trace records of certain approvals at the time of commencement of manufacturing at our Manufacturing Facilities. If we fail to obtain some or all of these approvals or licenses, or renewals thereof, in a timely manner or at all, or if we fail to comply with applicable conditions or it is claimed that we have breached any such conditions, our license or permission for carrying on a particular activity may be suspended or cancelled and we may not be able to carry on such activity or could be subject to fines and penalties, all which could adversely affect our business, results of operations, cash flows and financial condition.

The approvals required by us are subject to numerous conditions and we cannot assure you that these 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 in the future 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 impact our manufacturing business. 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.

26. Our Restated Consolidated Financial Information contain certain emphasis of matter for the periods ended March 31, 2024, March 31, 2023 and March 31, 2022.

Our Restated Consolidated Financial Information contain certain emphasis of matter for the periods ended March 31, 2024, March 31, 2023 and March 31, 2022, as set out below:

<u>For the year ended March 31, 2024</u>

Emphasis of Matter: "*We draw attention to Note 13.2 of the consolidated financial statement which states that there are uncertainties on recoverability of Company's share of contract assets, trade and other receivables aggregating ₹76.02 million (₹76.01 million as at 31 March 2023) in respect of one joint operations, wherein the underlying projects have been completed and as represented to us, the management of such joint operations have initiated arbitration proceedings for recovery of dues. Our opinion is not modified in respect of this matter.*"

<u>For the year ended March 31, 2023</u>

Emphasis of Matter: "*We draw attention to Note 13.2 of the consolidated financial statement which states that there are uncertainties on recoverability of Company's share of contract assets, trade and other receivables aggregating ₹76.01 million (₹75.77 million as at 31 March 2022) in respect of one joint operations, wherein the underlying projects have been completed and as represented to us, the management of such joint operations have initiated arbitration proceedings for recovery of dues. Our opinion is not modified in respect of this matter.*"

<u>For the year ended March 31, 2022</u>

Emphasis of Matter: "*We draw attention to Note 13.2 of the consolidated financial statement which states that there are uncertainties on recoverability of Company's share of contract assets, trade and other receivables aggregating ₹ 75.77 million (₹75.77 million as at 31 March 2021) in respect of one joint operations, wherein the underlying projects* *have been completed and as represented to us, the management of such joint operations have initiated arbitration proceedings for recovery of dues. Our opinion is not modified in respect of this matter"*

For further details, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations-Auditor's Observations*" on page 422. There is no assurance that our audit reports for any future periods will not contain qualifications, emphasis of matters or other observations which affect our results of operations in such future periods.

27. We have had instance of delays in payments of statutory dues by our Company. Any delays in payment of statutory dues may attract financial penalties from the respective government authorities and in turn may have an adverse impact on our financial condition and cash flows.

We are subject to ongoing reporting and compliance requirements and are required to make payments of periodic statutory dues, which we may not be able to undertake at all times. The table below sets forth details of statutory dues paid by our Company in relation to our employees for the years indicated:

Particulars	Financial Year 2024		Financial Year 2023		Financial Year 2022	
	Number of employees as at March 31, 2024	Statutory dues paid (₹ in million)	Number of employees as at March 31, 2023	Statutory dues paid (₹ in million)	Number of employees as at March 31, 2022	Statutory dues paid (₹ in million)
The Employees Provident Fund and Miscellaneous Provisions Act, 1952	911	32.59	816	25.09	586	18.46
Employee State Insurance Act, 1948	810	4.53	586	3.04	403	3.06
Professional Taxes	1,651	2.67	1,336	1.49	676	1.10
Income Tax Act, 1961 (TDS on Salary)	123	33.80	89	20.28	82	23.86

There has been no delay in the payment of statutory dues/liabilities under the said acts, except as follows:

Particulars	Financial Year 2024		Financial Year 2023		Financial Year 2022	
	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 Provisions Act, 1952	9	3.80	8	1.90	9	6.34
Employee State Insurance Act, 1948	6	1.27	11	0.48	7	1.01
Income Tax Act, 1961 (TDS on Salary)	-	-	-	-	4	8.21
Total	**15**	**5.07**	**19**	**2.38**	**20**	**15.56**

We cannot assure you that we may face delays of payments of statutory dues in the future any may subsequently be subject to penalties and fines in the future which may have a material adverse effect on our financial condition and cash flows.

28. Certain forms filed by us with the RoC and certain corporate records and other documents, are not traceable and have discrepancies. While we have conducted a search with the RoC, in respect of the unavailability of such forms and other records, we cannot assure you that such forms or records will be available at all or any time in the future.

Our Company is unable to trace certain corporate records and regulatory filings made by us. These include form 2 and form 23 and annual returns. We have included details of such allotments in the Draft Red Herring Prospectus based on other corporate records such as the board and shareholders' resolutions. We are also unable to trace the partnership deed entered into during the incorporation of our Company. Further, our audited financials for Fiscal 2006-07 erroneously mention the number of equity shares cancelled pursuant to the scheme of amalgamation approved by the order of the High Court of Calcutta dated November 21, 2007, as 8,397,910 equity shares.

We had commissioned a physical and electronic search of the RoC records through an independent practicing company secretary, Shubham Ranjan Sinha, to ascertain the details of all corporate actions undertaken by our Company since incorporation. Pursuant to the foregoing, the practicing company secretary firm has issued its report dated September 30, 2024 (the "**Search Report**"). The key observations in relation to the Search Report are as follows:

Nature of forms and records missing: The nature of forms and corporate records the practicing company secretary was unable to locate in physical and electronic search of the RoC are in relation to certain regulatory filings and corporate actions by our Company, include: (i) form 2 in relation to the allotment of equity shares dated February 19, 1996, March 28, 1997, July 2, 1999 and September 6, 1999; (ii) form 23 in relation to the allotment of equity shares dated February 19, 1996, March 28, 1997, February 20, 1998, July 2, 1999, September 6, 1999, December 20, 1999, October 7, 2006 and December 16, 2006; (iii) annual returns filed as per Schedule V of the Companies Act, 1956, for the financial years 1996-97, 1997-98, 1998-99, 1999-2000, 2000-01 and 2001-02; (iv) filings as per Schedule VI of the Companies Act, 1956, in relation to balance sheet and profit and loss statements for the financial years 1996-97, 1997-98, 1998-99, 1999-2000, 2000-01, 2001-02, 2002-03, 2003-04, 2004-05 and 2005-06; (v) form 32 in relation to the appointment of the previous company secretary on March 20, 1996; (vi) form-8 in relation to creation and modification of charge prior to October 12, 2005; and (vii) form-17 in relation to satisfaction of charge on April 12, 2008 and March 11, 2008. We have by way of our letter dated September 26, 2024, informed the RoC of the corporate records that we were unable to trace pursuant to a physical search undertaken by the independent practicing company secretary at their office in Kolkata. We cannot assure you that the regulatory filings or corporate records which we have not been able to locate will be available in the future, or that the information gathered in this regard is correct, or that the regulatory filings were done in accordance with applicable law or at all or in timely manner. Additionally, while no notices, disputes or penalties have arisen or been imposed in connection with these corporate records and other documents as of the date of this Draft Red Herring Prospectus, we cannot assure you that no notices, dispute or penalties will arise or be imposed on us in this regard in the future.

29. We may not be able to adequately protect our intellectual property or may unintentionally infringe upon the intellectual property rights of others which could substantially harm our business.

We rely on trademarks to protect our rights to our Company's logo. We believe that the logo under which our business operates is an important asset which is integral to the success of our operations. For details of our intellectual property, see "*Our Business – Intellectual Property*" and "*Government and other Approvals – Our Intellectual Property*" on pages 263 and 443, respectively.

The use of our logo by any third party may lead customers to confuse them with our Company, which could lead to our Company losing business to such competitors and could adversely affect our goodwill. In addition, if such third parties experience any negative publicity, it could have an adverse effect on our reputation. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly, and the outcome cannot be assured. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property. In the event that the steps we may take, and the protections afforded by law do not adequately safeguard our proprietary rights, we could suffer losses in revenues and profits due to competing sales of products unlawfully produced which may have an adverse effect on our business, prospects, results of operations and financial condition. Our services are marketed both domestically and internationally and, we aim for a strong brand recall value for our products in such markets. However, any instances of (i) decrease in product quality due to reasons beyond our control; and (ii) unsubstantiated allegations of product quality may motivate our existing and potential customers to explore business relationships with our competitors. As a result, any adverse publicity involving our brand, our products, or us, may impair our reputation, dilute the impact of our branding and marketing initiatives and adversely affect our business and our prospects. In the event that such breaches do occur, and we are unable to secure adequate remedies in relation thereto, our profitability and reputation may be adversely affected with consequent impact on our results of operations and financial condition.

We also rely on product, industry, manufacturing and market "know-how" that cannot be registered and is not subject to any confidentiality or nondisclosure clauses or agreements. We cannot assure you that any of our registered intellectual property rights or our knowhow, or claims thereto, will now or in the future successfully protect what we consider to be the intellectual property underlying our products and business, or that our rights will not be successfully opposed or otherwise challenged.

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty as to whether we are infringing on any existing third-party intellectual property rights. We may therefore be susceptible to claims from third parties asserting infringement and other related claims. If claims or actions are asserted against us, we may be required to obtain a license, modify our existing technology or cease the use of such technology and design a new non-infringing technology. Such licenses or design modifications can be extremely costly. Furthermore, necessary licenses may not be available to us on satisfactory terms, if at all. In addition, we may decide to settle a claim or action against us, the settlement of which could be costly. We may also be liable for any past infringement. This could have an adverse effect on our business, results of operations and damage our reputation and relationships with our customers.

30. There are outstanding litigations pending against us, our Subsidiaries, Directors and our Promoters, which, if determined adversely, could affect our operations. We could suffer significant litigation expenses in defending these

claims and could be subject to significant damage, compensation, or other remedies, which could adversely affect our reputation, business, results from operations, financial conditions and cash flows.

In the ordinary course of our business, we may receive liability and general commercial claims related to the conduct of our business and the performance of our products and services, employment claims and other litigation claims. Litigation resulting from these claims could be costly and time-consuming and could divert the attention of management and key personnel from our business operations.

There are certain outstanding legal proceedings against our Company, Subsidiaries, Directors and Promoters. For instance, our Promoters and Whole-time Directors, Pawan Khaitan and Ravi Khaitan, have been granted bail in relation an FIR filed against them under sections 406/409 of the IPC pursuant to their alleged failure to deposit statutory dues for their employees. For further details, see "*Outstanding Litigations and Material Developments – Litigation involving our Directors – Litigation filed against our Directors – Material civil litigation*" on page 437. These proceedings are pending at different levels of adjudication before various courts, tribunals, quasi-judicial authorities and appellate tribunals and, if determined adversely, could adversely affect our reputation, business, results of operations and financial condition.

A summary of outstanding litigation proceedings involving our Company, Subsidiaries, Directors and Promoters, as disclosed in "*Outstanding Litigation and Material Developments*" on page 434, in terms of the SEBI ICDR Regulations and the Materiality Policy, as of the date of this Draft Red Herring Prospectus is provided below:

Name of Individual/Entity	Number of Criminal Proceedings	Number of Tax Proceedings	Number of Statutory or Regulatory Proceedings	Number of Disciplinary Actions by the SEBI or the stock exchanges against our Promoters in the last five Fiscals	Number of Material Civil Proceedings	Aggregate amount involved (*in ₹ million*)*
Company						
Against our Company	1	8	1	Not applicable	3	209.03
By our Company	1	Nil	Nil	Not applicable	2	12.97
Directors**						
Against our Directors	2	11	1	Not applicable	3	14.88
By our Directors	Nil	Nil	Nil	Not applicable	Nil	Nil
Promoters						
Against our Promoters	2	16	1	Nil	3	20.39
By our Promoters	Nil	Nil	Nil	Not applicable	Nil	Nil
Subsidiaries						
Against our Subsidiaries	Nil	Nil	1	Not applicable	Nil	Nil
By our Subsidiaries	Nil	Nil	Nil	Not applicable	Nil	Nil
Group Companies						
Outstanding litigation that has a material impact on our Company	Nil	Nil	Nil	Not applicable	Nil	Nil

* *To the extent quantifiable*

** *Includes Directors who are Promoters*

There is no pending litigation involving our Group Companies which will have a material impact on our Company.

The amounts claimed in these legal proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in the applicable laws or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements in accordance with Ind AS 37 that could increase our expenses and current liabilities.

There can be no assurance that these legal proceedings shall be decided in favour of our Company, Subsidiaries, Directors or Promoters, as the case may be, or that no further liability shall arise out of these proceedings. Further, such legal proceedings could divert management time and attention and consume financial resources. Any adverse outcome in any of these proceedings may adversely affect our profitability and reputation and may have an adverse effect on our results of operations and financial condition. For further details of certain material legal proceedings involving our Company, our Subsidiaries, our Promoters, our Directors and our Group Companies, see "*Outstanding Litigation and Material Developments*" beginning on page 434.

31. If we are unable to introduce new products or engineering processes and respond to changing customer preferences in a timely and effective manner or if our products or services become obsolete due to a breakthrough in the

development of technology or alternate products, the demand for our products or engineering services may decline, which may have an adverse effect on our business, cash flows, results of operations and financial condition.

The success of our business depends upon our ability to anticipate and identify changes in customer preferences, offering products and services that customers require and, on our ability to develop and manufacture our products in a timely and cost-effective manner. Additionally, such customer preferences are influenced by a number of factors beyond our control, such as the prices of alternative products and prevailing economic conditions. We constantly seek to develop our innovation capabilities to distinguish ourselves from our competitors to enable us to introduce new products and services and different variant of our existing products, based on customer preferences and demand.

Although we seek to identify trends and introduce new products and services, we recognise that customer preferences cannot be predicted with certainty and can change rapidly, and that there is no certainty that these will be commercially viable or effective or accepted by our customers. Before we can introduce a new product or service, we must successfully execute a number of steps, including successful engineering, obtaining required approvals and registrations, effective marketing strategies for our target customers, while scaling our vendor, production and infrastructure networks to increase or change the nature of our production capacity. We cannot assure you that we will be able to successfully make timely and cost-effective enhancements and additions to our technological infrastructure, keep up with technological improvements in order to meet our customers' needs or that the technology developed by others will not render our products less competitive or attractive. Our failure to successfully adopt such technologies in a cost effective and a timely manner could increase our costs and lead to us being less competitive in terms of our prices or quality of products we sell.

In the event of a breakthrough in the development or growing popularity of alternate technology, we may be exposed to the risk of our products and services becoming obsolete or being substituted by alternatives, and any failure on our part to effectively address such situations or to introduce new products could adversely affect our business, results of operations, financial condition and cash flows. Further, if our customers, defer or cancel orders for our existing services due to introduction of alternative services, which are much more suitable and preferred as an option, our operating results could be adversely affected.

32. We incur employee benefit expenses, such as salaries, wages and bonus, contribution to provident and other funds and staff welfare expenses. In case we face an increase in employee costs that we are unable to pass on to our customers, we may be prevented from maintaining our competitive advantage and our profitability may be impacted.

We incur various employee benefit expenses, including salaries, wages and bonus, contribution to provident, expenditure incurred in attracting and retaining skilled professionals and other funds and staff welfare expenses. The table below sets out the employee benefit expenses in absolute term and as a percentage of the total expenses incurred by the Company for the periods indicated below:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Employee benefit expenses (*in ₹ million*)	722.75	443.49	390.08
Percentage of Total Expenses (%)	8.10%	6.15%	7.82%

Our salaries and wages may increase in the future due to various factors, including ordinary course pay increases, inflation, a rise in minimum wage levels, competition for talent or through changes in regulations in the jurisdictions from where we deliver our services

In the event welfare requirements under labour regulations applicable to us are changed, which leads to an increase in employee benefits payable by us, whether as a result of a negotiated increase by our employees or due to changes in applicable laws, there can be no assurance that we will be able to recover such increased amounts from our customers in a timely manner, or at all. Our profit margins may get adversely impacted if we are unable to pass on such costs and cost increases to our customers on a concurrent basis.

Unless we can maintain appropriate resource utilization levels and continue to increase the efficiency and productivity of our employees, the increase in employee benefits expense in the long term may reduce our profits and affect our ability to compete in the industry in which we operate, which in turn could adversely affect our business, results of operations and financial condition. Further, our business depends upon our ability to attract, develop, motivate, retain and effectively utilize skilled professionals. We believe that there is significant competition in our industry for such professionals who possess the technical and domain skills and the experience necessary to deliver our services, and that such competition is likely to continue for the foreseeable future.

Our ability to properly staff engagements, to maintain and renew existing engagements and to win new engagements depends, in large part, on our ability to hire and retain qualified personnel.

Increased hiring by our competitors and other businesses may lead to a shortage in the availability of qualified personnel in the locations where we operate and hire. Failure to hire and train or retain qualified personnel in sufficient numbers could adversely affect our business, results of operations and financial condition.

33. ***The industry in which we operate is capital intensive and we may require significant amount of capital. Any downgrading of our credit rating by a domestic or international credit rating agency may increase interest rates for our future borrowings, which would increase our cost of borrowings, and adversely affect our ability to borrow on a competitive basis. If we are unable to raise additional capital, our business prospects, results and financial condition could be adversely affected.***

India Ratings & Research has on July 10, 2024 assigned our long term bank facilities a rating of IND BBB+/ Positive and our fund-based working capital limit, non-fund based working capital limit and our non-fund based working capital limits (derivatives) a rating of IND BBB+/ Positive/ IND A2. Credit ratings reflect the opinions of ratings agencies on our financial strength, operating performance, strategic position and ability to meet our obligations. A decrease in these credit ratings could limit our access to capital markets and increase our borrowing costs, which could materially and adversely affect our financial condition and operating results.

We have had instances of our credit rating being downgraded in the past. Our credit rating may be downgraded in the future due to various factors, including factors which may be beyond our control. Any future downgrade of our credit ratings may increase interest rates for refinancing our borrowings, which would increase our cost of borrowings, and may have an adverse effect on our future issuances of debt and our ability to borrow on a competitive basis. If any of these risks materialise, it could have a material adverse effect on our business, reputation, results of operations and financial condition.

Further, we plan to further penetrate our presence in India and expand our business operations including manufacturing and construction. We may fund these development plans through a variety of sources, including borrowings, internal accruals and cash flow from operations. We expect our long-term capital requirements to increase significantly to fund our intended growth and we cannot assure that we shall have sufficient capital resources for these new expansion plans or any future expansion plans that we may have. While we expect our internal accruals, cash flow from operations and available credit facilities to be adequate to fund our existing commitments, there can be no assurance that these shall be adequate to fund our expansion plans and our ability to secure these amounts is dependent upon the success of our operations. Additionally, the inability to obtain sufficient financing or the inability of one or more of our financiers to provide committed funding could adversely affect our ability to complete expansion plans. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. Any downgrade in our credit ratings could increase our borrowing costs and adversely affect our access to capital. Further, in case we decide to raise additional funds through the issuance of equity or equity- linked instruments, the interests of our shareholders may be diluted. Additionally, if we decide to meet our capital requirements through debt financing, our interest obligations shall increase, and we may be subject to additional restrictive covenants under our respective financing arrangements. If we are unable to raise adequate capital in a timely manner and on acceptable terms, or at all, our business, results of operations and financial condition could be adversely affected.

We have continuous working capital requirements for maintaining sufficient raw material, stores and inventories of finished products, sundry debtor and other current assets during the course of our business operations. We might not be able to provide sufficient collateral to secure the letters of credit, bank guarantees or performance bonds and our ability to enter into new contracts could be limited. Providing security to obtain letters of credit, bank guarantees and performance bonds increases our working capital needs and requirements and limits our ability to repatriate funds in order to meet our contractual obligations or pay dividends. Although we tie up our working capital requirements with our lenders, however, such tie-ups may not be sufficient to meet our working capital requirements in future, considering our expansion plans. Also, there can be no assurance that the budgeting of our working capital requirements for a particular year shall be accurate. There may be situations wherein we may under-budget our working capital requirements, in which case there may be delays in arranging additional working capital, which may consequently disrupt the ongoing operations at our Manufacturing Facilities leading to loss of reputation, and an adverse effect on the cash flows. While such instances have not occurred in the last three Fiscals, there is no assurance that such an instance may happen in the future which may have an adverse impact on our business and financial conditions.

34. ***Our projects may be adversely affected by public and political oppositions, conflicting local interests, elections and protests.***

The construction and operations of our projects may face oppositions from the local communities where these projects are located and from special interest groups. In particular, the public, the forest authorities and other authorities may oppose our operations due to the perceived negative impact it may have on the environment, which may cause suspension or delay to our construction or operations until the disputes are resolved. For instance, in connection with the Tupul-Imphal project, a landslide occurred which resulted in frequent work stoppages by the local population demanding for compensation from the railways. The work stoppages by the local population resulted in restrictions of movements by local authorities and paramilitary forces which has resulted in the slowdown of movement of raw materials, machinery and manpower. This has caused a delay in project execution.

There may be negative publicity about us made by opposing interest groups in local media due to our construction activities. We may also be required by the local authorities or communities to provide jobs to the local labour market or provide other benefits. In addition, we may be adversely affected by political events such as protests and general strikes in the states where we operate, especially when such events take place on or close to our construction sites.

35. Certain Non-GAAP financial measures and other statistical information relating to our operations and financial performance have been included in this Draft Red Herring Prospectus.

Certain Non-GAAP financial measures and other statistical information relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. These Non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable with those presented by other companies. Certain Non-Generally Accepted Accounting Principles ("**Non-GAAP**") financial measures and other statistical information relating to our operations and financial performance such as EBITDA, EBITDA margin, PAT margin, net worth net debt and net debt to equity and others have been included in this Draft Red Herring Prospectus. We compute and disclose such Non-GAAP financial measures and other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These Non-GAAP financial measures are supplemental measures of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP financial measures should not be considered in isolation or construed as an alternative to cash flows, profit/(loss) for the years/ period 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.

In addition, these Non-GAAP financial measures are not standardized terms, hence a direct comparison of these Non-GAAP financial measures between companies may not be possible. However, such information may not be computed on the basis of any standard methodology that is applicable across the industry and may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS. Such information may also not be comparable to titled measures presented by other companies and may have limited usefulness as a comparative measure. If investors make investment decisions based on non-GAAP financial measures and other statistical information disclosed by us that are inaccurate, we may also face potential lawsuits or disputes with investors or regulators, which could adversely affect our business, reputation, results of operations and financial condition.

36. The success of our business depends substantially on our strong management, including our Promoters, Directors, Key Managerial Personnel and Senior Management Personnel, and on our operational workforce. Our inability to retain them or to recruit highly skilled technical personnel that are necessary for our business could adversely affect our business.

Our success largely depends upon the knowledge and experience of our Promoters, Directors, our Key Managerial Personnel and our Senior Management Personnel as well as our ability to attract and retain skilled personnel. Any loss of our Promoters, Directors, Key Managerial Personnel, Senior Management Personnel or our ability to attract and retain them and other skilled personnel could adversely affect our business, financial condition and results of operations. We depend on the management skills and guidance of our Promoters for development of business strategies, monitoring their successful implementation and meeting future challenges. Further, we also significantly depend on the expertise, experience and continued efforts of our Key Managerial Personnel and our Senior Management Personnel. Our future performance will depend largely on our ability to retain the continued service of our management team. 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, financial condition and results of operations 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. In Fiscal 2024, Fiscal 2023 and Fiscal 2022, our Company's attrition rate was 16.97%, 16.24% and 16.07% respectively. The loss of the services of such persons could have an adverse effect on our business, results of operations, cash flows and financial condition.

There is significant competition for management and other skilled personnel in the 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. In the event that 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, financial condition and results of operations may be adversely affected. For further details, see "*Our Management*" on page 284.

37. ***A shortage or unavailability of electricity could affect our manufacturing operations and may have an adverse effect on our business, results of operations and financial condition.***

Our manufacturing operations require continuous supply of electricity for which we depend on the respective state board electricity supply, where our Manufacturing Facilities are located. The table below sets out the source of the electricity procured by each of our facilities:

Facility	Power source
Howrah, West Bengal Fastening and Steel Sleeper Unit	Calcutta Electric Supply Corporation Limited
Howrah, West Bengal Fastening, Bolt and Rail Pad Unit	Calcutta Electric Supply Corporation Limited
Howrah, West Bengal Fabrication Unit	West Bengal State Electricity Distribution Company
Dhenkanal, Odisha Fabrication Unit	TP Central Odisha Distribution Limited
Sangareddy District, Telangana Track and Turnout Device Unit	Southern Power Distribution Company of Telengana Limited
Howrah, West Bengal Track and Turnout Device Unit	West Bengal State Electricity Distribution Company

The table below sets out our power and fuel charges together as a percentage of our total expenses in Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	In ₹ millions	As a percentage total expenses (%)	In ₹ millions	As a percentage total expenses (%)	In ₹ millions	As a percentage total expenses (%)
Power and Fuel charges	323.24	3.62%	217.62	3.02%	188.38	3.78%

Any shortage or non-availability of electricity or failure of the state electricity grid or water supply could delay our operations at the Manufacturing Facilities which may consequently adversely affect our delivery timelines to our customers. Any such delay may have an adverse effect on our business, results of operations and financial condition.

38. ***We are dependent on third party transportation and logistics service providers. Any increase in the charges of these entities or any defect, damage or destruction caused to our products during the process of delivery could adversely affect our business, financial condition and results of operations.***

We may have to pay for transportation costs in relation to the delivery of some of the raw materials and other inputs to our Manufacturing Facilities as well as our delivery of material to the customers' site. We do not own any vehicles for the transportation of our products and/or raw materials, we therefore rely on third party transportation and logistics providers for delivery of our raw materials and products. We do not have any long-term contractual arrangements with such third-party transportation and logistics providers. Disruptions of logistics could impair our ability to procure raw materials and/or deliver our products on time, which could materially and adversely affect our business, financial condition and results of operations.

We are subject to the risk of increases in freight costs. If we cannot fully offset any increase in freight costs, through increase in the prices for our products, we would experience lower margins.

We may be responsible for the transport of our products and accordingly be exposed to the risk of theft, accidents, defect, damage and/or loss of our products in transit. There has been one instance of theft in connection with materials stolen in relation to the ongoing work for construction of the Metro Railway corridor from New Garia to the airport. For details, see "*Outstanding Litigation and Material Development- Litigation involving our Company- Litigation filed by our Company- Criminal proceedings*" on page 435. We cannot assure you that such incidents will not occur in future. Any such acts could result in serious liability claims (for which we may not be adequately insured) which could have an adverse effect on our business, financial condition and results of operations.

39. ***Our Associate, Pandrol Rahee Technologies Private Limited avails of a subsidy from the Telangana government. If such subsidy were not available to us in the future, it may have an impact on our business and financial conditions.***

Our Associate, Pandrol Rahee Technologies Private Limited has received sanction of a subsidy from the Telangana government in connection with capital investment, reimbursement of power cost and sales tax. As on date, our Associate has received a sanction of ₹ 11.00 million in connection with this subsidy but has not received any amount yet. If this subsidy were not available to us in the future or if any other subsidy which we avail is not available to us in the future, it may have an impact on our business, results of operations and financial conditions.

40. ***A factory land of our Subsidiary, Rahee Steeltech Private Limited, our Dhenkanal, Odisha Steel Fabrication Unit and our Registered Office are located on leased premises. There can be no assurance that this lease agreement 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.***

A factory land of our Subsidiary, Rahee Steeltech Private Limited, our Dhenkanal, Odisha Steel Fabrication Unit and our Registered Office are held on a leasehold basis: The details are set out below:

Sr. No	Property	Location	Nature of holding	Term of lease
1.	Factory land – Rahee Steeltech Private Limited	Mouza-Ghutgarya, P.S. Barjora, District Bankura, under the Gram Panchayet Ghutgoria District Bankura, Pin Code - 722202	Leased	99 years commencing January 28, 2022
2.	Dhenkanal Odisha Steel Fabrication Unit	Mouza Padmanavpur, P.S. Dhenkanal Sadar, P.S. No. 161, Dhenkanal S.R.O., Pin Code- 759013	Leased	10 years commencing from July 23, 2023
3.	Registered Office	Kemwell Manor, 5th floor, 10/D/2, Ho Chi Minh Sarani, Kolkata – 700 071, West Bengal, India	Leased	Six years commencing April 1, 2019

Our leases may expire in ordinary course. We cannot assure you that we shall continue to be able to operate out of the existing premises or renew our existing leases at favorable terms or at all. Any such event may adversely impact our operations and cash flows and may divert management attention from our business operations. In case of any encumbrance or adverse impact or deficiency in the title of the owners or development rights from whose premises we operate, breach of the contractual terms of any lease, or if any of the owners of these premises do not renew the agreements under which we occupy the premises, or if they seek to renew such agreements on terms and conditions unfavourable to us, or if they terminate our agreements, we may suffer a disruption in our operations and shall have to look for alternate premises. In the event of relocation, we may be required to obtain fresh regulatory licenses and approvals. Until we receive these, we may suffer disruptions in our operations and our business which may adversely affect our financial condition.

Although stamp duty was paid at the time of execution of the lease agreements, such arrangements may be finally adjudicated by relevant revenue authorities to be inadequately stamped or duly registered. Unless such documents are adequately stamped or duly registered, such documents may be rendered inadmissible as evidence in a court in India or may not be authenticated by any public officer and the same may attract penalty as prescribed under applicable law or may impact our ability to enforce these agreements legally, which may result in an adverse effect on the continuance of our operations and business. For details in relation to our premises, see "*Our Business – Properties*" on page 263.

41. ***Our Promoters, certain of our Directors, Key Managerial Personnel and Senior Management Personnel may have interests in us other than reimbursement of expenses incurred and normal remuneration or benefits.***

Our Promoters, Directors, Key Managerial Personnel and Senior Management Personnel may be deemed to be interested to the extent of Equity Shares held by them and by members of our Promoters Group, as well as to the extent of any dividends, bonuses, perquisites or other distributions on such Equity Shares. Further, certain of our Directors are also on the board of certain Subsidiaries and accordingly may be deemed to be interested to the extent of the sitting fees, commission and remuneration payable to them by such Subsidiaries. For further details, see "*Capital Structure*", "*Our Promoters and Promoter Group*", "*Offer Document Summary- Summary of Related Party Transactions*" and "*Our Management*" beginning on pages 94, 304, 26 and 284, respectively**.**

42. ***Our Promoters and certain members of our Promoter Group shall continue to retain significant control in our Company after the Offer, which shall allow them to influence the outcome of matters submitted to shareholders for***

approval. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control.

As on date of this Draft Red Herring Prospectus, our Promoters and certain members of our Promoter Group hold 64,776,650 Equity Shares representing 99.83% of the pre-issued, subscribed and paid-up Equity Share capital of our Company. After the completion of this Offer, our Promoters and certain members of our Promoter Group shall continue to hold significant shareholding in our Company. As a result, our Promoters and certain members of our Promoter Group shall continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting, and our other shareholders shall be unable to affect the outcome of such voting. Our Promoters and certain members of our Promoter Group may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders, such as actions which delay, defer or cause a change of our control or a change in our capital structure, merger, consolidation, takeover or other business combination involving us, or which discourage or encourage a potential acquirer from making a tender Offer or otherwise attempting to obtain control of us. We cannot assure that our Promoters and certain members of our Promoter Group shall act in our interest while exercising their rights in such entities, which may in turn materially and adversely affect our business and results of operations. We cannot assure you that our Promoters and certain members of our Promoter Group shall act to resolve any conflicts of interest in our favour. If our Promoters and certain members of our Promoter Group sells a substantial number of the Equity Shares in the public market, or if there is a perception that such sale or distribution could occur, the market price of the Equity Shares could be adversely affected. No assurance can be given that such Equity Shares that are held by the Promoters shall not be sold any time after the Offer, which could cause the price of the Equity Shares to decline.

43. ***In the event our contingent liabilities materialize, our financial condition and profitability may be adversely affected.***

The following table sets forth certain information relating to our contingent liabilities in accordance with Ind AS 37 as of Fiscal 2024:

(in ₹ millions)

Particulars	As of March 31, 2024
Liabilities in respect to guarantees issued by Banks & Others	
1.) Inland Bank Guarantee (Indian Bank, ICICI Bank, Axis Bank, Union Bank of India & BOI)	2,312.25
2.) Foreign Bank Guarantee (Union Bank of India, Axis Bank)	4.36
3.) Corporate Guarantee	308.00
(Outstanding loan balance in respect of the above guarantees - ₹288.98 million)	
Claims against the Group not acknowledged as debts	
Value Added Taxes	16.30
Entry Taxes	0.48
Service Tax (inclusive of penalty)	102.81
Income Tax	45.20

During the month of March 2024, the Income Tax Department ('the department') had conducted a search under section 132 of the Income Tax Act, 1961 ('the Act') at the Company along with its one of the subsidiary Company's registered office, corporate office, few of its manufacturing locations, residence of few of its key managerial personnel, other premises and few of its group entities. During the search proceedings, the Company along with its Subsidiary and group entities provided necessary information and responses to the department. The department has also seized cash amounting to Rs.3.00 million from the residence of key managerial personnel. Additionally, the department has taken certain documents, data backups and other information for further investigation.

Subsequently, the department issued summons to assesees / witnesses under Section 131/137/36 of the Act on the Company, Subsidiary Company and its group companies. All such entities have complied with such notices and as on date of approval of Restated Consolidated financial information, the department has not issued any demand notice etc on the Company / Subsidiary Company/ group entities. As per the company's tax advisors, the outcome can only be determined after the assessment/re-assessment proceedings are initiated. Based on the above, no material adjustment is envisaged by the management at this stage to these Restated Consolidated Financial Information.

*The Code on Social Security, 2020 ('**Code**') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.*

We cannot assure you that these contingent liabilities shall not become established as liabilities. In the event any of these contingent liabilities become established as liabilities, it may have an adverse effect on our financial condition and results of operations. Further, there can be no assurance that we shall not incur similar or increased levels of contingent liabilities in the future. For further details, see also "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 390.

44. ***We have in the past entered into related party transactions and may continue to do so in the future and there can be no assurance that we could not have achieved more favourable terms if such transactions had not been entered into with related parties.***

We have entered into transactions with related parties in the past and we may, from time to time, enter into related party transactions in the future. These related party transactions include, *inter alia*, sales/ fabrication/ commission income, financial guarantee commission income, fixed assets sale, fixed assets purchase and fixed assets charge. All such transactions have been conducted on an arm's length basis, in accordance with the Companies Act and applicable law. We cannot assure you that we will receive similar terms in our related party transactions in the future, and that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. It is likely that our future related party transactions may potentially involve conflicts of interest which may be detrimental to us. We cannot assure you that such transactions, individually or in the aggregate, shall not have an adverse effect on our business, financial condition, and results of operations. For details of the related party transactions see "*Related Party Transactions*" on page 313.

45. We have not yet placed orders in relation to the capital expenditure for the purchase of machinery, equipment and vehicles. In the event of any delay in placing the orders, or in the event the vendor is not able to provide the equipment in a timely manner, or at all, it may result in time and cost overruns and our business, prospects and results of operations may be adversely affected.

We intend to utilize a portion of the Net Proceeds for funding capital expenditure requirements towards the purchase of machinery, equipment and vehicles. While we have procured quotations from vendors in relation to the capital expenditure to be incurred, we have not placed orders for the capital expenditure proposed to be funded from the Net Proceeds and have not entered into any definitive agreements with the vendors in relation to such capital expenditure as of the date of this Draft Red Herring Prospectus. For details in respect of the foregoing, see "*Objects of the Offer*" on page 122. Such bids are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such bid or that there will not be cost escalations. 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, 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/ machinery or in the event the vendor is not able to provide the equipment/ machinery/ vehicles in a timely manner, or at all, we may encounter time and cost overruns. Further, if we are unable to procure the requisite equipment/ machinery/ vehicles from the vendors from whom we have procured bid, we cannot assure you that we may be able to identify alternate vendor to provide us with the materials which satisfy our requirements at acceptable prices. We have also obtained certain quotations for a validity of only 60 days or 90 days due to the nature of such machinery, equipment or vehicles and may not be able to procure such plant, equipment and/ or vehicles at the same costs. Our inability to procure the machinery, equipment and vehicles at acceptable prices or in a timely manner, may result in an increase in capital expenditure, the proposed schedule of implementation and deployment of the Net Proceeds may be extended or may vary accordingly, thereby resulting in an adverse effect on our business, prospects and results of operations.

46. 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 122. 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 light of changes 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 significantly 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. For further details, see "*Objects of the Offer*" beginning on page 122.

47. ***Any variation in the utilisation of Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.***

We intend to use the net proceeds raised pursuant to the Fresh Issue as set forth under "*Objects of the Offer*" on page 122. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Sections 13(8) and 27 of the Companies Act 2013, we cannot undertake any variation in the utilisation of the Net Proceeds without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations.

Further, our Promoters would be required to provide an exit opportunity to Shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on the Promoters to provide an exit opportunity to such dissenting shareholders may deter the Promoters from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI. In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Offer, if any, or vary the terms of any contract referred to in this Draft Red Herring Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

48. ***We may not accomplish our growth strategy, and our business may suffer if we fail to manage our growth efficiently or effectively, which could adversely affect our reputation, results from operations, financial conditions, cash flows and reduce our profitability.***

Our operations have expanded as a result of our strategy to expand into domestic and international markets, and we aim to continue to explore viable means to consolidate the position of our operations, competitively positioning us in the domestic and overseas market. There can be no assurance, however, that we shall be successful in our expansion plans. If we fail to improve our existing systems or controls or to manage growth and expansion effectively, or the cost of such expansion or growth exceeds the revenues generated by our efforts, we may fail in our strategy and our business, financial condition and results of operations could be adversely affected. We expect our future growth to place significant demands on our resources as well as our management. This shall require us to continuously evolve and improve our operational, financial and internal controls across our organization.

As part of our strategy aimed towards business growth and improvement of market position, we intend to implement several business strategies, which include:

- Specialize and continue expanding in the railway infrastructure sector, choosing new areas for future growth, that are closely associated with the current specializations of the Company
- Leverage our core competencies to grow our business in HSR, Metro Rail and modern track systems in a cost effective manner
- Strategic partnership with international rail technology leaders to bring in best in class technology to the Indian railways
- Enhance automation of internal manufacturing and construction processes to improve cost effectiveness
- Continually strengthen in-house design engineering capabilities in bridges and track structures to be able to offer high value solutions
- Participate in technically challenging opportunities such as HSR, mechanized track construction, ballastless track works and bridge works and bring higher value addition

These strategies are subject to certain risks and uncertainties. Our strategies may not succeed due to various factors, including our inability to reduce our operating costs, our failure to develop new products and services with sufficient growth potential as per the changing market preferences and trends, our failure to effectively market these new products and services or foresee challenges with respect to our business initiatives, our failure to sufficiently upgrade our infrastructure, machines, automation, equipment and technology as required to cater to the requirement of changing demand and market preferences, our failure to maintain highest quality and consistency in our operations or to ensure scaling of our operations to correspond with our strategy and customer demand, changes in GoI policy or regulation, our inability to respond to regular competition, and other operational and management difficulties. Any failure on our part to implement our strategies due to many reasons as attributed aforesaid could be detrimental to our long-term business outlook and our growth prospects and may materially adversely affect our business, financial condition and results of operations. For further details of our strategies, see "*Our Business*" on page 232.

There can be no assurance that our personnel, systems, procedures and controls shall be adequate to support our future growth. Failure to effectively manage our expansion may lead to increased costs and reduced profitability and may adversely affect our growth prospects. Any of the challenges highlighted above may cause us to delay, modify or forego some or all aspects of our expansion plans. Further, there can be no assurance that we shall be able to execute our strategies on time and within the budget, as and when estimated by the Company.

49. We cannot assure payment of dividends on the Equity Shares in the future. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.

While our Company has paid dividends in the past, our ability to pay dividends in the future will depend on a number of factors identified in the dividend policy of our Company, liquidity position, profits, capital requirements, financial commitments and financial requirements including business expansion plans, cost of borrowings, other corporate actions and other relevant or material factors considered relevant by our Board, and external factors, such as the state of the economy and capital markets, applicable taxes, regulatory changes and other relevant or material factors considered relevant by our Board. The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. We cannot assure you that we will be able to pay dividends in the future. Accordingly, realisation of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no assurance that our Equity Shares will appreciate in value.

50. Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have an adverse effect on our business.

We face the risk of loss resulting from product liability, contractual, warranty, and other lawsuits, whether or not such claims are valid. In addition, our insurance may not be adequate to cover such claims or may not be available to the extent we expect. For details of the insurance policies that we maintain, see "*Our Business – Insurance*" on page 262. A successful claim that exceeds or is not covered by our policies could require us to pay substantial sums. We have three instances in the past where our insurance claims have been rejected in the Fiscal 2024, Fiscal 2023 and Fiscal 2022. We cannot assure you that any of our insurance claims will not be rejected in the future.

The table below sets out the total insured net assets (inventory and property, plant and equipment) as well as the percentage of insurance coverage as of March 31, 2024:

Particulars	As of March 31, 2024
Total insured net assets (inventory and property, plant and equipment) (in ₹ millions)	3,585.83
Percentage of insurance coverage (in %)	99.44%

We maintain insurance policies that we believe are customary for companies operating in our industry and which are necessary for our business. We typically obtain contractor's all risk insurance, professional liability insurance, private car standalone own damage insurance, contractor's plant and machinery insurance and employee's compensation insurance. We obtain other specific insurance as may be required by our customers under the scope of work which we undertake. Although, we attempt to obtain coverage for and mitigate our liability for damages arising from negligent acts, errors or omissions through insurance policies, our liability may sometimes not be covered as a result of the limitations of liability set forth in our insurance policies. In such event, our insurance policies may not protect us from liability for damages, which may lead to financial liability and other adverse consequences. While no such instances have occurred in the last three Fiscals, wherein our liability was not covered by our insurance policies, there is no assurance that such an instance may not arise in the future which may have an impact on our business and financial condition.

Further, while we believe that adequate insurance coverage shall be available in the future, there can be no assurance that such coverage shall be available at costs and terms acceptable to us or that such coverage shall be adequate with respect to future claims that may arise. If we are not able to adequately insure against the risks we face, or the insurance coverage we have taken is inadequate to cover our losses, our business, financial condition and results of operations could be adversely affected. In addition, our insurance policies are subject to annual review, and there can be no assurance that we shall be able to renew these policies on similar or otherwise acceptable terms, or at all. If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have an adverse effect on our financial condition, results of operations and cash flows.

51. Employee misconduct or failure of our internal processes or procedures could harm us by impairing our ability to attract and retain customers and subject us to significant legal liability and reputational harm, which could adversely affect our reputation, business, results from operations, financial conditions and cash flows. Further, any strikes or work stoppages by our employees may have an adverse effect on our business and financial conditions.

Our business is exposed to the risk of employee misconduct or the failure of our internal processes and procedures. For example, misconduct by employees could involve the improper use or disclosure of confidential information, which could result in costly litigation and serious reputational or financial harm. While we strive to monitor, detect and prevent fraud or misappropriation by our employees, through various internal control measures and internal policies, the precautions we take to prevent and detect such activity may not be effective in all cases and we may be unable to adequately prevent or deter such activities in all cases. While we have not experienced such issues in the past, there could be instances of fraud and misconduct by our employees which may go unnoticed for certain periods of time before corrective action is taken. In addition, we may be subject to regulatory or other proceedings, including claims for alleged negligence, in connection with any such unauthorized transaction, fraud or misappropriation by our employees, which could adversely affect our goodwill, business prospects and future financial performance. Even when we identify instances of fraud and other misconduct and pursue legal recourse or file claims with our insurers, there can be no assurance that we shall recover any amounts lost through such fraud or other misconduct.

We may also be subject to theft or embezzlement by our employees, suppliers or third-party transportation or logistics services provider, which may result in loss of our inventory, or loss of the free issue material supplied by our customers. Although, there have been no major incidents of theft or embezzlement in the past and we have set up various security measures at our Manufacturing Facilities, such as deployment of security guards and operational processes such as periodic stock taking, there can be no assurance that we will not experience any theft, embezzlement, loss of stock in transit or similar incidents in the future, which could adversely affect our reputation, results of operations, financial condition and cash flows.

52. Our operations are dependent on a significant number of contract labour and an inability to access adequate contract labour at reasonable costs at our project sites across India may adversely affect our business prospects and results of operations.

Our operations are significantly dependent on access to a large pool of contract labour for our construction work and the execution of our projects. The number of contract labourers employed by us varies from time to time based on the nature and extent of work we are involved in. Our dependence on such contract labour may result in significant risks for our operations, relating to the availability and skill of such contract laborers, as well as contingencies affecting availability of such contract labour during peak periods in labour intensive sectors such as ours. There can be no assurance that we will have adequate access to skilled workmen at reasonable rates and in the areas in which we execute our projects. As a result, we may be required to incur additional costs to ensure timely execution of our projects. In addition, there may be local regulatory requirements relating to use of contract labour in specified areas and such regulations may restrict our ability to recruit contract labour for a project. Further, all contract labourers engaged in our projects are assured minimum wages that are fixed by the relevant State governments, and any increase in such minimum wages payable may adversely affect our results of operations.

Further, the success of our operations depends on the availability of labour and good relationships with our labour force. Our employees are part of a labour union and may go on strike to raise demands with our Company. While we have not had any instances of strikes, lockouts or labour disputes in the past, we cannot assure you that we shall not experience any strikes or lockouts on account of labour disputes in the future. Such events could disrupt our operations and may have a material adverse effect on our business, financial condition and results of operations.

53. Certain sections of this Draft Red Herring Prospectus contain information from the CARE Report which we commissioned and purchased 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, which is not related to our Company, Directors, Promoters, KMPs, SMPs or the Book Running Lead Managers. We commissioned and paid for this report for the purpose of confirming our understanding of the industry in connection with the Offer. 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 151. For the disclaimers associated with the CARE Report, see "*Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation- Industry and Market Data*" on page 18.

54. Information relating to the historical installed capacities of our Manufacturing Facilities included in this Draft Red Herring Prospectus may be based on certain assumptions and estimates by the chartered engineer verifying such information and future production and capacity utilisation may vary.

Information relating to our installed capacities and the historical capacity utilisation of our Manufacturing Facilities included in this Draft Red Herring Prospectus may be based on certain assumptions and estimates, including assumptions relating to availability and quality of raw materials and assumptions relating to potential utilization levels and operational efficiencies. While we have obtained a certificate dated September 21, 2024 from Biswadeep Chatterjee, chartered engineer, in relation to installed and utilized capacity and actual production levels, future capacity utilisation rates may vary significantly from the historical capacity utilisation rates. In addition, capacity utilisation is calculated differently in different companies, countries, industries and for the kinds of products we manufacture. Actual utilisation rates may differ significantly from the estimated installed capacities or historical estimated capacity utilization information of our facilities. We make significant decisions, including determining the levels of business that we shall seek and accept, production schedules, personnel requirements and other resource requirements, based on our internal estimates and targets and strive to ensure that our production capacity is, at all times, utilized at optimum levels. If we are unable to fully utilize our installed capacities in the future, there could be a negative impact on our cost and profitability and thereby adversely affecting our financial condition. Undue reliance should therefore not be placed on our installed capacity or historical estimated capacity utilisation information for our existing facilities included in this Draft Red Herring Prospectus. For further details of our production and capacity utilization, see "*Our Business*" on page 232.

55. We may be exposed to the risks of significant breaches of data security, and malfunctions or disruptions of information technology systems which may have an adverse effect on our business and results of operations.

We have deployed information technology systems and accounting system to support our business processes, including sales, order processing, production, procurement, inventory management, quality control, product costing, human resources, distribution and finance. We have implemented Microsoft Navision and HROne. These technology initiatives are intended to increase productivity and operating efficiencies, they may not achieve such intended results. These systems may be potentially vulnerable to data security breaches, whether by employees or others, which may result in unauthorized persons getting access to sensitive data. Such data security breaches could lead to the loss of data related to our products and services and other proprietary information could be compromised. These systems are also susceptible to outages due to fire, floods, earthquakes, power loss, telecommunications failures, natural disasters, computer viruses or malware, break-ins and similar events. Effective response to such disruptions or malfunctions shall require effort and diligence on the part of our third-party distribution partners and employees to avoid any adverse effect to our information technology systems. We have had an instance of a cyber-attack in 2024 and we cannot assure you that such instances may not occur in the future, which may have an adverse effect on our financial condition and business.

56. We track certain operational metrics with internal systems and tools. Certain of our operational metrics are subject to inherent challenges in measurement which may adversely affect our business and reputation.

We track certain operational metrics and key business metrics such as EBITDA, EBITDA margin, PBT Margin, PAT Margin, ROCE, RoNW, net worth, NAV and Net Debt to Total Equity, among others, with internal systems and tools which may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies, or the assumptions on which we rely. Our internal systems and tools have a number of limitations, and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics. If the internal systems and tools we use to track these metrics undercount or over count performance or contain algorithmic or other technical errors, the data we report may not be accurate. While these numbers are based on what we believe to be reasonable estimates of our metrics for the applicable period of measurement, there are inherent challenges in measuring how our platforms are used across large populations. In addition, limitations or errors with respect to how we measure data or with respect to the data that we measure may affect our understanding of certain details of our business, which could affect our long-term strategies. If our operating metrics are not accurate representations of our business, if investors do not perceive our operating metrics to be accurate, or if we discover material inaccuracies with respect to these figures, we expect that our business, reputation, results of operations and financial condition would be adversely affected.

57. Upon listing, we may be subject to additional costs/unanticipated expenses arising from the obligations that a listed public company has to comply with, under the applicable regulatory framework in India.

We are not a publicly listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed public company, we shall incur legal, accounting, insurance and other expenses that we have not incurred as an unlisted public company, including costs associated with listed company reporting and corporate governance requirements. We expect that rules and regulations shall increase our legal and financial compliance costs and make some activities more time-consuming and costly, although we are currently unable to estimate these costs with any degree of certainty. Laws and regulations could also make it more difficult or costly for us to obtain certain types of insurance, including director and officer liability insurance, and we may be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. Laws and regulations could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors, our board committees or as our senior management. Furthermore, if we are unable to satisfy our obligations as a public company, we could be subject to delisting, fines, sanctions and other regulatory action and potentially civil litigation. While a few of our Directors are directors on the boards of listed entities, certain of our Directors do not have any prior experience of directorship in listed entities. Consequently, additional management attention may be required to ensure compliance with the requirements associated with publicly listed companies. Any such action could adversely affect our business, financial condition and results of operations and cash flow.

For instance, we shall be subject to the Listing Regulations which shall require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies. Further, as a publicly listed company, we shall need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention shall be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, financial condition, results of operations, and cash flows. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but there can be no assurance that we shall be able to do so in a timely and efficient manner.

External risk factors

58. A slowdown in economic growth in India could cause our business to suffer.

Our performance and the growth of our business are dependent on the health of the overall Indian economy. Any slowdown or perceived slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could also adversely affect our business, financial condition, results of operations and prospects.

India's economy could be adversely affected by a general rise in interest rates or inflation, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A slowdown in the Indian economy could adversely affect the policy of the GoI towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy.

The Indian economy is also influenced by economic development and market conditions in other countries, particularly emerging market conditions in Asia. A decline in India's foreign exchange reserves and exchange rate fluctuations may also affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business, financial condition, results of operations and prospects.

India has experienced instances of social, religious and civil unrest and hostilities between neighboring countries from time to time. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy negatively.

Further, other factors which may adversely affect the Indian economy are scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our expansions; volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges; changes in India's tax, trade, fiscal or monetary policies, like application of GST; political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries; occurrence of natural or man-made disasters; infectious disease outbreaks or other serious public health concerns; prevailing regional or global economic conditions, including in India's principal export markets; and other significant regulatory or economic developments in or affecting India or its financial services sectors.

Any slowdown or perceived slowdown in the economic growth of the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, financial condition and results of operations, and the price of the Equity Shares.

59. Our business is affected by global economic conditions, which may have an adverse effect on our business, financial condition, results of operations and prospects.

Our business depends substantially on global economic conditions. Financial turmoil in Asia, U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. Financial disruptions may occur and could harm our business, results of operations and financial condition.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections in recent years. Financial markets and the supply of credit could continue to be negatively impacted by ongoing concerns surrounding the sovereign debts and/or fiscal deficits of several countries in Europe, the possibility of further downgrades of, or defaults on, sovereign debt, concerns about a slowdown in growth in certain economies and uncertainties regarding the stability and overall standing of the European Monetary Union.

A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian financial markets and indirectly in the Indian economy in general. Any worldwide financial instability could influence the Indian economy. In response to such developments, legislators and financial regulators in the United States, Africa and other jurisdictions, including India, have implemented several policy measures designed to add stability to the financial markets. In addition, any increase in interest rates by the United States Federal Reserve will lead to an increase in the borrowing costs in the United States which may in turn impact global borrowing as well. Furthermore, in several parts of the world, there are signs of increasing retreat from globalization of goods, services and people, as pressure for the introduction of a protectionist regime is building and such developments could adversely affect Indian exports. However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. In the event that the current adverse conditions in the global credit markets continue or if there is any significant financial disruption, this could have an adverse effect on our business, results of operations and financial condition. Recent developments in the ongoing conflict between Russia and Ukraine and in the state of Israel has resulted in and may continue to result in a period of sustained instability across global financial markets, induce volatility in commodity prices, adversely impact availability of natural gas, increase in supply chain, logistics times and costs, increase borrowing costs, cause outflow of capital from emerging markets and may lead to overall slowdown in economic activity in India.

A prolonged war or a protracted period of hostilities may lead to global economic disturbances. If we are unable to successfully anticipate and respond to changing economic and market conditions, our business, results of operations and financial condition and prospects may be adversely affected.

60. Natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.

Natural disasters (such as typhoons, cyclones, storms, tsunamis, fires, explosions, flooding, and/or earthquakes), epidemics, pandemics such as COVID-19, and man-made disasters, including acts of war, military actions, terrorist attacks, and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition, and results of operations.

Recent developments in the ongoing conflict between Russia and Ukraine has resulted in and may continue to result in a period of sustained instability across global financial markets, induce volatility in commodity prices, adversely impact availability of natural gas, increase in supply chain, logistics times and costs, increase borrowing costs, cause outflow of capital from emerging markets and may lead to overall slowdown in economic activity in India.

Our operations may be adversely affected by fires, natural disasters, and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations.

India has experienced instances of social, religious and civil unrest and hostilities between neighbouring countries from time to time. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy negatively. Any terrorist attacks or civil unrest as well as other adverse social, economic, and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1, and H1N1 strains of influenza in birds and swine and more recently, the SARS-CoV-2 virus. Any future outbreaks of SARS-CoV-2 virus or a similar contagious disease could adversely affect the global economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

Further, other factors which may adversely affect the Indian economy are scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our expansions; volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges; changes in India's tax, trade, fiscal or monetary policies, like application of GST; political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries; occurrence of natural or man-made disasters; infectious disease outbreaks or other serious public health concerns; prevailing regional or global economic conditions, including in India's principal export markets; and other significant regulatory or economic developments in or affecting India or its financial services sectors. Any slowdown or perceived slowdown in the economic growth of the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, financial condition and results of operations, and the price of the Equity Shares. Our performance and the growth of our business depend on the overall performance of the Indian economy as well as the economies of the regional markets in which we operate.

61. If inflation were to rise in India, we might not be able to increase the prices of our products and services at a proportional rate in order to pass costs on to our customers thereby reducing our margins.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of wages and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase the price of our services to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the Government of India has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

62. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, prospects and results of operations.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations, financial condition, cash flows and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

For instance, the Government of India has announced the union budget for the Financial Year 2023-24 pursuant to which the Finance Act, 2023 has introduced various amendments to taxation laws in India. As such, there is no certainty on the effect that the Finance Act, 2023 may have on our business and operations or on the industry in which we operate.

Further, the Government of India introduced new laws relating to social security, occupational safety, industrial relations and wages namely, the Code on Social Security, 2020 ("**Social Security Code**"), the Occupational Safety, Health and Working Conditions Code, 2020, the Industrial Relations Code, 2020 and the Code on Wages, 2019, which consolidate, subsume and replace numerous existing central labour legislations, which were to take effect from April 1, 2021 (collectively, the "**Labour Codes**"). The Government of India has deferred the effective date of implementation of the respective Labour Codes, and they shall come into force from such dates as may be notified. Different dates may also be appointed for the coming into force of different provisions of the Labour Codes. While the rules for implementation under these codes have not been finalized, as an immediate consequence, the coming into force of these codes could increase the financial burden on our Company, which may adversely affect our profitability. For instance, under the Social Security Code, a new concept of deemed remuneration has been introduced, such that where an employee receives more than half (or such other percentage as may be notified by the Central Government) of their total remuneration in the form of allowances and other amounts that are not included within the definition of wages under the Social Security Code, the excess amount received shall be deemed as remuneration and accordingly be added to wages for the purposes of the Social Security Code and the compulsory contribution to be made towards the employees' provident fund.

The Digital Personal Data Protection Act, 2023 ("**DPDP Act**") which has received the assent of the President on August 11, 2023, provides for personal data protection and privacy of individuals, regulates cross border data transfer, and provides several exemptions for personal data processing by the Government. It also provides for the establishment of a Data Protection Board of India for taking remedial actions and imposing penalties for breach of the provisions of the DPDP Act. It imposes restrictions and obligations on data fiduciaries, resulting from dealing with personal data and further, provides for levy of penalties for breach of obligations prescribed under the DPDP Act.

The Parliament of India has passed the Bharatiya Nyaya Sanhita Bill, 2023, the Bharatiya Nagarik Suraksha Sanhita Bill, 2023 and the Bharatiya Sakshya Bill, which are proposed to replace the Indian Penal Code, 1860, the Code of Criminal Procedure, 1973 and the Indian Evidence Act, 1872, respectively, with effect from July 1, 2024. The effect of the provisions of these on us and the litigations involving us cannot be predicted with certainty at this stage.

Unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with 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, financial condition, cash flows and prospects. Uncertainty in the application, 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 affect the viability of our current business or restrict our ability to grow our businesses in the future.

63. We may be affected by competition laws in India and any adverse application or interpretation of the Competition Act could in turn adversely affect our business.

The Competition Act, 2002, as amended (the "**Competition Act**") was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the Competition Commission of India to regulate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties.

Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of subscribers in the relevant market is presumed to have an appreciable adverse effect in the relevant market in India and shall be void. The Competition Act also prohibits abuse of a dominant position by any enterprise. The Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations 2011 ("**Combination Regulations**") 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.

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 Competition Commission of India 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. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We do not have any outstanding notices in relation to non-compliance with the Competition Act or the agreements entered into by us.

The Government of India has also passed the Competition (Amendment) Act, 2023 on April 11, 2023, which has made several amendments to the Competition Act. These amendments include the 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. Such amendment to the Competition Act will result in additional costs for compliance, which in turn may adversely affect our business, results of operations, cash flows and prospects.

64. Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as US GAAP and IFRS, which may affect investors' assessments of our Company's financial condition.

The Restated Consolidated Financial Information for Fiscal 2024, Fiscal 2023, and Fiscal 2022, included in this Draft Red Herring Prospectus are derived from audited consolidated financial statements as of and for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022 prepared in accordance with Ind AS, the provisions of the Companies Act, 2013 and other accounting principles generally accepted in India and restated by our Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI. Ind AS differs from accounting principles with which you may be familiar, such as Indian GAAP, IFRS and US GAAP.

We have not attempted to explain in a qualitative manner the impact of the IFRS or US GAAP on the financial information included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial information to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP, which may differ from accounting principles with which you may be familiar in other countries. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus, which is restated as per the SEBI ICDR Regulations, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices, Ind AS, the Companies Act and the SEBI ICDR Regulations, on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. You should review the accounting policies applied in the preparation of the Restated Consolidated Financial Information and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar.

65. We may be impacted by an adverse change in India's sovereign credit rating by a domestic or international rating agency.

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any adverse revisions to India's 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 India's credit ratings may occur, for reasons beyond our control such as, upon a change of government tax or fiscal policy or a decline in India's foreign exchange reserves. This could have an adverse effect on our ability to fund our growth on favorable terms or at all, and consequently adversely affect our business and financial performance and the price of the Equity Shares.

66. Investors may not be able to immediately sell any of the Equity Shares they subscribe to in this Offer on an Indian stock exchange.

The Equity Shares will be listed on the Stock Exchanges. Pursuant to the applicable Indian laws and practice, permission for listing of the Equity Shares will not be granted till the Equity Shares in this Offer have been issued and allotted and all relevant documents are submitted to the Stock Exchanges. Further, certain actions must be completed prior to the commencement of listing and trading of the Equity Shares such as the Investor's book entry or 'demat' accounts with the depository participants in India, the Allotment of Equity Shares in the Offer and the credit of such Equity Shares to the applicant's demat account with the depository participant. Any failure or delay in obtaining the approval or otherwise commence trading in Equity Shares would restrict your ability to dispose of your 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 in a timely manner (as specified herein) or at all. We could also be required to pay interest at the applicable rates if the allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

67. ***There is no assurance that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all or that once listed, will remain listed on the Stock Exchange.***

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer. In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the Stock Exchanges within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

Although it is currently intended that the Equity Shares will remain listed on the Stock Exchanges, there is no assurance of the continued listing of the Equity Shares. Among other factors, we may not continue to satisfy the listing requirements of the Stock Exchanges. Accordingly, Shareholders will not be able to sell their Equity Shares through trading on the Stock Exchanges if the Equity Shares are no longer listed on the Stock Exchange.

68. ***Pursuant to listing of the Equity shares, we may be subject to pre-emptive surveillance measures like additional Surveillance Measures ("ASM") and Graded surveillance Measures ("GSM") by the Stock Exchanges in the order to enhance market integrity and safeguard the interest of the investors.***

On and post the listing of equity shares, we may be subject to ASM and GSM by the Stock Exchange(s) and the Securities and Exchange Board of India. These measures have been introduced in order to enhance market integrity and safeguard the interest of investors and to alert and advise investors to be extra cautious and carry out necessary due diligence while dealing in such securities.

The criteria for shortlisting any scrip trading on the Stock Exchange(s) under the ASM is based on an objective criterion as jointly decided by SEBI and the Stock Exchange(s) which include market based dynamic parameters such as high low variations, client concentration, close to close price variation, market capitalization, volume variation, delivery percentage, number of unique PAN's and price to equity ratio. A scrip is typically subjected GSM measures where there is an abnormal price rise that is not commensurate with the financial heath and fundamentals of a company which inter alia includes factors like earnings, book value, fixed assets and net worth to the equity ratio etc. The price of our equity shares may also fluctuate after the offer due to several factors such as volatility in the Indian and global securities market, our profitability and performance, the performance of our competitors, change in the estimates of our performance or any other political or economic factor. The occurrence of any of the above-mentioned factors may trigger the parameters identified by SEBI and the Stock Exchange(s) for the placing securities under the GSM and ASM framework. In the event of our Equity Shares are covered under such pre-emptive surveillance measures implemented by SEBI and the Stock Exchange(s), we may be subject to certain additional restrictions in the relation to trading of our Equity Shares such as limiting trading frequency (for example trading either allowed in a week or a month) higher margin requirements of settlement on a trade for trade basis without netting off requirement of settlement on gross basis or freezing price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active market for and trading and liquidity of our Equity Shares and on the reputation and conditions of our Company.

For further details in relation to the ASM and GSM Surveillance Measures, including criteria for shortlisting and review of Listed Securities, exemptions from shortlisting and frequently asked questions (FAQs), among other details, refer to the websites of the NSE and the BSE.

69. ***The Offer Price, market capitalisation to revenue multiple and price to earnings ratio based on the Offer Price of our Company, may not be indicative of the market price of the Equity Shares on listing.***

Our revenue, EBITDA, and profit after tax for Fiscal 2024 was ₹ 9,751.80 million, ₹ 1,392.51 million, and ₹ 761.25 million on Restated Consolidated Financial Information basis. Our market capitalisation (based on the Offer Price) to revenue (Fiscal 2024) multiple is [●] times; our market capitalisation (based on the Offer Price) to price to earnings ratio (based on profit after tax for Fiscal 2024) is [●] at the upper end of the Price Band; and our enterprise value to EBITDA ratio (based on EBITDA for Fiscal 2024) is [●]. The Offer Price will be determined by our Company in consultation with BRLMs based on various factors and assumptions. Furthermore, the Offer Price of the Equity Shares will be determined by our Company in consultation with Book Running Lead Manager through the Book Building Process, and will be based on numerous factors, including factors as described in "*Basis for the Offer Price*" beginning on page 134 and may not be indicative of the market price for the Equity Shares after the Offer. Accordingly, the Offer Price, multiples and ratio may not be indicative of the market price of the Equity Shares on listing or thereafter. The factors that could affect the market price of the Equity Shares include, among other, broad market trends, our financial performance and results post-listing, and other factors beyond our Company's control. Our Company 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.

70. ***Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is generally taxable in India. A securities transaction tax ("**STT**") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of listed equity shares held for more than 12 months may be subject to long term capital gains tax in India at the specified rates depending on certain factors, such as STT is paid, the quantum of gains and any available treaty exemptions. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. Furthermore, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Earlier, distribution of dividends by a domestic company was subject to Dividend Distribution Tax ("**DDT**"), in the hands of the company and such dividends were generally exempt from tax in the hands of the shareholders. However, the government of India has amended the Income Tax Act to abolish the DDT regime. Under the extant provisions, any dividend distributed by a domestic company is subject to tax in the hands of the concerned shareholder at the applicable rates. Additionally, the company distributing dividends is required to withhold tax on such payments at the applicable rate. However, non-resident shareholders may claim benefit of the applicable tax treaty, subject to satisfaction of certain conditions.

Furthermore, if non-resident shareholders of entities holding the Equity Shares exit by way of sale or redemption of the shares held by them abroad in such entities, such non-resident shareholders could be taxed on capital gains in India if the offshore shares derive substantial value from Indian assets, subject to certain exemptions. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India only in limited situations and generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. Similarly, any business income realized from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller.

Furthermore, the Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020 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.

Our Company cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our Company's business, results of operations, financial condition and cash flows. Investors should consult their own tax advisors about the consequences of investing in or trading in Equity Shares.

71. ***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 Bidders 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. RIIs can revise or withdraw their Bids during the Bid/Offer Period and until the Bid/Offer Closing Date, but not thereafter. While our Company is required to complete Allotment pursuant to the Offer within such period as may be prescribed under applicable law, events affecting the Bidders' decision to invest in our Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, financial condition and results of operations 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 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. QIBs and Non-Institutional Bidders will not be able to withdraw or lower their bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or otherwise, between the dates of submission of their Bids and Allotment.

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

The determination of Price Band is based on various factors and assumptions and will be determined by our Company and the Selling Shareholder in consultation with the Book Running Lead Managers. Furthermore, the Offer Price of the Equity Shares will be determined by our Company, in consultation with the Book Running Lead Managers 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*" beginning on page 134 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, we cannot assure you that investors will be able to resell their Equity Shares at or above the Offer Price

73. Our Equity Shares have never been publicly traded, and, after the Offer, our Equity Shares may experience price and volume fluctuations, and an active trading market for our Equity Shares may not develop.

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market for our Equity Shares may not develop or be sustained after the Offer. Listing does not guarantee that a market for our Equity Shares will develop, or if developed, the liquidity of such market for our Equity Shares. Investors might not be able to rapidly sell the Equity Shares at the quoted price if there is no active trading in the Equity Shares. The Offer Price of our Equity Shares is proposed to be determined through a book-building process and shall be based on numerous factors, as described in the section "*Basis for Offer Price*" on page 134 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. You may not be able to re-sell your Equity Shares at or above the Issue Price and may as a result lose all or part of your investment.

Our Equity Shares are expected to trade on NSE and BSE after the Offer, but there can be no assurance that active trading in our Equity Shares shall develop after the Offer, or if such trading develops that it shall continue. The Bidders may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after this Offer may be subject to significant fluctuations as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Draft Red Herring Prospectus. The market price of our Equity Shares may be subject to significant fluctuations in response to, among other factors:

- our financial condition, results of operations and cash flows;
- prospects for our business;
- quarterly variations in our results of operations;
- results of operations that vary from the expectations of research analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- conditions in financial markets, including those outside India;
- a change in research analysts' recommendations;
- announcements by us or our competitors of new services, significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or government entities of significant claims or proceedings against us;
- new laws and government regulations or changes in laws and government regulations applicable to our industry;
- developments relating to our peer companies in our industry;
- change in interest rates;
- additions or departures of Key Managerial Personnel or Senior Management Personnel; and
- general economic and stock market conditions.

The Indian stock markets have, from time to time, experienced significant price and volume fluctuations that have affected market prices for the securities of Indian companies. As a result, investors in our Equity Shares may experience a decrease in the value of our Equity Shares regardless of our financial performance or prospects. Changes in relation to any of the factors listed above could adversely affect the price of our Equity Shares. Consequently, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all, and may as a result lose all or a part of your investment.

74. Any future issuance of Equity Shares or convertible securities or other equity linked instruments by us may dilute your shareholding, and significant sales of Equity Shares by our major shareholders, may adversely affect the trading price of the Equity Shares.

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering and grants of stock options under our employee stock option plan, may lead to the dilution of investors' shareholdings in us. Any future issuances of Equity Shares or the disposal of Equity Shares by our major shareholders or the perception that such issuance or sales may occur after the completion of this Offer (subject to compliance with the lock-in provisions under the SEBI ICDR Regulations), may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of the Equity Shares. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of the Equity Shares.

75. Foreign investors are subject to foreign investment restrictions under Indian law, which may adversely affect the market price of the Equity Shares.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA and the rules thereunder. Under the foreign exchange control regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such requirements or falls under any of the exceptions specified by the RBI, then the approval of the RBI will be required for such transaction to be valid. Additionally, shareholders who seek to convert the Indian Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/tax clearance certificate from the Indian income tax authority. We cannot assure investors that any required approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all.

Furthermore, 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 a 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, will require prior approval of the GoI, as prescribed in the Consolidated FDI Policy dated October 15, 2020 and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. Restrictions on foreign investment activities and impact on our ability to attract foreign investors may cause uncertainty and delays in our future investment plans and initiatives. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular term or at all.

Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. There can be no assurance that any approval required from the RBI, or any other government agency can be obtained on any particular terms or at all.

For further information, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 485. Our ability to raise any foreign capital under the FDI route is therefore constrained by Indian law, which may adversely affect our business, cash flows, results of operations, financial condition and prospects.

76. Foreign investors may have difficulty enforcing judgments against us or our management.

The enforcement of civil liabilities by overseas investors in our Equity Shares, including the ability to effect service of process and to enforce judgments obtained in courts outside of India may be adversely affected by the fact that we are incorporated under the laws of the Republic of India and all of our executive officers and Directors reside in India. As a result, it may be difficult to enforce the service of process upon us and any of these persons outside of India or to enforce outside of India, judgments obtained against us and these persons in courts outside of India.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Civil Procedure Code ("**Civil Code**") on a statutory basis. Section 44A of the Civil Code provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside India which the Government has by notification declared to be in reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the same nature of amounts payable in respect of taxes, other charges of a like nature or in respect of a fine or other penalties.

The United Kingdom, Singapore and Hong Kong, among other countries, have been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code. A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit upon the judgment under Section 13 of the Civil Procedure Code, and not by proceedings in execution. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Procedure Code, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. The suit must be brought in India within 3 years from the date of judgment in the same manner as any other suit filed to enforce a civil liability in India.

Further, there are considerable delays in the disposal of suits by Indian courts. It may be unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it may be unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy in India. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI under FEMA to repatriate any amount recovered pursuant to execution and any such amount may be subject to income tax in accordance with applicable laws. Any judgment or award in a foreign currency would be converted into Indian Rupees on the date of the judgment or award and not on the date of the payment.

77. 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 is required to 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 the 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 the Equity Shares, you may suffer future dilution of your ownership position and your proportional interests in us would be reduced.

78. A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of our Company. Under the SEBI Takeover Regulations, an acquirer been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in has concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the SEBI Takeover Regulations.

79. Our ability to raise foreign capital may be constrained by Indian law.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

80. ***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 a shareholder of an entity in another jurisdiction.

81. ***Compliance with provisions of Foreign Account Tax Compliance Act may affect payments on the Equity Shares.***

The U.S. "Foreign Account Tax Compliance Act" (or "**FATCA**") imposes a new reporting regime and potentially, imposes a 30% withholding tax on certain "foreign passthru payments" made by certain non-U.S. financial institutions (including intermediaries).

If payments on the Equity Shares are made by such non-U.S. financial institutions (including intermediaries), this withholding may be imposed on such payments if made to any non-U.S. financial institution (including an intermediary) that is not otherwise exempt from FATCA or other holders who do not provide sufficient identifying information to the payer, to the extent such payments are considered "foreign passthru payments". Under current guidance, the term "foreign passthru payment" is not defined and it is therefore not clear whether and to what extent payments on the Equity Shares would be considered "foreign passthru payments". The United States has entered into intergovernmental agreements with many jurisdictions (including India) that modify the FATCA withholding regime described above. It is not yet clear how the intergovernmental agreements between the United States and these jurisdictions will address "foreign passthru payments" and whether such agreements will require us or other financial institutions to withhold or report on payments on the Equity Shares to the extent they are treated as "foreign passthru payments". You should consult their tax advisors regarding the consequences of FATCA, or any intergovernmental agreement or non-U.S. legislation implementing FATCA, to their investment in Equity Shares.

82. ***The insolvency laws of India may differ from those of other jurisdictions with which investors are familiar.***

As we are established in India under the Companies Act, any insolvency proceedings relating to us is likely to involve Indian insolvency laws (including the Insolvency and Bankruptcy Code, 2016 of India), the procedural and substantive provisions of which may differ from comparable provisions of the local insolvency laws of jurisdictions with which investors are familiar.

SECTION III – INTRODUCTION

SUMMARY FINANCIAL INFORMATION

The following tables set out the summary financial information derived from the Restated Consolidated Financial Information. The summary financial information presented below should be read in conjunction with "*Restated Consolidated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 316 and 390, respectively.

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RESTATED STATEMENTS OF ASSETS AND LIABILITIES

(in ₹ million)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Assets			
Non-Current Assets			
Property, Plant and Equipment	2,180.00	1,973.88	1,944.71
Right of Use Assets	45.88	19.85	18.02
Capital Work-In-Progress	-	39.83	1.50
Intangible assets	2.77	2.05	0.34
Intangible assets under development	-	-	0.62
Investment in Associates	413.28	262.08	246.20
Financial assets			
a) Other Financial assets	52.88	80.54	58.56
Non-Current tax assets	6.50	48.80	23.06
Other non-current assets	5.79	4.22	16.41
Total Non-Current Assets	**2,707.10**	**2,431.25**	**2,309.42**
Current Assets			
Inventories	2,266.93	1,529.98	1,208.76
Financial assets			
-Loans	201.96	79.85	19.67
-Trade Receivables	801.48	623.70	553.10
-Cash and cash equivalents	99.37	246.09	290.41
-Bank balances other than above	411.60	290.79	229.15
-Other Financial assets	39.18	18.99	58.77
Contract asset	1,592.55	1,019.19	416.25
Other current assets	502.28	473.53	530.47
Total Current Assets	**5.915.35**	**4,282.12**	**3,306.58**
Total Assets	**8,622.45**	**6,713.37**	**5,616.00**
Equity and Liabilities			
Equity			
Equity Share Capital	64.89	64.89	64.89
Other Equity	3,724.05	3,014.48	2,528.52
Non – Controlling Interest	470.31	422.03	397.49
Total Equity	**4,259.25**	**3,501.40**	**2,990.90**
Non-Current Liabilities			
Financial Liabilities			
-Borrowings	202.74	319.18	283.32
-Lease Liabilities	20.62	-	-
Provisions	14.18	9.40	3.62
Deferred Tax liabilities (Net)	130.71	127.72	137.07
Total Non-Current liabilities	**368.25**	**456.30**	**424.01**
Current Liabilities			
Financial liabilities			
-Borrowings	1,938.21	1,257.78	1098.42
-Lease Liabilities	7.17	-	-
-Trade Payables			
-(a)Total outstanding dues of micro enterprises and small enterprises	157.15	52.04	39.19
- (b)Total outstanding dues of creditors other than micro enterprises and small enterprises	1,480.05	1,154.66	787.60
-Other Financial liabilities	209.79	147.18	137.03
Contract Liabilities	108.81	48.66	88.66

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Other Current Liabilities	70.21	32.69	27.87
Provisions	4.95	8.80	1.52
Current Tax Liabilities	18.61	53.86	20.80
Total Current liabilities	**3,994.95**	**2,755.67**	**2,201.09**
Total Equity and Liabilities	**8,622.45**	**6,713.37**	**5,616.00**

RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS (INCLUDING OTHER COMPREHENSIVE INCOME)

(in ₹ millions, except per share data and unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from Operations	9,657.37	7,858.21	5,568.38
Other Income	94.43	33.02	43.20
Total Income	**9,751.80**	**7,891.23**	**5,611.58**
Expenses			
Cost of materials consumed	4,757.01	3,787.10	2,406.82
Change in Inventories of Finished Goods, Work-in-Progress, Stock-in-Trade	(264.85)	(91.33)	(41.25)
Employee Benefits Expense	722.75	443.49	390.08
Finance Costs	255.04	184.89	145.86
Depreciation and Amortisation Expense	162.22	139.57	118.07
Other Expense	3,295.66	2,746.10	1,970.18
Total Expenses	**8,927.83**	**7,209.82**	**4,989.76**
Restated Profit before Tax	**823.97**	**681.41**	**621.82**
Tax Expense			
Current tax	220.18	181.80	159.95
Tax related to earlier	(8.11)	1.77	12.60
Deferred tax change/(credit)	1.93	(7.47)	10.26
Total Tax Expense	**214.00**	**176.10**	**182.81**
Restated Profit for the year after Tax	**609.97**	**505.31**	**439.01**
Add: Share of Profit/(Loss) in Associates (Net)	151.28	15.93	31.95
Restated Profit/(Loss) for the year	**761.25**	**521.24**	**470.96**
Profit/(Loss) for the year attributable to			
- Owners of the Company	713.11	496.45	378.07
- Non – Controlling Interest	48.14	24.79	92.89
Restated Other Comprehensive Income/ (loss)			
Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit plans	4.23	(7.39)	3.45
Income tax relating to above items	(1.06)	1.88	(0.90)
Add: Share of Other Comprehensive Income of Associate Company (net of tax)	(0.08)	(0.04)	(0.05)
Restated Other Comprehensive Income/ (loss) for the year	**3.09**	**(5.55)**	**2.50**
Owners of the Company	2.95	(5.30)	2.23
Non – Controlling Interest	0.14	(0.25)	0.27
Restated Total Comprehensive Income for the year	**764.34**	**515.69**	**473.46**
Owners of the Company	716.06	491.15	380.30
Non – Controlling Interest	48.28	24.54	93.16
Earnings per Equity Shares of par value of ₹ 2 each (Restated)			
-Basic Earnings Per Share (in ₹)	10.99	7.65	5.83
-Diluted Earnings Per Share (in ₹)	10.99	7.65	5.83

RESTATED STATEMENT OF CASH FLOWS

(in ₹ million)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash Flows from Operating activities:			
Restated Profit Before Tax	**823.97**	**681.41**	**621.82**
Adjustments for:			
Depreciation and Amortization	162.22	139.57	118.07
Finance cost	255.04	184.89	145.86
Interest Income	(28.40)	(24.43)	(24.00)
(Profit)/Loss on sale of PPE	(21.14)	12.45	(6.46)
(Gain)/Loss on Foreign Currency Fluctuation/ Translation (Net)	(1.78)	(0.80)	(1.76)
Allowances for expected credit loss written back	(9.50)	(2.40)	(6.48)
Allowances for expected credit loss provided	1.92	7.65	-
Guarantee Commission	-	-	(1.38)
Liabilities no longer required written back	(20.25)	(0.41)	(1.43)
Sundry Balances Written off	45.49	15.77	7.94
Bad Debts Written off	6.75	24.39	-
Net gain/(loss) on Derivative instruments on fair valuation through profit and loss	0.46	3.82	2.39
Total	**390.81**	**360.50**	**232.75**
Operating Profit Before Working Capital changes	**1,214.78**	**1,041.91**	**854.57**
Adjustments for:			
Increase / (Decrease) in Trade Payables	430.51	379.48	116.35
Increase/(Decrease) in Financial Liabilities	77.98	19.56	21.60
Increase/(Decrease) in Other Liabilities	98.16	(35.19)	(39.45)
Increase/(Decrease) in Provisions (Liabilities)	5.15	5.68	(0.18)
Decrease/(Increase) in Inventories	(736.96)	(321.22)	(544.34)
Decrease/(Increase) in Trade Receivables	(173.68)	(100.99)	123.86
Decrease/(Increase) in Financial Assets	(30.26)	28.32	(23.89)
Decrease/(Increase) in Other Assets	(649.84)	(560.67)	(68.88)
Total	**(978.94)**	**(585.03)**	**(414.93)**
Cash Generated from operations	**235.84**	**456.88**	**439.64**
Direct Taxes paid - Net of refunds	(205.03)	(178.76)	(120.10)
Net cash flow from Operating Activities	**30.81**	**278.12**	**319.54**
Cash Flows from Investing Activities:			
Purchase of Property, Plant & Equipment & Intangibles	(338.17)	(223.00)	(330.89)
Proceeds from sale of Property, Plant & Equipment & Intangible assets	31.26	7.55	21.90
Payment toward Acquisition of Right of Use Asset	(0.49)	-	-
Loans Granted (Net of Refund received)	(122.11)	(60.18)	13.36
(Investment in) / Redemption of Fixed Deposits	(83.00)	(78.35)	(13.06)
Interest Received	28.32	30.61	20.83
Net Cash Flow from Investing Activities	**(484.19)]**	**(323.37)**	**(287.86)**
Cash Flows from Financing Activities :			
Proceeds from/(Repayment of) short term borrowings (net)	665.54	129.21	134.11
Proceeds from long term borrowings	102.86	188.94	198.42
Repayment of Long term borrowings	(204.41)	(122.93)	(37.07)
Principal Payment of Lease Liabilities	(4.56)	-	-
Interest Payment of Lease Liabilities	(2.06)	-	-
Dividend Paid	(6.49)	(5.19)	(3.89)
Interest & Other borrowing costs paid	(243.76)	(181.15)	(145.86)
Derivative Instrument	(0.46)	(7.95)	-

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Net Cash from Financing Activities	**306.66**	**0.93**	**145.71**
Net increase/(decrease) in Cash and Cash equivalents	(146.72)	(44.32)	177.39
Cash and Cash equivalents at the beginning of the year	246.09	290.41	113.02
Cash and Cash equivalents at the close of the year	**99.37**	**246.09**	**290.41**

THE OFFER

The details of the Offer are summarised below:

Equity Shares Offered	
Offer of Equity Shares of face value of ₹2 each(6)	Up to [●] Equity Shares of face value of ₹ 2 each aggregating up to ₹[●] million
of which	
Fresh Issue(1)(7)	Up to [●] Equity Shares of face value of ₹ 2 each aggregating up to ₹ 4,200.00 million
Offer for Sale(6)	Up to 2,780,857 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million
which includes	
Employee Reservation Portion(4)(8)(9)	Up to [●] Equity Shares of ₹ 2 each aggregating to up to ₹[●] million
Net Offer	Up to [●] Equity Shares of ₹ 2 each aggregating to up to ₹[●] million
Of which	
QIB Portion (3)(4)	Not more than [●] Equity Shares of face value of ₹ 2 each
of which	
- Anchor Investor Portion	Up to [●] Equity Shares of face value of ₹ 2 each
- Net QIB Portion available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares of face value of ₹ 2 each
of which	
- Available for allocation to Mutual Fund Portion (5% of the Net QIB Portion)	[●] Equity Shares of face value of ₹ 2 each
- Balance for Net QIBs Portion for all QIBs including Mutual Funds	[●] Equity Shares of face value of ₹ 2 each
Non-Institutional Portion(4)(5)	Not less than [●] Equity Shares of face value of ₹ 2 each
Of which	
One-third of the Non-Institutional Portion, available for allocation to Bidders with an application size between ₹200,000 to ₹1,000,000	[●] Equity Shares of face value of ₹ 2 each
Two-thirds of the Non-Institutional Portion, available for allocation to Bidders with an application size of more than ₹1,000,000	[●] Equity Shares of face value of ₹ 2 each
Retail Portion(5)	Not less than [●] Equity Shares of face value of ₹ 2 each
Pre- and Post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer	64,886,650 Equity Shares of face value of ₹ 2 each
Equity Shares outstanding after the Offer	[●] Equity Shares of face value of ₹ 2 each
Use of Net Proceeds by our Company	For details of the use of proceeds from the Fresh Issue, see "*Objects of the Offer*" on page 122. Our Company will not receive any proceeds from the Offer for Sale.

(1) Our Board has authorised the Offer, pursuant to a resolution dated September 28, 2024, and our Board has taken on record the participation of the Selling Shareholders in the Offer for Sale pursuant to a resolution dated September 28, 2024. Our Shareholders have authorised the Fresh Issue pursuant to a special resolution dated September 28, 2024.

(2) The details of authorization by the Selling Shareholders approving their participation in the Offer for Sale is as set out below.

S. No.	Name	Date of consent letter	Number of Offered Shares
1.	Pradeep Khaitan	September 27, 2024	Up to 1,059,843
2.	Pawan Khaitan	September 27, 2024	Up to 519,400
3.	Ravi Khaitan	September 27, 2024	Up to 834,257
4.	Nandini Khaitan	September 27, 2024	Up to 52,500
5.	Shashi Khaitan	September 27, 2024	Up to 314,857

Each of the Selling Shareholders, severally and not jointly, confirms that their respective portion of the Offered Shares has been held by them for a period of at least one year prior to the filing of this Draft Red Herring Prospectus in terms of Regulation 8 of the SEBI ICDR Regulations or are otherwise eligible for being offered for sale in the Offer in accordance with the provisions of the SEBI ICDR Regulations.

(3) Our Company, in consultation with the BRLMs, may allocate up to 60% of the Net QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will be accordingly reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Offer Price. In case of under-subscription or non- Allotment in the Anchor Investor Portion, the remaining Equity Shares will be added back to the Net QIB Portion. Further, 5% of the QIB Portion

(excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the 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 QIBs (other than Anchor Investors) in proportion to their Bids. See "Offer Procedure" on page 466.

(4) *Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except the QIB portion would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company, the BRLMs and the Designated Stock Exchange. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid under the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. Eligible Employee can also apply under Retail Portion. However, Bids by Eligible Employees in the Employee Reservation Portion and in the Non-Institutional Portion shall be treated as multiple Bids, only if Eligible Employee has made an application of more than ₹200,000 (net of Employee Discount) in the Employee reservation portion. In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, the Allotment for the valid Bids will be made in the first instance towards subscription for 90% of the Fresh Issue. For further details, see "Offer Structure" on page 461.*

(5) *SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹500,000, shall use the UPI Mechanism. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹200,000 and up to ₹500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid cum Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.*

(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 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 allocated on a proportionate basis. For further details, see "Offer Procedure" on page 466. Not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000 and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 1,000,000 and 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. The allocation to each Non-Institutional Bidder shall not be less than the 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.*

(7) *Our Company, in consultation with the BRLMs, may consider an issue of Specified Securities, as may be permitted under applicable law, to any person(s), aggregating up to ₹ 840.00 million at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.*

(8) *Eligible Employees bidding in the Employee Reservation Portion must ensure that the maximum Bid Amount does not exceed ₹500,000 (net of Employee Discount, if any). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000 (net of Employee Discount, if any). Only in the event of an under-subscription in the Employee Reservation Portion post the initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000 (net of Employee Discount, if any), subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 (net of Employee Discount, if any). The Employee Reservation Portion shall not exceed 5.00% of our post-Offer paid-up equity share capital. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. Any unsubscribed portion remaining in the Employee Reservation Portion shall be added to the Net Offer. For further details, see "Offer Structure" on page 461.*

(9) *Our Company may, in consultation with the BRLMs, offer an Employee Discount of ₹ [●] per Equity Share, which shall be announced two Working Days prior to the Bid/Offer Opening Date.*

Allocation to Anchor Investors shall be on a discretionary basis in accordance with the SEBI ICDR Regulations. For details, including in relation to grounds for rejection of Bids, see "*Offer Structure*", "*Terms of the Offer*" and "*Offer Procedure*" on pages 461, 455 and 466 respectively. For details of the terms of the Offer, please refer to the section titled "*Terms of the Offer*" on page 455.

GENERAL INFORMATION

Our Company was originally incorporated as "*Ramchander Heeralall*" as an unregistered partnership firm, under the Indian Partnership Act, 1932. Subsequently, the firm was registered as "*Ramchander Heeralall Limited*", at Calcutta, as a public limited company, under Part IX of the Companies Act, 1956, and was issued a certificate of incorporation on January 30, 1996 by the Registrar of Companies, West Bengal at Calcutta. The Company was also issued a certificate for commencement of business on February 1, 1996 by the Registrar of Companies, West Bengal at Calcutta. The name of the Company was changed to "*Rahee Industries Limited*", for the purpose of branding, pursuant to a Board resolution dated August 22, 1997 and a resolution passed in the extra ordinary general meeting of the Shareholders held on August 26, 2017 and consequently a fresh certificate of incorporation dated August 3, 1998 was issued by the Registrar of Companies, West Bengal at Calcutta. Thereafter, our Company's name was changed to "*Rahee Infratech Limited*" pursuant to a Board resolution dated July 26, 2010 and a resolution passed in the extra ordinary general meeting of the Shareholders held on July 27, 2010 and consequently a fresh certificate of incorporation dated August 3, 2010 was issued by the Registrar of Companies, West Bengal at Kolkata ("**RoC**").

Registered Office of our Company

Kemwell Manor,
5th floor, 10/D/2,
Ho Chi Minh Sarani,
Kolkata – 700 071,
West Bengal, India

Corporate Office of our Company

107, Lakhinarayan Talla Road,
Shalimar, Howrah, 711 103,
West Bengal, India

Company registration number and Corporate Identity Number

Company registration Number: 076870

Corporate Identity Number: U67120WB1996PLC076870

Registrar of Companies

Our Company is registered with the RoC, West Bengal, at Kolkata, situated at the following address:

Nizam Palace, 2nd MSO Building,
2nd Floor, 234/4, A.J.C. Bose Road,
Kolkata –700 020, West Bengal, India

Filing

A copy of this Draft Red Herring Prospectus has been 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 master circular SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 and at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to "Easing of Operational Procedure – Division of Issues and Listing – CFD". It will also be filed with the SEBI at:

Securities and Exchange Board of India
SEBI Bhavan, Plot No. C4 A, 'G' Block
Bandra Kurla Complex
Bandra (E)
Mumbai 400 051
Maharashtra, India

The copy of the Red Herring Prospectus and Prospectus, respectively, will be filed with the RoC in accordance with Section 32 read with Section 26 of the Companies Act, along with the material contracts and documents referred to in each of the Red Herring Prospectus and the Prospectus, respectively, and through the electronic portal.

Board of Directors

The table below sets out the details of the constitution of our Board of Directors as on the date of this Draft Red Herring Prospectus:

Name	Designation	DIN	Address
Pradeep Khaitan	Chairman and Managing Director	00179108	84/S/D, Block-E, New Alipore, Diamond Harbour Road, P.O. – New Alipore, Kolkata, West Bengal, India, 700 053
Pawan Khaitan	Whole-time Director	00201473	84-SD, Block-E, New Alipore, Kolkata, West Bengal, India, 700 053
Ravi Khaitan	Whole-time Director	00179329	84/SD, Block-E, Sivnath Sastri Sarani, New Alipore, PO – New Alipore, Kolkata, West Bengal, India, 700 053
Anurag Kumar Sachan	Non-Executive, Independent Director	08197908	14-A Railway Officers Enclave, S P Marg, Delhi, India, 110 021
Rakesh Sony	Non-Executive, Independent Director	00363053	B-2502, India Bulls Blu, Plot No. 131/ 132, Ganpatrao Kadam Marg, Worli, Mumbai, Maharashtra- 400013
Ishani Ray	Non-Executive, Independent Director	08800793	108 Maniktala Main Road, Block 1, Flat 2, Kolkata, West Bengal, India 700 054
Rajesh Kumar Bansal	Non-Executive, Independent Director	09634747	Flat 904, Tower 1, SPR Imperial Estate Sector 82 Atigaon Road, Faridabad, Haryana, India 121 002

For brief profiles and further details of our Directors, see "*Our Management*" on page 284.

Company Secretary and Compliance Officer

Kundan Jaiswal is the Company Secretary and Compliance Officer of our Company. His contact details are as set out below:

Kundan Jaiswal
107, Lakhinarayan Talla Road,
Shalimar, Howrah, 711 103,
West Bengal, India
E-mail: cs@rahee.com
Tel: +91 33 2668 3533

Statutory Auditors of our Company

Singhi & Co., Chartered Accountants
161, Sarat Bose Road,
Kolkata, 700 026,
West Bengal, India
E-mail: kolkata@singhico.com
Tel: +91 (33) 2419 6000
ICAI Firm Registration Number: 302049E
Peer Review Certificate Number: 014484

Changes in Statutory Auditors

Except as stated below, there has been no change in our statutory auditors in the three years immediately preceding the date of this Draft Red Herring Prospectus:

Particulars	Date of Change	Reason for Change
J.B.S. & Co, Chartered Accountants 60, Bentinck Street, 4th Floor, Kolkata, 700 069, West Bengal, India **E-mail:** jbs_company@rediffmail.com **Firm Registration Number:** 323743E **Peer Review Certificate Number**: 015434	December 28, 2021	Resignation due to pre-occupation
Singhi & Co., Chartered Accountants 161, Sarat Bose Road, Kolkata, 700 026, West Bengal, India **E-mail:** kolkata@singhico.com **Firm Registration Number:** 302049E **Peer Review Certificate Number:** 014484	December 28, 2021	Appointed due to casual vacancy

Particulars	Date of Change	Reason for Change
Singhi & Co., Chartered Accountants 161, Sarat Bose Road, Kolkata, 700 026, West Bengal, India **E-mail:** kolkata@singhico.com **Firm Registration Number:** 302049E **Peer Review Certificate Number:** 014484	December 6, 2022	Appointment to hold office from conclusion of 27th AGM to conclusion of 32nd AGM to be held in 2027.

Investor Grievances

Investors may contact our Company Secretary and Compliance Officer, the Book Running Lead Managers or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode.

All Offer related grievances, other than that of Anchor Investors, 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, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than UPI Bidders) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of UPI Bidders.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All Offer-related 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, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the Book Running Lead Manager where the Anchor Investor Application Form was submitted by the Anchor Investor.

Book Running Lead Managers

IIFL Securities Limited
24th Floor, One Lodha Place.
Senapati Bapat Marg
Lower Parel (West)
Mumbai 400013
Maharashtra, India
Tel: +91 22 4646 4728
E-Mail: raheeinfra.ipo@iiflcap.com
Website: www.iiflcap.com
Investor Grievance e-mail: ig.ib@iiflcap.com
Contact person: Nishita Mody/ Pawan Jain
SEBI registration No: INM000010940

Equirus Capital Private Limited
12th Floor, C Wing, Marathon Futurex,
N.M. Joshi Marg, Lower Parel,
Mumbai – 400013
Maharashtra, India
Tel.: +91 22 4332 0735
E-mail: raheeinfra.ipo@equirus.com
Website: www.equirus.com
Investor grievance e-mail: investorsgrievance@equirus.com
Contact person: Jenny Bagrecha
SEBI Registration Number: INM000011286

Inter-se Allocation of Responsibilities between the BRLMs

The table below sets out the *inter-se* allocation of responsibilities for various activities among the BRLMs.

Sr. No	Activity	Responsibility	Co-ordination
1.	Capital structuring, due diligence of Company including its operations / management / business plans / legal etc., drafting and design of Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus. Ensure compliance and completion of prescribed formalities with the Stock Exchanges, SEBI and RoC including finalization of Red Herring Prospectus, Prospectus, Offer Agreement, Underwriting Agreements and RoC filing	IIFL, Equirus	IIFL
2.	Drafting and approval of all statutory advertisements	IIFL, Equirus	IIFL
3.	Drafting and approval of all publicity material other than statutory advertisements as mentioned in point 2 above, including corporate advertising and brochures and filing of media compliance report.	IIFL, Equirus	Equirus
4.	Appointment of intermediaries, Registrar to the Offer, advertising agency, printer (including coordination of all agreements)	IIFL, Equirus	IIFL
5.	Appointment of all other intermediaries, including Sponsor Bank, Monitoring Agency, etc. (including coordination of all agreements)	IIFL, Equirus	Equirus
6.	Preparation of road show presentation and FAQs	IIFL, Equirus	Equirus
7.	International institutional marketing of the Offer, which will cover, inter alia: • Marketing strategy • Finalising the list and division of international investors for one-to-one meetings Finalising international road show and investor meeting schedules	IIFL, Equirus	Equirus
8.	Domestic institutional marketing of the Offer, which will cover, inter alia: • Marketing strategy • Finalising the list and division of domestic investors for one-to-one meetings • Finalising domestic road show and investor meeting schedules	IIFL, Equirus	IIFL
9.	Non-institutional marketing of the Offer, which will cover, inter-alia: • Finalising media, marketing, public relations strategy and • Formulating strategies for marketing to Non –Institutional Investors	IIFL, Equirus	IIFL
10.	Retail marketing of the Offer, which will cover, inter-alia: • Finalising media, marketing, public relations strategy and publicity budget, frequently asked questions at retail road shows • Finalising brokerage, collection centres • Finalising centres for holding conferences for brokers etc. • Follow-up on distribution of publicity and Offer material including form, Red Herring Prospectus/ Prospectus and deciding on the quantum of the Offer material	IIFL, Equirus	Equirus
11.	Coordination with Stock Exchanges for book building software, bidding terminals and mock trading, Anchor coordination, Anchor CAN and intimation of anchor allocation and submission of letters to regulators post completion of anchor allocation	IIFL, Equirus	IIFL
12.	Managing the book and finalization of pricing in consultation with Company	IIFL, Equirus	IIFL
13.	Post-Offer activities – management of escrow accounts, finalisation of the basis of allotment based on technical rejections, post Offer stationery, essential follow-up steps including follow-up with bankers to the Offer and Self Certified Syndicate Banks and coordination with various agencies connected with the post-offer activity such as registrar to the offer, bankers to the offer, Self-Certified Syndicate Banks, etc. listing of instruments, demat credit and refunds/ unblocking of monies, announcement of allocation and dispatch of refunds to Bidders, etc., payment of the applicable STT on behalf of Selling Shareholders, coordination for investor complaints related to the Offer, including	IIFL, Equirus	Equirus

Sr. No	Activity	Responsibility	Co-ordination
	responsibility for underwriting arrangements, submission of final post issue report		

Syndicate Members

[●]

Legal Counsel to the Company

Trilegal
One World Centre,
10th Floor, Tower 2A & 2B,
Senapati Bapat Marg,
Lower Parel (West),
Mumbai – 400 013

Registrar to the Offer

KFin Technologies Limited
Selenium, Tower-B, Plot No. 31 and 32
Financial District Nanakramguda
Serilingampally, Hyderabad 500 032
Telangana, India
Tel: +91 40 6716 2222
E-mail: raheeinfratech.ipo@kfintech.com
Website: www.kfintech.com
Investor grievance ID: einward.ris@kfintech.com
Contact Person: M. Murali Krishna
SEBI registration number: INR000000221

Banker(s) to the Offer

[●]

Escrow Collection Bank(s)

[●]

Refund Bank(s)

[●]

Public Offer Account Bank(s)

[●]

Sponsor Bank(s)

[●]

Banker(s) to our Company

Indian Bank
MCB Mission Row, 14 India Exchange Place,
1st Floor, Kolkata – 700 001
Tel: +91 847000434
Email: M716@indianbank.co.in
Contact person: Karamchand Gupta, Assistant General Manager
Website: -

ICICI Bank Limited
3A Gurusaday Road,
Kolkata – 700 019
Tel: +91 9836069566
Email: Mukesh.agarwal1@icicibank.com
Contact person: Mukesh Kumar Agarwal
Website: www.icicibank.com

The Federal Bank Limited
91A/1 Park Street,
Kolkata-16
Tel: +91 9800600961
Email: himadri@federalbank.co.in
Contact person: Himadri Chakraborty
Website: www.federalbank.co.in

Union Bank of India
Shibpur Branch, Kalpataru Apartment 50/A,
College Road (Ground Floor)
Tel: +91 9836899985
Email: ubin0575691@unionbankofbank.bank
Contact person: Ravindra Kumar
Website: www.unionbankofindia.co.in

IndusInd Bank Limited
JB House, 2 Upper Wood Street,
Kolkata – 700 016
Tel: +91 9836622882
Email: mukesh.baid@indusind.com
Contact person: Mukesh Baid
Website: www.indusind.com

Punjab National Bank
11, Hemanta Basu Sarani,
Kolkata – 700 001
Tel: +91 7044068019
Email: mcc6043@pnb.co.in
Contact person: Manish Bharadwaj
Website: www.pnbindia.in

Axis Bank Limited
1, Shakespeare Sarani,
Kolkata – 700 071
Tel: 18604195555
Email: cbbkolkata.brandhhead@axisbank.com
Contact person: Branch Head – Astik Mondal
Website: www.axisbank.com

Designated Intermediaries

Self Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available on the SEBI website at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a UPI Bidder), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Form, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time.

SCSBs and mobile applications enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders using the UPI Mechanism may only apply through the SCSBs and mobile applications whose names appears on the website of the SEBI, which may be updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI Mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and is also available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 for SCSBs and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 for mobile applications or 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) as updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35, as updated from time to time or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stockbroker network of the stock exchange, i.e. through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at https://www.bseindia.com/ and https://www.nseindia.com, as updated from time to time.

Registrar and Share Transfer Agents

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 http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm 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.

Credit Rating

As the Offer is an initial public offering of Equity Shares, the appointment of a credit rating agency is not required.

IPO Grading

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

Debenture Trustees

As the Offer is an initial public offering of Equity Shares, the appointment of debenture trustees is not required.

Monitoring Agency

In terms of Regulation 41 of the SEBI ICDR Regulations, our Company will appoint a monitoring agency, prior to the filing of the Red Herring Prospectus with the RoC for monitoring the utilization of the Gross Proceeds. For further details in relation to the proposed utilisation of the Gross Proceeds, see '*Objects of the Offer*' on page 122.

Appraising Agency

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency. Accordingly, no appraising entity has been appointed for the Offer.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Experts

Except as stated below, our Company has not obtained any expert opinions:

1. Written consent dated September 30, 2024 from Singhi & Co., to include their name as required under section 26 (1) 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 their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated September 14, 2024 on our Restated Consolidated Financial Information; and (ii) their report dated September 28, 2024 on the statement of special tax benefits available to our Company, Material Subsidiary and Shareholders in this 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.

2. Written consent dated September 30, 2024 from the independent practicing company secretary, Shubham Ranjan Sinha, to be named as an "expert" under Section 2(38) and other applicable provisions of the Companies Act, 2013 in its capacity as practicing company secretary and in respect of their certificate dated September 30, 2024 issued in connection with *inter alia* the share capital buildup and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under U.S. Securities Act.

3. Written consent dated September 21, 2024 from Biswadeep Chatterjee, independent chartered engineer, to be named as an "expert" under Section 2(38) and other applicable provisions of the Companies Act, 2013 to the extent and in his capacity as a chartered engineer and in respect of his certificate dated September 21, 2024 in relation to the Company's manufacturing capacities and capacity utilization at all of its manufacturing facilities and the details derived from such certificate and included in this Draft Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under U.S. Securities Act.

4. Written consent dated September 29, 2024, from J B S & Company, chartered accountants, to include their name as required under section 26 (1) 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 their capacity as our independent chartered accountants, and in respect of the various certifications issued by them in their capacity as an independent chartered accountant to our Company 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.

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. The Price Band and the minimum Bid Lot size and Employee Discount (if any) will be decided by our Company, in consultation with the BRLMs, and shall be advertised in all editions of the [●], an English language national daily with wide circulation, all editions of [●], a Hindi language national daily with wide circulation and all editions of [●], a Bengali daily newspaper (Bengali being the regional language of West Bengal where our Registered Office is located), 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 BRLMs, after the Bid/Offer Closing Date.

All investors, other than Anchor Investors, shall only participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, in case of UPI Bidders, by alternatively using the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders 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 (subject to the Bid Amount being up to ₹200,000) and Eligible Employees Bidding in the Employee Reservation Portion 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 Bids after the Anchor Investor Bid/ Offer Period. Further, allocation to QIBs in the Net QIB Portion will be on a proportionate basis and allocation to Anchor Investors in the Anchor Investor Portion will be on a discretionary basis. Additionally, allotment to each Non-Institutional Bidder 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.

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

For further details on the method and procedure for Bidding and book building procedure, see '*Terms of the Offer*', '*Offer Structure*' and *'Offer Procedure'* on pages 455, 461 and 466, respectively.

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 (i) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment within three Working Days of the Bid/Offer Closing date or such other time period as prescribed under applicable law; and (ii) filing of the Prospectus with the RoC.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Offer. Each of the Selling Shareholders have, severally not jointly, confirmed that they will comply with the SEBI ICDR Regulations and any other directions issued by SEBI, as applicable to the respective Selling Shareholders, in relation to the Offered Shares. In this regard, our Company and the Selling Shareholders have appointed the BRLMs to manage this Offer and procure Bids for this Offer.

Underwriting Agreement

The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC. Our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters, who shall be merchant bankers or stockbrokers registered with SEBI, for the Equity Shares. The Underwriting Agreement is dated [●]. The extent of underwriting obligations and the Bids to be underwritten by each Underwriter shall be as per the Underwriting Agreement, it is proposed that pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to conditions specified therein.

The Underwriters have indicated their intention to underwrite such number of Equity Shares as disclosed below:

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

Name, address, telephone number and e-mail address of the Underwriters	Indicative number of Equity Shares to be underwritten	Amount underwritten (in ₹ million)
[●]	[●]	[●]

The abovementioned underwriting commitments are indicative and will be finalised 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 the SEBI ICDR Regulations.

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

Allocation among the Underwriters may not necessarily be in the proportion of their underwriting commitments set out 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. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

Our Company's share capital, as of the date of this Draft Red Herring Prospectus, is disclosed below.

(In ₹ except share data)

S. No.	Particulars	Aggregate value at face value (₹)	Aggregate value at Offer Price*
A	**AUTHORISED SHARE CAPITAL**		
	85,000,000 Equity Shares of face value ₹2 each	170,000,000	-
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER**		
	64,886,650 Equity Shares of face value of ₹2 each	129,773,300	-
C	**PRESENT OFFER**		
	Offer of up to [●] Equity Shares of face value ₹2 each aggregating up to ₹ [●] million(1)(3)	[●]	[●]
	of which		
	Fresh Issue of up to [●] Equity Shares of face value ₹2 each aggregating up to ₹ 4,200.00 million(1)(3)	[●]	[●]
	Offer for Sale of up to 2,780,857 Equity Shares of face value ₹2 each aggregating up to ₹ [●] million(2)	[●]	[●]
	which includes		
	Employee Reservation portion of up to [●] Equity Shares of face value ₹2 each aggregating up to ₹ [●] million(4)	[●]	[●]
	Net Offer of up to [●] Equity Shares of face value ₹2 each aggregating up to ₹ [●] million	[●]	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER***		
	[●] Equity Shares of face value of ₹2 each	[●]	-
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer	150,018,398	
	After the Offer	[●]	

* *To be included upon finalization of the Offer Price.*

(1) *Our Board has authorised the Offer, pursuant to their resolution dated September 28, 2024 and our Board has taken on record the participation of the Selling Shareholders in the Offer for Sale pursuant to a resolution dated September 28, 2024. Our Shareholders have authorised the Fresh Issue pursuant to a special resolution dated September 28, 2024.*

(2) *Each of the Selling Shareholders, severally and not jointly, confirms that the Equity Shares being offered by them 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 by the Selling Shareholders in relation to the Offer for Sale, see "The Offer" on page 83.*

(3) *Our Company, in consultation with the BRLMs, may consider an issue of Specified Securities, as may be permitted under applicable law, to any person(s), aggregating up to ₹ 840.00 million at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.*

(4) *The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital. For further details, see "Offer Structure" on page 461. Unless the Employee Reservation Portion is under-subscribed, the value of allocation to an Eligible Employee Bidding in the Employee Reservation Portion shall not exceed ₹200,000 (net of Employee Discount, if any). In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000 (net of Employee Discount, if any).*

For details in relation to the changes in the authorised share capital of our Company in the last 10 years, see "History and Certain Corporate Matters - Amendments to the Memorandum of Association" on page 270.

Notes to Capital Structure

1. **Share capital history of our Company**

Our Company is in compliance with the Companies Act, 1956 and the Companies Act, 2013, to the extent applicable, with respect to issuance of Equity Shares from the date of incorporation of our Company till the date of filing of this Draft Red Herring Prospectus.

The history of the Equity Share capital of our Company is set out in the table below.

(a) *Primary issuance of equity shares of our Company:*

<table>
<tr><th>Date of allotment</th><th>Number of equity shares allotted</th><th>Name of allottees</th><th>Face value per equity share (₹)</th><th>Issue price per equity share (₹)</th><th>Reason for/ Nature of allotment</th><th>Nature of consideration</th><th>Cumulative number of equity shares</th><th>Cumulative paid-up equity share capital (₹)</th></tr>
<tr><td>January 30, 1996</td><td>1,750,000</td><td><table>
<tr><th>No. of equity shares of face value ₹10 each allotted</th><th>Names of allottees</th></tr>
<tr><td>270,000</td><td>Pradeep Khaitan</td></tr>
<tr><td>100,000</td><td>Ravi Khaitan</td></tr>
<tr><td>260,000</td><td>Savitri Devi Khaitan</td></tr>
<tr><td>1,060,000</td><td>Rahee Fastenings Pvt. Ltd.</td></tr>
<tr><td>15,000</td><td>Aarkay Track Fastenings Pvt. Ltd.</td></tr>
<tr><td>15,000</td><td>Peekay Fastening Pvt. Ltd.</td></tr>
<tr><td>15,000</td><td>Fair Deal (India) Pvt. Ltd.</td></tr>
<tr><td>15,000</td><td>Fast Deal (India) Pvt. Ltd.</td></tr>
</table></td><td>10</td><td>10</td><td>Subscription to the Memorandum of Association</td><td>Other than cash[#]</td><td>1,750,000</td><td>17,500,000</td></tr>
<tr><td>February 19, 1996[(1)]</td><td>87,500</td><td><table>
<tr><th>No. of equity shares of face value ₹10 each allotted</th><th>Names of allottees</th></tr>
<tr><td>11,000</td><td>Munia Devi Khaitan</td></tr>
<tr><td>4,900</td><td>Shashi Khaitan</td></tr>
<tr><td>14,500</td><td>Nandini Khaitan</td></tr>
<tr><td>11,000</td><td>Loknath Khaitan jointly with Savitri Devi Khaitan</td></tr>
<tr><td>10,400</td><td>Pawan Kumar Khaitan (HUF)</td></tr>
</table></td><td>10</td><td>10</td><td>Further issue</td><td>Cash</td><td>1,837,500</td><td>18,375,000</td></tr>
</table>

<table>
<tr><th>Date of allotment</th><th>Number of equity shares allotted</th><th>Name of allottees</th><th>Face value per equity share (₹)</th><th>Issue price per equity share (₹)</th><th>Reason for/ Nature of allotment</th><th>Nature of consideration</th><th>Cumulative number of equity shares</th><th>Cumulative paid-up equity share capital (₹)</th></tr>
<tr><td></td><td></td><td><table>
<tr><td>11,500</td><td>Pradeep Kumar Khaitan (HUF)</td></tr>
<tr><td>5,200</td><td>Rahul Khaitan</td></tr>
<tr><td>5,000</td><td>Nehal Khaitan</td></tr>
<tr><td>4,000</td><td>Ayush Khaitan</td></tr>
<tr><td>10,000</td><td>Loknath Khaitan</td></tr>
</table></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>March 28, 1997[(1)]</td><td>87,500</td><td><table>
<tr><th>No. of equity shares of face value ₹10 each allotted</th><th>Names of allottees</th></tr>
<tr><td>45,000</td><td>Ishwari Prasad Khaitan Family Trust</td></tr>
<tr><td>2,500</td><td>Ravi Khaitan (in his capacity as partner of Shalimar Fastenings)</td></tr>
<tr><td>40,000</td><td>Loknath Khaitan jointly with Savitri Devi Khaitan</td></tr>
</table></td><td>10</td><td>10</td><td>Further issue</td><td>Cash</td><td>1,925,000</td><td>19,250,000</td></tr>
<tr><td>February 20, 1998</td><td>14,000</td><td><table>
<tr><th>No. of equity shares of face value ₹10 each allotted</th><th>Names of allottees</th></tr>
<tr><td>6,000</td><td>Munia Devi Khaitan</td></tr>
<tr><td>3,500</td><td>Nandini Khaitan</td></tr>
<tr><td>4,500</td><td>Pradeep Kumar Khaitan (HUF)</td></tr>
</table></td><td>10</td><td>10</td><td>Further issue</td><td>Cash</td><td>1,939,000</td><td>19,390,000</td></tr>
<tr><td>July 2, 1999[(1)]</td><td>185,600</td><td><table>
<tr><th>No. of equity shares of face value ₹10 each allotted</th><th>Names of allottees</th></tr>
<tr><td>51,500</td><td>Pradeep Khaitan</td></tr>
<tr><td>77,600</td><td>Munia Devi Khaitan</td></tr>
<tr><td>40,000</td><td>Savitri Devi Khaitan</td></tr>
<tr><td>16,500</td><td>Shashi Khaitan</td></tr>
</table></td><td>10</td><td>10</td><td>Further issue</td><td>Cash</td><td>2,124,600</td><td>21,246,000</td></tr>
</table>

<table>
<tr><th>Date of allotment</th><th>Number of equity shares allotted</th><th>Name of allottees</th><th>Face value per equity share (₹)</th><th>Issue price per equity share (₹)</th><th>Reason for/ Nature of allotment</th><th>Nature of consideration</th><th>Cumulative number of equity shares</th><th>Cumulative paid-up equity share capital (₹)</th></tr>
<tr><td>September 6, 1999[1]</td><td>95,000</td><td><table>
<tr><th>No. of equity shares of face value ₹10 each allotted</th><th>Names of allottees</th></tr>
<tr><td>18,300</td><td>Savitri Devi Khaitan</td></tr>
<tr><td>16,000</td><td>Pradeep Khaitan</td></tr>
<tr><td>5,000</td><td>Pawan Kumar Khaitan (HUF)</td></tr>
<tr><td>5,000</td><td>Nandini Khaitan</td></tr>
<tr><td>5,000</td><td>Shashi Khaitan</td></tr>
<tr><td>5,700</td><td>Munia Devi Khaitan</td></tr>
<tr><td>17,000</td><td>Ravi Khaitan</td></tr>
<tr><td>11,500</td><td>Prerna Khaitan</td></tr>
<tr><td>11,500</td><td>Uditi Khaitan</td></tr>
</table></td><td>10</td><td>10</td><td>Further issue</td><td>Cash</td><td>2,219,600</td><td>22,196,000</td></tr>
<tr><td>December 20, 1999</td><td>34,200</td><td><table>
<tr><th>No. of equity shares of face value ₹10 each allotted</th><th>Names of allottees</th></tr>
<tr><td>500</td><td>Munia Devi Khaitan</td></tr>
<tr><td>800</td><td>Shashi Khaitan</td></tr>
<tr><td>11,000</td><td>Pradeep Khaitan</td></tr>
<tr><td>12,000</td><td>Savitri Devi Khaitan</td></tr>
<tr><td>1,500</td><td>Nandini Khaitan</td></tr>
<tr><td>1,700</td><td>Ayush Khaitan</td></tr>
<tr><td>1,700</td><td>Rahul Khaitan</td></tr>
<tr><td>900</td><td>Nehal Khaitan</td></tr>
<tr><td>500</td><td>Pradeep Kumar Khaitan (HUF)</td></tr>
<tr><td>1,100</td><td>Pawan Kumar Khaitan (HUF)</td></tr>
<tr><td>2,500</td><td>Ishwari Prasad Khaitan Family Trust</td></tr>
</table></td><td>10</td><td>10</td><td>Further issue</td><td>Cash</td><td>2,253,800</td><td>22,538,000</td></tr>
<tr><td colspan="9">Pursuant to scheme of arrangement between our Company and Rahee Track Technologies Private Limited, for the demerger of turnout division to Rahee Track Technologies Private Limited and the order of the High Court at Calcutta dated March 16, 2006, under section 391 - 394 of the Companies Act, 1956, the paid-up share capital of our Company was reduced from ₹22,538,000 divided into 2,253,800 equity shares of ₹10 each to ₹11,269,000 divided into 2,253,800 equity shares of ₹5 each. Simultaneously, every 2 fully</td></tr>
</table>

<table>
<tr><th>Date of allotment</th><th>Number of equity shares allotted</th><th>Name of allottees</th><th>Face value per equity share (₹)</th><th>Issue price per equity share (₹)</th><th>Reason for/ Nature of allotment</th><th>Nature of consideration</th><th>Cumulative number of equity shares</th><th>Cumulative paid-up equity share capital (₹)</th></tr>
<tr><td colspan="9">paid-up equity share of ₹5 got consolidated into 1 fully paid-up equity share of ₹10 each. Consequently, the paid-up share capital became ₹11,269,000 divided into 1,126,900 equity shares of ₹10 each.</td></tr>
<tr><td>October 7, 2006</td><td>554,322</td><td>
<table>
<tr><th>No. of equity shares of face value ₹10 each allotted</th><th>Names of allottees</th></tr>
<tr><td>17,647</td><td>Pradeep Khaitan</td></tr>
<tr><td>27,036</td><td>Ravi Khaitan</td></tr>
<tr><td>18,797</td><td>Savitri Devi Khaitan</td></tr>
<tr><td>41,429</td><td>Rahee Fastening Pvt. Ltd.</td></tr>
<tr><td>40,536</td><td>Aarkay Track Fastening Pvt. Ltd.</td></tr>
<tr><td>81,964</td><td>Fair Deal (India) Pvt. Ltd.</td></tr>
<tr><td>47,679</td><td>Fast Deal (India) Pvt. Ltd.</td></tr>
<tr><td>15,600</td><td>Munia Devi Khaitan</td></tr>
<tr><td>26,793</td><td>Shashi Khaitan</td></tr>
<tr><td>875</td><td>Nandini Khaitan</td></tr>
<tr><td>1,821</td><td>Loknath Khaitan jointly with Savitri Devi Khaitan</td></tr>
<tr><td>2,304</td><td>Pawan Kumar Khaitan (HUF)</td></tr>
<tr><td>4,018</td><td>Pradeep Kumar Khaitan (HUF)</td></tr>
<tr><td>247</td><td>Rahul Khaitan</td></tr>
<tr><td>1,925</td><td>Nehal Khaitan</td></tr>
<tr><td>204</td><td>Ayush Khaitan</td></tr>
<tr><td>357</td><td>Loknath Khaitan</td></tr>
<tr><td>7,697</td><td>Ishwari Prasad Khaitan Family Trust</td></tr>
<tr><td>411</td><td>Prerna Khaitan</td></tr>
<tr><td>411</td><td>Uditi Khaitan</td></tr>
</table>
</td><td>10</td><td>-</td><td>Allotment pursuant to the scheme of arrangement(2)</td><td>Other than cash</td><td>1,681,222</td><td>16,812,220</td></tr>
</table>

Date of allotment	Number of equity shares allotted	Name of allottees		Face value per equity share (₹)	Issue price per equity share (₹)	Reason for/ Nature of allotment	Nature of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
		60,857	Modern Shape Vinimay (P) Ltd.						
		85,714	Lokarpan Vinimay (P) Ltd.						
		47,143	Rahee International (P) Ltd.						
		22,857	Shalimar Realtors (P) Ltd.						
December 16, 2006	940,000	***No. of equity shares of face value ₹10 each allotted***	***Names of allottees***	10	30	Further issue	Cash	2,621,222	26,212,220
		190,000	Aarkay Track Fastening Private Limited						
		360,000	Fast Deal (India) Private Limited						
		190,000	Lokarpan Vinimay Private Limited						
		200,000	Shalimar Realtors Private Limited						
December 30, 2006	7,863,666	***No. of equity shares of face value ₹10 each allotted***	***Names of allottees***	10	-	Bonus issue in the ratio of three equity shares for every one equity share held	Not applicable	10,484,888	104,848,880
		575,691	Pradeep Khaitan						
		260,358	Ravi Khaitan						
		551,841	Savitri Devi Khaitan						
		1,714,287	Rahee Fastening Pvt. Ltd.						
		714,108	Aarkay Track Fastening Private Limited						
		1,245,537	Fast Deal (India) Pvt. Ltd.						
		198,000	Munia Devi Khaitan						
		143,679	Shashi Khaitan						
		39,375	Nandini Khaitan						
		81,963	Loknath Khaitan jointly with Savitri Devi Khaitan						

<table>
<tr><th>Date of allotment</th><th>Number of equity shares allotted</th><th>Name of allottees</th><th>Face value per equity share (₹)</th><th>Issue price per equity share (₹)</th><th>Reason for/ Nature of allotment</th><th>Nature of consideration</th><th>Cumulative number of equity shares</th><th>Cumulative paid-up equity share capital (₹)</th></tr>
<tr><td></td><td></td><td><table>
<tr><td>31,662</td><td>Pawan Kumar Khaitan (HUF)</td></tr>
<tr><td>36,804</td><td>Pradeep Kumar Khaitan (HUF)</td></tr>
<tr><td>11,091</td><td>Rahul Khaitan</td></tr>
<tr><td>14,625</td><td>Nehal Khaitan</td></tr>
<tr><td>9,162</td><td>Ayush Khaitan</td></tr>
<tr><td>16,071</td><td>Loknath Khaitan</td></tr>
<tr><td>94,341</td><td>Iswari Prasad Khaitan Family Trust</td></tr>
<tr><td>18,483</td><td>Prerna Khaitan</td></tr>
<tr><td>18,483</td><td>Uditi Khaitan</td></tr>
<tr><td>1,419,534</td><td>Lokarpan Vinimay (P) Ltd.</td></tr>
<tr><td>668,571</td><td>Shalimar Realtors (P) Ltd.</td></tr>
</table></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td colspan="9">Pursuant to scheme of amalgamation between our Company and Rahee International Private Limited, Peekay Fastening Private Limited, Fair Deal (India) Private Limited and Modern Shape Vinimay Private Limited and the order of the High Court of Calcutta dated November 21, 2007, under section 391- 394 of the Companies Act, 1956 (“2007 Scheme of Amalgamation”), the paid-up equity share capital was reorganised by cancelling face value of ₹8 on every equity share of face value of ₹10, each fully paid up, and thereafter 5 (five) equity shares of the Company paid-up to the extent of ₹2 each got consolidated into 1(one) equity share of ₹10 each as fully paid up. Subsequently, the issued, subscribed and paid-up share capital of the Company was reduced from 10,484,888 equity shares to 2,096,979 equity shares.</td></tr>
<tr><td>January 14, 2008</td><td>1,526,371</td><td><table>
<tr><th>No. of equity shares of face value ₹10 each allotted</th><th>Names of allottees</th></tr>
<tr><td>68,286</td><td>Pradeep Khaitan</td></tr>
<tr><td>69,621</td><td>Ravi Khaitan</td></tr>
<tr><td>13,214</td><td>Savitri Devi Khaitan</td></tr>
<tr><td>3,571</td><td>Rahee Fastening Pvt. Ltd.</td></tr>
<tr><td>88,036</td><td>Aarkay Track Fastening Pvt. Ltd.</td></tr>
<tr><td>237,929</td><td>Fast Deal India Pvt. Ltd.</td></tr>
<tr><td>28,086</td><td>Munia Devi Khaitan</td></tr>
<tr><td>24,657</td><td>Shashi Khaitan</td></tr>
<tr><td>1,786</td><td>Nandini Khaitan</td></tr>
<tr><td>1,786</td><td>Pawan Kumar Khaitan (HUF)</td></tr>
</table></td><td>10</td><td>-</td><td>Allotment pursuant to the 2007 Scheme of Amalgamation[3]</td><td>Other than cash</td><td>3,623,350</td><td>36,233,500</td></tr>
</table>

Date of allotment	Number of equity shares allotted	Name of allottees		Face value per equity share (₹)	Issue price per equity share (₹)	Reason for/ Nature of allotment	Nature of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
		137,215	Pradeep Kumar Khaitan (HUF)						
		128,571	Rahul Khaitan						
		15,000	Nehal Khaitan						
		15,357	Ayush Khaitan						
		289,642	Lokarpan Vinimay Pvt. Ltd.						
		303,972	Shalimar Realtors Pvt. Ltd.						
		8,713	Pawan Khaitan						
		24,858	Loknath Khaitan						
		64,286	Mridul Commodities Private Limited						
		1,785	Shalimar Rolling Mills Pvt. Ltd.						
January 30, 2009	1,000,000	***No. of equity shares of face value ₹10 each allotted***	***Names of allottees***	10	35	Further Issue	Cash	4,623,350	46,233,500
		1,000,000	Mridul Commodities Private Limited						
March 29, 2011	963,000	***No. of equity shares of face value ₹10 each allotted***	***Names of allottees***	10	50	Further Issue	Cash	5,586,350	55,863,500
		381,000	Mridul Commodities Private Limited						
		486,000	Rahee Viniyog Limited						
		96,000	Pradeep Khaitan						
March 30, 2012	286,000	***No. of equity shares of face value ₹10 each allotted***	***Names of allottees***	10	50	Further issue	Cash	5,872,350	58,723,500

Date of allotment	Number of equity shares allotted	Name of allottees	Face value per equity share (₹)	Issue price per equity share (₹)	Reason for/ Nature of allotment	Nature of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
		158,000 – Mridul Commodities Private Limited 34,000 – Rahee Viniyog Limited 52,000 – Pradeep Khaitan 40,000 – Ravi Khaitan 2,000 – Savitri Devi Khaitan						
March 31, 2014	585,075	***No. of equity shares of face value ₹10 each allotted – Names of allottees*** 306,250 – Mridul Commodities Private Limited 171,325 – Rahee Viniyog Limited 30,000 – Pawan Khaitan 77,500 – Ravi Khaitan	10	120	Further issue*	Cash	6,457,425	64,574,250
March 28, 2016	31,150	***No. of equity shares of face value ₹10 each allotted – Names of allottees*** 31,150 – PPR Associates	10	129	Further Issue[4]	Cash	6,488,575	64,885,750
September 5, 2016	90	***No. of equity shares of face value ₹10 each allotted – Names of allottees*** 4 – Pradeep Khaitan 3 – Ravi Khaitan 40 – Rahee Viniyog Limited 40 – Mridul Commodities Private Limited 3 – Pawan Khaitan	10	-	Allotment pursuant to the 2016 Amalgamation Scheme[5]	Other than cash	6,488,665	64,886,650
Pursuant to resolutions passed by our Board at their meeting held on August 24, 2024 and approved by the Shareholders at their EGM held on August 24, 2024, our Company has sub-divided 6,488,665 equity shares of face value of ₹10 each to 32,443,325 Equity Shares of face value of ₹2 each.								

<table>
<tr><th>Date of allotment</th><th>Number of equity shares allotted</th><th>Name of allottees</th><th>Face value per equity share (₹)</th><th>Issue price per equity share (₹)</th><th>Reason for/ Nature of allotment</th><th>Nature of consideration</th><th>Cumulative number of equity shares</th><th>Cumulative paid-up equity share capital (₹)</th></tr>
<tr><td>September 14, 2024</td><td>32,443,325</td><td>
<table>
<tr><th>No. of Equity Shares of face value ₹2 each allotted</th><th>Names of allottees</th></tr>
<tr><td>2,092,160</td><td>Pradeep Khaitan</td></tr>
<tr><td>2,405,905</td><td>Ravi Khaitan</td></tr>
<tr><td>1,293,260</td><td>Pawan Khaitan</td></tr>
<tr><td>314,855</td><td>Shashi Khaitan</td></tr>
<tr><td>261,430</td><td>Nandini Khaitan</td></tr>
<tr><td>657,645</td><td>Rahul Khaitan</td></tr>
<tr><td>89,000</td><td>Ayush Khaitan</td></tr>
<tr><td>88,880</td><td>Pawan Kumar Khaitan (HUF)</td></tr>
<tr><td>785,465</td><td>Pradeep Kumar Khaitan (HUF)</td></tr>
<tr><td>37,735</td><td>Ravi Kumar Khaitan (HUF)</td></tr>
<tr><td>15,462,945</td><td>Mridul Commodities Private Limited</td></tr>
<tr><td>8,679,150</td><td>Rahee Viniyog Limited</td></tr>
<tr><td>155,750</td><td>PPR Associates</td></tr>
<tr><td>94,500</td><td>Nehal Mittal</td></tr>
<tr><td>24,645</td><td>Prerna Agarwal</td></tr>
</table>
</td><td>2</td><td>-</td><td>Bonus issue in the ratio of one Equity Share for every one Equity Share held</td><td>Not applicable</td><td>64,886,650</td><td>129,773,300</td></tr>
</table>

The equity shares were issued to the partners, in lieu of the capital, pursuant to conversion of the business of partnership firm "Ramchander Heeralall" to "Ramchander Heeralall Limited", as a public limited company.

* *Allotment made on preferential basis under applicable laws.*

(1) *Our Company has been unable to trace certain form filings in relation to the allotments. We have conducted a search at the RoC for these records but were unable to retrieve them and have relied on the search report dated September 30, 2024 prepared by Shubham Ranjan Sinha, independent practicing company secretary, and their certificate dated September 30. See "Risk Factors — Certain forms filed by us with the RoC and certain corporate records and other documents, are not traceable and have discrepancies. While we have conducted a search with the RoC, in respect of the unavailability of such forms and other records, we cannot assure you that such forms or records will be available at all or any time in the future." on page 52.*

(2) *Pursuant to scheme of arrangement approved by the Hon'ble High Court of Calcutta vide their order dated August 02, 2006, the fasteners division of Rahee Track Technologies Private Limited ("**RTTPL**") was transferred to and vested with our Company at its book value. According to the said scheme, the Company had issued 2 fully paid-up equity share of face value ₹10 for every 7 fully paid-up equity share of face value ₹10 each held by shareholders of RTTPL. Consequently, 554,322 equity shares of the Company were issued to shareholders of RTTPL.*

(3) *Pursuant to scheme of amalgamation approved by the Hon'ble High Court of Calcutta vide their order dated November 21, 2007, the company had issued 1,526,371 fully paid-up equity share of face value ₹10 each to the shareholders of the four amalgamated companies (Rahee International Private Limited, Peekay Fastening Private Limited, Fair Deal (India) Private Limited and Modern Shape Vinimay Private Limited) in the ratio of (a) 3 equity shares of the company for every 7 equity shares held in Rahee International Pvt. Ltd. (b) 2 equity shares of the company for*

every 7 equity shares held in Peekay Fastening Private Limited (c) 1 equity shares of the company for every 7 equity shares held in Fair Deal (India) Private Limited (d) 1 equity shares of the company for every 7 equity shares held in Modern Shape Vinimay Private Limited.

(4) *The further issue was pursuant to Section 42 of the Companies Act, 2013 by way of preferential allotment.*

(5) *Pursuant to the scheme of amalgamation between the Company and Punit Elastomers Private Limited sanctioned by the Hon'ble High Court of Calcutta vide its order dated June 30, 2016, 1 equity share of face value ₹ 10 each of the Company was allotted for every 500 equity shares of face value ₹100 each of Punit Elastomers Private Limited. For further details see, "History and certain Corporate Matters – Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations, and revaluation of assets, if any, in the last ten years" on page 272.*

(b) *Secondary transactions of equity shares of our Company*

The secondary transfers of Equity Shares by our Promoters, members of Promoter Group and Selling Shareholders, since incorporation of our Company is set forth below:

Date of transfer of equity shares	Number of equity shares transferred	Details of transferor	Details of transferee	Face value per equity shares (₹)	Transfer price per equity shares (₹)	Nature of consideration	Percentage of pre-Offer Equity Share capital (%)	Percentage of post- Offer Equity Share capital (%)
September 21, 1998	15,000	Peekay Fastening Private Limited	Shashi Khaitan	10	10	Cash	0.02%	[●]
April 2, 2006	2,500	Shalimar Fastenings Private Limited	Ravi Khaitan	10	2	Cash	Negligible	[●]
January 14, 2008	570,072	Fast Deal India Pvt. Ltd	Mridul Commodities Private Limited	10	22	Cash	0.88%	[●]
January 14, 2008	668,184	Lokarpan Vinimay Pvt. Ltd.	Mridul Commodities Private Limited	10	22	Cash	1.03%	[●]
January 14, 2008	482,258	Shalimar Realtors Private Limited	Mridul Commodities Private Limited	10	22	Cash	0.74%	[●]
January 14, 2008	1,785	Shalimar Rolling Mill Pvt. Ltd.	Mridul Commodities Private Limited	10	22	Cash	Negligible	[●]
January 14, 2008	278,465	Aarkay Track Fastening Pvt. Ltd.	Mridul Commodities Private Limited	10	22	Cash	0.43%	[●]
January 14, 2008	460,714	Rahee Fastening Pvt. Ltd.	Mridul Commodities Private Limited	10	22	Cash	0.71%	[●]
March 30, 2009	190,429	Mridul Commodities Private Limited	Rahee Viniyog Limited	10	35	Cash	0.29%	[●]
March 30, 2009	88,036	Mridul Commodities Private Limited	Rahee Viniyog Limited	10	35	Cash	0.14%	[●]
March 30, 2009	1,000,000	Mridul Commodities Private Limited	Rahee Viniyog Limited	10	35	Cash	1.54%	[●]
January 6, 2015	50,000	Rahee Viniyog Limited	Pradeep Khaitan	10	50	Cash	0.08%	[●]
January 6, 2015	74,000	Rahee Viniyog Limited	Pawan Khaitan	10	50	Cash	0.11%	[●]
January 6, 2015	70,000	Rahee Viniyog Limited	Ravi Khaitan	10	50	Cash	0.11%	[●]
January 6, 2015	40,000	Rahee Viniyog Limited	Nandini Khaitan	10	50	Cash	0.06%	[●]
January 27, 2015	1	Munia Devi Khaitan	Pradeep Khaitan	10	Nil	Not applicable	Negligible	[●]
January 27, 2015	1,377	Pradeep Khaitan	Ravi Khaitan	10	Nil	Not applicable	Negligible	[●]
January 27, 2015	16,436	Savitri Devi Khaitan	Ravi Khaitan	10	Nil	Not applicable	0.03%	[●]

Date of transfer of equity shares	Number of equity shares transferred	Details of transferor	Details of transferee	Face value per equity shares (₹)	Transfer price per equity shares (₹)	Nature of consideration	Percentage of pre-Offer Equity Share capital (%)	Percentage of post- Offer Equity Share capital (%)
January 27, 2015	145,936	Savitri Devi Khaitan	Pawan Khaitan	10	Nil	Not applicable	0.22%	[●]
January 28, 2015	131,886	Munia Devi Khaitan	Ravi Khaitan	10	Nil	Not applicable	0.20%	[●]
October 1, 2018	4,929	Uditi Khaitan	Ravi Khaitan	10	Nil	Not applicable	0.01%	[●]
October 1, 2018	10,064	Ishwari Prasad Khaitan Family Trust	Pradeep Kumar Khaitan (HUF)	10	Nil	Not applicable	0.02%	[●]
October 1, 2018	7,547	Ishwari Prasad Khaitan Family Trust	Pawan Kumar Khaitan (HUF)	10	Nil	Not applicable	0.01%	[●]
October 1, 2018	7,547	Ishwari Prasad Khaitan Family Trust	Ravi Kumar Khaitan (HUF)	10	Nil	Not applicable	0.01%	[●]
September 25, 2024	90,000	Pradeep Khaitan	Aspire Capital Private Limited	2	60	Cash	0.14%	[●]
September 25, 2024	20,000	Pradeep Khaitan	Subodh Kumar Jain	2	60	Cash	0.03%	[●]

(c) *History of Preference Share capital of our Company*

Our Company does not have any Preference Share capital as on the date of filing of this Draft Red Herring Prospectus.

2. **Issue of shares issued for consideration other than cash or by way of bonus issue**

Except as stated below, our Company has not issued any shares in the past for consideration other than cash or by way of bonus issue, as of the date of this Draft Red Herring Prospectus:

Date of allotment	Number of equity shares allotted	Face value (₹)	Issue price per equity share (₹)	Reason for allotment	List of allottees		Benefits accrued to our Company
					No. of equity shares of face value ₹10 each allotted	***Names of allottees***	
January 30, 1996	1,750,000	10	10	Subscription to the Memorandum of Association	270,000	Pradeep Khaitan	Conversion of the business of partnership firm "Ramchander Heeralall" to "Ramchander Heeralall Limited", as a public limited company
					100,000	Ravi Khaitan	
					260,000	Savitri Devi Khaitan	
					1,060,000	Rahee Fastenings Pvt. Ltd.	
					15,000	Aarkay Track Fastenings Pvt. Ltd.	
					15,000	Peekay Fastening Pvt. Ltd.	
					15,000	Fair Deal (India) Pvt. Ltd.	
					15,000	Fast Deal (India) Pvt. Ltd.	

Date of allotment	Number of equity shares allotted	Face value (₹)	Issue price per equity share (₹)	Reason for allotment	List of allottees: No. of equity shares of face value ₹10 each allotted	List of allottees: Names of allottees	Benefits accrued to our Company
October 7, 2006	554,322	10	-	Allotment pursuant to the scheme of arrangement	17,647	Pradeep Khaitan	The assets and liabilities in relation to the 'fasteners division' of Rahee Track Technologies Private Limited was transferred and vested to our Company on the effective date of the scheme of arrangement
					27,036	Ravi Khaitan	
					18,797	Savitri Devi Khaitan	
					41,429	Rahee Fastening Pvt. Ltd.	
					40,536	Aarkay Track Fastening Pvt. Ltd.	
					81,964	Fair Deal (India) Pvt. Ltd.	
					47,679	Fast Deal (India) Pvt. Ltd.	
					15,600	Munia Devi Khaitan	
					26,793	Shashi Khaitan	
					875	Nandini Khaitan	
					1,821	Loknath Khaitan jointly with Savitri Devi Khaitan	
					2,304	Pawan Kumar Khaitan (HUF)	
					4,018	Pradeep Kumar Khaitan (HUF)	
					247	Rahul Khaitan	
					1,925	Nehal Khaitan	
					204	Ayush Khaitan	
					357	Loknath Khaitan	
					7,697	Ishwari Prasad Khaitan Family Trust	
					411	Prerna Khaitan	
					411	Uditi Khaitan	
					60,857	Modern Shape Vinimay (P) Ltd.	
					85,714	Lokarpan Vinimay (P) Ltd.	
					47,143	Rahee International (P) Ltd.	
					22,857	Shalimar Realtors (P) Ltd.	
December 30, 2006	7,863,666	10	-	Bonus issue in the ratio of three equity shares for every one equity share held	575,691	Pradeep Khaitan	-
					260,358	Ravi Khaitan	
					551,841	Savitri Devi Khaitan	
					1,714,287	Rahee Fastening Pvt. Ltd.	

Date of allotment	Number of equity shares allotted	Face value (₹)	Issue price per equity share (₹)	Reason for allotment	List of allottees		Benefits accrued to our Company
					714,108	Aarkay Track Fastening Private Limited	
					1,245,537	Fast Deal (India) Pvt. Ltd.	
					198,000	Munia Devi Khaitan	
					143,679	Shashi Khaitan	
					39,375	Nandini Khaitan	
					81,963	Loknath Khaitan jointly with Savitri Devi Khaitan	
					31,662	Pawan Kumar Khaitan (HUF)	
					36,804	Pradeep Kumar Khaitan (HUF)	
					11,091	Rahul Khaitan	
					14,625	Nehal Khaitan	
					9,162	Ayush Khaitan	
					16,071	Loknath Khaitan	
					94,341	Iswari Prasad Khaitan Family Trust	
					18,483	Prerna Khaitan	
					18,483	Uditi Khaitan	
					1,419,534	Lokarpan Vinimay (P) Ltd.	
					668,571	Shalimar Realtors (P) Ltd.	
January 14, 2008	1,526,371	10	-	Allotment pursuant to the 2007 Scheme of Amalgamation	***No. of equity shares of face value ₹10 each allotted***	***Names of allottees***	The assets and liabilities of the transferor companies (Rahee International Private Limited, Peekay Fastening Private Limited, Fair Deal (India) Private Limited and Modern Shape Vinimay Private Limited) were transferred to our Company on the effective date of the 2007 Scheme of Amalgamation
					68,286	Pradeep Khaitan	
					69,621	Ravi Khaitan	
					13,214	Savitri Devi Khaitan	
					3,571	Rahee Fastening Pvt. Ltd.	
					88,036	Aarkay Track Fastening Pvt. Ltd.	
					237,929	Fast Deal India Pvt. Ltd.	
					28,086	Munia Devi Khaitan	
					24,657	Shashi Khaitan	
					1,786	Nandini Khaitan	
					1,786	Pawan Kumar Khaitan (HUF)	
					137,215	Pradeep Khaitan (HUF)	
					128,571	Rahul Khaitan	
					15,000	Nehal Khaitan	

<table>
<tr><th>Date of allotment</th><th>Number of equity shares allotted</th><th>Face value (₹)</th><th>Issue price per equity share (₹)</th><th>Reason for allotment</th><th>List of allottees</th><th>Benefits accrued to our Company</th></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td><table>
<tr><td>15,357</td><td>Ayush Khaitan</td></tr>
<tr><td>289,642</td><td>Lokarpan Vinimay Pvt. Ltd.</td></tr>
<tr><td>303,972</td><td>Shalimar Realtors Pvt. Ltd.</td></tr>
<tr><td>8,713</td><td>Pawan Khaitan</td></tr>
<tr><td>24,858</td><td>Loknath Khaitan</td></tr>
<tr><td>64,286</td><td>Mridul Commodities Private Limited</td></tr>
<tr><td>1,785</td><td>Shalimar Rolling Mills Pvt. Ltd.</td></tr>
</table></td><td></td></tr>
<tr><td>September 5, 2016</td><td>90</td><td>10</td><td>-</td><td>Allotment pursuant to the 2016 Amalgamation Scheme</td><td><table>
<tr><th>No. of equity shares of face value ₹10 each allotted</th><th>Names of allottees</th></tr>
<tr><td>4</td><td>Pradeep Khaitan</td></tr>
<tr><td>3</td><td>Ravi Khaitan</td></tr>
<tr><td>40</td><td>Rahee Viniyog Limited</td></tr>
<tr><td>40</td><td>Mridul Commodities Private Limited</td></tr>
<tr><td>3</td><td>Pawan Khaitan</td></tr>
</table></td><td>The assets and liabilities of the transferor company (Punit Elastomers Private Limited) were transferred to our Company on the effective date of the 2016 Scheme of Amalgamation. For further details see, “History and certain Corporate Matters – Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations, and revaluation of assets, if any, in the last ten years” on page 272</td></tr>
<tr><td>September 14, 2024</td><td>32,443,325</td><td>2</td><td>-</td><td>Bonus issue in the ratio of one Equity Share for every one Equity Share held</td><td><table>
<tr><th>No. of Equity Shares of face value ₹2 each allotted</th><th>Names of allottees</th></tr>
<tr><td>2,092,160</td><td>Pradeep Khaitan</td></tr>
<tr><td>2,405,905</td><td>Ravi Khaitan</td></tr>
<tr><td>1,293,260</td><td>Pawan Khaitan</td></tr>
<tr><td>314,855</td><td>Shashi Khaitan</td></tr>
</table></td><td>-</td></tr>
</table>

Date of allotment	Number of equity shares allotted	Face value (₹)	Issue price per equity share (₹)	Reason for allotment	List of allottees		Benefits accrued to our Company
					261,430	Nandini Khaitan	
					657,645	Rahul Khaitan	
					89,000	Ayush Khaitan	
					88,880	Pawan Kumar Khaitan (HUF)	
					785,465	Pradeep Kumar Khaitan (HUF)	
					37,735	Ravi Kumar Khaitan (HUF)	
					15,462,945	Mridul Commodities Private Limited	
					8,679,150	Rahee Viniyog Limited	
					155,750	PPR Associates	
					94,500	Nehal Mittal	
					24,645	Prerna Agarwal	

3. **Issue of Equity Shares or Preference Shares at a price lower than the Offer Price in the last one year**

Our Company has not issued any Equity Shares or Preference Shares at a price which may be lower than the Offer Price during the period of one year preceding the date of this Draft Red Herring Prospectus except as disclosed in the Share capital history of our Company. Our Company does not have any Preference Share capital as of the date of this Draft Red Herring Prospectus. For further details, see "*Share capital history of our Company*" on page 95.

4. **Issue of shares out of revaluation reserves**

Our Company has not issued any shares out of revaluation reserves since its incorporation.

5. **Issue of shares pursuant to any scheme of arrangement**

Except as disclosed under "- *Issue of shares issued for consideration other than cash or by way of bonus issue*" above, our Company has not issued or allotted any shares in terms of a scheme of arrangement approved under Sections 391-394 of the Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013.

6. **Details of Build-up, Contribution and Lock-in of Promoters' Shareholding and Lock-in of other Equity Shares**

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 60,068,340 Equity Shares constituting approximately 92.57% of the issued, subscribed and paid-up share capital of our Company. All Equity Shares issued to our Promoters were fully paid-up on the respective dates of allotment or acquisition, as applicable.

(a) Build-up of Promoters' equity shareholding in our Company

The build-up of the equity shareholding of our Promoters since incorporation of our Company is as set out below:

<u>Pradeep Khaitan</u>

Date of allotment/ transfer	Number of fully paid- up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre- Offer equity share capital (%)	Percentage of post- Offer equity share capital (%)
January 30, 1996	270,000	10	10	Other than cash*	Subscription to the Memorandum of Association	0.42%	[●]
July 2, 1999	51,500	10	10	Cash	Further issue	0.08%	[●]
September 6, 1999	16,000	10	10	Cash	Further issue	0.02%	[●]
December 20, 1999	11,000	10	10	Cash	Further issue	0.02%	[●]
Pursuant to scheme of arrangement between our Company and Rahee Track Technologies Private Limited, for the demerger of turnout division to Rahee Track Technologies Private Limited and the order of the High Court at Calcutta dated March 16, 2006, under section 391-394 of the Companies Act, 1956, the paid-up share capital of our Company was reduced from ₹ 22,538,000 divided into 2,253,800 equity shares of ₹10 each to ₹11,269,000 divided into 2,253,800 equity shares of ₹5 each. Simultaneously, every 2 fully paid-up equity share of ₹ 5 got consolidated into 1 fully paid-up equity share of ₹10 each. Consequently, the shareholding of Pradeep Khaitan, one of the Promoters, was reduced from 348,500 equity shares of face value ₹10 each to 174,250 equity shares of face value ₹10 each.							
October 7, 2006	17,647	10	-	Other than cash	Allotment pursuant to the scheme of arrangement(1)	0.03%	[●]
December 30, 2006	575,691	10	-	Not applicable	Bonus issue in the ratio of three equity shares for every one equity share held	0.89%	[●]
Pursuant to scheme of amalgamation between our Company and Rahee International Private Limited, Peekay Fastening Private Limited, Fair Deal (India) Private Limited and Modern Shape Vinimay Private Limited and the order of the High Court of Calcutta dated November 21, 2007, under section 391- 394 of the Companies Act, 1956 ("**2007 Scheme of Amalgamation**"), the paid-up equity share capital was reorganised by cancelling face value of ₹8 on every equity share of face value of ₹10, each fully paid, up and thereafter 5 (five) equity shares of the company paid up to the extent of ₹2 each got consolidated into 1(one) equity share of ₹10 each as fully paid up. Consequently, the shareholding of Pradeep Khaitan, one of our Promoters, was reduced from 767,588 equity shares of face value ₹10 each to 153,518 equity shares of face value ₹10 each.							
January 14, 2008	68,286	10	-	Other than cash	Allotment pursuant to the	0.11%	[●]

Date of allotment/ transfer	Number of fully paid- up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre- Offer equity share capital (%)	Percentage of post- Offer equity share capital (%)
					2007 Scheme of Amalgamation(2)		
March 29, 2011	96,000	10	50	Cash	Further Issue	0.15%	[●]
March 30, 2012	52,000	10	50	Cash	Further issue	0.08%	[●]
January 6, 2015	50,000	10	50	Cash	Transfer of equity shares from Rahee Viniyog Limited	0.08%	[●]
January 27, 2015	1	10	Nil	Not applicable	Transfer of equity share by way of gift from Munia Devi Khaitan	Negligible	[●]
January 27, 2015	(1,377)	10	Nil	Not applicable	Transfer of equity shares by way of gift to Ravi Khaitan	Negligible	[●]
September 5, 2016	4	10	-	Other than cash	Allotment pursuant to the 2016 Amalgamation Scheme(3)	Negligible	[●]
Pursuant to resolutions passed by our Board at their meeting held on August 24, 2024 and the Shareholders at their EGM held on August 24, 2024, our Company has sub-divided 6,488,665 equity shares of face value of ₹10 each to 32,443,325 Equity Shares of face value of ₹2 each. Accordingly, the shareholding of Pradeep Khaitan changed from 418,432 equity shares of face valued ₹10 each to 2,092,160 Equity Shares of face value ₹2 each.							
September 14, 2024	2,092,160	2	-	Not applicable	Bonus issue in the ratio of one Equity Share for every one Equity Share held	3.22%	[●]
September 25, 2024	(90,000)	2	60	Cash	Transfer of Equity Shares to Aspire Capital Private Limited	(0.14%)	[●]
September 25, 2024	(20,000)	2	60	Cash	Transfer of Equity Shares to Subodh Kumar Jain	(0.03%)	[●]
Total	**4,074,320**					**6.28%**	**[●]**

* *The equity shares were issued to the partners, in lieu of the capital, pursuant to conversion of the business of partnership firm "Ramchander Heeralall" to "Ramchander Heeralall Limited", as a public limited company.*

(1) *Pursuant to scheme of arrangement approved by the Hon'ble High Court of Calcutta vide their order dated August 02, 2006, the fasteners division of Rahee Track Technologies Private Limited (RTTPL) was transferred to and vested with the Company at their respective book value. According to the said scheme, the company had issued 2 fully paid-up equity share of face value Rs. 10/- each of the company for every 7 fully paid-up equity share of face value Rs. 10/- each held by shareholders of RTTPL. Consequently, 17,647 equity shares of the company were issued to Pradeep Khaitan. In the absence of relevant documents to determine the value of investments recorded in the books of the shareholders of the transferee company, the cost of shares allotted to these shareholders has been considered as Nil.*

(2) *Allotment of 68,286 equity shares of Rs. 10/- each pursuant to scheme of amalgamation between Rahee International Private Limited, Peekay Fastening Private Limited, Fair Deal (India) Private and Modern Shape Vinimay Private Limited, approved by the Hon'ble High Court of Calcutta vide their order dated November 21, 2007. In the absence of relevant documents to determine the value of investments recorded in the books of the shareholders of the transferee company, the cost of shares allotted to these shareholders has been considered as Nil.*

(3) *Allotment of 4 equity share of face value Rs. 10/- each pursuant to the scheme of amalgamation between the Company and Punit Elastomers Private Limited sanctioned by the Hon'ble High Court of Calcutta vide its order dated June 30, 2016. In the absence of relevant documents to determine the value of investments recorded in the books of the shareholders of the transferee company, the cost of shares allotted to these shareholders has been considered as Nil.*

Pawan Khaitan

Date of allotment/ transfer	Number of fully paid- up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre- Offer equity share capital (%)	Percentage of post- Offer equity share capital (%)
January 14, 2008	8,713	10	-	Other than cash	Allotment pursuant to the 2007 Scheme of Amalgamation(1)	0.01%	[●]
March 31, 2014	30,000	10	120	Cash	Further issue*	0.05%	[●]
January 6, 2015	74,000	10	50	Cash	Transfer of equity shares from Rahee Viniyog Limited	0.11%	[●]
January 27, 2015	145,936	10	Nil	Not applicable	Transfer of equity share by way of gift from Savitri Devi Khaitan	0.22%	[●]
September 5, 2016	3	10	-	Other than cash	Allotment pursuant to the 2016 Amalgamation Scheme(2)	Negligible	[●]
Pursuant to resolutions passed by our Board at their meeting held on August 24, 2024 and approved by the Shareholders at their EGM held on August 24, 2024, our Company has sub-divided 6,488,665 equity shares of face value of ₹10 each to 32,443,325 Equity Shares of face value of ₹2 each. Accordingly, the shareholding of Pawan Khaitan changed from 258,652 equity shares of face valued ₹10 each to 1,293,260 Equity Shares of face value ₹2 each.							
September 14, 2024	1,293,260	2	-	Not applicable	Bonus issue in the ratio of one Equity Share for every one Equity Share held	1.99%	[●]
Total	**2,586,520**					**3.99%**	**[●]**

** Allotment made on preferential basis under applicable laws.*

(1) *Allotment of 8,713 equity shares of Rs. 10/- each pursuant to scheme of amalgamation between Rahee International Private Limited, Peekay Fastening Private Limited, Fair Deal (India) Private and Modern Shape Vinimay Private Limited, approved by the Hon'ble High Court of Calcutta vide their order dated November 21, 2007. In the absence of relevant documents to determine the value of investments recorded in the books of the shareholders of the transferee company, the cost of shares allotted to these shareholders has been considered as Nil.*

(2) *Allotment of 3 equity share of face value Rs. 10/- each pursuant to the scheme of amalgamation between the Company and Punit Elastomers Private Limited sanctioned by the Hon'ble High Court of Calcutta vide its order dated June 30, 2016. In the absence of relevant documents to determine the value of investments recorded in the books of the shareholders of the transferee company, the cost of shares allotted to these shareholders has been considered as Nil.*

Ravi Khaitan

Date of allotment/ transfer	Number of fully paid- up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre- Offer equity share capital (%)	Percentage of post- Offer equity share capital (%)
January 30, 1996	100,000	10	10	Other than cash*	Subscription to the Memorandum of Association	0.15%	[●]
September 6, 1999	17,000	10	10	Cash	Further issue	0.03%	[●]
April 2, 2006	2,500	10	2	Cash	Transfer of equity share from Shalimar Fastenings Private Limited	Negligible	[●]
Pursuant to scheme of arrangement between our Company and Rahee Track Technologies Private Limited, for the demerger of turnout division to Rahee Track Technologies Private Limited and the order of the High Court at Calcutta dated March 16, 2006, under section 391-394 of the Companies Act, 1956, the paid-up share capital of our Company was reduced from ₹ 22,538,000 divided into 2,253,800 equity shares of ₹10 each to ₹11,269,000 divided into 2,253,800 equity shares of ₹5 each. Simultaneously, every 2 fully paid-up equity share of ₹ 5 got consolidated into 1 fully paid-up equity share of ₹10 each. Consequently, the							

Date of allotment/ transfer	Number of fully paid- up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre- Offer equity share capital (%)	Percentage of post- Offer equity share capital (%)
shareholding of Ravi Khaitan, one of our Promoters, was reduced from 119,500 equity shares of face value ₹10 each to 59,750 equity shares of face value ₹10 each.							
October 7, 2006	27,036	10	-	Other than cash	Allotment pursuant to the scheme of arrangement[(1)]	0.04%	[●]
December 30, 2006	260,358	10	-	Not applicable	Bonus issue in the ratio of three equity shares for every one equity share held	0.40%	[●]
Pursuant to scheme of amalgamation between the Company and Rahee International Private Limited, Peekay Fastening Private Limited, Fair Deal (India) Private Limited and Modern Shape Vinimay Private Limited and the order of the High Court of Calcutta dated November 21, 2007, under section 391 - 394 of the Companies Act, 1956 ("**2007 Scheme of Amalgamation**"), the paid-up equity share capital were reorganised by cancelling face value of Rs. 8/- on every equity share of face value of Rs. 10/- each fully paid up and thereafter 5 (five) equity shares of the company paid up to the extent of Rs. 2/- each got consolidated into 1(one) equity share of Rs. 10/- each as fully paid up. Consequently, the shareholding of Ravi Khaitan, one of the Promoters, was reduced from 347,144 equity shares of face value ₹10 each to 69,429 equity shares of face value ₹10 each.							
January 14, 2008	69,621	10	-	Other than cash	Allotment pursuant to the 2007 Scheme of Amalgamation[(2)]	0.11%	[●]
March 30, 2012	40,000	10	50	Cash	Further issue	0.06%	[●]
March 31, 2014	77,500	10	120	Cash	Further issue[#]	0.12%	[●]
January 6, 2015	70,000	10	50	Cash	Transfer of equity shares from Rahee Viniyog Limited	0.11%	[●]
January 27, 2015	16,436	10	Nil	Not applicable	Transfer of equity share by way of gift from Savitri Devi Khaitan	0.03%	[●]
January 27, 2015	1,377	10	Nil	Not applicable	Transfer of equity shares by way of gift from Pradeep Khaitan	Negligible	[●]
January 28, 2015	131,886	10	Nil	Not applicable	Transfer of equity shares by way of gift from Munia Devi Khaitan	0.20%	[●]
September 5, 2016	3	10	-	Other than cash	Allotment pursuant to the 2016 Amalgamation Scheme[(3)]	Negligible	[●]
October 1, 2018	4,929	10	Nil	Not applicable	Transfer of equity shares by way of gift from Uditi Khaitan	0.01%	[●]
Pursuant to resolutions passed by our Board at their meeting held on August 24, 2024 and the Shareholders at their EGM held on August 24, 2024, our Company has sub-divided 6,488,665 equity shares of face value of ₹10 each to 32,443,325 Equity Shares of face value of ₹2 each. Accordingly, the shareholding of Ravi Khaitan changed from 481,181 equity shares of face valued ₹10 each to 2,405,905 Equity Shares of face value ₹2 each.							
September 14, 2024	2,405,905	2	-	Not applicable	Bonus issue in the ratio of one Equity Share for every one Equity Share held	3.71%	[●]
Total	**4,811,810**					**7.42%**	**[●]**

* *The equity shares were issued to the partners, in lieu of the capital, pursuant to conversion of the business of partnership firm "Ramchander Heeralall" to "Ramchander Heeralall Limited", as a public limited company.*

\# *Allotment made on preferential basis under applicable laws.*

(1) *Pursuant to scheme of arrangement approved by the Hon'ble High Court of Calcutta vide their order dated August 02, 2006, the fasteners division of Rahee Track Technologies Private Limited (RTTPL) was transferred to and vested with the Company*

at their respective book value. According to the said scheme, the company had issued 2 fully paid-up equity share of face value Rs. 10/- each of the company for every 7 fully paid-up equity share of face value Rs. 10/- each held by shareholders of RTTPL. Consequently, 27,036 equity shares of the company were issued to Ravi Khaitan. In the absence of relevant documents to determine the value of investments recorded in the books of the shareholders of the transferee company, the cost of shares allotted to these shareholders has been considered as Nil.

(2) *Allotment of 69,621 equity shares of Rs. 10/- each pursuant to scheme of amalgamation between Rahee International Private Limited, Peekay Fastening Private Limited, Fair Deal (India) Private and Modern Shape Vinimay Private Limited, approved by the Hon'ble High Court of Calcutta vide their order dated November 21, 2007. In the absence of relevant documents to determine the value of investments recorded in the books of the shareholders of the transferee company, the cost of shares allotted to these shareholders has been considered as Nil.*

(3) *Allotment of 3 equity share of face value Rs. 10/- each pursuant to the scheme of amalgamation between the Company and Punit Elastomers Private Limited sanctioned by the Hon'ble High Court of Calcutta vide its order dated June 30, 2016. In the absence of relevant documents to determine the value of investments recorded in the books of the shareholders of the transferee company, the cost of shares allotted to these shareholders has been considered as Nil.*

Mridul Commodities Private Limited

Date of allotment/ transfer	Number of fully paid- up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre- Offer equity share capital (%)	Percentage of post- Offer equity share capital (%)
January 14, 2008	64,286	10	-	Other than cash	Allotment pursuant to the 2007 Scheme of Amalgamation(1)	0.10%	[●]
January 14, 2008	570,072	10	21.81	Cash	Transfer of equity shares from Fast Deal India Pvt. Ltd.	0.88%	[●]
January 14, 2008	668,184	10	21.81	Cash	Transfer of equity shares from Lokarpan Vinimay Pvt. Ltd.	1.03%	[●]
January 14, 2008	482,258	10	21.81	Cash	Transfer of equity shares from Shalimar Realtors Private Limited	0.74%	[●]
January 14, 2008	1,785	10	21.81	Cash	Transfer of equity shares from Shalimar Rolling Mill Pvt. Ltd.	Negligible	[●]
January 14, 2008	278,465	10	21.81	Cash	Transfer of equity shares from Aarkay Track Fastening Pvt. Ltd.	0.43%	[●]
January 14, 2008	460,714	10	21.81	Cash	Transfer of equity shares from Rahee Fastening Pvt. Ltd.	0.71%	[●]
January 30, 2009	1,000,000	10	35	Cash	Further Issue	1.54%	[●]
March 30, 2009	(1,278,465)	10	35	Cash	Transfer of equity shares to Rahee Viniyog Limited	(1.97%)	[●]
March 29, 2011	381,000	10	50	Cash	Further Issue	0.59%	[●]
March 30, 2012	158,000	10	50	Cash	Further issue	0.24%	[●]
March 31, 2014	306,250	10	120	Cash	Further issue*	0.47%	[●]
September 5, 2016	40	10	-	Other than cash	Allotment pursuant to the 2016 Amalgamation Scheme(2)	Negligible	[●]
Pursuant to resolutions passed by our Board at their meeting held on August 24, 2024 and approved by the Shareholders at their EGM held on August 24, 2024, our Company has sub-divided 6,488,665 equity shares of face value of ₹10 each to 32,443,325 Equity Shares of face value of ₹2 each. Accordingly, the shareholding of Mridul Commodities Private Limited changed from 3,092,589 equity shares of face valued ₹10 each to 15,462,945 Equity Shares of face value ₹2 each.							
September 14, 2024	15,462,945	2	-	Not applicable	Bonus issue in the ratio of one Equity Share for every	23.83%	[●]

Date of allotment/ transfer	Number of fully paid- up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre- Offer equity share capital (%)	Percentage of post- Offer equity share capital (%)
					one Equity Share held		
Total	**30,925,890**					**47.66%**	**[●]**

** Allotment made on preferential basis under applicable laws.*

(1) *Allotment of 64,286 equity shares of Rs.10/- each pursuant to scheme of amalgamation between Rahee International Private Limited, Peekay Fastening Private Limited, Fair Deal (India) Private and Modern Shape Vinimay Private Limited, approved by the Hon'ble High Court of Calcutta vide their order dated November 21, 2007. In the absence of relevant documents to determine the value of investments recorded in the books of the shareholders of the transferee company, the cost of shares allotted to these shareholders has been considered as Nil.*

(2) *Allotment of 40 equity share of face value Rs. 10/- each pursuant to the scheme of amalgamation between the Company and Punit Elastomers Private Limited sanctioned by the Hon'ble High Court of Calcutta vide its order dated June 30, 2016. In the absence of relevant documents to determine the value of investments recorded in the books of the shareholders of the transferee company, the cost of shares allotted to these shareholders has been considered as Nil.*

Rahee Viniyog Limited

Date of allotment/ transfer	Number of fully paid- up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre- Offer equity share capital (%)	Percentage of post- Offer equity share capital (%)
March 30, 2009	1,278,465	10	35	Cash	Transfer of equity shares from Mridul Commodities Private Limited	1.97%	[●]
March 29, 2011	486,000	10	50	Cash	Further Issue	0.75%	[●]
March 30, 2012	34,000	10	50	Cash	Further issue	0.05%	[●]
March 31, 2014	171,325	10	120	Cash	Further issue*	0.26%	[●]
January 6, 2015	(50,000)	10	50	Cash	Transfer of equity shares to Pradeep Khaitan	(0.08%)	[●]
January 6, 2015	(74,000)	10	50	Cash	Transfer of equity shares to Pawan Khaitan	(0.11%)	[●]
January 6, 2015	(70,000)	10	50	Cash	Transfer of equity shares to Ravi Khaitan	(0.11%)	[●]
January 6, 2015	(40,000)	10	50	Cash	Transfer of equity shares to Nandini Khaitan	(0.06%)	[●]
September 5, 2016	40	10	-	Other than cash	Allotment pursuant to the 2016 Amalgamation Scheme(1)	Negligible	[●]
Pursuant to resolutions passed by our Board at their meeting held on August 24, 2024 and approved by the Shareholders at their EGM held on August 24, 2024, our Company has sub-divided 6,488,665 equity shares of face value of ₹10 each to 32,443,325 Equity Shares of face value of ₹2 each. Accordingly, the shareholding of Rahee Viniyog Limited changed from 1,735,830 equity shares of face valued ₹10 each to 8,679,150 Equity Shares of face value ₹2 each.							
September 14, 2024	8,679,150	2	-	Not applicable	Bonus issue in the ratio of one Equity Share for every one Equity Share held	13.38%	[●]
Total	**17,358,300**					**26.75%**	**[●]**

** Allotment made on preferential basis under applicable laws.*

(1) *Allotment of 40 equity share of face value Rs. 10/- each pursuant to the scheme of amalgamation between the Company and Punit Elastomers Private Limited sanctioned by the Hon'ble High Court of Calcutta vide its order dated June 30, 2016. In the absence of relevant documents to determine the value of investments recorded in the books of the shareholders of the transferee company, the cost of shares allotted to these shareholders has been considered as Nil.*

PPR Associates

Date of allotment/ transfer	Number of fully paid- up equity shares	Face value (₹)	Issue/ Transfer price per equity share (₹)	Nature of consideration	Nature of acquisition/ allotment/ transfer	Percentage of pre- Offer equity share capital (%)	Percentage of post- Offer equity share capital (%)
March 28, 2016	31,150	10	129	Cash	Further Issue*	0.05%	[●]
Pursuant to resolutions passed by our Board at their meeting held on August 24, 2024 and approved by the Shareholders at their EGM held on August 24, 2024, our Company has sub-divided 6,488,665 equity shares of face value of ₹10 each to 32,443,325 Equity Shares of face value of ₹2 each. Accordingly, the shareholding of PPR Associates changed from 31,150 equity shares of face valued ₹10 each to 155,750 Equity Shares of face value ₹2 each.							
September 14, 2024	155,750	2	-	Not applicable	Bonus issue in the ratio of one Equity Share for every one Equity Share held	0.24%	[●]
Total	**311,500**					**0.48%**	

* *The further issue was pursuant to Section 42 of the Companies Act, 2013 by way of preferential allotment.*

Our Corporate Promoter, Shalimar Fabricators Private Limited, does not hold any shares in our Company as on the date of this Draft Red Herring Prospectus.

(b) *Details of Promoters' Contribution and lock-in*

Pursuant to Regulations 14 and 16 (1)(a) of the SEBI ICDR Regulations, an aggregate of at least 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters shall be considered as the minimum Promoters' Contribution and is required to be locked-in for a period of 18 months from the date of Allotment ("**Promoters' Contribution**"). Our Promoters' shareholding in excess of 20% shall be locked in for a period of six months from the date of Allotment.

The details of the Equity Shares held by our Promoters, which shall be locked-in for minimum Promoters' Contribution for a period of 18 months, from the date of Allotment as Promoters' Contribution are as set out below:*

Name of the Promoter	Number of Equity Shares locked-in	Date up to which Equity Shares are subject to lock-in	Date of Acquisition of Equity Shares and when made fully paid-up	Nature of transact ion	Face value (₹)	Issue/Acquisition price per Equity Share (₹)	Pre- Offer Equity Share capital (%)	Percentage of post- Offer Equity Share capital
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

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

Our Promoters have given consent to include such number of Equity Shares held by them as disclosed above, constituting 20% of the fully diluted post-Offer Equity Share capital of our Company as Minimum Promoter's Contribution and have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Minimum Promoters' Contribution from the date of filing this Draft Red Herring Prospectus, 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.

Our Company undertakes that the Equity Shares that are being locked-in will not be ineligible for computation of Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. For details of the build-up of the share capital held by our Promoters, see "*—Details of Build-up, Contribution and Lock-in of Promoters' Shareholding and Lock-in of other Equity Shares – Build-up of Promoters' equity shareholding in our Company*" on page 110.

In this connection, we confirm the following:

(i) The Equity Shares offered towards minimum Promoters' Contribution have not been acquired during the three immediately preceding years (a) for consideration other than cash and revaluation of assets or capitalization of intangible assets, or (b) arising from bonus issue by utilization of revaluation reserves or unrealised profits of our Company or from a bonus issue against Equity Shares, which are otherwise ineligible for computation of Promoters' Contribution;

(ii) The Equity Shares offered towards minimum Promoters' Contribution have not been acquired by our Promoters during the year immediately preceding the date of this Draft Red Herring Prospectus at a price lower than the Offer Price; provided that this does not apply to Equity Shares arising from the conversion of fully paid-up compulsorily convertible securities that have been held for a period of one year prior to filing this Draft Red Herring Prospectus and such fully paid-up compulsorily convertible securities have been converted to Equity Shares;

(iii) Our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm into a company in the preceding one year and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm or a limited liability partnership firm;

(iv) The Equity Shares forming part of the Promoters' Contribution are not subject to any pledge; and

(v) All Equity Shares held by our Promoters are in dematerialised form as on the date of this Draft Red Herring Prospectus.

(c) Details of Equity Shares locked-in for six months

In terms of Regulation 17 of the SEBI ICDR Regulations, in addition to the Equity Shares proposed to be locked-in as part of the minimum Promoters' Contribution as stated above, as prescribed under the SEBI ICDR Regulations, the entire pre-Offer Equity Share capital of our Company (including any unsubscribed portion of the Offered Shares) will be locked-in for a period of six months from the date of Allotment or any other period as may be prescribed under applicable law, except for the Equity Shares Allotted pursuant to the Offer.

(d) Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors

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 Allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

(e) Other requirements in respect of lock-in

Pursuant to Regulation 20 of the SEBI ICDR Regulations, details of locked-in Equity Shares will be recorded by relevant depositories.

Pursuant to Regulation 21 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoters may be pledged only with scheduled commercial banks or public financial institutions or a Systemically Important NBFC or a housing finance company as collateral security for loans granted by such scheduled commercial bank or public financial institution or Systemically Important NBFC or housing company, provided that specified conditions under the SEBI ICDR Regulations are complied with. However, the relevant lock-in period shall continue pursuant to the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

Pursuant to Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters, which are locked-in in accordance with Regulation 16 of the SEBI ICDR Regulations, may be transferred to any member of the Promoter Group, or to a new promoter of our Company and the Equity Shares held by any persons other than our Promoters, which are locked-in in accordance with Regulation 17 of the SEBI ICDR Regulations, may be transferred to and among such other persons holding Specified Securities that are locked in, subject to continuation of the lock-in in the hands of the transferee for the remaining period and compliance with the SEBI Takeover Regulations, as applicable.

7. **Shareholding pattern of our Company**

The table below presents the Equity Shareholding pattern of our Company, as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII)=(IV) +(V) + (VI)	Shareholding as a % of total number of shares (calculate as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding Convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialised form (XIV)
								Number of Voting Rights			Total as a % of (A+B+ C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class e.g.: Equity Shares	Class e.g.: Others	Total								
(A)	**Promoter and Promoter Group**	15	64,776,650	-	-	64,776,650	99.83	64,776,650	-	64,776,650	99.83	-	99.83	-	-	-	-	64,776,650
(B)	**Public**	2	110,000	-	-	110,000	0.17	110,000	-	110,000	0.17	-	0.17	-	-	-	-	110,000
(C)	**Non-Promoter-Non Public**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	**Shares underlying depository receipts**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	**Shares held by employee trusts**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**17**	**64,886,650**	**-**	**-**	**64,886,650**	**100**	**64,886,650**	**-**	**64,886,650**	**100**	**-**	**100**	**-**	**-**	**-**	**-**	**64,886,650**

8. **Details of shareholding of the major Shareholders of our Company:**

(a) Set out below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as on the date of this Draft Red Herring Prospectus:

S. No.	Name of Shareholder	Number of Equity Shares (of face value of ₹2) held	Percentage of the pre-Offer Equity Share capital (%)
1.	Pradeep Khaitan	4,074,320	6.28
2.	Ravi Khaitan	4,811,810	7.42
3.	Pawan Khaitan	2,586,520	3.99
4.	Mridul Commodities Private Limited	30,925,890	47.66
5.	Rahee Viniyog Limited	17,358,300	26.75
6.	Rahul Khaitan	1,315,290	2.03
7.	Pradeep Kumar Khaitan (HUF)	1,570,930	2.42
Total		**62,643,060**	**96.55**

**As of the beneficiary position statement dated September 27, 2024.*

(b) Set out below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as of 10 days prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of Shareholder	Number of Equity Shares (of face value of ₹2) held	Percentage of the pre-Offer Equity Share capital (%)
1.	Pradeep Khaitan	4,184,320	6.45
2.	Ravi Khaitan	4,811,810	7.42
3.	Pawan Khaitan	2,586,520	3.99
4.	Mridul Commodities Private Limited	30,925,890	47.66
5.	Rahee Viniyog Limited	17,358,300	26.75
6.	Rahul Khaitan	1,315,290	2.03
7.	Pradeep Kumar Khaitan (HUF)	1,570,930	2.42
Total		**62,753,060**	**96.72**

**As of the beneficiary position statement dated September 20, 2024 but after having taken into account the sub division of 6,488,655 equity shares of face value of ₹10 each to 32,443,325 equity shares of face value of ₹2 each authorised by the Board at the meeting held on August 24, 2024 and approved by the Shareholders at their EGM held on August 24, 2024, and the bonus issue dated September 14, 2024 in the ratio of one Equity Share for every one Equity Share held.*

(c) Set out below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as of one year prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of Shareholder	Number of Equity Shares (of face value of ₹10) held	Percentage of the pre-Offer Equity Share capital (%)
1.	Pradeep Khaitan	418,432	6.45
2.	Ravi Khaitan	481,181	7.42
3.	Pawan Khaitan	258,652	3.99
4.	Mridul Commodities Private Limited	3,092,589	47.66
5.	Rahee Viniyog Limited	1,735,830	26.75
6.	Rahul Khaitan	131,529	2.03
7.	Pradeep Kumar Khaitan (HUF)	157,093	2.42
Total		**6,275,306**	**96.72**

**As of the beneficiary position statement dated September 30, 2023.*

(d) Set out below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as of two years prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of Shareholder	Number of Equity Shares (of face value of ₹10 each) held	Percentage of the pre-Offer Equity Share capital (%)
1.	Pradeep Khaitan	418,432	6.45
2.	Ravi Khaitan	481,181	7.42
3.	Pawan Khaitan	258,652	3.99
4.	Mridul Commodities Private Limited	3,092,589	47.66

S. No.	Name of Shareholder	Number of Equity Shares (of face value of ₹10 each) held	Percentage of the pre-Offer Equity Share capital (%)
5.	Rahee Viniyog Limited	1,735,830	26.75
6.	Rahul Khaitan	131,529	2.03
7.	Pradeep Kumar Khaitan (HUF)	157,093	2.42
Total		**6,275,306**	**96.72**

**As of the beneficiary position statement dated September 30, 2022.*

9. **Details of the Shareholding of our Directors, our Key Managerial Personnel, our Senior Management Personnel, our Promoters and members of our Promoter Group**

Except as disclosed below, as on the date of this Draft Red Herring Prospects, neither our Promoters, the members of our Promoter Group, Directors, Key Managerial Personnel or Senior Management Personnel hold any Equity Shares in our Company:

S. No.	Name of the Shareholder	Number of Equity Shares held	Percentage of the pre- Offer Equity Share capital (%)	Percentage of the post-Offer Equity Share capital (%)
Promoters				
1.	Pradeep Khaitan	4,074,320	6.28	[●]
2.	Ravi Khaitan	4,811,810	7.42	[●]
3.	Pawan Khaitan	2,586,520	3.99	[●]
4.	Mridul Commodities Private Limited	30,925,890	47.66	[●]
5.	Rahee Viniyog Limited	17,358,300	26.75	[●]
6.	PPR Associates	311,500	0.48	[●]
Promoter Group				
1.	Shashi Khaitan	629,710	0.97	[●]
2.	Nandini Khaitan	522,860	0.81	[●]
3.	Rahul Khaitan	1,315,290	2.03	[●]
4.	Ayush Khaitan	178,000	0.27	[●]
5.	Pawan Kumar Khaitan (HUF)	177,760	0.27	[●]
6.	Pradeep Kumar Khaitan (HUF)	1,570,930	2.42	[●]
7.	Ravi Kumar Khaitan (HUF)	75,470	0.12	[●]
8.	Nehal Mittal	189,000	0.29	[●]
9.	Prerna Agarwal	49,290	0.08	[●]
Total		**64,776,650**	**99.83**	[●]

For details, with respect to the shareholding of our Directors, KMPs and SMPs, see "*Our Management – Shareholding of Directors in our Company*" and "*Our Management – Shareholding of Key Managerial Personnel and Senior Management Personnel*" on pages 289 and 302, respectively.

10. None of the BRLMs or their respective associates, as defined in the SEBI Merchant Bankers Regulations, hold any Equity Shares in our Company as of the date of this Draft Red Herring Prospectus. The BRLMs and their respective associates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company, for which they may in the future receive compensation.

11. Our Company, our Directors and the BRLMs have not entered into any buy-back arrangements for purchase of the specified securities of the Company.

12. Our Company has not made any public issue since its incorporation and has not made any rights issue of any kind or class of securities since its incorporation, other than as disclosed in "*– Share Capital History of our Company*" on page 95.

13. Our Company does not have any partly paid-up Equity Shares as of the date of this Draft Red Herring Prospectus and all Equity Shares Allotted in the Offer will be fully paid-up at the time of Allotment.

14. Except for the Equity Shares/ Specified Securities, as the case may be, allotted pursuant to (i) the Offer; and (ii) the Pre-IPO Placement, there will be no further issue of Equity Shares whether by way of issue of bonus shares, rights issue, preferential issue or any other manner during the period commencing from the date of filing of this Draft Red Herring Prospectus until the listing of the Equity Shares on the Stock Exchanges pursuant to the Offer or refund of application monies.

15. There have been no financing arrangements whereby the members of our Promoter Group, our Directors, directors of our Corporate Promoters and 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.

16. Except as disclosed below, none of our Promoters, the members of our Promoter Group nor our Directors or directors of our Corporate Promoters, or any of their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

Date	Nature of transaction	Number of Equity Shares	Face value per Equity Share (₹)	Transfer price per Equity Share (₹)	Total consideration (₹)
September 25, 2024	Sale[1]	90,000	2	60	5,400,000
September 25, 2024	Sale[2]	20,000	2	60	1,200,000

[1] *Sale of Equity Shares from Pradeep Khaitan to Aspire Capital Private Limited*
[2] *Sale of Equity Shares from Pradeep Khaitan to Subodh Kumar Jain*

17. Except for the Offer, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/ Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) or any merger and acquisition whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise.

18. As of the date of this Draft Red Herring Prospectus, the total number of holders of the Equity Shares is 17.

19. Our Company shall ensure that any transactions in the Equity Shares by our Promoters and members of our Promoter Group during the period between the date of this Draft Red Herring Prospectus and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of the transactions.

20. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into, or which would entitle any person any option to receive Equity Shares as on the date of this Draft Red Herring Prospectus.

21. Our Company shall ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

22. Neither the Book Running Lead Managers nor any associate of the Book Running Lead Managers (except Mutual Funds sponsored by entities which are associates of the Book Running Lead Managers or insurance companies promoted by entities which are associate of Book Running Lead Managers or AIFs sponsored by the entities which are associate of the Book Running Lead Managers or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the Book Running Lead Managers) shall apply in the Offer under the Anchor Investor Portion.

23. As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters and members of our Promoter Group are pledged or otherwise encumbered.

24. No person connected with the Offer, including, but not limited to, the members of the Syndicate, our Company, our Directors, our Promoters, members of our Promoter Group or Group Companies, shall offer or make payment of any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

25. The Book Running Lead Managers are not associates of the Company.

26. **Employee Stock Option Plan**

    Our Company does not have any employee stock option scheme as on the date of this Draft Red Herring Prospectus.

OBJECTS OF THE OFFER

The Offer comprises the Fresh Issue of [●] Equity Shares, aggregating up to ₹ 4,200.00 million by our Company and the Offer for Sale of up to 2,780,857 Equity Shares, aggregating up to ₹ [●] million by the Selling Shareholders. For details, see "*Offer Document Summary*" and "*The Offer*" on pages 22 and 83, respectively.

Offer for Sale

Each of the Selling Shareholders will be entitled to its respective portion of the proceeds of the Offer for Sale, net of their proportion of the Offer-related expenses and relevant taxes thereon. Other than for (i) listing fees and stamp duty payable on issue of Equity Shares pursuant to Fresh Issue which shall be borne solely by the Company, and (ii) stamp duty payable on transfer of the Offered Shares pursuant to the Offer for Sale and fees and expenses for the legal counsel to the Selling Shareholders which shall be borne solely by the respective Selling Shareholders, the Company and each of the Selling Shareholders agree to share the costs and expenses (including all applicable taxes) directly attributable to the Offer (including fees and expenses of the Book Running Lead Managers, legal counsel and other intermediaries, advertising and marketing expenses (other than corporate advertisements expenses in the ordinary course of business by the Company, which shall be borne solely by the Company), printing, underwriting commission, procurement commission (if any), brokerage and selling commission and payment of fees and charges to various regulators in relation to the Offer) in proportion to the number of Equity Shares issued and Allotted by the Company through the Fresh Issue and sold by each of the Selling Shareholders through the Offer for Sale, respectively, in accordance with Applicable Law. The Company agrees to advance the cost and expenses of the Offer in the first instance and the Company will be reimbursed by each of the Selling Shareholders, severally and not jointly, for its respective proportion of such costs and expenses, in accordance with Applicable Law, upon commencement of listing and trading of the Equity Shares on the Stock Exchanges pursuant to the Offer, except for such costs and expenses in relation to the Offer which are paid for directly by the Selling Shareholders. In the event of withdrawal of the Offer or if the Offer is not successful or consummated, all costs and expenses with respect to the Offer, other than such expenses required to be solely borne by the Company or the Selling Shareholders, shall be borne by the Company and the Selling Shareholders, in proportion to the 'proceeds receivable' from the Fresh Issue and Offer for Sale, respectively. 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. For further details in reference to the Offer expenses, see "*-Offer expenses*" on page 130.

Fresh Issue

Net Proceeds

The details of the proceeds of the Net Proceeds from the Fresh Issue are set out below:

Particulars	Estimated Amount *(₹ million)*
Gross proceeds of the Fresh Issue	Up to 4,200.00[(1)]
(Less) Offer-related expenses in relation to the Fresh Issue	[●][(2)(3)]
Net Proceeds	[●][(3)]

1. *Our Company, in consultation with the BRLMs, may consider an issue of Specified Securities, as may be permitted under applicable law, to any person(s), aggregating up to ₹ 840.00 million at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.*
2. *See "– Offer Expenses" on page 130.*
3. *To be finalized upon determination of the Offer Price and will be updated in the Prospectus prior to filing with the RoC.*

Requirement of funds

Our Company proposes to utilize the Net Proceeds towards funding the following objects (collectively, referred to herein as the "**Objects**"):

1. Funding of capital expenditure requirements of our Company towards purchase of machinery, equipment and vehicles;

2. Funding the working capital requirements of our Company; and

3. General corporate purposes (collectively, the "**Objects**")

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges and enhancement of our Company's visibility and brand image and creation of a public market for our Equity Shares in India. The main objects and objects incidental and ancillary to the main objects set out in our Memorandum of Association enable us: (i) to undertake our existing business activities and other activities set out therein; and (ii) to undertake the activities proposed to be funded from the Net Proceeds.

Utilization of Net Proceeds

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

Sr. No.	Particulars	Estimated amount (₹ million)(2)
1.	Funding of capital expenditure requirements of our Company towards purchase of machinery, equipment and vehicles	500.00
2.	Funding the working capital requirements of our Company	2,800.00
3.	General Corporate Purposes(1)	[●]
	Net Proceeds(1)	[●]

(1) The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Fresh Issue. To be determined upon finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC.

(2) Our Company, in consultation with the BRLMs, may consider an issue of Specified Securities, as may be permitted under applicable law, to any person(s), aggregating up to ₹ 840.00 million at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

Proposed schedule of implementation and deployment of Net Proceeds

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

(in ₹ million)

Particulars	Estimated utilization from Net Proceeds(2)	Estimated schedule of deployment of Net Proceeds		
		Fiscal 2025	Fiscal 2026	Fiscal 2027
Funding of capital expenditure requirements of our Company towards purchase of machinery, equipment and vehicles	500.00	-	250.00	250.00
Funding the working capital requirements of our Company	2,800.00	-	1,096.67	1,703.33
General corporate purposes(1)	[●]	[●]	[●]	[●]
Total	[●]	[●]	[●]	[●]

(1) The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Fresh Issue. To be determined upon finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC.

(2) Includes the proceeds, if any, received pursuant to the Pre-IPO Placement. Our Company, in consultation with the BRLMs, may consider an issue of Specified Securities, as may be permitted under applicable law, to any person(s), aggregating up to ₹ 840.00 million at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

We intend to deploy the Net Proceeds towards the Objects as disclosed in the table above, in accordance with the business needs of our Company. However, the actual deployment of funds will depend on a number of factors, including the timing of completion of the Offer, market conditions, our Board's analysis of economic trends and business requirements as well as general factors affecting our results of operations and financial condition. Depending upon such factors, we may have to reduce or extend the deployment period for the stated Objects, at the discretion of our management, and in accordance with applicable laws. In the event that the estimated utilization of the Net Proceeds in a scheduled Fiscal is not completely met, including due to the reasons stated above, the same shall be utilized in the next Fiscal, as may be determined by our Company, in accordance with applicable laws. For further details, see "*Risk Factors– 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*" on page 61.

The above requirement of funds are based on our current business plan as approved by our Board of Directors pursuant to their resolution dated September 29, 2024, internal management estimates based on the prevailing market conditions, and also based on quotations obtained from certain vendors. These funding requirements or deployments have not been appraised by any bank or financial institution. We may have to revise our funding requirements and deployment from time to time on account of various factors, such as change in costs, including due to inflation or increase in the rate of taxation, revision in quotations at the time of actual expenditure, change in financial and market conditions, our management's analysis of economic trends and our business requirements, changes in technology, as well as general factors affecting our results of operations, financial condition, business and strategy and interest/exchange rate fluctuations or other external factors, which may not be within the control of our management. This may entail rescheduling (including preponing the deployment of Net Proceeds) and revising the funding requirement for a particular Object or increasing or decreasing the amounts earmarked towards any of the aforementioned Objects at the discretion of our management, subject to compliance with applicable law.

In case of a shortfall in meeting the aforementioned Objects, we may explore a range of alternate funding options including utilizing our internal accruals and availing future debt from lenders. We believe that such alternate funding arrangements would be available to fund any such shortfalls.

Means of finance

The fund requirements for the Objects are proposed to be met from the Net Proceeds and any shortfall from our internal accruals. Accordingly, we confirm that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue as required under Paragraph 9(C)(1) of Part A of Schedule VIII and Regulation 7(1)(e) the SEBI ICDR Regulations and existing identifiable internal accruals. In case of a shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals.

Details of the Objects

1. Funding of capital expenditure requirements of our Company towards purchase of machinery, equipment and vehicles

We are an integrated railway civil engineering, manufacturing and construction company in India with a 31.69% CAGR growth in revenue from Fiscal 2022 to Fiscal 2024. We are focused on providing manufacturing and construction services spanning track substructure and superstructure, which includes turnkey bridge construction projects, supply and installation of railway tracks, design and manufacture of turnouts and track devices, rail fastening systems and sleepers.

We have in the past invested certain amounts towards capital expenditure in order to expand our manufacturing capabilities. Our capital expenditure as a percentage of total revenue from operations in each of Fiscal 2024, Fiscal 2023 and Fiscal 2022 was as follows:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	₹ in million	% of total revenue from operations	₹ in million	% of total revenue from operations	₹ in million	% of total revenue from operations
Capital expenditure	338.17	3.50%	228.91	2.91%	399.77	7.18%

As part of our growth strategy, we intend to enhance automation of internal manufacturing and construction processes to improve cost effectiveness. We also require vehicles for use in our operations at our Manufacturing Facilities, given the operations intensive nature of our business. Our Board in its meeting held on September 29, 2024 approved an amount of ₹ 500.00 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 and vehicles. Based on the valid quotations received from various vendors, our Company intends to utilize ₹500.00 million out of the Net Proceeds for the purchase of machinery, equipment and vehicles, and the remaining expenses shall be met from our internal accruals. No second hand or used machinery, equipment or vehicles are proposed to be purchased out of the Net Proceeds. An indicative list of such machinery, equipment and vehicles that we intend to purchase, along with details of the quotations we have received in this respect is set forth below:

Sr. No.	Name of the Machinery/ Equipment	Quantity	Total Estimated Cost* (*in ₹ million*)[(1)]	Potential Vendor	Date of Quotation	Validity
1.	Bolero Camper	20	19.12	Shree Automotive Pvt. Ltd.	September 20, 2024	December 31, 2024
2.	Rail Cum Road Vehicle Phooltas	1	7.38	Phooltas Transrail Limited	September 5, 2024	Valid for 90 days
3.	SANY 160T Truck Crane Model	2	83.78	SANY Heavy Industry India Pvt. Ltd.	September 19, 2024	March 31, 2025
4.	Backhoe Loader ACE AX124	6	18.86	Action Construction Equipment Limited	September 10, 2024	Valid up to March 2025
5.	Batching Plant M30Z Compartment Batcher - Pan Mixer	5	20.51	Schwing Stetter (India) Pvt. Ltd.	September 5, 2024	December 31, 2024
6.	100 Ton Silo cement with accessories	5	12.04	Aryan Enterprises	September 9, 2024	March 31, 2025
7.	Boom Pump S36X	2	21.24	Schwing Stetter (India) Pvt. Ltd.	September 5, 2024	December 31, 2024
8.	Humarbo PX 2.25 Tilting Lay Machines	2	80.80[#]	Humarbo Machinery B.V.	September 16, 2024	Valid for six months
9.	Air Compressor Ingersoll Rand 75KW	4	5.34	UD Marketing Pvt. Ltd.	September 9, 2024	Valid up to March 2025
10.	Portable Concrete Pump Model SP 1420D RMC	2	6.40	Schwing Stetter (India) Pvt. Ltd.	September 5, 2024	December 31, 2024
11.	Portable Concrete Pump Model SP 1807D	2	6.15	Schwing Stetter (India) Pvt. Ltd.	September 6, 2024	December 31, 2024
12.	Komatsu PC205-10 M0 Hydraulic Excavator	8	50.40	SRL Earthmoving Solution Pvt. Ltd.	September 11, 2024	December 31, 2024
13.	Flash Butt Welding Machine	1	95.45[^]	RW Equipment & Consulting LLC	September 4, 2024	Valid for 60 days
14.	3 Ton Diesel Forklift 4.5m (30DE-7)	2	3.78	Jayshree Trading Co.	September 4, 2024	March 31, 2025
15.	Diesel Generator 125 KVA - CPCB4 Cummins QSB 4.5-G2	6	10.30	Jakson Limited	September 10, 2024	March 31, 2025
16.	Diesel Generator 58.5 KVA - CPCB4 Cummins X3.6-G3	10	9.39	Jakson Limited	September 10, 2024	March 31, 2025
17.	Diesel Generator 30 KVA - CPCB4 Cummins X2.6-G1	20	15.56	Jakson Limited	September 10, 2024	March 31, 2025
18.	ACE F230, Nextgen hydraulic mobile Crane	5	24.38	Action Construction Equipment Limited	September 19, 2024	December 31, 2024
19.	Escorts Kubota Crane Model Hydra 1565 4P AB	3	6.89	Escorts Kubota Limited	September 19, 2024	December 31, 2024
20.	BLAZO28 Tipper 9S Bogie	8	33.20	Avighna Automotive Pvt. Ltd.	September 19, 2024	Valid up to March 2025
21.	Topcon Reflectorless Electronic Total Station Model GM-101	10	5.90	Skipper Technologies India Pvt Ltd	September 18, 2024	Valid for 90 days
22.	Transit Mixer BLAZO28 RMC	16	60.00	Avighna Automotive Pvt. Ltd.	September 19, 2024	Valid up to March 2025

Sr. No.	Name of the Machinery/ Equipment	Quantity	Total Estimated Cost* (*in ₹ million*)(1)	Potential Vendor	Date of Quotation	Validity
23.	Truck Mahindra 35HL PA AC	4	14.20	Avighna Automotive Pvt. Ltd.	September 19, 2024	Valid up to March 2025
24.	Bolero Neo N4	12	11.82	Shree Automotive Pvt. Ltd.	September 11, 2024	December 31, 2024
25.	Scorpio Classic S7	13	16.79	Shree Automotive Pvt. Ltd.	September 11, 2024	December 31, 2024
Total			**639.66**			

Notes:

1. *The amount included in the quotation may be subject to price revisions, basis, inter alia, prevailing market conditions, price of raw materials, increase in taxes/duties levied by governmental authorities and other incremental charges. In case of an increase in quoted amount due to a price revision, our Company will bear the difference out of internal accruals.*

* *Including applicable GST and TCS.*

 # Conversion rate of 1 Euro= 93.2853 INR, as of September 20, 2024 (Source: https://rbi.org.in/scripts/ReferenceRatArchive.aspx).

^ Conversion rate of 1 USD= 83.4922 INR, as of September 20, 2024 Source: https://rbi.org.in/scripts/ReferenceRatArchive.aspx).

All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the machinery, equipment and vehicles or at the same costs. The quantity of machinery, equipment and vehicles to be purchased is based on the present estimates of our management. As on the date of this Draft Red Herring Prospectus, our Company has not deployed any fund towards the purchase of these machinery, equipment and vehicles. Additionally, there may be revision in the final amounts payable towards these quotations pursuant to any taxes or levies payable on such item.

Our Promoters, Directors and Key Managerial Personnel, do not have any interest in the entity from whom we have obtained quotations, in relation to such proposed purchase.

We confirm that the proposed capital expenditure towards purchase of machinery and equipment will not have any impact on our existing capacity utilization at our Manufacturing Facilities and will be utilized at our existing Manufacturing Facilities as per the requirements. For details, refer to "*Our Business – Overview – Manufacturing Division*" on page 234.

2. Funding the working capital requirements of our Company

Our business is working capital intensive and we fund a majority of our working capital requirements in the ordinary course of business from internal accruals and by entering into financing arrangements with various banks and financial institutions. For details of the working capital facilities availed by our Company, please see "*Financial Indebtedness*" on page 431. We intend to utilise ₹ 2,800.00 million from the Net Proceeds to fund the working capital for meeting business requirements of our Company in Fiscal 2026 and Fiscal 2027. The funding of the incremental working capital requirements of our Company will enable a consequent increase in our profitability and in achieving the proposed targets as per our business plan.

We have experienced sustained growth in various financial indicators including our revenue from operations and order book Fiscal 2024, Fiscal 2023 and Fiscal 2022. The table below sets out details of our consolidated revenue from operations, CAGR in growth and order book metrics for Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from operations (in ₹ million)(1)	9,657.37	7,858.21	5,568.38
Total Income (in ₹ million)(2)	9,751.80	7,891.23	5,611.58
Two year revenue CAGR (Fiscal 2022 to Fiscal 2024) (%)	31.69%	-	-
Order book (in ₹ million)* (3)	22,962.70	14,345.75	9,748.60

* *Excluding the order book of our Associate.*

Notes:

(1) *Revenue from operations means the revenue from operations for the year.*

(2) *Total Income is calculated as addition of revenue from operations and other income.*

(3) *Order Book represents the estimated contract value of the unexecuted portion of our existing assigned EPC contracts and manufacturing orders and is an indicator of visibility of future revenue for our Company.*

(a) *Existing working capital*(1)

The details of our Company's working capital as on March 31, 2024, March 31, 2023 and March 31, 2022, and the source of funding, on a standalone basis, are provided in the table below:

(in ₹ million)

Sr. No.	Particulars	As at March 31, 2024 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2022 (Standalone)
(A)	**Current assets**			
(a)	Inventories	1,851.89	912.66	794.08
(b)	Trade Receivables	510.60	498.02	445.51
(c)	Bank balances other than Cash and Equivalents	375.53	266.49	176.22
(d)	Other Financial assets	40.13	26.91	58.87
(e)	Contract Asset	1,582.97	1,012.06	397.41
(f)	Other current assets	463.93	333.19	444.25
	Total Current Assets (A)	**4,825.05**	**3,049.33**	**2,316.34**
(B)	**Current liabilities**			
(a)	Trade Payables	1,543.57	986.49	740.01
(b)	Other Financial Liabilities	203.40	136.97	124.63
(c)	Contract Liabilities	110.16	53.60	83.31
(d)	Current Tax Liabilities	15.48	26.91	16.41
(e)	Other Current Liabilities	72.19	39.28	23.14
	Total Current liabilities (B)	**1,944.80**	**1,243.26**	**987.50**
(C)	**Total working capital requirement (A - B)**	**2,880.25**	**1,806.06**	**1,328.84**
(D)	**Existing funding pattern**			
(a)	Working capital loans, internal accruals, equity	**2,880.25**	**1,806.06**	**1,328.84**

(1) *As certified by J B S & Company, Chartered Accountants, by way of their certificate dated September 29, 2024.*

(b) Future working capital

On the basis of existing and estimated working capital requirement of our Company on a standalone basis, and assumptions for such working capital requirements, our Board pursuant to its resolution dated September 29, 2024 has approved the projected working capital requirements for Fiscal 2025, Fiscal 2026 and Fiscal 2027 and the proposed funding of such working capital requirements as set forth below:

(in ₹ million)

Sr. No.	Particulars	As at March 31, 2025 (Standalone) (projected)	As at March 31, 2026 (Standalone) (projected)	As at March 31, 2027 (Standalone) (projected)
(A)	**Current assets**			
(a)	Inventories	1,665.66	2,221.31	3,025.37
(b)	Trade Receivables	769.50	1,026.20	1,397.65
(c)	Bank balances other than Cash and Equivalents	454.93	592.14	767.66
(d)	Other Financial assets	51.30	68.41	93.18
(e)	Contract Asset	1,763.57	2,160.75	2,843.05
(f)	Other current assets	548.13	730.98	995.58
	Total Current Assets (A)	**5,253.09**	**6,799.79**	**9,122.49**
(B)	**Current liabilities**			
(a)	Trade Payables	1,586.03	1,850.73	2,160.55
(b)	Other Financial Liabilities	239.94	319.99	435.81
(c)	Contract Liabilities	130.89	174.56	237.74
(d)	Current Tax Liabilities	18.29	58.59	126.39
(e)	Other Current Liabilities	63.93	85.26	116.12
	Total Current liabilities (B)	**2,039.08**	**2,489.13**	**3,076.62**
(C)	**Total working capital requirement (A - B)**	**3,214.00**	**4,310.67**	**6,045.87**
(D)	**Existing funding pattern**			
(a)	Working capital loans, internal accruals, equity	**3,214.00**	**3,214.00**	**3,245.87**
(E)	**Cumulative Amount proposed to be utilized from Net Proceeds**	**0.00**	**1,096.67**	**2,800.00**

(1) *As certified by J B S & Company, Chartered Accountants, by way of their certificate dated September 29, 2024.*

Key assumptions for our estimated working capital requirements

The following table sets forth the details of the holding period (with days rounded to the nearest whole number) considered for Fiscal 2022, Fiscal 2023 and Fiscal 2024, as well as projected for Fiscal 2025, Fiscal 2026 and Fiscal 2027:

Sr. No.	Particulars	Actuals			Projected		
		As at March 31, 2022 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2024 (Standalone)	As at March 31, 2025 (Standalone) (projected)	As at March 31, 2026 (Standalone) (projected)	As at March 31, 2027 (Standalone) (projected)
I.	**A. Current Assets**						
	Inventories(1)	163	108	206	150	150	150
	Trade receivables(2)	39	27	24	30	30	30
	Bank balances other than Cash and Equivalents(3)	16	14	17	18	17	16
	Other Financial assets(4)	5	1	2	2	2	2
	Contract Asset(5)	35	54	73	69	63	61
	Other current assets(6)	39	18	21	21	21	21
II.	**B. Current Liabilities**						
	Trade Payables(7)	86	67	94	80	70	60
	Other Financial Liabilities(8)	11	7	9	9	9	9
	Contract Liabilities(9)	7	3	5	5	5	5
	Current Tax Liabilities(10)	1	1	1	1	2	3
	Other Current Liabilities(11)	2	2	3	2	2	2

Notes:

1) *Inventories days are calculated as Inventories at the end of the period multiplied by 365 divided by cost of materials consumed and changes in inventory finished goods, work-in-progress and stock-in-trade for the period.*
2) *Trade receivables days are calculated as Trade receivables at the end of the period multiplied by 365 divided by revenue from operations for the period.*
3) *Bank balances other than Cash & Equivalents are calculated as: opening balance of Bank balances other than Cash & Equivalents + incremental funding towards performance bank guarantee margin and retention money bank guarantee margin. Bank balances other than Cash & Equivalents is expressed as days of revenue from operations in the table above.*
4) *Other Financial assets days are calculated as Other Financial assets at the end of the period multiplied by 365 divided by revenue from operations for the period.*
5) *Contract Assets are calculated as unbilled revenue plus retention money towards ongoing projects. Contract Assets is expressed as days of revenue from operations for the period.*
6) *Other current assets days are calculated as Other current assets at the end of the period multiplied by 365 divided by revenue from operations for the period.*
7) *Trade Payables days are calculated Trade Payables at the end of the period multiplied by 365 divided by cost of goods sold for the period.*
8) *Other Financial Liabilities days are calculated Other Financial Liabilities at the end of the period multiplied by 365 divided by revenue from operations for the period.*
9) *Contract Liabilities days are calculated Contract Liabilities at the end of the period multiplied by 365 divided by revenue from operations for the period.*
10) *Current Tax Liabilities days are calculated Current Tax Liabilities at the end of the period multiplied by 365 divided by revenue from operations for the period.*
11) *Other Current Liabilities days are calculated Other Current Liabilities at the end of the period multiplied by 365 divided by revenue from operations for the period.*

As certified by J B S & Company, Chartered Accountants, by way of their certificate dated September 29, 2024.

Key assumptions and justifications for working capital projections

The working capital projections made by our Company are based on certain key assumptions and justifications, as set out below:

S. No	Particulars	Assumptions
Current Assets		
1.	Inventories	Inventory days is basis assumptions on cost of goods sold. The Company maintains inventories for supplying components required for construction activities. For Fiscal 2022, Fiscal 2023 and Fiscal 2024, the Company had inventory days of 163 days, 108 days and 206 days respectively. The increase in closing balance of inventories driven by increasing construction activities. Historically, the Inventory days have increased from 163 days in Fiscal 2022 to 206 days in Fiscal 2024. The Company has assumed Inventory days of 150

S. No	Particulars	Assumptions
		days for Fiscal 2025, Fiscal 2026 and Fiscal 2027 in line with the expected business activity going forward.
2.	Trade receivables	Trade receivable days are calculated basis revenues which is also dependent on order book additions and order book execution. For Fiscal 2022, Fiscal 2023 and Fiscal 2024, the Company had trade receivable days of 39 days, 27 days and 24 days respectively. The Company expects this range of receivable days to continue and has assumed trade receivable days of 30 days for Fiscal 2025, Fiscal 2026 and Fiscal 2027.
3.	Bank balances other than Cash and Equivalents	Bank Balances other than Cash and Equivalents is money blocked on account of performance bank guarantee margin money and retention money bank guarantee commission for the ongoing projects. The Company has assumed the Bank Balances other than Cash & Equivalent requirement for Fiscals 2025, 2026 and 2027 basis the expected order wins and the required bank guarantee margin money and retention money guarantee margin to fund the projects.
4.	Other Financial assets	Other Financial assets includes security deposits, interest receivable, and guarantee commission receivables along with other receivables. The Company has assumed the Other Financial Assets requirement for Fiscals 2025, 2026 and 2027 basis the expected business activity. Other financial assets are calculated basis revenue from operations.
5.	Contract Asset	Contract Asset is calculated basis unbilled revenue and retention money for ongoing projects. Unbilled revenue is calculated basis days of revenue from operations and retention money is calculated basis the expected business activity. The Contract Asset days have been assumed as 69 days, 63 days and 61 days for Fiscals 2025, 2026 and 2027 basis the expected business activity and release of retention money from completed projects.
6.	Other current assets	Other current assets are calculated as days of revenue from operations. The Other current assets were 39 days, 18 days and 21 days for Fiscals 2022, 2023 and 2024 respectively. The Company has assumed Other Current Assets days of 21 days for Fiscal 2025, Fiscal 2026 and Fiscal 2027 in line with the Fiscal 2024.
Current Liabilities		
7.	Trade Payables	Trade Payables are calculated as days of cost of goods sold. Trade Payables days for Fiscals 2022, 2023 and 2024 were 86, 67 and 94 days respectively. The company has assumed Trade Payable days of 80, 70 and 60 days for Fiscals 2025, 2026 and 2027 respectively. This is in line with our expected business activities and the Company's plans to improve the payables position and strategy towards becoming more competitive. For further details, please refer to "*Our Business –Strategies*" on page 239.
8.	Other Financial Liabilities	Other Financial Liabilities are calculated as days of revenue from operations. Other Financial Liabilities days for Fiscals 2022, 2023 and 2024 were 11, 7 and 9 days respectively. The Company has assumed Other Financial Liabilities days of 9 days for Fiscals 2025, 2026 and 2027 in line with Fiscal 2024.
9.	Contract Liabilities	Contract Liabilities are calculated as days of revenue from operations. Contract Liabilities days for Fiscals 2022, 2023 and 2024 were 7, 3 and 5 days respectively. The Company has assumed Contract Liabilities days of 5 days for Fiscals 2025, 2026 and 2027 in line with Fiscal 2024.
10.	Current Tax Liabilities	Current Tax Liabilities are calculated as days of revenue of operations. Current Tax Liabilities days for Fiscals 2022, 2023 and 2024 were 1 day. The Company has assumed Current Tax Liabilities days of 1, 2 and 3 days for Fiscals 2025, 2026 and 2027, respectively, in line with expected business activity.
11.	Other Current Liabilities	Other Current Liabilities are calculated as days of revenue of operations. Other Current Liabilities days for Fiscals 2022, 2023 and 2024 were 2, 2 and 3 days respectively. The Company has assumed Contract Liabilities days of 2 days for Fiscals 2025, 2026 and 2027.

(1) *As certified by J B S & Company, Chartered Accountants, by way of their certificate dated September 29, 2024.*

3. **General corporate purposes**

The general corporate purposes for which our Company proposes to utilise Net Proceeds include, but are not restricted to meeting ongoing general corporate exigencies and contingencies, strengthening marketing capabilities, expansion into existing and newer segments, repayment/ prepayment of outstanding borrowings, expenses incurred in ordinary course of business, payment of commission and/or fees to consultants, business development initiatives, employee welfare activities, other expenses including salaries and wages, administration, insurance, repairs and maintenance, payment of taxes and duties and any other purpose, as may be approved by the Board or a duly constituted committee thereof, subject to compliance with applicable law, including provisions of the Companies Act. The quantum of utilization of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company and other relevant considerations, from time to time. Our Company's management, in accordance with the policies of our Board, shall have flexibility in utilizing surplus amounts, if any. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that 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 in the subsequent Fiscals.

Offer expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The Offer related expenses primarily include fees payable to the BRLMs and legal counsel, fees payable to the Auditors, brokerage and selling commission, underwriting commission, commission payable to Registered Brokers, RTAs and CDPs, SCSBs' fees, Escrow Collection Bank fees, Sponsor Banks' fees, the Registrar's 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 for (i) listing fees and stamp duty payable on issue of Equity Shares pursuant to Fresh Issue which shall be borne solely by the Company, and (ii) stamp duty payable on transfer of the Offered Shares pursuant to the Offer for Sale and fees and expenses for the legal counsel to the Selling Shareholders which shall be borne solely by the respective Selling Shareholders, the Company and each of the Selling Shareholders agree to share the costs and expenses (including all applicable taxes) directly attributable to the Offer (including fees and expenses of the Book Running Lead Managers, legal counsel and other intermediaries, advertising and marketing expenses (other than corporate advertisements expenses in the ordinary course of business by the Company, which shall be borne solely by the Company), printing, underwriting commission, procurement commission (if any), brokerage and selling commission and payment of fees and charges to various regulators in relation to the Offer) in proportion to the number of Equity Shares issued and Allotted by the Company through the Fresh Issue and sold by each of the Selling Shareholders through the Offer for Sale, respectively, in accordance with Applicable Law. The Company agrees to advance the cost and expenses of the Offer in the first instance and the Company will be reimbursed by each of the Selling Shareholders, severally and not jointly, for its respective proportion of such costs and expenses, in accordance with Applicable Law, upon commencement of listing and trading of the Equity Shares on the Stock Exchanges pursuant to the Offer, except for such costs and expenses in relation to the Offer which are paid for directly by the Selling Shareholders. In the event of withdrawal of the Offer or if the Offer is not successful or consummated, all costs and expenses with respect to the Offer, other than such expenses required to be solely borne by the Company or the Selling Shareholders, shall be borne by the Company and the Selling Shareholders, in proportion to the 'proceeds receivable' from the Fresh Issue and Offer for Sale, respectively.The estimated Offer related expenses are set out below.

Activity	Estimated expenses(1)	As a percentage of the total estimated Offer expenses(1)	As a percentage of the total Offer size(1)
	(₹ million)	*(%)*	*(%)*
BRLMs fees and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Selling commission/processing fee for SCSBs, Sponsor Banks and fee payable to the Sponsor Banks for Bids made by RIBs, brokerage and selling commission and bidding/uploading charges for members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs (2)(3)(4) (5)	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Others			

Activity	Estimated expenses(1)	As a percentage of the total estimated Offer expenses(1)	As a percentage of the total Offer size(1)
	(₹ million)	*(%)*	*(%)*
(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 expenses	[●]	[●]	[●]
(iii) Advertising and marketing expenses	[●]	[●]	[●]
(iv) Fees payable to legal counsels	[●]	[●]	[●]
(v) Miscellaneous	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

(1) *Offer expenses include applicable taxes, where applicable. Offer expenses will be finalised on determination of Offer Price and incorporated at the time of filing of the Prospectus. Offer expenses are estimates and are subject to change.*

(2) *Selling commission payable to the SCSBs on the portion for RIBs, Eligible Employees and Non-Institutional Bidders which are directly procured by the SCSBs, would be as follows:*

Portion for RIBs	*[●]% of the Amount Allotted* (plus applicable taxes)*
Portion for Eligible Employees	*[●]% of the Amount Allotted* (plus applicable taxes)*
Portion for Non-Institutional Bidders	*[●]% of the Amount Allotted* (plus applicable taxes)*

* *Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price. The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of BSE or NSE. No uploading/processing fees shall be payable by our Company and the Selling Shareholders to the SCSBs on the applications directly procured by them. Processing fees payable to the SCSBs on the portion for Retail Individual Bidders, Eligible Employees and Non-Institutional Bidders which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/CRTAs/ CDPs and submitted to SCSB for blocking, would be as follows:*

Portion for Non-Institutional Bidders	*₹ [●] per valid application (plus applicable taxes)*

Processing fees payable to the SCSBs for capturing Syndicate Member/Sub-syndicate (Broker)/Sub-broker code on the ASBA Form for Non- Institutional Bidders and QIBs with Bids above ₹ 0.50 million would be ₹[●] plus applicable taxes, per valid application.

(3) *Selling commission on the portion for UPI Bidders and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their sub-Syndicate Members) would be as follows:*

Portion for UPI Bidders	*[●]% of the Amount Allotted* (plus applicable taxes)*
Portion for Non-Institutional Bidders	*[●]%of the Amount Allotted* (plus applicable taxes)*

* *Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

(4) *The selling commission payable to the Syndicate / sub-Syndicate Members will be determined:*
For UPI Bidders and NIBs (up to ₹ 0.50 million) on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.
For NIBs (Bids above ₹ 0.50 million) on the basis of the Syndicate ASBA Form bearing SM Code and the sub-Syndicate code of the application form submitted to SCSBs for blocking of the fund and uploading on the Stock Exchanges' platform by SCSBs. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / sub-Syndicate Member, is bid by an SCSB, the selling commission will be payable to the Syndicate / sub-Syndicate Members and not the SCSB.

(5) *Uploading Charges:*
payable to members of the Syndicate (including their sub-Syndicate Members), on the applications made using 3-in-1 accounts, would be:
₹ [●] plus applicable taxes, per valid application bid by the Syndicate member (including their sub-Syndicate Members),
Bid uploading charges payable to the SCSBs on the portion of QIB and Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking and uploading would be: ₹ [●] per valid application (plus applicable taxes)
The selling commission and bidding charges payable to Registered Brokers the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.
Selling commission/ uploading charges payable to the Registered Brokers on the portion for UPI Bidders procured through UPI Mechanism and Non-Institutional Bidders which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:

*Portion for UPI Bidders**	*₹ [●] per valid application (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*₹ [●] per valid application (plus applicable taxes)*

* *Based on valid applications*

(6) *Uploading charges/ Processing fees for applications made by UPI Bidders and Non-Institutional Bidders (for an amount more than ₹ 0.20 million and up to ₹ 0.50 million) using the UPI Mechanism would be as under:*

Members of the Syndicate / RTAs / CDPs (uploading charges)	*₹ [●] per valid application (plus applicable taxes)*

Sponsor Banks (Processing fee)	*₹ [●] per valid application (plus applicable taxes)* *The Sponsor Banks shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under* *applicable SEBI circulars, agreements and other Applicable Laws*

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Bank Agreement.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, 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, Syndicate / Sub-Syndicate Members shall not be able to accept Bid Cum Application Form above ₹ 500,000 and the same Bid Cum Application Form needs to be submitted to SCSBs for blocking of fund and uploading on the exchange bidding platform. To identify bids submitted by Syndicate / Sub-Syndicate Members to SCSB, a special Bid Cum Application Form with a heading / watermark, 'Syndicate ASBA' may be used by Syndicate / Sub-Syndicate Member along with SM code and Broker code mentioned on the Bid Cum Application Form to be eligible for brokerage on Allotment. However, such special forms, if used for RIB Bids and NIB Bids up to ₹ 500,000 will not be eligible for brokerage.

Interim use of the Net Proceeds

Our Company, in accordance with the applicable law, policies established by our Board from time to time and in order to attain the Objects set out above, will have flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described in this section, our Company may temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934, as may be approved by our Board. In accordance with Section 27 of the Companies Act, our Company confirms that, other than as specified in this section for the purposes of the Objects, it shall not use the Net Proceeds for buying, trading or otherwise dealing in equity securities or any equity linked securities.

Appraising entity

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

Bridge financing facilities

Our Company has not raised any bridge loans from any bank or financial institution as of the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Monitoring of utilization of funds

Our Company will appoint a monitoring agency to monitor utilization of proceeds from the Fresh Issue, including the proceeds proposed to be utilised towards general corporate purposes, prior to filing of the Red Herring Prospectus with the RoC, in accordance with Regulation 41 of the SEBI ICDR Regulations. Our Company undertakes to place the Gross Proceeds in a separate bank account which shall be monitored by the Monitoring Agency for utilization of the Gross Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose and continue to disclose the utilization of the Gross Proceeds, including interim use, under a separate head in its balance sheet for such fiscal periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, specifying the purposes for which the Gross Proceeds have been utilized. Our Company will also, in its balance sheet for the applicable fiscal periods, 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 results.

Pursuant to Regulation 32(3) 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, which shall discuss, monitor and approve the use of the Gross Proceeds along with our Board. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in this Draft Red Herring 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 prepared on an annual basis for utilization of the Gross Proceeds shall be certified by the statutory auditors.

Furthermore, 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 Fresh Issue from the Objects; and (ii) details of category wise variations in the actual utilization of the proceeds of the Fresh Issue from the Objects. This information will also be published on our website.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act and Regulation 59 and Schedule XX of the SEBI ICDR Regulations, our Company shall not vary the Objects, without our Company being authorized to do so by its Shareholders by way of a special resolution and our Company shall include the requisite explanation in the director's report in relation to such variation. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Notice**") shall specify the prescribed details and be published in accordance with the Companies Act. The Notice shall simultaneously be published in the newspapers, one in English and one in Bengali, the vernacular language of the jurisdiction where our Registered Office is situated. Pursuant to the Companies Act, the Promoters, as at the time of such proposed variation, will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the Objects, subject to the provisions of the Companies Act and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with our Articles of Association, the provisions of the Companies Act and the SEBI ICDR Regulations.

Other confirmations

Except to the extent of any proceeds received pursuant to the sale of Equity Shares proposed to be sold by the Selling Shareholders in the Offer for Sale, neither our Promoters, nor members of our Promoter Group, Directors, KMPs, Senior Management Personnel, or Group Companies 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, members of our Promoter Group, Directors, KMPs, Senior Management Personnel, or Group Companies. 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 BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and the quantitative and qualitative factors as described below and is justified in view of these parameters. The face value of the Equity Shares is ₹2 each and the Floor Price is [●] times the face value of the Equity Shares and the Cap Price is [●] times the face value of the Equity Shares.

Investors should also refer to "*Risk Factors*", "*Our Business*", "*Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 36, 232, 316 and 390, respectively, to have an informed view before making an investment decision.

Qualitative factors

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

- Integrated manufacturing and construction operations enabling us to provide comprehensive solutions to our customers in the railway infrastructure sector.
- Strong technical capabilities enhanced by relationships with reputed global rail technology players
- Strong order book providing revenue visibility and long standing relationships with customers
- Experienced and dedicated promoters and professional management team with extensive domain knowledge

For further details, see *"Risk Factors"* and *"Our Business"* on pages 36 and 232, respectively.

Quantitative factors

Some of the information presented below relating to our Company is derived from the Restated Consolidated Financial Information. For further details, see "*Restated Consolidated Financial Information*" on page 316.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

1. **Basic and diluted Earnings/Loss per Share ("EPS") at face value of ₹2 each, as adjusted for changes in capital:**

Financial Year/Period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2022	5.83	5.83	1
March 31, 2023	7.65	7.65	2
March 31, 2024	10.99	10.99	3
Weighted Average	**9.02**	**9.02**	

Notes:

i. *The face value of each Equity Share is ₹ 2.*

ii. *EPS has been calculated in accordance with the Indian Accounting Standard 33 – "Earnings per share".*

iii. *The figures disclosed above are based on the Restated Consolidated Financial Information of the Company.*

iv. *The Company has pursuant to the Board resolutions dated September 14, 2024 allotted 32,443,325 bonus Equity Shares ("Bonus Equity Shares") in the ratio of one Equity Shares for one Equity Share held by the Shareholders and pursuant to the board resolution on August 24, 2024 sub-divided one equity shares having face value of ₹10 each into 5 equity shares having face value of ₹ 2 each. Basic EPS and Diluted EPS for all the period / year have been considered post the impact issue of Bonus Equity Shares and sub division of Equity Shares in accordance with Ind AS 33 - Earnings per share notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).*

v. *Basic EPS= Restated profit for the period / year attributable to equity shareholders of the Company divided by weighted average number of equity shares outstanding during the period / year.*

vi. *Diluted EPS= Restated profit for the period / year attributable to equity shareholders of the Company divided by weighted average number of equity shares outstanding during the period / year adjusted for the effects of all dilutive potential equity shares.*

2. **Price/Earnings ("P/E") ratio in relation to Price Band of ₹[●] to ₹[●] per Equity Share:**

Particulars	P/E at the Floor Price (no. of times)*	P/E at the Cap Price (no. of times)*
P/E ratio based on basic EPS for Financial Year 2024	[●]	[●]
P/E ratio based on diluted EPS for Financial Year 2024	[●]	[●]

* *To be populated after finalization of price band*

Industry P/ E ratio

Particulars	P/E ratio
Highest	72.09
Lowest	23.54
Average	50.34

Notes:
i. The highest and lowest industry P/E shown above is based on the peer set provided below under "Comparison with listed industry peers". The industry average has been calculated as the arithmetic average P/E of the peer set provided below.
ii. P/E figures for the peer are computed based on closing market price as on Sep 20, 2024 on NSE, divided by Diluted EPS (on consolidated basis) based on the financial results declared by the peers for the Financial Year ending March 31, 2024 submitted to stock exchanges.

3. Average Return on Net Worth ("RoNW")

Financial Year	RoNW (%)	Weight
March 31, 2022	19.51%	1
March 31, 2023	20.48%	2
March 31, 2024	22.76%	3
Weighted Average	**21.46%**	

Notes:
i. Return on Net Worth (%) = Profit after tax (attributable to owners of the company including share of profit of associate) for the period divided by Net Worth.

ii. Net Worth = Aggregate value of paid-up share capital and other equity created out of the profits, 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, derived from the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation, capital reserves and amalgamation.

iii. The figures for Restated profit for the period / year attributable to equity shareholders of the Company and total equity to calculate Net worth and RoNW are derived from the Restated Financial Consolidated Statements.

4. Net Asset Value ("NAV") per Equity Share (face value of ₹2 each)

Net Asset Value per Equity Share	(₹)
As on March 31, 2024	48.29
After the completion of the Offer	
- At the Floor Price	[●]
- At the Cap Price	[●]
- At the Offer Price	[●]

Notes:
i. Offer Price per Equity Share will be determined on conclusion of the Book Building Process.
ii. Net asset value per share= Net worth as restated / weighted average number of equity shares (including mandatorily convertible preference shares classified as equity) outstanding at the end of the financial year after considering the adjustment of share split and bonus issued subsequent to the financial year end.
iii. The figures disclosed above are based on the Restated Consolidated Financial Information of the Company.

5. Comparison of Accounting Ratios with listed industry peers for Fiscal 2024

Name of the company	Face Value per equity share (₹)	EPS (₹)		NAV (per share) (₹)	P/E	RoNW (%)	Total Income (in ₹ millions)
		Basic	Diluted				
Rahee Infratech Limited	2	10.99	10.99	48.29	[●]	22.76%	9,751.80
Listed Industry Peers							
GPT Infraprojects Limited	10	4.97	4.97	25.92	30.25	19.18%	10,248.83
Rail Vikas Nigam Limited	10	7.55	7.55	41.95	72.09	18.00%	230,748.00
Ircon International Limited	2	9.88	9.88	62.37	23.54	15.85%	128,705.20
ITD Cementation India Limited	1	15.93	15.93	86.95	35.31	18.33%	77,658.99
Texmaco Rail & Engineering Limited	1	3.29	3.29	72.09	68.19	4.56%	35,724.17
Jupiter Wagons Limited	10	8.24	8.24	38.77	64.22	20.74%	36,682.79
Titagarh Rail Systems Limited	2	22.46	22.46	168.27	58.79	13.35%	38,931.08

Source: All the financial information for listed industry peers mentioned above is on a consolidated basis and is sourced from the annual reports/financial statements as available of the respective company for the year ended March 31, 2024 submitted to stock exchanges.

Notes:
(1) P/E Ratio has been computed based on the closing market price of equity shares on NSE on September 20, 2024 -, divided by the Diluted EPS.

(2) Return on Net Worth (%) = Profit after tax (attributable to owners of the company including share of profit of associate) for the period divided by Net Worth.
(3) *Net Worth = Aggregate value of paid-up share capital and other equity created out of the profits, 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, derived from the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation, capital reserves and amalgamation.*
(4) Net asset value per share= Net worth as restated / weighted average number of equity shares (including mandatorily convertible preference shares classified as equity) outstanding at the end of the financial year after considering the adjustment of share split and bonus issued subsequent to the financial year end.

The peer group above has been determined on the basis of listed public companies comparable in size to our Company or whose business portfolio is comparable with that of our business.

6. **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 BRLMs, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. The trading price of the Equity Shares could decline, including due to the factors mentioned in "*Risk Factors*" on page 36, and you may lose all or part of your investments.

7. **Key Performance Indicators ("KPIs")**

The KPIs disclosed below have been used historically by our Company to understand and analyze its business performance, which in result, help us in analyzing the growth of business in comparison to our peers. The following table highlights our key performance indicators of our financial performance that have a bearing on arriving at the basis for Offer Price and disclosed to our investors during the three years preceding to the date of this Draft Red Herring Prospectus, as at the dates and for the period indicated:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from operations (in ₹ million)(1)	9,657.37	7,858.21	5,568.38
Total Income (in ₹ million)(2)	9,751.80	7,891.23	5,611.58
Two year revenue CAGR (Fiscal 2022 to Fiscal 2024) (%)	31.69%	-	-
Order Book (in ₹ million)* (3)	22,962.70	14,345.75	9,748.60
Order book-to-bill ratio (4)	2.38	1.83	1.75
EBITDA (in ₹ million) (5)	1,241.23	1,005.87	885.75
EBITDA margin (in %) (6)	12.73%	12.75%	15.78%
Profit after tax (excluding share profit of Associate) (in ₹ million) (7)#	609.97	505.31	439.01
Profit after tax (attributable to owners of the company including share of profit of Associate) (in ₹ million)(8)#	713.11	496.45	378.07
PAT margin (excluding share of profit of associate) (in %) (9)	6.25%	6.40%	7.82%
Net Worth (in ₹ million) (10)	3,133.49	2,423.92	1,937.96
Net debt to equity ratio (11)	0.54	0.43	0.42
Net debt to EBITDA ratio (12)	1.64	1.32	1.23
Return on Net worth (in %) (13)	22.76%	20.48%	19.51%
ROCE (in %) (14)	19.96%	20.98%	22.21%
Net Working Capital (in ₹ million) (15)	3,564.82	2,463.01	1,904.24
Net Working Capital Days (16)	135	114	125
Percentage of revenue from repeat customers (in %)(17)	84.30%	90.54%	82.99%
Revenue from top 10 customers (in %)	87.80%	88.72%	90.43%
Bid Closed (in ₹ million)(18)	45,505.00	33,850.00	55,420.00
Bid Won (in ₹ million)	13,880.00	7,970.00	7,970.00
Bid to Win Ratio (in %) (19)	30.50%	23.55%	14.38%

* *Excluding the order book of our Associate.*
\# *Based on the Restated Consolidated Financial Information.*
Notes:
(1) *Revenue from operations means the revenue from operations for the year.*
(2) *Total Income is calculated as addition of revenue from operations and other income for the year.*
(3) *Order Book represents the estimated contract value of the unexecuted portion of our existing assigned EPC contracts and manufacturing orders and is an indicator of visibility of future revenue for our Company.*
(4) *Order book-to-bill ratio is an indicator of the size of the order book as of a particular period to the revenue generated for that period and is calculated as order book at the end of period divided by revenue from operations for the period.*
(5) *EBITDA is calculated as restated profit before income tax plus finance costs and depreciation and amortisation expenses.*
(6) *EBITDA margin means EBITDA divided by Total Income for the period.*
(7) *Profit after tax (excluding share profit of associate) means the restated profit after taxes excluding share of profit of associate.*
(8) *Profit after tax (attributable to owners of the company including share of profit of associate) means the restated profit after taxes attributable to the owners of the company including share of profit of associate.*
(9) *PAT Margin (excluding share of profit of associate) (%) is calculated as Profit after tax (excluding share of profit of associate) divided by Total Income for the period.*

(10) *Net Worth means the aggregate value of paid-up share capital and other equity created out of the profits, 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, derived from the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation, capital reserves and amalgamation.*

(11) *Net Debt to Equity is calculated as Net Debt divided by Total Equity, where Net Debt is equal to Short Term Borrowings plus Long Term Borrowings excluding Cash & Cash Equivalent.*

(12) *Net Debt to EBITDA is calculated as Net Debt divided by EBITDA for the period.*

(13) *Return on Net Worth is calculated as Profit after tax (attributable to owners of the company including share of profit of associate) for the period divided by Net Worth.*

(14) *RoCE is calculated as Profit before Interest and Taxes divided by Capital Employed for the period. Capital Employed is calculated as Tangible Net Worth plus Total Debt & Deferred Tax Liability.*

(15) *Net Working Capital is calculated as Inventories + Trade Receivables + Bank balances other than cash and cash equivalents + Other financial assets + contract assets + other current assets - trade payables - other financial liabilities (less creditors for CAPEX) – contract liabilities - current tax liabilities – provisions - other current liabilities.*

(16) *Net Working Capital Days are calculated as Net Working Capital at the period divided by Revenue from operations for the period multiplied by 365 days.*

(17) *Percentage of Revenue from repeat customer (%) is calculated based on the revenue generated by the top 20 customers.*

(18) *Bids Closed = No. of Bids submitted (–) Bids for which results are awaited (Bids submitted in previous fiscal that were open in current Fiscal).*

(19) *(Bids won/Bids closed)* 100.*

As certified by Singhi & Co., Chartered Accountants, and J B S & Company, Chartered Accountants, through their certificates dated September 30, 2024.

Explanation for the Key Performance Indicators:

KPI	Explanation
Revenue from operations	Revenue from operations is used by the management to track the revenue profile of the business and in turn helps assess the overall financial performance of the Company and size of the business.
Total Income	Total Income is used by the management to track the revenue from operations profile and other income of the overall business and in turn helps assess the overall financial performance of the Company and size of the business.
Revenue CAGR (Fiscal 2022 – Fiscal 2024)	Growth in revenue from operations provides information regarding the growth of the business for the respective period.
EBITDA	EBITDA provides information regarding the operational profitability of the business. It facilitates evaluation of the year-on-year performance of the business. This excludes share of profit from associates.
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability of company's business and assists in tracking the margin profile of the business and the historical performance and provides financial benchmarking against peers.
Profit after tax (excluding share profit of of associate)	PAT (excluding share profit of of associate) represents the profit/loss that the company's make for the financial year or during a given period. It provides information regarding the overall profitability of the company's business.
Profit after tax (attributable to owners of the Company including share of profit of associate)	Profit after tax (attributable to owners of the company including share of profit of associate) refers to the portion of net profit that is specifically attributable to the shareholders or owners of the parent company including earnings from associates. It provides information about actual earnings that belong to the shareholders of the company.
PAT Margin (excluding share of profit of associate) (%)	PAT Margin (excluding share of profit of associate) (%) is an indicator of the overall profitability of the company's business and provides financial benchmarking against peers as well as to compare against the historical performance of company's business.
Net Worth	Net Worth is an indicator of a company's financial standing/ position as of a certain date. Net Worth is also known as Book Value or Shareholders' Equity.
Net Debt to Equity Ratio	The Net Debt to Equity Ratio is a measure of the extent to which a company can cover debt and represents debt position in comparison to the company's equity position. It helps evaluate company's financial leverage.
Net Debt to EBITDA Ratio	Net Debt to EBITDA ratio enables to measure the ability and extent to which a company can cover debt in comparison to the EBITDA being generated by the Company.
Return on Net Worth (%)	Return on Net worth (%) represents how efficiently a company generate profits from the shareholders' funds.

KPI	Explanation
Return on Capital Employed (ROCE)	Return on Capital Employed represents how efficiently a company generate earnings before interest & tax from the capital employed.
Net Working Capital	Net Working Capital is a financial metric that measures company's liquidity and ability to meet short-term obligations.
Net Working Capital Days	Net Working Capital Days is a metric that shows how many days it takes for a company to convert its working capital into sales revenue.
Order Book	Order Book represents the estimated contract value of the unexecuted portion of the existing assigned EPC contracts and manufacturing orders received by the Company and is an indicator of visibility of future revenue for our Company.
Order Book-to-bill ratio	Book-to-Bill Ratio is an indicator of the size of the order book as of a particular period to the revenue generated for that period.
Percentage of revenue from repeat customers	% of revenue from repeat customers indicates the repeat business received from top 20 customers and is an indicator of the repeat business received from top 20 customers. Repeat business is defined as revenue earned from those customers in the current fiscal from whom revenue was earned in Fiscal 2021, 2022, or 2023.
Revenue from top 10 customers	Revenue from top 10 customers indicates the Company's reliance on top 10 customers.
Bid Closed	Bid Closed is the aggregate value of the bids submitted by the Company for which the result was declared in the Fiscal year and indicates the bidding intensity of the Company to win new business.
Bid Won	Bids Won is the aggregate value of new contracts won in the Fiscal and indicates the new business won by the Company.
Bid to Win Ratio	Bid to Win Ratio is an indicator of the success of the Company in winning new business.

The key performance indicators set out above, have been approved by the Audit Committee pursuant to its resolution dated September 29, 2024. Further, the Audit Committee has on September 29, 2024 taken on record that other than the key performance indicators set out above, our Company has not disclosed any other such key performance indicators during the last three years preceding the date of this Draft Red Herring Prospectus to its investors. Further, the aforementioned KPIs have been certified by Singhi & Co., Chartered Accountants, and J B S & Company, Chartered Accountants, by their certificates dated September 30, 2024.

Our Company shall continue to disclose the KPIs disclosed above, on a periodic basis, at least once in a year (or for any lesser period as determined by our Company), for a duration that is at least the later of (i) one year after the listing date or period specified by SEBI; or (ii) till the utilisation of the Net Proceeds. Any change in these KPIs, during the aforementioned period, will be explained by our Company. The ongoing KPIs will continue to be certified as required under the SEBI ICDR Regulations.

For further details of our other operating metrics, see "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 232 and 390, respectively.

Description on the historic use of the KPIs by our Company to analyze, track or monitor the operational and/or financial performance of our Company

In evaluating our business, we consider and use certain KPIs as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Information. We use these KPIs to evaluate our financial and operating performance. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS. Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business.

Comparison of KPIs based on additions or dispositions to our business

While our listed peers (mentioned below), like us, operate in the railway industry and may have similar offerings or end use applications, our business may be different in terms of differing business models, different product verticals serviced or focus areas or different geographical presence.

8. **Comparison of our key performance indicators with listed industry peers**

While the Company's listed peers (GPT Infraprojects Limited, Rail Vikas Nigam Limited, Ircon International Limited, ITD Cementation India Limited, Texmaco Rail & Engineering Limited, Jupiter Wagons Limited and Titagarh Rail Systems Limited) may have similar service offerings, the Company's business may be different in terms of differing scale, business models, product verticals serviced or focus areas or geographical presence. The following table provides a comparison of the KPIs of the Company with its listed peers (GPT Infraprojects Limited, Rail Vikas Nigam Limited, Ircon International Limited, ITD Cementation India Limited, Texmaco Rail & Engineering Limited, Jupiter Wagons Limited and Titagarh Rail Systems Limited):

Particulars	**Rahee Infratech Limited**			**GPT Infraprojects Limited**		
	Fiscal 2024	**Fiscal 2023**	**Fiscal 2022**	**Fiscal 2024**	**Fiscal 2023**	**Fiscal 2022**
Revenue from Operations (Rs. in millions) (1)	9,657.37	7,858.21	5,568.38	10,182.84	8,091.46	6,745.21
Total Income (Rs. in millions) (2)	9,751.80	7,891.23	5,611.58	10,248.83	8,137.32	6,783.56
2 year Revenue CAGR (Fiscal 2022 to Fiscal 2024) (%)	*31.69%*	-	-	*22.87%*	-	-
EBITDA (3) (Rs. in millions)	1,241.23	1,005.87	885.75	1,276.45	920.69	879.18
EBITDA Margins (4) (%)	*12.73%*	*12.75%*	*15.78%*	*12.45%*	*11.31%*	*12.96%*
Profit after tax (excluding profit of share of associate) (5) (Rs. in millions	609.97	505.31	439.01	NA	NA	NA
Profit after tax (attributable to owners of the company including share of profit of associate)(6) (Rs in millions)	713.11	496.45	378.07	578.44	313.97	243.40
PAT Margin (excluding share of profit of associate) (7) (%)	*6.25%*	*6.40%*	*7.82%*	*NA*	*NA*	*NA*
Net worth (8) (Rs. in millions)	3,133.49	2,423.92	1,937.96	3,015.46	2,758.54	2,548.31
Net Debt to Equity Ratio (9)	0.54	0.43	0.42	0.61	0.86	0.97
Net Debt to EBITDA Ratio (10)	1.64	1.32	1.23	1.44	2.58	2.84
Return on Net worth (11) (%)	*22.76%*	*20.48%*	*19.51%*	*19.18%*	*11.38%*	*9.55%*
ROCE (12) (%)	*19.96%*	*20.98%*	*22.21%*	*22.81%*	*14.11%*	*13.24%*
Net Working Capital (13)	3,564.82	2,463.00	1,904.24	3,192.08	3,263.92	3,587.84
Net Working Capital days (14)	135	114	125	114	147	194

Particulars	**Rail Vikas Nigam Limited**			**Ircon International Limited**		
	Fiscal 2024	**Fiscal 2023**	**Fiscal 2022**	**Fiscal 2024**	**Fiscal 2023**	**Fiscal 2022**
Revenue from Operations (Rs. in millions) (1)	2,18,892.30	2,02,815.70	1,93,817.10	1,23,309.10	1,03,679.30	73,796.70
Total Income (Rs. in millions) (2)	2,30,748.00	2,12,780.40	2,01,819.40	1,28,705.20	1,07,498.90	75,857.10
2 year Revenue CAGR (Fiscal 2022 to Fiscal 2024) (%)	*6.27%*	-	-	*29.26%*	-	-
EBITDA (3) (Rs. in millions)	25,384.00	22,432.40	19,832.70	14,637.40	10,851.00	7,927.00
EBITDA Margins (4) (%)	*11.00%*	*10.54%*	*9.83%*	*11.37%*	*10.09%*	*10.45%*
Profit after tax (excluding profit of share of associate) (5) (Rs. in millions)	NA	NA	NA	NA	NA	NA
Profit after tax (attributable to owners of the company including share of profit of associate)(6) (Rs in millions)	15,743.00	14,205.50	11,826.90	9295.70	7652.30	5923.40
PAT Margin (excluding share of profit of associate) (7) (%)	*NA*	*NA*	*NA*	NA	NA	NA
Net worth (8) (Rs. in millions)	87,456.80	73,251.20	63,974.00	58,659.90	52,065.60	46,606.90
Net Debt to Equity Ratio (9)	0.56	0.76	0.31	0.07	-0.16	0.03
Net Debt to EBITDA Ratio (10)	1.92	2.48	1.00	0.26	-0.77	0.18
Return on Net worth (11) (%)	*18.00%*	*19.39%*	*18.49%*	*15.85%*	*14.70%*	*12.71%*
ROCE (12) (%)	*17.09%*	*16.17%*	*15.10%*	*16.17%*	*14.57%*	*11.51%*

Particulars	Rail Vikas Nigam Limited			Ircon International Limited		
	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net Working Capital (13)	45,471.70	41,620.20	33,225.90	28,063.40	16,769.80	13,640.20
Net Working Capital days (14)	76	75	63	83	59	67

Particulars	ITD Cementation India Limited			Texmaco Rail & Engineering Limited		
	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations (Rs. in millions) (1)	77,178.73	50,909.11	38,090.17	35,028.70	22,432.77	16,217.36
Total Income (Rs. in millions) (2)	77,658.99	51,195.33	38,208.75	35,724.17	22,696.52	16,441.67
2 year Revenue CAGR (Fiscal 2022 to Fiscal 2024) (%)	*42.35%*	-	-	*46.97%*	-	-
EBITDA (3) (Rs. in millions)	7,930.88	4,285.15	3,049.21	3,330.66	1,717.82	1,626.46
EBITDA Margins (4) (%)	*10.21%*	*8.37%*	*7.98%*	*9.32%*	*7.57%*	*9.89%*
Profit after tax (excluding profit of share of associate) (5) (Rs. in millions)	NA	NA	NA	961.82	115.32	122.20
Profit after tax (attributable to owners of the company including share of profit of associate)(6) (Rs in millions)	2,737.33	1,242.44	6,88.05	1,132.07	260.26	205.00
PAT Margin (excluding share of profit of associate) (7) (%)	NA	NA	NA	2.69%	0.51%	0.74%
Net worth (8) (Rs. in millions)	14,937.02	12,375.06	11,311.72	24,799.81	13,392.08	13,142.74
Net Debt to Equity Ratio (9)	0.17	0.22	0.11	0.24	0.68	0.49
Net Debt to EBITDA Ratio (10)	0.32	0.65	0.42	1.81	5.54	4.02
Return on Net worth (11) (%)	*18.33%*	*10.04%*	*6.08%*	*4.56%*	*1.94%*	*1.56%*
ROCE (12) (%)	*24.84%*	*16.05%*	*12.29%*	*9.48%*	*5.88%*	*6.26%*
Net Working Capital (13)	4,683.16	2,710.35	3,504.20	24,992.48	17,687.00	15,187.15
Net Working Capital days (14)	22	19	34	260	288	342

Particulars	Jupiter Wagons Limited			Titagarh Rail Systems Limited		
	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations (Rs. in millions) (1)	36,437.33	20,682.47	11,783.54	38,533.00	27,795.90	19,307.92
Total Income (Rs. in millions) (2)	36,682.79	20,733.35	11,817.45	38,931.08	28,221.73	19,666.28
2 year Revenue CAGR (Fiscal 2022 to Fiscal 2024) (%)	*75.85%*	-	-	*41.27%*	-	-
EBITDA (3) (Rs. in millions)	5,137.94	2,571.50	1,174.98	4,917.38	3,060.74	1,687.59
EBITDA Margins (4) (%)	*14.01%*	*12.40%*	*9.94%*	*12.63%*	*10.85%*	*8.58%*
Profit after tax (excluding profit of share of associate) (5) (Rs. in millions)	NA	NA	NA	NA	NA	NA
Profit after tax (attributable to owners of the company including share of profit of associate)(6) (Rs. in millions)	3,315.58	1,207.87	496.76	2,861.42	1,302.04	-3.28
PAT Margin (excluding share of profit of associate) (7) (%)	*NA*	*NA*	*NA*	NA	NA	NA
Net worth (8) (Rs. in millions)	15,984.04	7,856.32	6,649.42	21,439.08	8,891.27	7,671.51
Net Debt to Equity Ratio (9)	0.13	0.21	0.14	-0.12	0.20	1.01
Net Debt to EBITDA Ratio (10)	0.42	0.66	0.83	-0.53	0.63	5.05
Return on Net worth (11) (%)	*20.74%*	*15.37%*	*7.47%*	*13.35%*	*14.64%*	*-0.04%*
ROCE (12) (%)	*24.68%*	*21.04%*	*11.71%*	*20.92%*	*24.62%*	*8.32%*
Net Working Capital (13)	9,203.11	4,558.84	2,808.97	9,624.41	4,007.48	5,937.64
Net Working Capital days (14)	92	80	87	91	53	112

Source: All the financial information for listed industry peers mentioned above is on a consolidated basis and is sourced from the annual reports/financial statements as available of the respective company for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 submitted to stock exchanges.

Above all financial figures are based on Restated Consolidated Financial Information.

Notes:
1. *Revenue from operations means the revenue from operations for the year*
2. *Total Income is calculated as addition of revenue from operations and other income for the year.*
3. *EBITDA is calculated as restated profit before income tax plus finance costs and depreciation and amortisation expenses.*
4. *EBITDA margin means EBITDA divided by Total Income for the period*
5. *Profit after tax (excluding share of profit of associate) means the restated profit after taxes excluding share of profit of associate (NA means the share of profit/loss attributable to associates are not available). NA means profit/ loss in associates are not available.*

6. *Profit after Tax (attributable to owners of the company including share of profit of associate) means the restated profit after taxes attributable to owners of the company including share of profit of associate.*
7. *PAT Margin (excluding share of profit of associate) (%) is calculated as Profit after tax (excluding share of profit of associate) divided by Total Income for the period*
8. *"Net worth" means the aggregate value of paid-up share capital and other equity created out of the profits, 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, derived from the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation, capital reserves and amalgamation.*
9. *Net Debt to Equity is calculated as Net Debt divided by Total Equity where Net Debt is equal to Short Term Borrowings plus Long Term Borrowings excluding Cash & Cash Equivalent.*
10. *Net Debt to EBITDA is calculated as Net Debt divided by EBITDA for the period*
11. *Return on Net worth is calculated as Profit after tax (attributable to owners of the company including share of profit of associate) for the period divided by Net Worth.*
12. *RoCE is calculated as Profit before Interest and Taxes divided by Capital Employed for the period. Capital Employed is calculated as Tangible Net Worth plus Total Debt & Deferred Tax Liability.*
13. *Net Working Capital is calculated as Inventories + Trade Receivables + Bank balances other than cash and cash equivalents + Other financial assets + contract assets + other current assets - trade payables - other financial liabilities (less creditors for CAPEX) – contract liabilities - current tax liabilities – provisions - other current liabilities.*
14. *Net Working Capital Days are calculated as Net Working Capital divided by Revenue from operations for the period multiplied by 365 days.*

9. Past transfer(s)/ allotment(s)

Our Company confirms that there has been no:

(a) primary/new issue of shares (Equity Shares/convertible securities), excluding grants of any options and issuance of bonus shares, equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated on the pre-issue capital before such transaction and excluding employee stock options granted but not vested), in a single transaction or multiple transactions (combined together over a span of rolling 30 days) during 18 months preceding the date of filing of this Draft Red Herring Prospectus, in a single transaction or multiple transactions combined together over a span of rolling 30 days; and

(b) secondary sale/acquisition of shares (Equity Share/convertible securities) by Promoters, Promoter Group entities, Selling Shareholders, Shareholders having the right to nominate directors to the Board, excluding gifts, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated on the pre-issue capital before such transaction and excluding employee stock options granted but not vested), in a single transaction or multiple transactions (combined together over a span of rolling 30 days) during 18 months preceding the date of filing of this Draft Red Herring Prospectus, in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Since there are no such transaction to report to under (a) and (b), the following are the details of the last five primary or secondary transactions (secondary transactions where Promoters or members of the Promoter Group or Selling Shareholders or Shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction), not older than three years prior to the date of filing of this Draft Red Herring Prospectus irrespective of the size of transactions:

Primary Transactions

Date of allotment	Name of Allottee		No. of Equity Shares allotted	Face value per equity share (in ₹)	Offer price per Equity Share (in ₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ million)
	No. of Equity Shares allotted	***Names of allottees***						
September 14, 2024	2,092,160	Pradeep Khaitan	32,443,325	2	Nil	Bonus issue	Not applicable	Nil
	2,405,905	Ravi Khaitan						
	1,293,260	Pawan Khaitan						
	314,855	Shashi Khaitan						
	261,430	Nandini Khaitan						
	657,645	Rahul Khaitan						
	89,000	Ayush Khaitan						
	88,880	Pawan Kumar Khaitan (HUF)						
	785,465	Pradeep Kumar Khaitan (HUF)						
	37,735	Ravi Kumar Khaitan (HUF)						
	15,462,945	Mridul Commodities Private Limited						
	8,679,150	Rahee Viniyog Limited						
	155,750	PPR Associates						
	94,500	Nehal Mittal						

Date of allotment	Name of Allottee		No. of Equity Shares allotted	Face value per equity share (in ₹)	Offer price per Equity Share (in ₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ million)
	24,645	Prerna Agarwal						

Secondary Transactions

Date of transfer	No. of Equity Shares transferred	Face value per equity share (in ₹)	Offer price per Equity Share (in ₹)	Nature of transaction	Nature of consideration	Total Consideration (in ₹ million)
September 25, 2024	90,000	2	60	Transfer from Pradeep Khaitan to Aspire Capital Private Limited	Cash	5.40
September 25, 2024	20,000	2	60	Transfer from Pradeep Khaitan to Subodh Kumar Jain	Cash	1.20

10. **The Floor Price and Cap Price vis-à-vis Weighted Average Cost of Acquisition based on past allotment(s)/ secondary transaction(s)**

Floor Price and Cap Price as compared to the weighted average cost of acquisition of Equity Shares based on primary/ secondary transaction(s), as disclosed in paragraph 9 above, are set out below:

Past allotment/ secondary transactions	Weighted average cost of acquisition per Equity Share (in ₹)	Floor Price (*i.e.*, ₹ [●])#	Cap Price (*i.e.*, ₹ [●])#
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/ convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18months preceding the date of filing of this Draft Red Herring Prospectus, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s), in a single transaction or multiple transactions combined together over a span of rolling 30 days	NA	[●] times	[●] times
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares (equity/convertible securities), where promoter / promoter group entities or Promoter Selling Shareholders or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s), in a single transaction or multiple transactions	NA	[●] times	[●] times

Past allotment/ secondary transactions	Weighted average cost of acquisition per Equity Share (in ₹)	Floor Price (*i.e.*, ₹ [●])#	Cap Price (*i.e.*, ₹ [●])#
combined together over a span of rolling 30 days			
Since there were no primary or secondary transactions of equity shares of the Company reported under (a) and (b) above, the information has been disclosed for price per share of the Company based on the last five primary or secondary transactions where Promoters, members of the Promoter Group, Selling Shareholders or Shareholders having the right to nominate director(s) on our Board are a party to the transaction, not older than three years prior to the date of filing of this Draft Red Herring Prospectus, irrespective of the size of the transaction			
- Based on primary transactions	Nil*	[●] times	[●] times
- Based on secondary transactions	60.00	[●] times	[●] times

* *Company has on September 14, 2024 issued bonus shares in the ratio of one Equity Share for every Equity Share held by the Shareholders.*
\# *To be included at the Prospectus stage.*

Explanation for Offer Price/ Cap Price

Set out below is an explanation for the Offer Price and Cap Price being (i) [●] times and [●] times, respectively, the weighted average cost of acquisition of primary transactions in last three years; and (ii) [●] times and [●] times, respectively, the weighted average cost of acquisition of secondary transactions in last three years; along with our Company's KPIs and financial ratios for Fiscals 2024, 2023 and 2022, and in view of the external factors which may have influenced the pricing of the Offer:

[●]*

* *To be included at the Prospectus stage*

The Offer Price will be [●] times of the face value of the Equity Shares

The Offer Price of ₹ [●] has been determined by our Company, in consultation with the BRLMs, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters. Investors should read the above information along with *"Risk Factors"*, *"Our Business"*, *"Restated Consolidated Financial Information"* and *"Management's Discussion and Analysis of Financial Conditions and Results of Operations"* on pages 36, 232, 316 and 390. The trading price of the Equity Shares could decline due to the factors mentioned in 'Risk Factors' or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF SPECIAL TAX BENEFITS

The Board of Directors
Rahee Infratech Limited
Kemwell Manor, 5th Floor,
10/D/2 Ho Chi Minh Sarani
Kolkata – 700 071, India

Statement of possible special tax benefit (the "Statement") available to Rahee Infratech Limited (the "Company"), its shareholders and Rahee Track Technologies Private Limited (its "Material Subsidiary") prepared to comply with the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018 as amended (the "SEBI ICDR Regulations) in connection with the proposed initial public offering of equity shares of face value of ₹ 2 each (the "Equity Shares") by the Company and offer for sale by Selling Shareholder ("Offer")

1. We, Singhi & Co., Chartered Accountants, the statutory auditors of the Company, hereby confirm that the enclosed **Annexure 1 and 2** (together, the "**Annexures**"), prepared by **Rahee Infratech Limited** (the "**Company**"), provides the special tax benefits available to the Company, its shareholders and its Material Subsidiary identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, presently in force in India, for inclusion in the draft red herring prospectus ("DRHP") in connection with the Offer as stated in those Annexures, under:

   i. the Income Tax Act, 1961 (the "Act") as amended by the Finance Act, 2024 applicable for the Financial Year 2024-25 relevant to the Assessment Year 2025-26 and the Income-tax Rules, 1962, presently in force in India; and

   ii. the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017 and applicable State Goods and Services Tax Act, 2017 ("GST Acts"), the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act"), as amended by the Finance Act 2024 applicable for the Financial Year 2024-25 and Foreign Trade Policy 2023 notified Vide Notification No 01/2023 and shall come into force from April 01, 2023 (unless otherwise specified) ("FTP"), presently in force in India including the rules, regulations, circulars and notifications issued thereon.

   The Act, the GST Acts, the Customs Act, the Tariff Act and the FTP, as defined above, are collectively referred to as the "Relevant Acts".

2. Several of these benefits are dependent on the Company or its shareholders or its Material Subsidiary fulfilling the conditions prescribed under the relevant provisions of the Relevant Acts. Hence, the ability of the Company and/ or its shareholders or its Material Subsidiary to derive the special tax benefits is dependent upon their fulfilling such conditions, which, based on business imperatives the Company faces in the future, the Company or its shareholders or its Material Subsidiary may or may not choose to fulfil. The benefits discussed in the enclosed Statement are not exhaustive and cover the possible special tax benefits available to the Company, its shareholders and Material Subsidiary and do not cover any general tax benefits available to the Company, its shareholders and Material Subsidiary. The preparation of the contents stated in the Annexures is the responsibility of the Company's management. The Statement is only intended 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 the tax consequences and changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. Neither are we suggesting nor advising the investor to invest money based on this statement.

3. We do not express any opinion or provide any assurance as to whether:
   i. the Company or its shareholders or its Material Subsidiary will continue to obtain these benefits in future;
   ii. the conditions prescribed for availing the benefits have been / would be met with; and
   iii. the revenue authorities/courts will concur with the views expressed herein.

4. The contents of the enclosed Annexures are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company. We have relied upon the information and documents of the Company being true, correct and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein.

5. We have conducted our review in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India ("**ICAI**") which requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI. We hereby confirm that while providing this statement we have complied with the Code of Ethics issued by the ICAI.

6. We hereby consent to be named an “expert” under the Companies Act, 2013, as amended, and our name may be disclosed as an expert to any applicable legal or regulatory authority insofar as may be required, in relation to the statements contained therein. We further confirm that we are not and have not been engaged or interested in the formation or promotion or management of the Company.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

8. This certificate is addressed to Board of Directors and issued at specific request of the Company. The enclosed Statement (Annexure 1 & 2) is intended solely for your information and for inclusion in the Draft Red Herring Prospectus, Red Herring Prospectus, the Prospectus and any other material to be filed Securities and Exchange Board of India, relevant stock exchanges and Registrar of Companies, West Bengal at Kolkata, where applicable, in connection with the Offer, and is not to be used, referred to or distributed for any other purpose without our prior written consent. 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 certificate is shown or into whose hands it may come without our prior consent in writing. Any subsequent amendment / modification to provisions of the applicable laws may have an impact on the views contained in our statement. While reasonable care has been taken in the preparation of this certificate, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it.

For Singhi & Co.
Chartered Accountants
ICAI Firm Registration No.: 302049E

(Ankit Dhelia)
Partner
Membership No.:069178
UDIN:24069178BKFDPP4276

Place: Kolkata
Date: September 28, 2024

ANNEXURE 1

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY, ITS SHAREHOLDERS AND ITS MATERIAL SUBSIDIARY UNDER THE APPLICABLE LAWS IN INDIA – INCOME TAX ACT, 1961

Outlined below are the possible special tax benefits available to the Company, its shareholders and the Material Subsidiary under the current direct tax and indirect tax laws currently in force in India. These tax benefits are dependent on the Company, its shareholders and the Material Subsidiary fulfilling the conditions prescribed under the relevant provisions of the Income Tax Act, 1961 ("**Direct Tax Laws**"). Hence, the Company, its shareholders and its Material Subsidiary can derive the possible tax benefits upon fulfilling such conditions laid down in the taxation laws, which are based on business imperatives they face in the future, they may or may not choose to fulfill.

I. Special tax benefits available to the Company & its Material Subsidiary

a. Lower rate of Income Tax - Section 115BAA of the Act

As per section 115BAA of the Act, the Company has an option to pay income tax in respect of its total income at a concessional tax rate of 25.168% (including applicable surcharge and cess) subject to satisfaction of certain conditions with effect from Financial Year 2019-20 (i.e. Assessment Year 2020-21). Such option once exercised shall apply to subsequent assessment years. In such a case, the Company may not be allowed to claim any of the following deductions/exemptions:

i. Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone
ii. Deduction under clause (iia) of sub-section (1) of section 32 (Additional depreciation)
iii. Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund)
iv. 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)
v. Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project)
vi. Deduction under section 35CCD (Expenditure on skill development)
vii. Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA or Section 80M
viii. 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 from clause i) to vii) above
ix. 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 from clause i) to vii) above

Further, it was clarified by CBDT vide Circular No. 29/ 2019 dated 2 October 2019 that if the Company opts for concessional income tax rate under section 115BAA, the provisions of section 115JB regarding Minimum Alternate Tax (MAT) are not applicable. Further, such Company will not be entitled to claim tax credit relating to MAT.

Note: The Company has opted the lower rate under section 115BAA of the IT Act in the FY 2021-22 relevant to the AY 2022-23 as mentioned in the Section 115BAA for which declaration (Form 10IC) has already been filed with the tax authorities.

The Material Subsidiary of the Company, M/s Rahee Track Technologies Private Limited, has opted the lower rate under section 115BAA of the IT Act in the FY 2023-24 relevant to the AY 2024-25 as mentioned in the Section 115BAA for which declaration (Form 10IC) has already been filed with the tax authorities.

b. Deductions in respect of employment of new employees – Section 80JJAA of the Act

As per section 80JJAA of the IT Act, where a company is subject to tax audit under section 44AB of the IT Act and derives income from business, it shall be allowed to claim a deduction of an amount equal to 30% of additional employee cost incurred in the course of such business in a previous year, for 3 consecutive assessment years including the assessment year relevant to the previous year in which such additional employment cost is incurred.

The eligibility to claim the deduction is subject to fulfilment of prescribed conditions specified in subsection

Note: The company is presently not claiming deduction under section 80JJAA of the IT Act. However, this deduction could be claimed in the future subject to fulfillment of the conditions discussed above.

c. Deduction with respect to inter-corporate dividends – Section 80M of the Act

As per the provisions of section 80M of the IT Act, inserted with effect from 01 April 2020, a domestic company shall be allowed to claim a deduction of dividend income earned from any other domestic company or a foreign company or a business trust. The amount of deduction so claimed should not exceed the amount of dividend distributed by it on or before the due date. In this case, due date means one month prior to the due date of furnishing return of income under sub section (1) of section 139 of the IT Act.

The company has multiple subsidiaries and thus, the company should be eligible to claim deduction u/s 80M of the IT Act in respect of dividends received (if any) from its subsidiary and further distributed to its shareholders subject to fulfillment of other conditions.

II. Special tax benefits available to the Shareholders of the Company

a. Dividend Income

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in the case of domestic corporate shareholder, benefit of deduction under section 80M of the IT Act would be available on fulfilling the conditions.

In case of the shareholders who are individuals, Hindu Undivided Family, Association of person, Body of Individuals whether incorporated or not and every artificial juridical person, the surcharge would be restricted to 15% irrespective of the amount of dividend.

b. Tax on Capital Gains

As per section 112A of the IT Act, Long Term Capital Gains ('LTCG') arising from the transfer of equity shares on which Securities Transaction Tax ('STT') is paid at the time of acquisition and sale, shall be taxed at the rate of 12.5% (without indexation) (plus applicable surcharge and cess) of such capital gains. This is subject to fulfilment of prescribed additional conditions as per Notification No. 60/2018/F.No 370142/9/2017 dated 1 October 2018. It is worthwhile to note that tax u/s 112A of the IT Act shall only be levied where such aggregate capital gains exceed INR 1.25 lakhs in a year.

Further, the Finance Act 2022 restricts surcharge to 15% in respect of LTCG arising from any capital asset.

As per section 111A of the IT Act, Short-Term Capital Gains ('STCG') arising from the transfer of equity shares on which STT has been paid at the time of sale shall be taxed at the rate of 20% (plus applicable surcharge and cess).

Notes:

1. This Annexure is as per the Income Tax Act, 1961 as amended by the Finance Act, 2024 read with relevant rules, circulars and notifications applicable for the Financial Year 2024-25 relevant to the Assessment Year 2025-26, presently in force in India.

2. This Annexure covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

3. This Annexure 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 arising out of their participation in the Issue.

4. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant Double Tax Avoidance Agreement(s), if any, between India and the country in which the non-resident has fiscal domicile.

5. No assurance is provided 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.

6. The tax benefits discussed in the Statement are not exhaustive and is only intended to provide general information to the investors and hence, 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 his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

For and on behalf of Board of Directors of
Rahee Infratech Limited,

Pradeep Khaitan
Managing Director

Place: Kolkata
Date: September 28, 2024

ANNEXURE 2

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA – OTHERS

Outlined below are the special tax benefits available to the Company, a its Shareholders and its Material Subsidiary under the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 and applicable State Goods and Services Tax Act, 2017 ("GST Acts") and Foreign Trade Policy 2023 notified Vide Notification No 01/2023 which came into force from April 01, 2023 (unless otherwise specified) ("FTP"),

I. Special tax benefits available to the Company and its Material Subsidiary

a. Benefits under The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2023)

i. Remission of duties and taxes on Exported Products (RoDTEP)

Remission of duties and taxes on Exported Products (RoDTEP) scheme has replaced Merchandise Export from India Scheme (MEIS). Under the scheme, rebate of duty and taxes which is not refunded under any other Scheme will be given in the form of duty credit/electronic scrip. The scheme was notified from 1 January 2022 with the intention to boost exports. The rate of duty of remission for the products under RoDTEP scheme has been notified by the Government of India and it ranges from 0.5 percent to 4 percent.

ii. Export Promotion Capital Goods (EPCG)

The objective of the Export Promotion Capital Goods (EPCG) Scheme is to facilitate import of capital goods for producing quality goods and services and enhance manufacturing competitiveness. EPCG Scheme allows import of capital goods that are used in pre-production, production and post-production without the payment of customs duty. The benefit under the scheme is subject to an export value equivalent to 6 times of duty saved on the importation of such capital goods within 6 years from the date of issuance of the authorization. EPCG license holder is exempted from payment of whole of Basic Customs Duty, Additional Customs Duty and Special Additional Duty In lieu of Value Added Tax/local taxes (non-GST goods), Integrated Goods and Services Tax and Compensation Cess, wherever applicable, subject to certain conditions.

b. Benefits under the Central Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 (read with relevant Rules prescribed thereunder)

Under the GST regime, all supplies of goods and services which qualify as export of goods or services are zero-rated supplies.

There are two mechanisms for claiming refund of accumulated ITC against export. Either person can export under Bond/ Letter of Undertaking (LUT) as zero-rated supply and claim refund of accumulated Input Tax Credit or person may export on payment of integrated Goods and Services Tax and claim refund thereof as per the provisions of Section 54 of Central Goods and Services Tax Act, 2017.

Thus, the GST law allows the flexibility to the exporter (which will include the supplier making supplies to SEZ) to claim refund upfront as integrated tax (by making supplies on payment of tax using ITC) or export without payment of tax by executing a Bond/LUT and claim refund of related ITC of taxes paid on inputs and input services used in making zero rated supplies.

c. Except the above, no other special Indirect tax benefits are available to the Company and its Material Subsidiary under the Indirect Tax applicable in India.

II. Special tax benefits available to the Shareholders of the Company

a. The shareholders of the Company are not required to discharge any GST on transaction in securities of the Company.

   Securities are excluded from the definition of Goods as defined u/s 2(52) of the Central Goods and Services Tax Act, 2017 as well from the definition of Services as defined u/s 2(102) of the Central Goods and Services Tax Act, 2017.

b. Apart from above, the shareholders of the Company are not eligible to special tax benefits under the provisions of the Customs Tariff Act, 1975 and / or Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective Union Territory Goods and Services Tax Act, 2017 respective State Goods and Services Tax Act, 2017, Goods and Services Tax (Compensation to States) Act, 2017 including the relevant rules, notifications and circulars issued there under.

Notes:

1. This Annexure sets out only the special tax benefits available to the Company, its Material Subsidiary and its Shareholders under the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 and applicable State Goods and Services Tax Act, 2017 ("GST Acts") and Foreign Trade Policy 2023 notified Vide Notification No 01/2023 and which came into force from April 01, 2023 (unless otherwise specified) ("FTP").

2. This Annexure is only intended 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 the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed IPO.

3. Our comments are based on our understanding of the specific activities carried out by the Company from April 1, 2024 till the date of this Annexure as per the information provided to us. Any variation in the understanding could require our comments to be suitably modified.

4. This annexure covers only indirect tax laws benefits and does not cover any income tax law benefits or benefit under any other law.

5. These comments are based upon the existing provisions of the specified indirect tax laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.

6. 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.

For and on behalf of Board of Directors of
Rahee Infratech Limited,

Pradeep Khaitan
Managing Director

Place: Kolkata
Date: September 28, 2024

SECTION IV – ABOUT OUR COMPANY

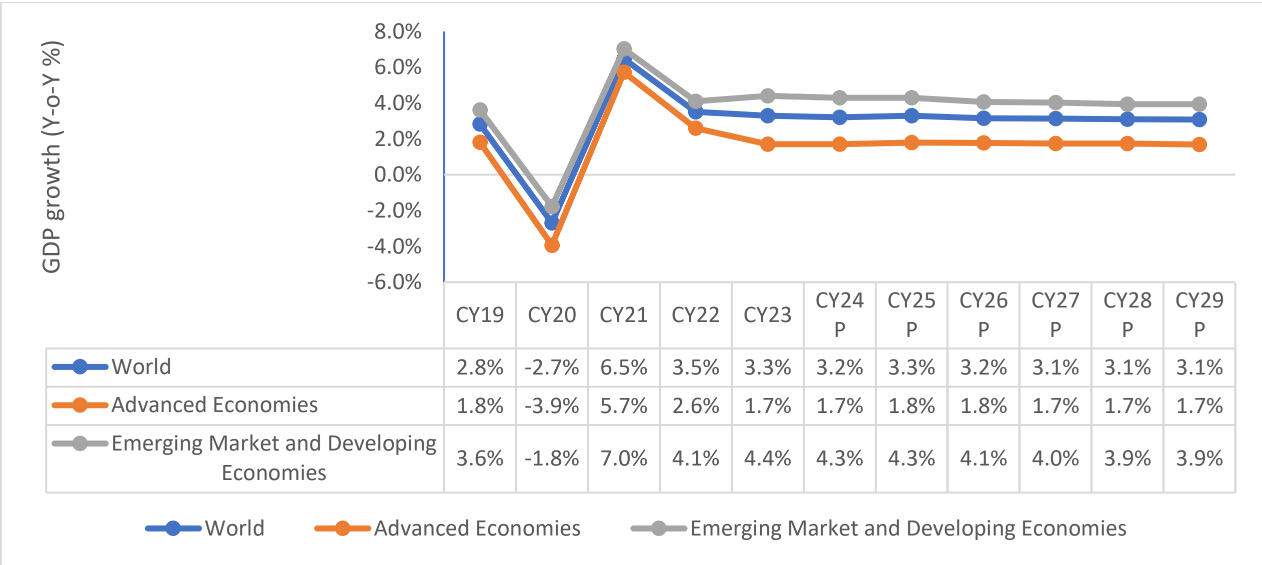
INDUSTRY OVERVIEW

1. Economic Outlook

1.1. Global Economy

Global growth, which stood at 3.3% in CY23, is anticipated to fall to 3.2% in CY24 and then bounce back again to 3.3% in CY25. The CY24 forecast has remained same compared to the July 2024 World Economic Outlook (WEO) Update, and increased by 0.1 percentage point compared to the January 2024 WEO. Despite this, the expansion remains historically low, attributed to factors including sustained high borrowing costs, inflation woes, reduced fiscal support, lingering effects of Russia's Ukraine invasion, Iran–Israel Cold War, sluggish productivity growth, and heightened geo-economic fragmentation.

Chart 1: Global Growth Outlook Projections (Real GDP, Y-o-Y change in %):



Notes: P-Projection; Source: IMF – World Economic Outlook, July 2024

Table 1: 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	CY24P	CY25P	CY26P	CY27P	CY28P	CY29P
India	-5.8	9.7	7.0	8.2	7.0	6.5	6.5	6.5	6.5	6.5
China	2.2	8.5	3.0	5.2	5.0	4.5	3.8	3.6	3.4	3.3
Indonesia	-2.1	3.7	5.3	5.0	5.0	5.1	5.1	5.1	5.1	5.1
Saudi Arabia	-3.6	5.1	7.5	-0.8	1.7	4.7	4.0	3.5	3.0	3.5
Brazil	-3.3	4.8	3.0	2.9	2.1	2.4	2.1	2.0	2.0	2.0
Euro Area	-6.1	5.9	3.4	0.5	0.9	1.5	1.4	1.3	1.3	1.2
United States	-2.2	5.8	1.9	2.5	2.6	1.9	2.0	2.1	2.1	2.1

P- Projections; Source: IMF- World Economic Outlook Database (July 2024)

Advanced Economies Group

Advanced economies are expected to experience a gradual increase in growth, remaining same at 1.7% in CY23 and CY24 and increasing to 1.8% in CY25. The projection for CY24 and CY25 remains unchanged compared to the April 2024 WEO Update.

The **United States** is expected to see growth rise to 2.6% in CY24, followed by a slight slowdown to 1.9% in CY25. The **Euro Area's** growth is anticipated to rebound from its sluggish rate of 0.5% in CY23, mainly influenced by significant exposure to the conflict in Ukraine.

Emerging Market and Developing Economies Group

Emerging market and developing economies are forecasted to maintain stable growth at 4.3% in both CY24 and CY25. Low-income developing countries are anticipated to experience a gradual growth uptick, starting at 3.9% in CY23 and climbing to 4.4% in CY24 and 5.3% in CY25, as certain constraints on near-term growth begin to ease.

China's trajectory reflects a slowdown, transitioning from 5.2% in CY23 to 5.0% in CY24 and 4.5% in CY25 due to fading post-pandemic stimuli and ongoing property sector challenges. In contrast, **India's** growth remains robust, with anticipated rates of 7.0% in CY24 and 6.5% in CY25, bolstered by resilient domestic demand and a burgeoning working-age populace.

Despite the turmoil in the last 2-3 years, India bears good tidings to become a USD 5 trillion economy by CY27. According to the IMF dataset on Gross Domestic Product (GDP) at current prices, the nominal GDP has been at USD 3.6 trillion for CY23 and is projected to reach USD 5.3 trillion by CY27 and USD 6.4 trillion by CY29.

Besides, India stands out as the fastest-growing economy among the major economies. The country is expected to grow at more than 6.5% in the period of CY24-CY29, outshining China's growth rate. By CY27, the Indian economy is estimated to emerge as the third-largest economy globally. Currently, it is the third-largest economy globally in terms of Purchasing Power Parity (PPP) with a ~7.6% share in the global economy, with China ~18.7% on the top followed by the United States ~15.6%.

1.2. Indian Economic Outlook

1.2.1. GDP Growth and Outlook

Resilience to External Shocks remains Critical for Near-Term Outlook

India's real GDP grew by 7.0% in FY23 and stood at ~INR 161 trillion, as per the First Revised Estimate, In Q1FY24, the economic growth accelerated to 8.2%. The growth was supplemented by a supportive base alongside robust services and construction activities. This momentum remained in the range in the Q2FY24 with GDP growth at 8.1%. The GDP growth number improved for Q3FY24 at 8.6%.

India's GDP at constant prices surged to INR 47.24 trillion in Q4FY24 from INR 43.84 trillion in Q4FY23, marking a 7.8% growth rate. Real GDP in the year FY24 is estimated to grow at 8.2% at INR 173.82 trillion as per provisional estimate of the Ministry of Statistics and Programme Implementation.

Table 2: RBI's GDP Growth Outlook (Y-o-Y %)

FY25P (complete year)	Q1FY25P	Q2FY25P	Q3FY25P	Q4FY25P	Q1FY26P
7.2%	7.1%	7.2%	7.3%	7.2%	7.2%

Note: P-Projected; Source: Reserve Bank of India

1.2.2. Gross Value Added (GVA)

Gross Value Added (GVA) is the measure of the value of goods and services produced in an economy. GVA gives a picture of the supply side whereas GDP represents consumption.

Industry and Services sector leading the recovery charge

- The gap between GDP and GVA growth turned positive in FY22 (after a gap of two years) due to robust tax collections. Of the three major sector heads, the service sector has been the fastest-growing sector in the last 5 years.
- The **agriculture sector** -
    - **Resilience during the Pandemic:** The sector demonstrated resilience during the pandemic, with minimal disruptions to harvesting and sowing. However, supply chain issues led to higher food inflation and impacted exports.
    - **Steady Performance and Growth:** The sector has maintained steady performance in recent years, with a growth rate of 4% in FY23. Factors like bank credit and increased exports are expected to drive future growth. However, weather-related uncertainties pose potential risks.• From March 2020 onwards, the nationwide lockdown due to the pandemic significantly impacted the **industrial sector**.
    - **Pandemic Impact:** The sector faced challenges during the pandemic, with negative growth rates in FY20 and FY21.

- **Post-Pandemic Recovery:** A significant recovery was observed in FY22, followed by a slower growth rate in FY23.

- **Quarter-by-Quarter Performance:** The sector exhibited strong growth in Q1FY24 and Q2FY24, driven by factors like manufacturing expansion and infrastructure projects. However, the growth rate slowed down in Q3FY24 and Q4FY24.

- **Overall Growth Estimate:** Despite the slowdown in recent quarters, the industrial sector is projected to achieve a growth rate of 9.5% in FY24, reaching a total value of INR 48.9 trillion.

- **Pandemic Impact:** The sector was severely affected by the pandemic, with a significant decline in FY21.

- **Strong Recovery:** A rapid recovery followed, with growth rates of 8.8% in FY22 and 10.0% in FY23.

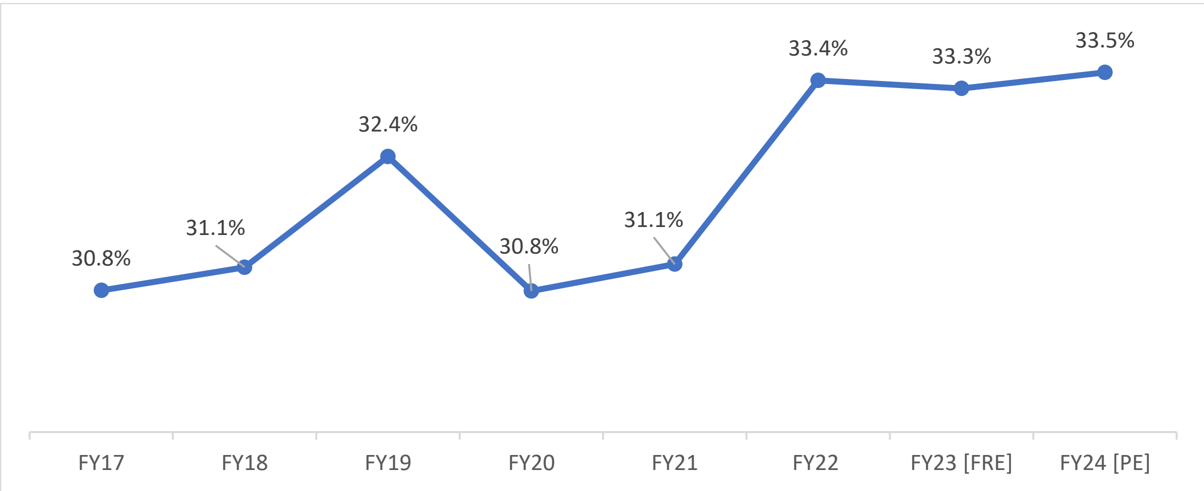
- **Quarter-by-Quarter Performance:** Growth rates varied across quarters, with a peak in Q1FY24 and a slowdown in Q2FY24.

- **Overall Growth Estimate:** Despite fluctuations, the services sector is expected to achieve a growth rate of 7.6% in FY24, reaching a total value of INR 86.7 trillion.

1.2.3. Investment Trend in Infrastructure

Gross Fixed Capital Formation (GFCF), which is a measure of the net increase in physical assets, witnessed an improvement in FY22. As a proportion of GDP, it is estimated to be at 33.4%, which is the highest level in 5 years (since FY17). In FY23, the ratio of investment (GFCF) to GDP remained flat at 33.3%. Continuing in its growth trend, this ratio has reached 33.5% in FY24.

Chart 2: Gross Fixed Capital Formation (GFCF) as % of GDP (At constant prices)



Note: 3RE – Third Revised Estimate, 2RE – Second Revised Estimates, 1RE – First Revised Estimates, PE – Provisional Estimate, FAE-First Advance Estimate; Source: MOSPI

Overall, the support of public investment in infrastructure is likely to gain traction due to initiatives such as Atmanirbhar Bharat, Make in India, and Production-linked Incentive (PLI) scheme announced across various sectors.

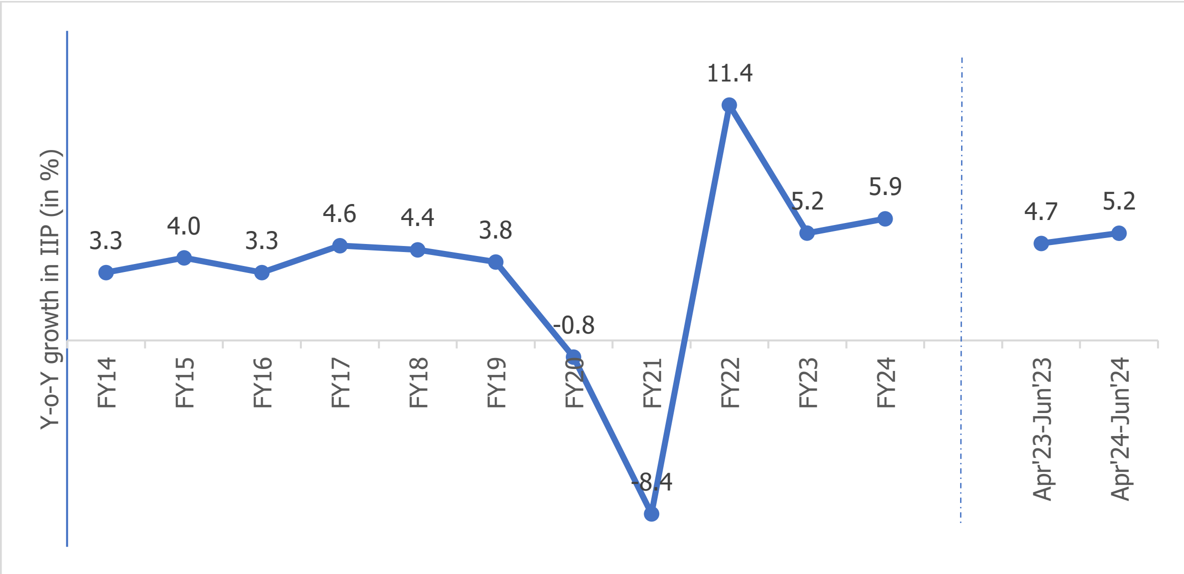
1.2.4. Industrial Growth

Improved Core and Capital Goods Sectors helped IIP Growth Momentum

The Index of Industrial Production (IIP) is an index to track manufacturing activity in an economy. On a cumulative basis, IIP grew by 11.4% y-o-y in FY22 post declining by 0.8% y-o-y and 8.4% y-o-y, respectively, in FY20 and FY21. This high growth was mainly backed by a low base of FY21. FY22 IIP was higher when compared with the pre-pandemic level of FY20, indicating that while economic recovery was underway. During FY23, the industrial output recorded a growth of 5.2% y-o-y supported by a favorable base and a rebound in economic activities.

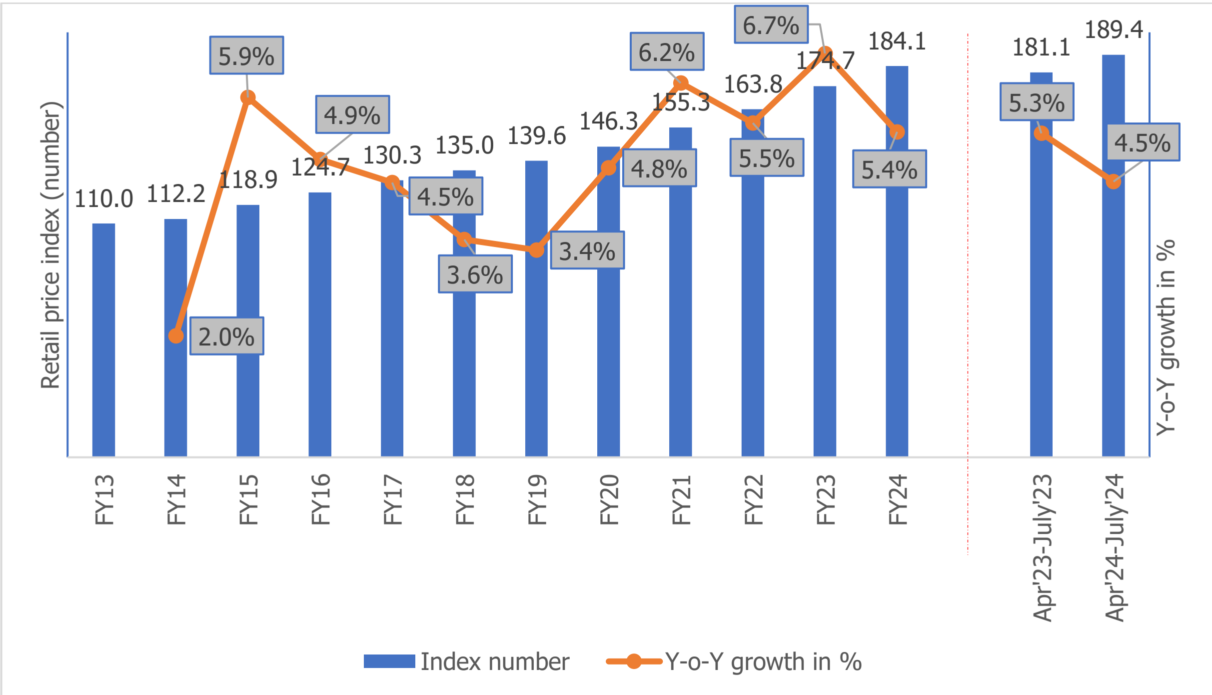
During FY24, the industrial output recorded a growth of 5.9% y-o-y supported by growth in manufacturing and power generation sectors. The period April 2024 – June 2024, industrial output grew by 5.2% compared to the 4.7% growth in the corresponding period last year. For the month of June 2024, the IIP growth increased to 4.2% compared to the last year's 4.0%, on account of growth in mining. The manufacturing sector showed a decline in June 2024 from 3.5% in June 2023 to 2.6% in June 2024. Within the growth in manufacturing, the top three positive contributors were Manufacture of basic metals, Manufacture of electrical equipment, and Manufacture of motor vehicles, trailers, and semi-trailers.

Chart 3: Y-o-Y growth in IIP (in %)



Source: MOSPI

Chart 4 : Retail Price Inflation in terms of index and Y-o-Y Growth in % (Base: 2011-12=100)

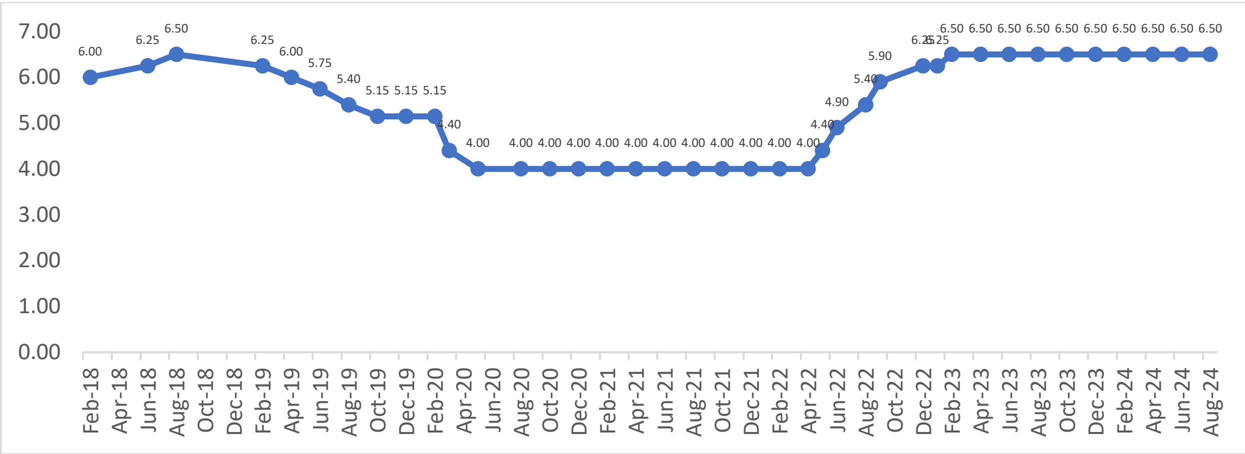


Source: MOSPI

The CPI is primarily factored in by RBI while preparing their bi-monthly monetory policy. At the bi-monthly meeting held in August 2024, RBI projected inflation at 4.5% for FY25 with inflation during Q2FY25 at 4.4%, Q3FY25 at 4.7%, Q4FY25 at 4.3%, and Q1FY26 at 4.4%.

Considering the current inflation situation, RBI has kept the repo rate unchanged at 6.5% again in the August 2024 meeting of the Monetary Policy Committee.

Chart 5: RBI historical Repo Rate



Source: RBI

In a meeting held in August 2024, RBI also maintained the liquidity adjustment facility (LAF) corridor by adjusting the standing deposit facility (SDF) rate of 6.25% as the floor and the marginal standing facility (MSF) at the upper end of the band at 6.75%.

Further, the central bank continued to remain focused on the withdrawal of its accommodative stance..

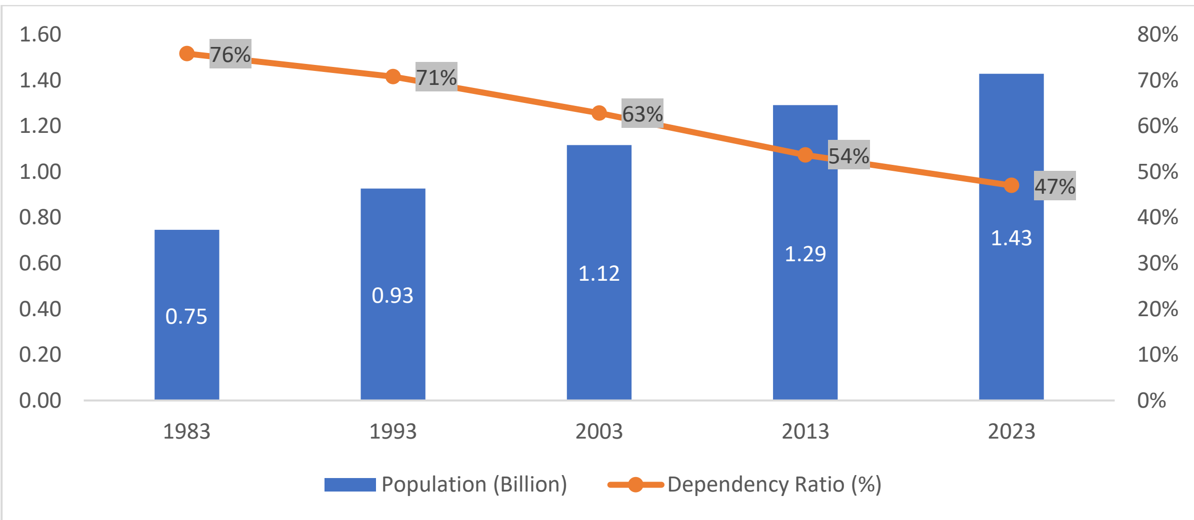
1.2.5. Overview on Key Demographic Parameters

- **Population growth and Urbanization**

  According to the world bank, India's population in CY2022 surpassed 1.42 billion slightly higher than China's population 1.41 billion and became the most populous country in the world.

  Age Dependency Ratio is the ratio of dependents to the working age population, i.e., 15 to 64 years, wherein dependents are population younger than 15 and older than 64. This ratio has been on a declining trend. It was as high as 76% in CY1983, which has reduced to 47% in CY23.

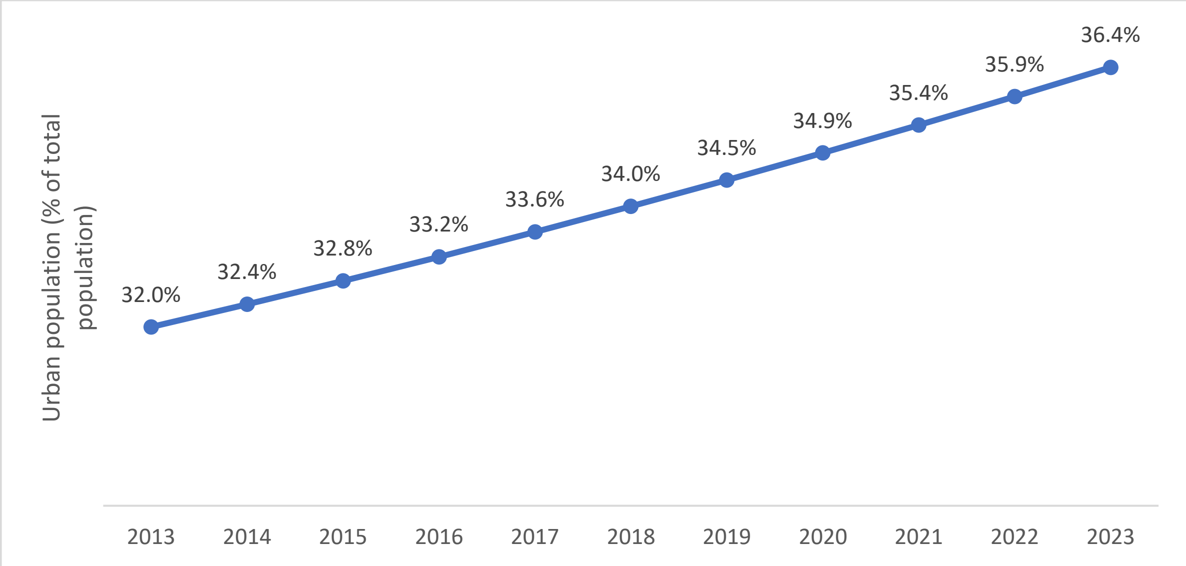
  Chart 4: Trend of India Population vis-à-vis dependency ratio (CY)



  Source: World Bank Database

- With an average age of 29, India has one of the youngest populations globally. The urban population is significantly growing in India. The urban population in India is estimated to have increased from 413 million (32% of total population) in CY13 to 519.5 million (36.4% of total population) in the year CY23. People living in Tier-2 and Tier-3 cities have greater purchasing power.

Chart 5: Urbanization Trend in India(CY23)



Source: World Bank Database

2. Overview of Infrastructure Industry in India

2.1. Overview of Key Characteristics of Infrastructure Industry

The infrastructure sector is a key driver of the Indian economy. The sector is highly responsible for propelling India's overall development. Accordingly, it garners intense focus from the government for initiating policies that would ensure the time-bound creation of world-class infrastructure in the country. In other words, the infrastructure sector acts as a catalyst for India's economic growth. It complements the allied sectors like townships, housing, built-up infrastructure, and construction development projects. The infrastructure sector includes power, bridges, dams, roads, and urban infrastructure.

Furthermore, the Indian infrastructure construction industry is projected for continuous growth. This is driven by urbanization, economic expansion, and the need to upgrade the ageing infrastructure. Both fixed-price and cost-reimbursement contracts are used, with internationally recognized forms like FIDIC (Federation Internationale des Ingenieurs-Conseil) contracts being common for large projects. Whereas public-private partnerships (PPP) are a frequent project delivery model, involving private companies in financing and construction. In addition, initiatives like the NIP outline ambitious spending plans for infrastructure projects, creating a stable pipeline of work for construction companies.

India has a large pool of skilled and unskilled labor. Simultaneously, upskilling initiatives are ongoing to improve efficiency and safety standards. Similarly, the infrastructure industry is gradually embracing technologies like prefabricated construction and digital tools to enhance project delivery and productivity. Yet, there is room for improvement. Besides, navigating complex regulations and obtaining clearances can be a challenge for construction companies, potentially leading to delays.

Overall, the Indian infrastructure construction industry presents a dynamic and promising market with large-scale government projects driving growth. However, navigating the regulatory environment and adapting to evolving technologies are crucial considerations.

2.2. National Infrastructure Pipeline

As a cornerstone of India's economic growth, the infrastructure sector plays a pivotal role in driving development. Government initiatives and policies aim to create world-class infrastructure, fostering growth in related sectors. This sector encompasses power, bridges, dams, roads, and urban infrastructure. Driven by urbanization, economic expansion, and the need for infrastructure upgrades, the Indian infrastructure construction industry is poised for continued growth.

To facilitate efficient project delivery, the industry employs a mix of contract types, including fixed-price and cost-reimbursement contracts, often using internationally recognized standards like FIDIC. Public-private partnerships (PPPs) are a common model, involving private companies in financing and construction. Government initiatives like the National Infrastructure Pipeline (NIP) outline ambitious spending plans, ensuring a steady stream of projects. While India boasts a large labor force, ongoing upskilling efforts are essential to enhance efficiency and safety. The adoption of modern technologies like prefabricated construction and digital tools is also gaining traction. However, navigating complex regulations and obtaining clearances can pose challenges for construction companies. Overall, the Indian infrastructure construction industry offers a dynamic and promising market, driven by large-scale government projects. To succeed, companies must effectively navigate the regulatory landscape and adapt to evolving technologies.

The sector-wise breakup is provided in the below table:

Table 2: National Infrastructure Pipeline Sectoral Split of Investments (INR Billion)

	FY20	FY21	FY22	FY23	FY24	FY25	No Phasing	Total
Power	1,641.40	2,255.51	2,217.34	2,234.87	2,252.36	2,110.02	1,392.78	14,104.28
Renewable Energy	305.00	1,510.00	1,440.00	1,700.00	2,170.00	2,170.00	-	9,295.00
Atomic Energy	116.35	214.62	283.24	331.24	326.74	282.84	-	1,555.03
Petroleum and Natural Gas	273.32	435.10	483.14	415.23	228.58	105.35	5.00	1,945.72
Total Energy	2,336.07	3,353.60	4,423.72	4,681.34	4,977.68	4,668.21	1,397.78	26,900.03
Roads	3,325.59	3,832.83	3,569.66	2,527.80	2,407.61	3,326.59	1,348.15	20,338.23
Railways	**1,333.87**	**2,624.65**	**3,088.00**	**2,738.31**	**2,212.09**	**1,678.71**	**-**	**13,675.63**
Ports	133.57	181.04	206.49	158.63	77.24	100.02	354.95	1,211.94
Airport	186.67	216.65	248.20	213.34	253.86	51.41	264.35	1,434.48
Urban	2,981.74	4,622.08	4,041.34	2,348.58	2,171.64	1,598.62	1,428.67	19,192.67
Irrigation	1,144.63	2,006.15	1,756.69	1,373.58	1,152.81	704.74	806.13	8,944.73
Rural Infrastructure	1,403.13	1,768.03	2,108.11	1,118.77	1,070.57	270.54	-	7,739.15
Digital Infrastructure	783.56	618.47	545.38	387.19	381.19	380.53	-	3,096.32
Agriculture and Food Processing Infrastructure	260.40	263.65	260.96	243.93	236.46	231.19	190.68	1,687.27
Social Infrastructure	594.71	806.85	935.04	651.04	565.79	243.91	334.25	4,131.59
Industrial Infrastructure	174.12	406.76	425.58	335.29	227.31	105.20	1,393.06	3,067.32
Total	**13,635.3**	**19,503.9**	**18,960.6**	**13,803.3**	**12,782.4**	**11,058.9**	**12,217.3**	**1,11,419.36**

Source: NITI Aayog's report on National Infrastructure Pipeline

Table 3: Some Key Projects under NIP

Sub-Sector	Name of the projects	Total Outlay (in INR Million)	Status
Track Renewal	CERL- LI Chhattisgarh New Railway Line	17,783	Under implementation
	Boridand- Ambikapur Doubling Line Project	8,179	Under conceptualization
	Nagda- Mathura- Signaling	5,111	Under Development
Railway Terminal Infrastructure	Development of private Sidings	84,719	Under implementation
	Holambi Kalan Development of Freight and Coaching Terminal	8,490	Under implementation
	Development of Private Freight Terminals	8,437	Under implementation
Railway Rolling Stock	Manufacturing of Passenger Coach Project	12,83,364	Under implementation
	Electric Locomotive Production Project	8,58,092	Under implementation
	Private Train Operations	3,16,228	Under implementation

Source: India Investment Grid

2.3. Major Infrastructure Development Plans in the economy

Some of the key government infrastructure schemes include:

- The FY24 budget by the government highlights the impetus for growth by focusing on big public investment for modern infrastructure, which will be guided by PM Gati Shakti and benefit from the synergy of a multi-modal approach. It is a step toward economic growth as well as sustainable development and is driven by seven engines, namely, roads, railways, airports, ports, mass transport, waterways, and logistics infrastructure. 100 critical transport infrastructure projects have been identified at an investment of INR 750 Billion including INR 150 Billion from private players. For the urban infrastructure in Tier–II and Tier–III cities, a corpus of INR 100 Billion has been set aside via the establishment of the Urban Infrastructure Development Fund.

- The government has also announced plans for the National Monetization Pipeline (NMP) and Development Finance Institution (DFI) to improve the financing of infrastructure projects.

- The government has helped the growth of urbanization through a number of schemes and projects, including the **Smart Cities Mission,** the **Atal Mission for Rejuvenation and Urban Transformation (AMRUT),** and the **Pradhan Mantri Awas Yojana (Urban)**.

Smart Cities Mission: The Smart Cities Mission, launched on 25 June 2015, is aimed at providing core infrastructure, a clean and sustainable environment, and a decent quality of life to their citizens through the application of 'smart solutions'. Under this mission, 100 smart cities have taken up projects across diverse sectors related to mobility, energy, water, sanitation, solid waste management, vibrant public spaces, social infrastructure, smart governance, etc.

AMRUT: The Atal Mission for Rejuvenation and Urban Transformation (AMRUT) was launched on 25th June 2015 in selected 500 cities and towns across the country. The mission focuses on the development of basic infrastructure, in the selected cities and towns, in the sectors of water supply, sewerage and septage management, stormwater drainage, green spaces and parks, and non-motorized urban transport.

PMAY: There is a significant thrust on providing housing for all under the Pradhan Mantri Awas Yojna (PMAY) by the government and the scheme has been getting steady allocation under the union budget. Further, the sustained efforts in sanctioning and completing a substantial number of houses under both PMAY-Urban and PMAY-Gramin schemes demonstrate the government's commitment to promoting affordable housing and improving living conditions for individuals and families across the country. Out of the overall mandated target of 29.5 million houses allocated to States/UTs under the PMAY-G, more than 29.4 million houses have already been sanctioned to the eligible beneficiaries by the States/UTs and over 25.5 million houses have already been completed as on February 2024.

The table below shows the budgetary allocation trend:

Table 4: Scheme-Wise Allocation Towards Infrastructure in FY24 (INR Billion)

Description	FY22	FY23	FY24	FY 25 [BE]
Pradhan Mantri Awas Yojna (PMAY)	900	771	796	807
Urban Rejuvenation Mission: AMRUT and Smart Cities	139	153	160	104

Source: Union Budget FY24 Analysis
Note: BE- Budget Estimate

- **Bharatmala** and **Sagarmala** projects were introduced in FY17 by the Government of India. Bharatmala is a flagship highway development program. The project is part of a larger initiative to enhance road infrastructure across the country. It aims to optimize the efficiency of freight and passenger movement by developing and expanding the national highway network. It focuses on improving connectivity, reducing travel time, and promoting economic growth. The project is expected to reduce logistics costs, improve transportation efficiency, and boost economic development by providing better connectivity between key economic areas. 34,800 km of National Highway length was planned for development under Phase- I of the programme. The projects under this scheme is majorly funded by the Central Government and resource mobilization by the Ministry of Road Transport & Highways. Under Sagarmala Programme, there are 839 projects worth investment of ~INR 5.8 Trillion for implementation. Out of which, 241 projects worth ~INR 1.22 Trillion have been completed as on February, 2024.

- **National High-Speed Rail Corporation Limited (NHSRCL)** is a government-owned company in India responsible for the implementation of high-speed rail projects. The most prominent project undertaken by NHSRCL is the **Mumbai-Ahmedabad High-Speed Rail (MAHSR) corridor**, commonly known as the Bullet Train project. It was incorporated on February 12, 2016. The project involves collaboration with Japan as it utilizes the Shinkansen technology, known for its safety and efficiency, through a loan agreement with the Japan International Cooperation Agency (JICA). The high-speed rail corridor is expected to boost economic development along the route, create job opportunities, and improve connectivity between major cities.

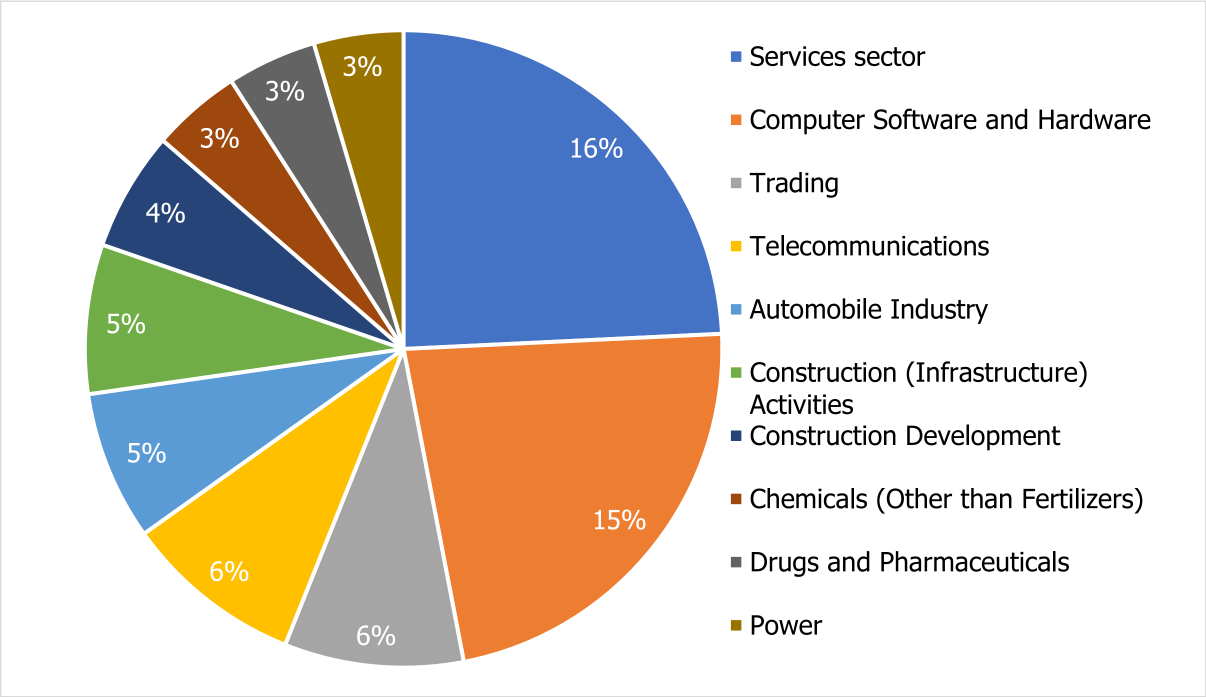
- **Jal Jeevan Mission (JJM)** is a Central Government initiative undertaken by Ministry of JAL SHAKTI. It aims to ensure piped water access to every household in India. The initiative was launched on 15th August 2019 by the Prime Minister of India. The program is implemented in partnership with States to assure tap water supply in adequate quantity, prescribed quality, adequate pressure, on a regular and long-term basis in all rural households and public institutions, which includes anganwadi, schools, ashramshalas, public/ community health centers, sub-centers, wellness centers, community centers, gram panchayat buildings, etc., by the year CY24. In FY24, so far, the Government of India has released INR 4,58,414 Mn to 26 eligible States for the implementation of Jal Jeevan Mission in FY24.

2.4. FDI inflows in Indian Infrastructure Industry

Foreign Direct Investment (FDI) play a pivotal role in shaping the economic landscape and fostering innovation in both developed as well as developing economies. It facilitates global value chains across countries. According to the World Investment Report, 2024 (issued by the United Nations), India and the Association of Southeast Asian Nations were the most buoyant recipients of FDI with an increase of ~10% and ~5%, respectively, in CY22. However, there has been a slight decrease in the FDI inflow in the recent years.

The FDI inflow in India has witnessed substantial growth in the past decade. However, in FY24, the FDI equity inflow fell by 22% largely due to a decline in inflows from traditional sources like Mauritius, USA, and Cayman Island. At the same time, inflows from UAE, Cyprus, and the Netherlands had increased. Broadly, this decline can be attributed to global economic slowdown and hikes in rates by US federals and other central banks.

Chart 6: Sector-Wise Share in Total FDI Equity Inflow (April 2000-March 2024)



Note: Construction Development includes Townships, Housing, Built-Up Infrastructure and Construction-Development Projects; Source: Department for Promotion of Industry and Internal Trade (DPIIT)

Based on country-wise share in FDI inflow for a cumulative period of April 2000-March 2024, Mauritius held the major contributor position with 25%, followed by Singapore with 23%, the USA with 10%, the Netherlands with 7%, and Japan with 6%.

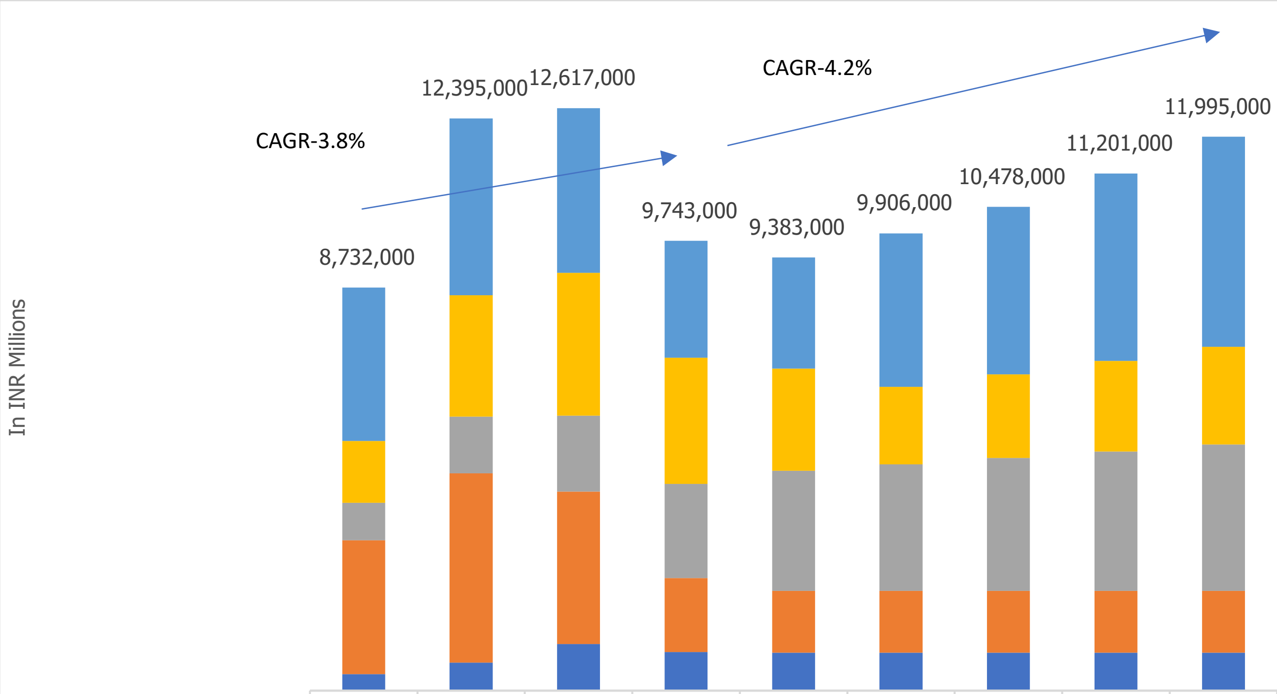
2.5. Investment Trend in Infrastructure in India

India’s economic growth is fueled by a diverse range of sectors, of which infrastructure is a vital sector. The Indian infrastructure contributes around 3% to the GDP as of FY23. In recent years, the government has taken several steps to accelerate infrastructure development, wherein, the key focus areas are transportation, energy, smart cities, water, social infrastructure, and digital infrastructure while attempting to attract foreign investors in the infrastructure sector through policy reforms.

Further, infrastructure projects are often expensive and have a long gestation period. To address this issue, fundraising and generating returns, the government is continuously striving to create a favorable operating environment for its players. Accordingly, national and state-level agencies like the National Highways Authority of India (NHAI), state-level bodies, and private sector companies (both domestic and international), are actively participating in infrastructure development.

With the growing population, the long-term need for robust infrastructure is necessary for economic development. This generates the need for massive investments in the development and modernization of infrastructure facilities, which will not only cater to the growing demand but will also ensure competitiveness in the global market.

Chart 7: Continued High Investment Momentum in Indian Key Infrastructure Sectors



	FY20	FY21	FY22	FY23	FY24P	FY25P	FY26P	FY27P	FY28P
Roads	3,326,000	3,833,000	3,570,000	2,528,000	2,408,000	3,327,000	3,626,000	4,061,000	4,548,000
Railways	1,334,000	2,625,000	3,088,000	2,738,000	2,212,000	1,679,000	1,813,000	1,958,000	2,115,000
Power	812,000	1,227,000	1,649,000	2,037,000	2,603,000	2,740,000	2,879,000	3,022,000	3,172,000
Metro & Smart Cities	2,900,000	4,100,000	3,300,000	1,600,000	1,340,000	1,340,000	1,340,000	1,340,000	1,340,000
Water Supply & Sanitation	360,000	610,000	1,010,000	840,000	820,000	820,000	820,000	820,000	820,000
Total	8,732,000	12,395,000	12,617,000	9,743,000	9,383,000	9,906,000	10,478,000	11,201,000	11,995,000

Water Supply & Sanitation · Metro & Smart Cities · Power · Railways · Roads

Source: CareEdge Research, NITI Aayog, NIP

Note: The projections are based on our estimations for multiple sectors which have been derived from respective government department sources.

Table 5: CAGR Growth in investments in various sector

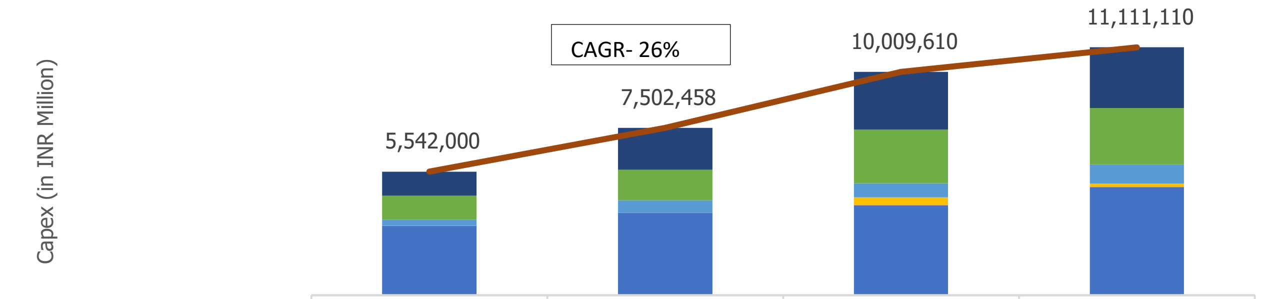
Sectors	CAGR (FY20-FY28)
Roads	4%
Railways	6%
Power	19%
Metro& Smart Cities	-9%
Water Supply & Sanitation	11%
Total	4%

Source: CareEdge Research, NITI Aayog, NIP

2.6. Budgetary outlay towards infrastructure and government infrastructure projects

One of the key drivers for economic growth is the increased infrastructure investment thrust by the government. In the Union Budget FY25, the government continued its focus on infrastructure development with budget estimates of capital expenditure toward the infrastructure sector of INR 11.11 Trillion. Furthermore, continuous efforts by the government to make the business environment convenient to operate and streamline the regulatory process will support the growth of investments in the infrastructure segment.

Chart 8: Key Infrastructure Sectors for Capital Expenditure in Budget 2024-25



	FY22	FY23	FY24	FY25
Roads and Highways	1,082,000	1,877,440	2,586,055	2,722,412
Railways	1,071,000	1,371,000	2,400,000	2,520,000
Telecom	259,000	550,390	630,888	857,201
Oil & Gas	4,000	6,000	355,090	154,080
Ports	2000	5743.1	10682.1	10779.3
Power	16,000	131	168	5,178
Others	3,108,000	3,691,753	4,026,727	4,841,460
Total	5,542,000	7,502,458	10,009,610	11,111,110

Source: Union Budget FY25 Analysis

2.7. Growth drivers for infrastructure investments in India

The Indian government heavily prioritizes infrastructure development. Government-led initiatives such as ‘Make in India,’ ‘Smart Cities Mission,’ and ‘Atmanirbhar Bharat’ focus on infrastructure development, attracting investments, and promoting economic growth. The government has also helped the growth of urbanization through several schemes and projects, including the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) and the Pradhan Mantri Awas Yojana (Urban). Such constant government support is likely to foster more investment in the infrastructural domain in the coming years.

Foreign investments also play a crucial role in infrastructural development as they bring in innovation and foster value chains. More liberalization toward foreign direct investments attracts investors to participate in infrastructure projects, bringing in capital, technology, and expertise. Whereas India’s rapid urbanization fuels demand for new housing, commercial spaces, and improved urban infrastructure like metro networks, waste management systems, and power grids. Additionally, public and private investments in infrastructure are expected to rise significantly in the coming years. This will create opportunities for all segments.

The key growth drivers for various infrastructure construction segments are as follows:

- **Roads & Highways:** Growing freight movement, focus on national connectivity projects like Bharatmala Pariyojana, and increasing vehicle ownership will drive road and highway construction.
- **Railways:** Rising passenger and cargo traffic, expansion of dedicated freight corridors, and modernization plans for the Indian Railways network will boost growth.
- **Power:** Demand for reliable power supply, increasing focus on renewable energy integration, and upgradation of transmission and distribution networks are key drivers.
- **Ports & Airports:** Expanding international trade, rising air passenger traffic, and government initiatives to develop coastal infrastructure will propel growth in these segments.
- **Water & Sanitation:** Increasing water scarcity, growing urban populations, and government programs to improve water supply and sanitation systems will drive investments.
- **Digital Infrastructure:** India’s growing digital economy necessitates investments in data centres, fibre optic networks, and telecom towers.

- **Government Push:** The Indian government is heavily invested in infrastructure development. Initiatives like the National Infrastructure Pipeline (NIP) with an outlay of ₹111 trillion (USD 1.5 trillion) in FY20-25 and ambitious plans for "Smart Cities" create a guaranteed pipeline of projects for construction companies.

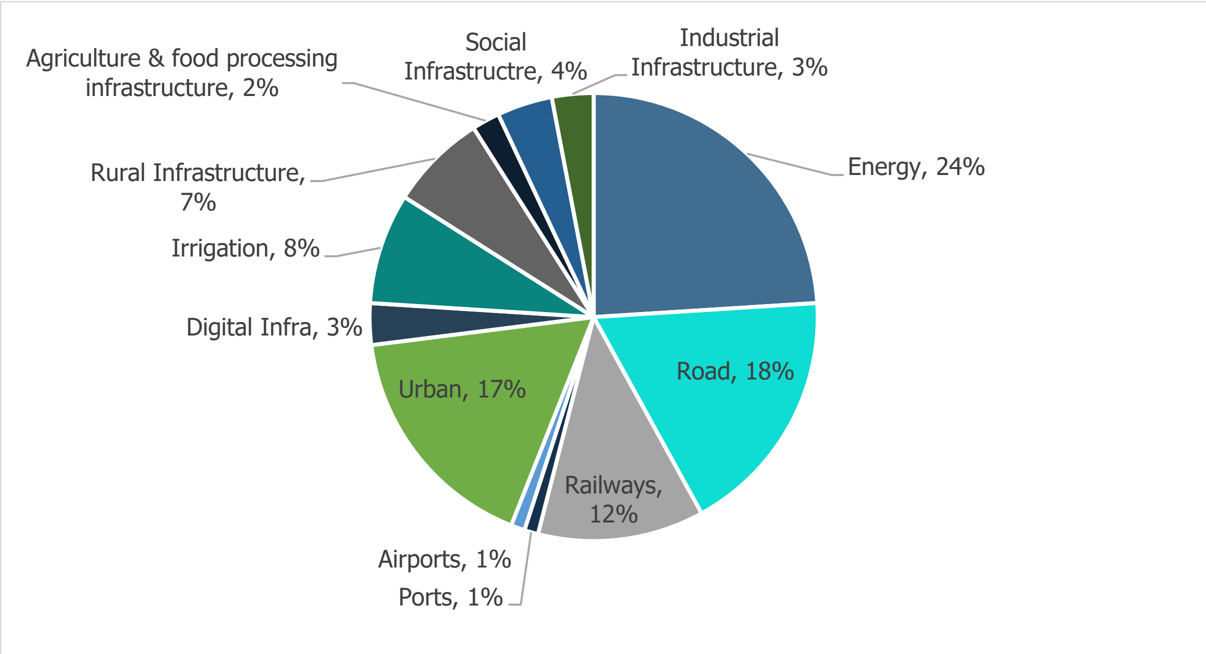
- **Urban Development:** As infrastructure improves, it unlocks the potential for better urban development. Improved transportation networks, reliable power supply, and efficient waste management systems create a more attractive environment for businesses and residents, further fueling construction activity.

In addition to these growth drivers, there is a growing focus on using sustainable practices and materials in construction projects, creating opportunities for green building technologies. Whereas advancements in prefabricated construction, Building Information Modeling (BIM), and drone technology are expected to improve efficiency and productivity.

2.8. Review and breakup of investments in Key infrastructure segments

While sectors like Agriculture, Energy, Infrastructure remains the key focus, the government also prioritizes other sectors as India's business environment and demographics are evolving. There is a need for enhanced and improved delivery across the whole infrastructure range, from housing to water and sanitation services to digital and transportation demands. This will further ensure economic growth, increase quality of life, and boost sectoral competitiveness.

Chart 9: Sector-Wise Break-Up of Capital Expenditure of INR 111 Trillion during Fiscal 2020-25



Source: NITI Aayog's report on National Infrastructure Pipeline

During the fiscals 2020 to 2025, sectors such as energy (24%), roads (18%), urban (17%), and railways (12%) amount to around 70% of the projected capital expenditure in infrastructure in India. NIP has involved all the stakeholders in a coordinated approach to infrastructure creation in India to boost short-term as well as potential GDP growth.

Tunnel construction in India has picked up pace in the last decade given the upgradation of the water supply & sewerage system, expansion of the road & rail network, and construction of the underground crude oil storage. Tunnel development was initially undertaken by the railway sector, while the maximum number of tunnels have been developed in the hydropower sector. In the past few years, tunnel development has consistently received a push with high Capex toward infrastructure development across various segments.

Accordingly, expansion in hydropower capacity, underground rail metro projects, Bharatmala, Chardham Connectivity, AMRUT, and the Smart Cities Mission are expected to provide ample opportunities to tunnel contractors and consultants in the coming years. Also, most upcoming tunnel projects are of longer lengths, larger diameters, and even higher contract values, which is reflected in tunneling project size with a substantial increase.

The pipeline covers multiple sectors such as urban infrastructure, renewable & conventional energy, roads, and railways that constitute nearly 71% of the projected total Capex of INR 111 trillion. It also includes investments in other sectors such as rural infrastructure, ports, and airports, among others. The proposed investments will be implemented by both the government and the private sector.

3. Overview of Railway Infrastructure Sector in India

The Indian Railways is undergoing a significant transformation, marked by modernization efforts and substantial infrastructure investments. As of 2024, the Indian Railways is focused on enhancing its operational efficiency, safety, and passenger experience. The network has seen a marked increase in electrification, with over 80% of its routes now electrified, aiming for complete electrification by CY30. The introduction of Semi high-speed trains, such as the Vande Bharat Express, has improved travel times and passenger comfort, with over 100 services now operational and an impressive average occupancy rate of 96.62% as on September, 2024. The expansion of dedicated freight corridors is set to streamline cargo movement, reducing transit times and operational costs. The ongoing redevelopment of stations under the Amrit Bharat scheme, with over 1,300 stations identified for modernization, promises improved amenities and infrastructure. Financially, the Indian Railways has recorded a notable increase in freight revenue, reaching INR 1,610.5 billion, and a gross budgetary support of INR 2,407 billion for FY 2023-24, reflecting robust government backing. These advancements reflect a commitment to transforming the Indian Railways into a more efficient, modern, and passenger-friendly network, poised to meet the growing demands of the country's transportation sector.

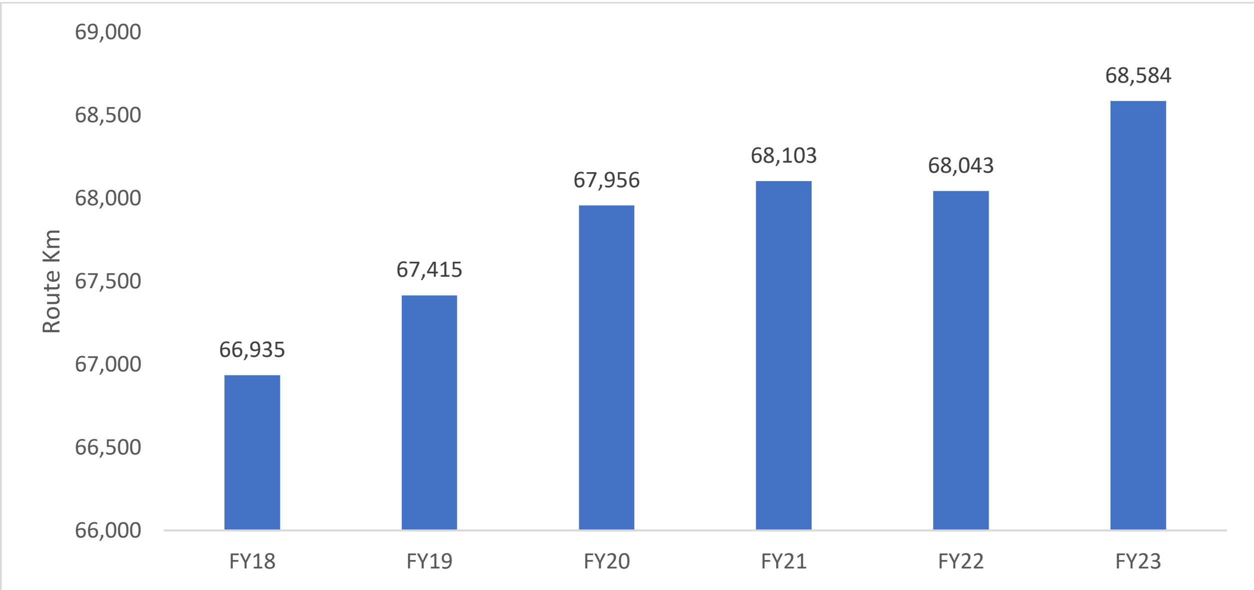
3.1. Current State of Railways

Total Route Length

Indian Railways is the fourth-largest railway system in the world behind the US, Russia, and China. India has over 68,584 route km along with 7,364 stations as of FY23. The number of passengers carried and freight transported has been on the rise over the past few years. The Indian Railways carried 6,438 million passenger and 1,509 million tonnes of cargo in FY23 and 6,480 million passengers and ~1500 million tonnes of cargo in FY24.

The Indian railway sector has seen multiple developments in the last decade such as expansion of metro rail network, introduction of high-speed trains and semi-high speed trains, modernization of railway stations etc. Indian railways is moving towards large scale capacity expansion with technological advancement. For the next four to five years, India Railways has set out massive network expansion and decongestion targets. It planned to undertook cumulative 17,000 track km of new lines, doubling and gauge conversion work in FY24, out of which, a total of 5,243 km was achieved during FY23 as compared to a total of 2,909 km during FY22.

Chart 10: Indian Railway Network



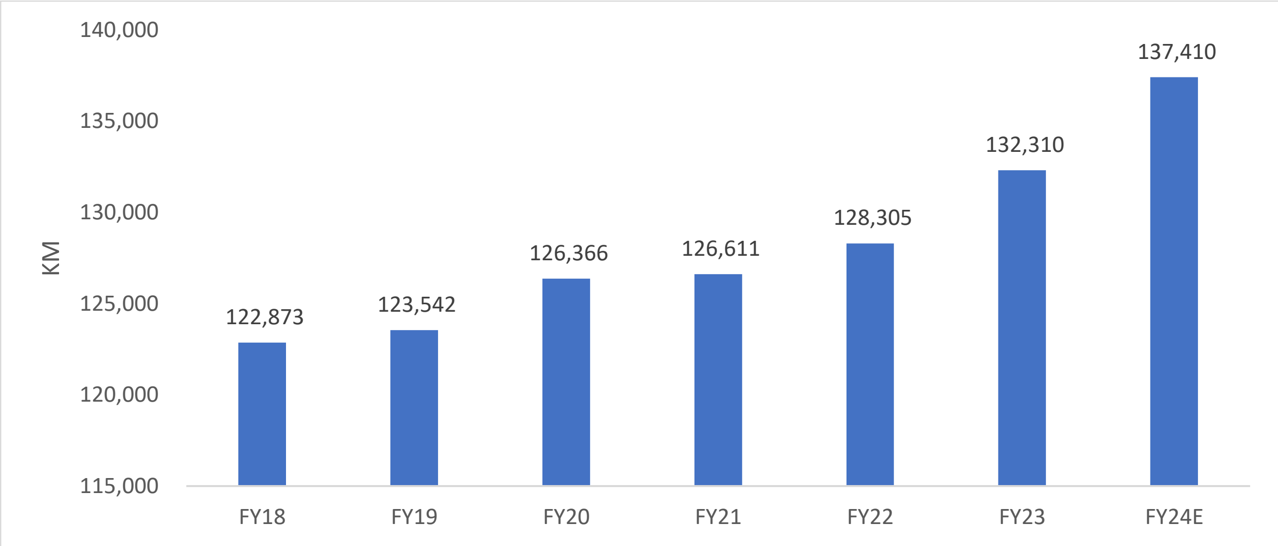
Source: Indian Rail Yearbook

Total track length

In FY 24, Indian Railways has laid 5100 Kms of new tracks, at a construction run-rate of around 14 Kms of tracks laid per day. In FY25, INR 176.52 Bn has been allocated to track renewal and INR 360.91 Bn has been allocated to construct new lines.

The Indian Government is hence focussing on the improvement of the Indian Railway infrastructure and is expected to invest more in the railway's infrastructure in the coming years.

Chart 11: Increase in Track Lane

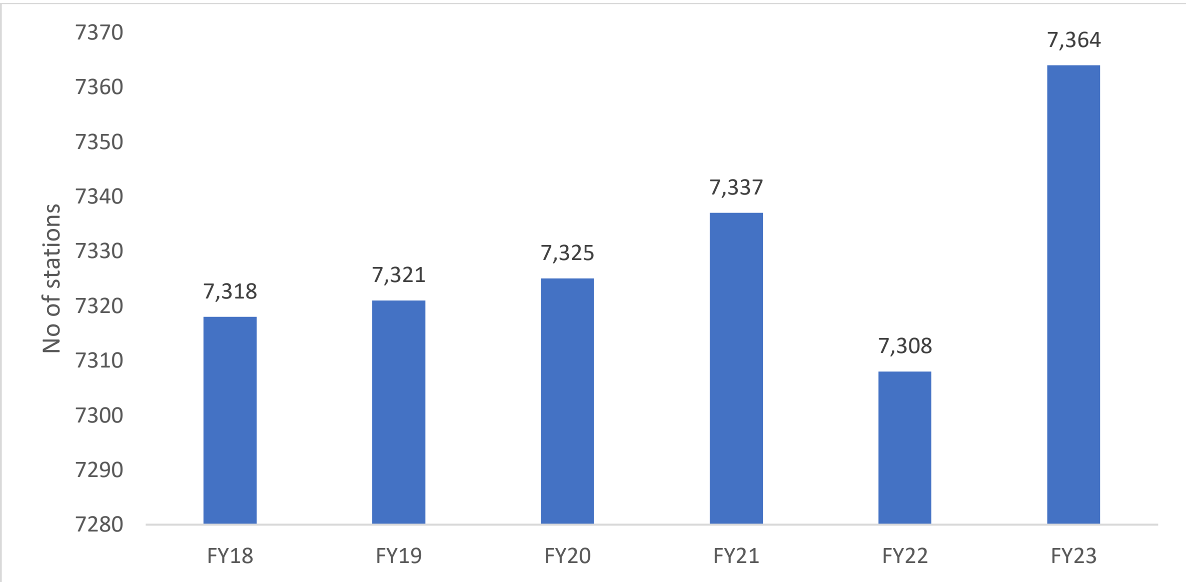


Source: Indian Railway Year Book; E-Estimated

Total no. of railway stations

In recent years, there has been a concerted effort to modernize and redevelop the stations under initiatives such as the Amrit Bharat scheme, aiming to enhance passenger amenities and improve overall infrastructure. This modernization includes upgrading facilities such as waiting areas, ticketing systems, and sanitation, as well as introducing smart technologies for better management and efficiency. These enhancements are part of a broader strategy to accommodate growing passenger volumes, improve service quality, and support the ambitious goals of Indian Railways in creating a more reliable and user-friendly transport network. Currently as on FY23, there are 7364 railway stations in India.

Chart 12: Number of Stations



Source: Indian Rail Yearbook

There was a dip in numbers in FY22 because of major infrastructure upgrades for which some stations were temporarily cease to operate or closed to improve efficiency by merging them with other stations.

Total no. of Railway Sidings and Freight Terminals

Railway freight terminals handle the loading and unloading of goods transported by rail. There are four types of railway freight terminals:

Railway-Owned Goods Sheds or Sidings: These are located on railway land and are developed with private participation to increase terminal capacity. Indian Railways supports the establishment of new goods-sheds and the improvement of existing ones at smaller or roadside stations. These facilities include goods wharves, loading and unloading areas, labor amenities (such as resting spaces with shade, drinking water, and bathing facilities), approach roads, and covered sheds. There are currently around 996 goods shed in India.

Private Sidings: Constructed on private land within manufacturing or mining plants, these sidings allow for the loading and unloading of railway wagons on-site under special arrangements. Indian Railways permits the use of these private sidings by other users with the owner's consent.

Privately Owned Container Handling Terminals: These are set up on private land by Container Train Operators (CTOs) in line with the Master Concession Agreement (MCA), including those established by CONCOR before the MCA was introduced.

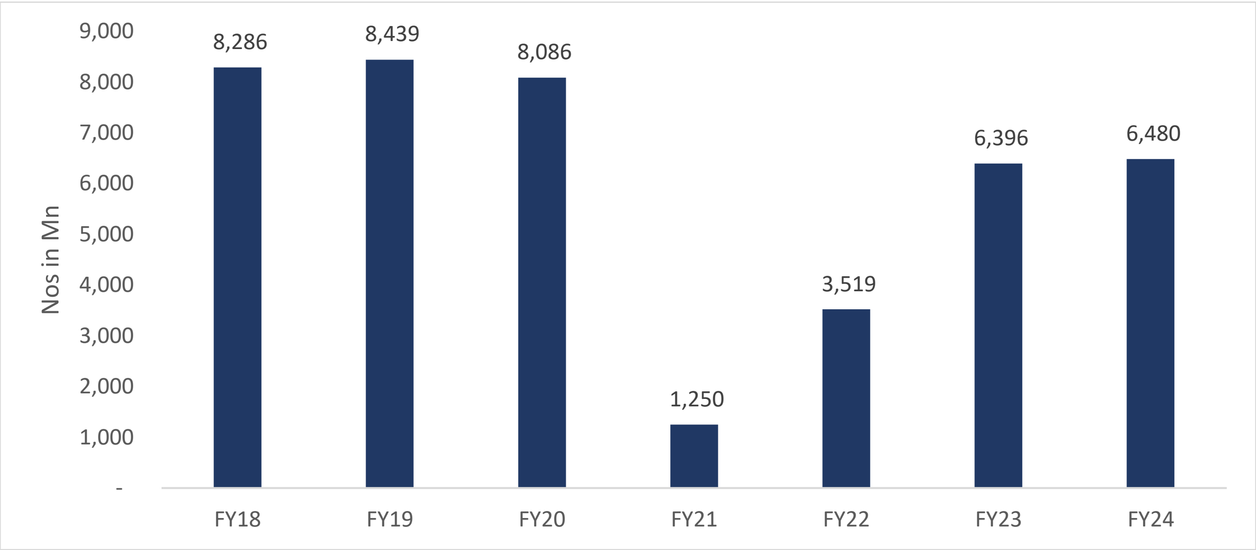
Private Freight Terminals (PFTs): Established by Terminal Management Companies (TMCs) on private land through private investment, PFTs are designed to handle all types of traffic unless specified otherwise in the policy.

As on September, 2024 there are 79 Private freight terminals and 1,326 Private sidings.

No. of passengers handled and freight handled

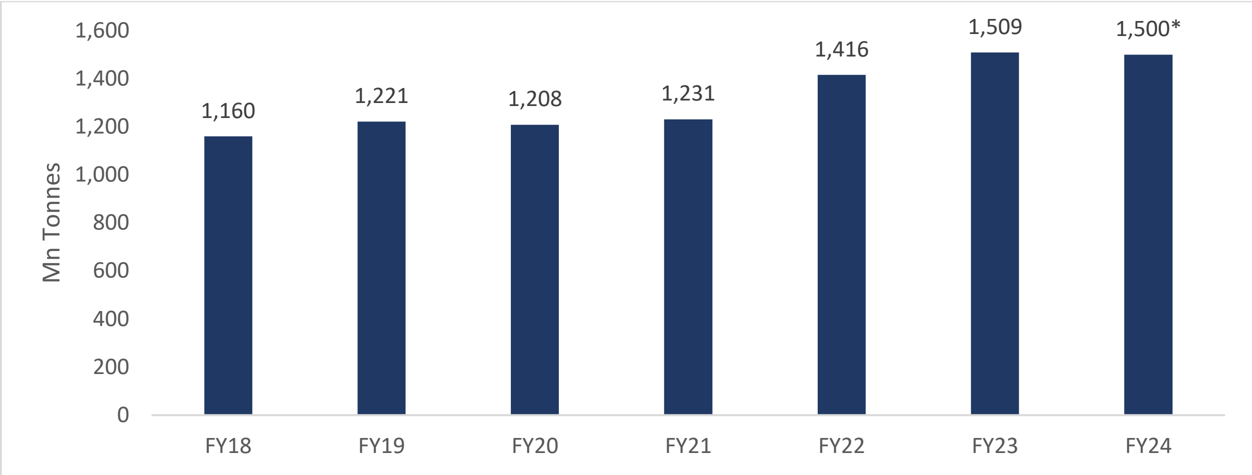
Passenger and freight traffic were adversely affected in FY21 due to COVID-19 pandemic, associated lockdowns and restricted movement of passengers and cargo. The passenger numbers declined by 85% in FY21 but the tonnage carried remained steady due to the cargo carriages. Whereas in FY24, the passenger traffic rebound with 82% growth over Covid years while freight traffic remained in the same range.

Chart 13: Number of Passenger Carried over the Years



Source: Indian Rail Yearbook; PIB

Chart 14: Tonnage Carried over the Years



Source: Indian Rail Yearbook; PIB; *till 15th March 2024

Operational Efficiency

In 2023, Indian Railways made significant progress in its transformative journey, marked by a series of records and achievements. The year saw a notable increase in originating freight loading, reaching 1,512 million tonnes, which represents a substantial 7% growth from the previous year. Revenue from freight also saw a remarkable rise, totaling INR 1,610.5 billion. Passenger traffic surged by over 80%, with 6.2 billion passengers in FY 2022-23 compared to 3.4 billion in FY 2021-22. Additionally, gross budgetary support for FY 2023-24 soared to INR 2,407 billion, a thirty-fold increase from FY2004-05 levels and an eight-fold increase from FY2013-14.

Parameters like passenger yield per passenger KM has increased from 41.30 paise to 66.44 paise from FY18 to FY23 and freight yield per NTKM has increased from 163.83 paise to 166.91 paise in the same period

In terms of infrastructure, Indian Railways made commendable strides in electrification and implemented innovative technologies like Kavach for safety improvements on key corridors. The introduction of over 100 Vande Bharat train services (as of January 2024), with an impressive occupancy rate of 96.62% during 2022-23, highlights the commitment to modernization. The Amrit Bharat scheme has identified 1,309 stations for redevelopment, with three stations already completed to significantly improve passenger amenities. Additionally, the Prime Minister laid the foundation for more than 553 stations in CY23. Indian Railways continues to progress in transportation, supported by substantial capital expenditure, to reach a high utilization rate of 75% in FY23 operational efficiency .

3.2. Need for Investments in railway Infrastructure

India's railway infrastructure plays a critical role in the country's economic development, facilitating the movement of goods and passengers across vast distances. However, to meet the growing demands of its economy and population, there is an urgent need for substantial investments in this sector.

Efficient railway infrastructure supports the seamless movement of goods, reducing transportation costs and boosting trade. Improved connectivity facilitates the growth of industries by ensuring timely delivery of raw materials and finished products. Investments are also needed to expand capacity to handle the projected increase in freight and passenger traffic. Modernizing tracks, signaling systems, and rolling stock, advancement of safety systems and infrastructure upgrades are some of the areas of improvements and expansion where investments are required.

Railway infrastructure supports shift from road to rail transport, contributing to sustainable urban and regional development which means improved railway networks enhance connectivity between urban centers and rural areas, promoting regional development. Investments in multimodal transport hubs facilitate seamless integration between railways, roadways, and ports.

India's growing population necessitates a robust and efficient railway system to meet the increasing demand for transportation. Rapid urbanization requires improved railway services to support the mobility needs of expanding urban populations. By enhancing the capacity, efficiency, and safety of the railway network, India can ensure a robust transport system that meets the demands of the future while supporting the nation's overall progress.

The Indian government's investment and policies in railway infrastructure have been increasing. For example, the National Infrastructure Pipeline Plan (NIP) introduced by the Indian government in 2019 is expected to invest INR 111 trillion in infrastructure projects from FY20 to FY25, out of which about 70% of which will be used for energy, road, railway and urban project construction. In October 2021, the government announced the "Gati Shakti" initiative, planning to invest 100 trillion rupees to promote large-scale multimodal connectivity national master plan projects. The National Railway Plan 2024, formulated in the same year, pointed out that it would promote the electrification of railways and increase the speed of trains, identify new high-speed railways and freight corridors. In 2023, Indian Railways announced that it would invest INR 7 trillion in the next decade to redefine India's transportation landscape. This major initiative aims to lay 50,000 kilometers of new railway tracks and modern railway connections and faster travel. The government's increasing investment in railway infrastructure projects will promote the development of the industry.

3.3. Impact of Indian Railways on Economy

Indian Railways plays a pivotal role in India's economy and society, serving as a crucial component of the nation's infrastructure. According to the Economic Survey 2023-24 reports that Indian Railways, with a network extending over 68,584 route km and employing 1.254 million people as of FY24, is the fourth largest network globally under a single management. This extensive network not only supports industrial and agricultural growth by enabling the efficient transport of raw materials and finished goods but also drives regional development by connecting remote areas with major economic hubs. This connectivity boosts local economies by providing access to broader markets, resources, and essential services.

Indian Railways is also a major source of employment, with over 1.3 million employees directly working for the organization. Additionally, it generates numerous indirect jobs through related industries such as manufacturing, construction, and maintenance. This substantial workforce highlights its importance as a livelihood provider for a significant portion of the population.

The railways operate on a unique financial model where freight services often subsidize passenger fares. While freight operations generally turn a profit, passenger services, particularly for lower classes, are heavily subsidized to keep travel affordable. This cross-subsidization ensures that people from various economic backgrounds can access mobility, which is crucial for their employment, education, and social integration. However, balancing this model with financial sustainability is a significant challenge. The subsidies for passenger services can sometimes exceed the revenue generated, necessitating continuous investment in infrastructure and operational efficiency.

To address these challenges, Indian Railways is focusing on modernization and technological advancements. The introduction of high-speed trains, track upgrades, and automation are part of efforts to enhance operational efficiency and service quality. Additionally, public-private partnerships (PPPs) are being explored to bring in capital and expertise, while green initiatives such as electric trains and solar power aim to reduce the environmental impact of railway operations.

In essence, Indian Railways is a cornerstone of the Indian economy, contributing to industrial growth, regional development, and employment. Its role in providing affordable and accessible transport services underscores its significance in fostering social equity, while ongoing modernization efforts strive to ensure its long-term sustainability and efficiency.

3.4. Key Challenges in Indian Railway Infrastructure

Indian Railways faces several significant challenges that affect its operations and passenger experience.

- **Overcrowding:** Overcrowding is a major issue, with trains and stations often operating beyond their capacity. This results in passenger discomfort and raises serious safety concerns. Additionally, overcrowding leads to operational inefficiencies, complicating the management of schedules and impacting the overall quality of service.

- **Aging infrastructure:** Many railway tracks and station facilities are old and require urgent repair or replacement. This wear and tear create significant safety risks and reduce system efficiency, leading to frequent disruptions and delays. Addressing these problems is crucial to improving both safety and operational performance.

- **Insufficiency of Existing Track:** The current track infrastructure in India is not suitable to support for Semi- High Speed or High-Speed Railways and need to be revamped to cater to the need of trains like Vande Bharat etc.

- **Safety concerns:** Recurring accidents and safety lapses highlight the need for substantial investment in safety measures and training. These issues underscore the importance of implementing stronger safety protocols and upgrading infrastructure to better protect passengers and ensure reliable operations. Even though the number of accidents have reduced from 72 in FY18 to 48 in FY23, there is a lot of improvements needed to significantly reduce the numbers.

- **Operational delays:** The operational delays impact both passenger and freight services, resulting in unreliable schedules and disruptions to supply chains. This adversely affects economic productivity and customer satisfaction. To mitigate these delays, significant improvements in infrastructure and operational management are essential.

- **Technological lag:** The current technology used for signalling, communication, and train control is outdated and requires substantial upgrades to meet global standards. Modernizing these technologies is critical for enhancing efficiency, safety, and overall service quality. Without these advancements, Indian Railways will struggle to meet the demands of a modern transportation network.

- **Congestion on Key routes:** Congestion on key routes in Indian Railways is a significant issue that impacts efficiency, punctuality, and overall service quality. Certain routes, especially those connecting major cities or popular destinations, experience high passenger volumes, leading to congestion. As per Niti Aayog, 7 main routes contribute to about 60% of the total freight traffic but it constitute to only 16% of the Indian Railway route network. For instance, the Delhi-Mumbai corridor, one of the busiest in the network, experiences high track density with up to 100 trains per day per track Km, often leading to average delays exceeding 30 minutes, particularly during peak hours. Similarly, the Howrah-Delhi route, handling over 400 passenger trains monthly, suffers from significant delays and infrastructure strain due to the high volume of both passenger and freight traffic. On such congested routes, average delays and track utilization metrics highlight the severe operational challenges, with up to 40% of trains facing delays due to the overburdened infrastructure.

3.5. National Rail Plan

The National Rail Plan (NRP) envisions a comprehensive transformation of India's railway infrastructure, aiming to enhance both capacity and efficiency. By 2030, the plan targets increasing the rail network's capacity by 100% through significant investments and expansions. This includes doubling 25,000 kilometers of tracks, increasing of modal share of freight and electrifying of the rail network. The development of dedicated freight corridors is projected to boost freight handling capacity by 200 million tonnes annually, reducing congestion on passenger lines. Additionally, the introduction of high-speed rail corridors, such as the Mumbai-Ahmedabad route, aims to cut travel times between major cities by up to 50%, potentially accommodating up to 150,000 passengers per day. Financially, the NRP anticipates an investment of approximately INR 12,582 billion over the next decade, with 40% expected to come from public-private partnerships. This ambitious plan also includes modernizing 1,200 stations, enhancing passenger amenities, and integrating advanced signaling systems across 40,000 kilometers of track. With these measures, the NRP seeks to significantly improve operational efficiency, safety, and service quality, positioning Indian Railways as a more competitive and sustainable transportation network.

The key objectives of the National Rail Plan are:-

- Formulate strategies based on both operational capacities and commercial policy initiatives to increase modal share of the Railways in freight to 45%.

- Reduce transit time of freight substantially by increasing average speed of freight trains to 50Kmph.

- As part of the National Rail Plan, Vision 2024 has been launched for accelerated implementation of certain critical projects by CY24 such as 100% electrification, multi-tracking of congested routes, upgradation of speed to 160 kmph on Delhi-Howrah and Delhi-Mumbai routes, upgradation of speed to 130kmph on all other Golden Quadrilateral-Golden Diagonal (GQ/GD) routes and elimination of all Level Crossings on all GQ/GD route.

- Identify new Dedicated Freight Corridors.

- Identify new High-Speed Rail Corridors.

- Assess rolling stock requirement for passenger traffic as well as wagon requirement for freight.

- Assess Locomotive requirement to meet twin objectives of 100% electrification (Green Energy) and increasing freight modal share.

- Assess the total investment in capital that would be required along with a periodical break up.

- Sustained involvement of the Private Sector in areas like operations and ownership of rolling stock, development of freight and passenger terminals, development/operations of track infrastructure etc.

High Density Network (HDN)

HDN is consist of network that has high traffic density movement. It comprises of 16% that is 11,000 km of the total Indian Railway Network but transport 41% of the total traffic. For the easement of the situation seven high density network routes have been proposed under NRP-

Table 6: Proposed HDN Route in India

HDN	Routes
1	Delhi Howrah Main Route via ALD MGS Gaya
2	Howrah - Mumbai main route via Jalgaon, Nagpur, Bilaspur
3	Delhi-Mumbai Main Route via Kota Ratlam
4	Delhi-Guwahati via Rosa-Gorakhpur-Kumedpur
5	Delhi-Chennai Main Route via BPL-NGP-BPQ-BZA-Gudur
6	Howrah Chennai Main Route
7	Mumbai-Chennai main route

Source: NRP Document

Highly Utilized Network (HUN)

There are a total of 11 routes identified as Highly Utilized Network, which constitute of 23,347 km of total length. The HUN comprises of 35% of the total railway network and is responsible for the transport of 40% of the total traffic moving on Indian Railway Network. Under NRP, the following 11 routes are proposed-

Table 7: Proposed HUN Route in India

	HUN Routes	Total Length (Km)
1	Amrit Sagar Sampark Corridor	3,049
2	Bengal Arab Sagar Sampark Corridor	3,035
3	Kathiawar Shivalik Sampark Corridor	1,685
4	Sagar Sutlej Sampark Corridor	1,529
5	Bundelkhand Tarai Sampark Corridor	2,151
6	Sagar Purvodaya Sampark Corridor	1,490
7	Sagar Chambal Sampark Corridor	2,737
8	Purv Paschim Deccan Sampark Corridor	1,501
9	Aravali Dakshin Sampark Corridor	2,803
10	Satpura Coromandel Sampark Corridor	2,232
11	Konkan Malabar Sampark Corridor	1,134
	Total	24,230

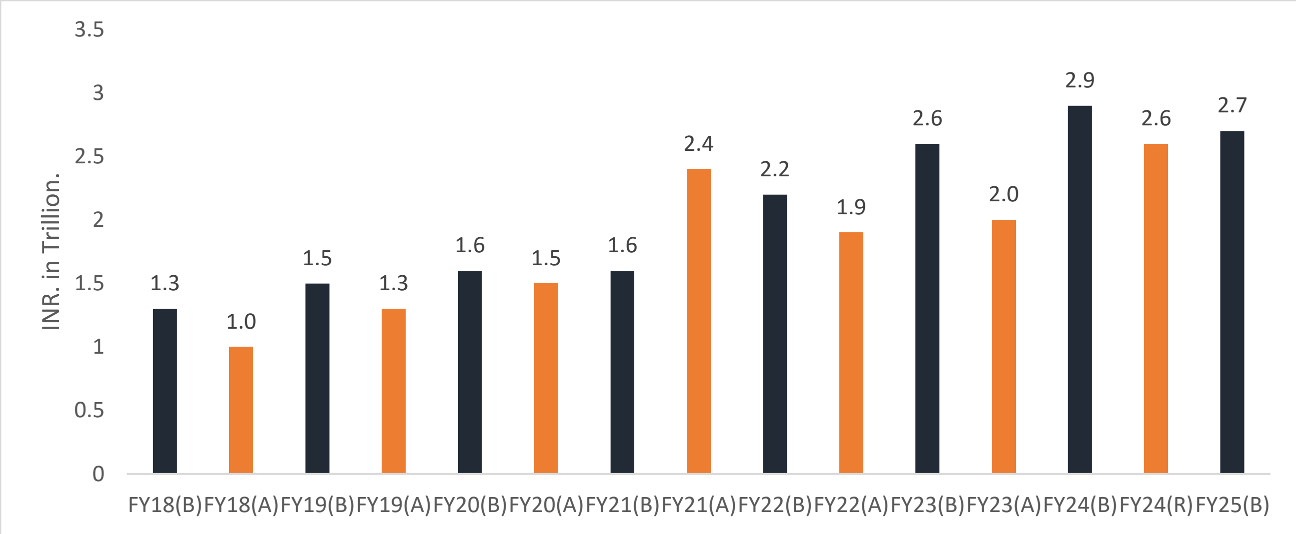
Source: NRP Document

3.6. Key Investments

3.7. Budgetary allocation towards railway infrastructure

As the infrastructure expenditure to GDP multiplier is estimated to be 2.5-3.5x, the government has identified infrastructure development as a key focus area to become a USD 5 trillion (INR 419 trillion) economy by FY26-27. To achieve this objective, the government launched the National Infrastructure Pipeline (NIP) in 2019 which identified a group of social and economic infrastructure projects to be implemented during FY20-25. The expected capex under NIP is INR 117 trillion with railways having an allocation of 12%. Railways is one of the key enablers for economic growth and an investment of INR 62,910 billion was suggested by the government in the Union Budget FY19-20 to improve the railway infrastructure over CY18 - CY30. The budgetary allocation to Indian Railways has been on a rise.

Chart 15: Budgetary Outlay towards Indian Railway



Source: Budget Documents. Note: B – Budgeted, A – Actual, R – Revised and Includes Internal and Extra Budgetary Resources (IEBR)

In the Union Budget FY24-25, the government has allocated INR 2.7 trillion towards railways. The allocation towards rolling stock, which includes locomotives, freight wagons and passenger coaches, has been on a rise over the past six years and has increased Y-o-Y to INR 4,10,860 Mn in the union budget FY24-25 from INR 4,03,960 Mn(revised budget) in FY23-24.The projects like track doubling, new lines, track renewal, gauge conversion etc. have also seen significant growth in budget allocation over FY18 to FY25.

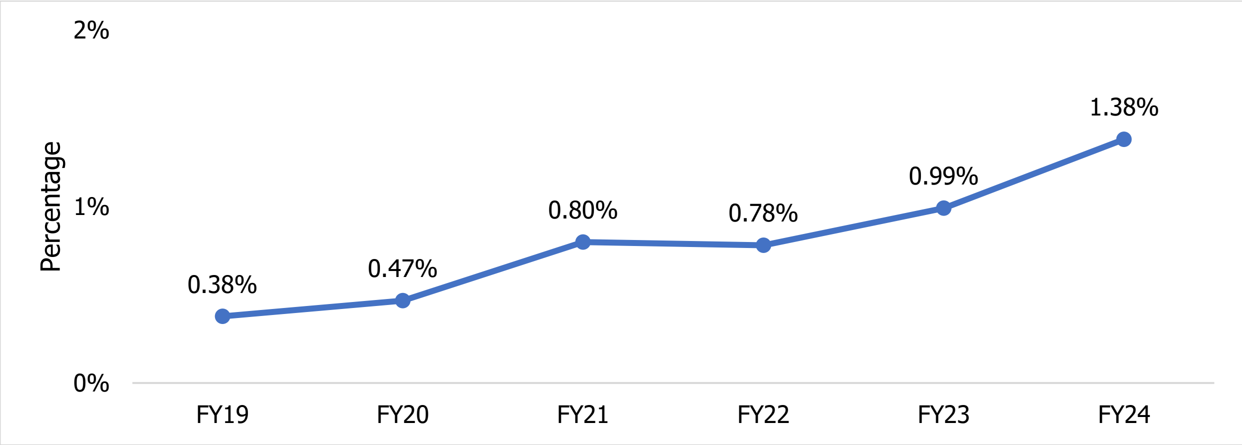
Table 8: Budgetary Outlay toward Railway Projects (INR Billion)

Railway Projects	FY18 (A)	FY19 (A)	FY20(A)	FY21(A)	FY22(A)	FY23(A)	FY24 (R)	FY25(B)
Track Construction								
Doubling	12.9	6.1	6.78	3.79	86.82	256.2	350.46	300
New Lines (Construction)	89.52	56.48	98.71	10.58	207.84	243.77	344.1	360.91
Track Renewals	88.84	96.9	93.87	0	106.95	165.58	162.86	171.5
Gauge Conversion	25.55	25.9	33.13	1.17	18.03	23.43	42.79	45.34
Rolling Stock and Wagon Manufacturing								
Rolling Stock	15.14	45.72	39.63	8.39	68.15	134.93	403.96	410.86
Passenger Amenities	12.87	15.86	19.03	17.88	28	19.96	96.18	163.52
Safety Infrastructure								
Road Safety Works	41.67	47.33	48.74	0.17	64	46.76	88.49	122.95
Signaling and Telecom	12.57	15.38	16.23	0.06	24.48	21.45	35.81	44.92
Others								
Leased assets - Payment of Capital Component	79.8	91.12	104.62	119.48	194.59	145.81	213	242.7
Investments & Others	288.67	423.28	465.8	305.23	694.73	620.15	3,186.07	829.55
Manufacturing Misc.	294.03	342.81	398.54	311.03	400.97	467.45	529.23	592.98
Total	961.56	1,166.88	1,325.08	777.78	1,894.56	2,145.49	5,452.95	3,285.23

Source: Budget Documents. Note: B – Budgeted, A – Actual, R – Revised and Includes Internal and Extra Budgetary Resources (IEBR)

The budget allocation towards Railway sector has increased over years and have resulted the percentage budget allocation towards railways to GDP ratio increase from 0.38% in FY19 to 1.38% in FY24.

Chart 16: Budget allocation towards railways as a percentage of GDP



Source: Union Budget 2023-25, MOSPI, CareEdge Research
Note: GDP is considered at constant prices

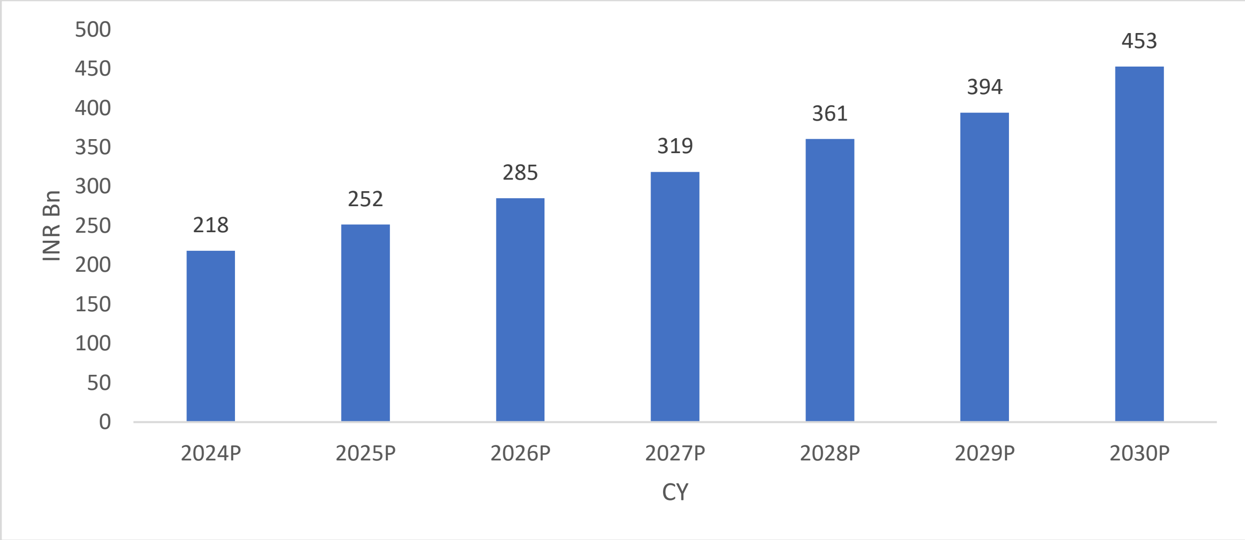
3.8. High Speed Railways

High-speed railways in India represent a significant leap forward in the country's transportation infrastructure, offering faster, more efficient, and comfortable travel options between major cities. These projects are part of India's broader efforts to modernize its rail network and reduce travel times across vast distances, thereby boosting economic growth and improving connectivity. High-speed trains in India are designed to travel at speeds ranging from 250 to 350 km/h, drastically reducing travel times compared to conventional trains. The projected investments in High Speed Railways is around INR 2,282 Bn from CY24-CY30.

The Ministry of Railways has decided to undertake survey and prepare the Detailed Project Report (DPR) for seven High Speed Rail Corridors as under:

- Delhi - Varanasi
- Delhi - Amritsar
- Delhi - Ahmedabad
- Mumbai - Nagpur
- Mumbai - Hyderabad
- Chennai - Bangalore - Mysore
- Varanasi – Howrah

Chart 17: Projected Investments in High Speed Railways

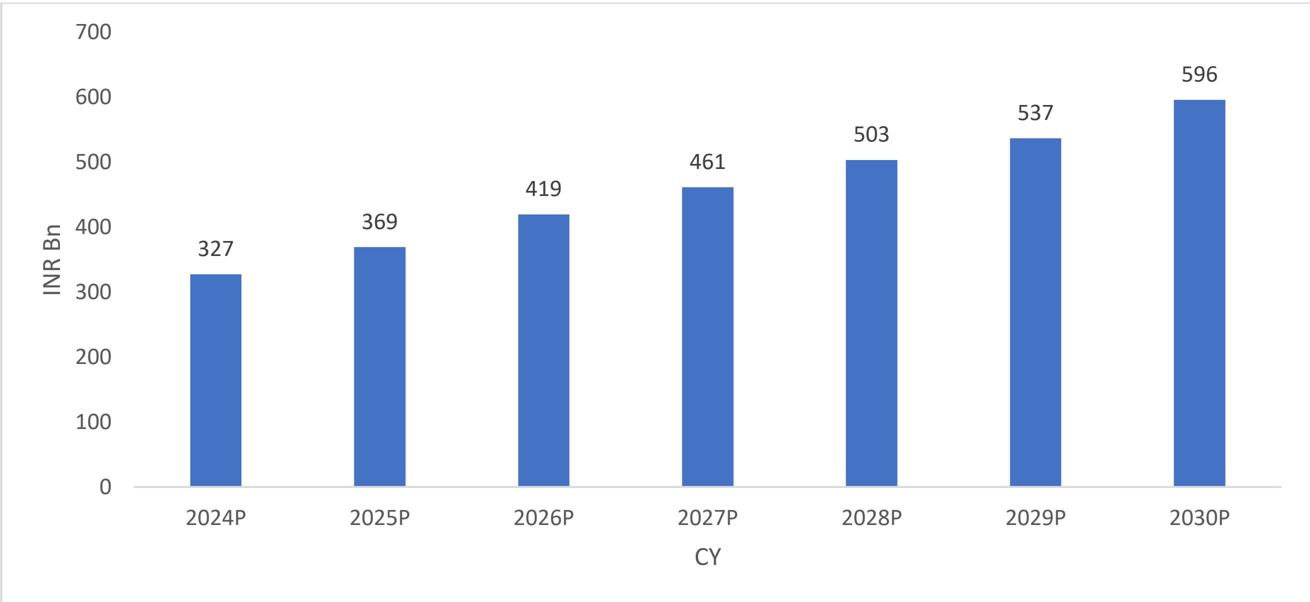


Source: CareEdge Research, Maia Research

3.9. Semi- High-Speed Railways

Semi-high-speed railways in India represent a significant advancement in the country's railway infrastructure, bridging the gap between conventional rail services and full high-speed rail systems. Designed to operate at speeds ranging from 160 to 200 km/h, semi-high-speed trains aim to enhance travel efficiency and reduce journey times on key routes, making rail travel a more competitive alternative to air and road transport. The introduction of semi-high-speed railways is part of India's broader strategy to modernize its rail network, improve passenger experience, and support economic growth by boosting connectivity between major cities and industrial hubs. The projected investments in Semi -High Speed Railways is around INR 3,213 Bn from CY24-CY30.

Chart 18: Projected Investments in Semi High- Speed Railways

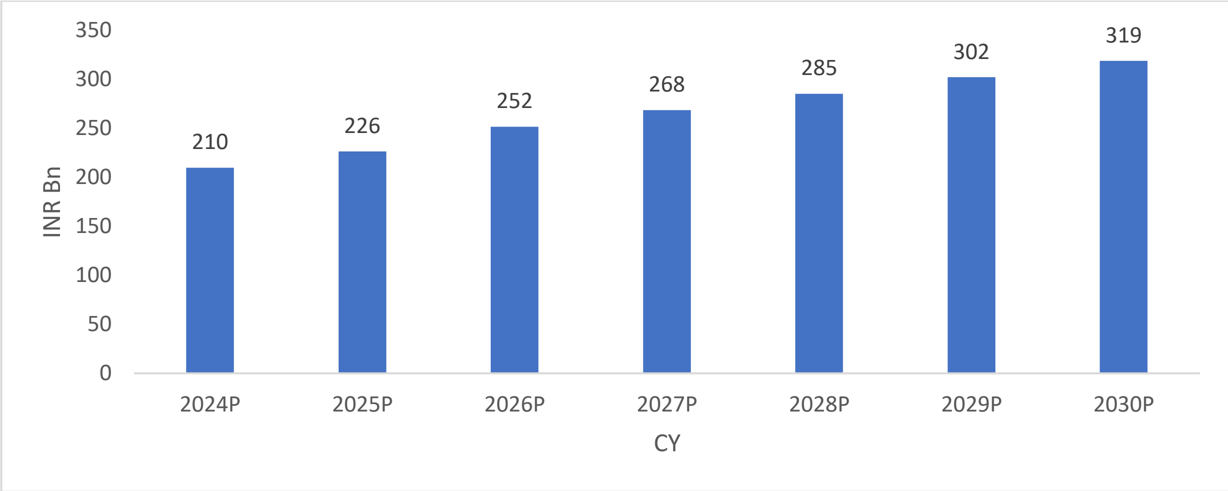


Source: CareEdge Research, Maia Research

3.10. Metro Rail

The Metro Rail system in India has become a crucial component of urban transportation, offering a fast, efficient, and environmentally friendly alternative to road transport in many of the country's largest cities. The introduction and expansion of metro networks across India have been driven by the need to reduce traffic congestion, lower pollution levels, and provide reliable public transportation to rapidly growing urban populations. The expansion of metro rail systems in India is transforming urban mobility, making cities more accessible, reducing environmental impact, and contributing to the overall quality of urban life. As more cities adopt and expand metro networks, the benefits of this modern, efficient, and sustainable mode of transport are set to grow. There is a lot of opportunity for players doing ballast less tracks and the same as all station tracks and majority metro tracks are ballast less. The projected investments in Metro Rail is around INR 1,862 Bn from CY24-CY30.

Chart 19: Projected Investments in Indian Metro Rail



Source: CareEdge Research, Maia Research

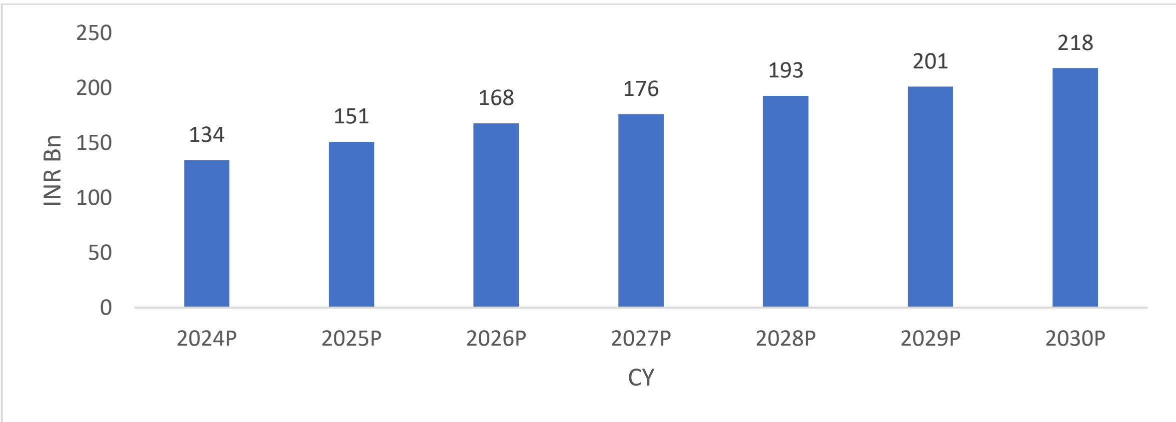
As on August 2024, three major Metro Rail projects have been approved by the Union Cabinet-

- Bengaluru Metro Project: 44 km expansion comprising two corridors
- Thane Metro Project: 29 km network aimed at reducing congestion on the roads of Thane
- Pune Metro Project: A 5.5 km route to further improve urban mobility in the city

3.11. Urban Transit Lanes

Urban transit lanes, also known as bus lanes, dedicated lanes, or transit-only lanes, are sections of roadways designated exclusively for public transportation vehicles such as buses, trams, or sometimes shared with bicycles and emergency vehicles. These lanes are a crucial part of urban planning aimed at improving the efficiency and reliability of public transit in congested cities. Various types of Mass rapid transit (MRT) or public transport system can be proposed for a city. These consists of systems like metro rail transit, Light rail light (LRT), Suburban rail and Bus Rapid Transit (BRT). The projected investments in Urban Transit Lanes is around INR 1,241 Bn from CY24-CY30.

Chart 20: Projected Investments in Urban Transit Lanes

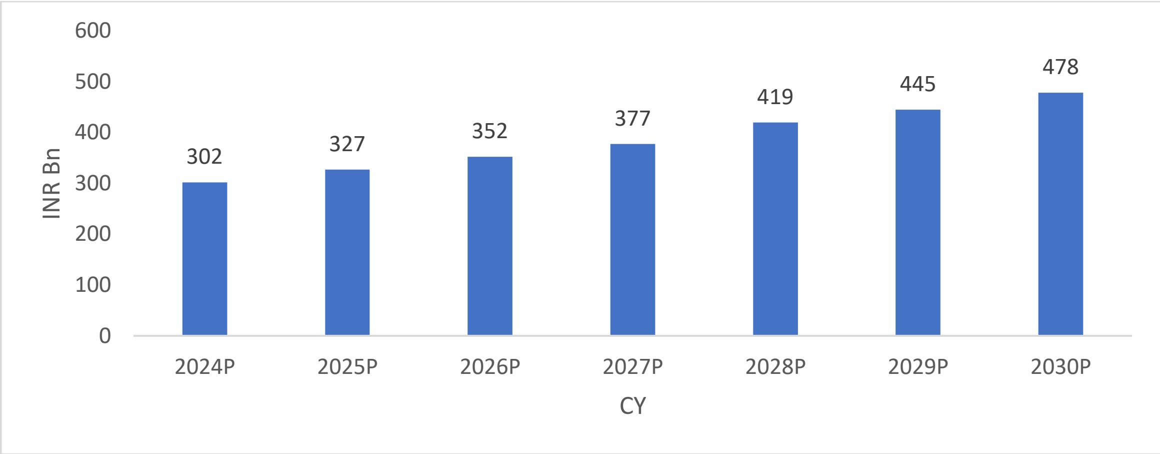


Source: CareEdge Research, Maia Research

3.12. Dedicated Freight Corridor

The Dedicated Freight Corridor (DFC) is one of India's most ambitious infrastructure projects, aimed at creating specialized rail corridors exclusively for freight trains. The primary objective of the DFC is to decongest the existing railway network, enhance the efficiency of freight movement, and support the rapid economic growth of the country by improving logistics. It consists of tracks built exclusively for the movement of freight trains, separate from the passenger train network, which reduces delays and increases efficiency. These corridors are designed to handle larger volumes of goods, with the capacity to run longer and heavier trains at higher speeds. The projected investments in Dedicated Freight Corridor is around INR 2,700 from CY24-CY30.

Chart 21: Projected Investments in Dedicated Freight Corridor



Source: CareEdge Research, Maia Research

Table 9: Future DFCs

DFC	Length	States Covered
East Coast Corridor	1,080 RKm	West Bengal, Orissa, and Andhra Pradesh
East West Corridor	1,738 RKm	West Bengal, Jharkhand, Odisha, Chhattisgarh, Gujarat and Maharashtra
North-South Corridor	890 RKm	Madhya Pradesh, Maharashtra, Telangana, and Andhra Pradesh

Source: Dedicated Freight Corridor Corporation of India

3.13. Station Redevelopment

The redevelopment of stations in India is a critical component of Indian Railways' modernization efforts, with significant quantitative targets outlined for the coming years. As of CY24, the Indian Railways aims to redevelop 1,309 stations under the Amrit Bharat scheme, with the goal of transforming these stations into world-class facilities. This initiative represents an investment of approximately INR 839 billion, with a focus on enhancing passenger amenities and infrastructure. In CY23 alone, over 500 station redevelopment projects were initiated, and three major stations were completed, providing upgraded amenities such as modern waiting areas, improved sanitation, and enhanced accessibility features. The redevelopment plans also include upgrading 100 stations each year to incorporate advanced technologies like real-time passenger information systems and energy-efficient lighting. This extensive effort is expected to significantly improve the passenger experience, with an anticipated increase in station footfall by 30% over the next decade due to enhanced services and facilities. Additionally, the improved infrastructure is projected to reduce operational delays and increase overall station efficiency by 20%, aligning with the broader goals of Indian Railways' infrastructure development strategy.

Among the stations being taken up for redevelopment under the Amrit Bharat Station Scheme, Uttar Pradesh has the maximum number of 149 railway stations, followed by Maharashtra 126, West Bengal 94, Gujarat 87, Bihar 86, Rajasthan 82 and Madhya Pradesh 80.

3.14. Investment in Gauge conversion and network decongestion

Gauge conversion in Indian Railways is a crucial initiative aimed at standardizing the rail gauge across the country to enhance connectivity, improve operational efficiency, and support economic growth. The transition primarily focuses on converting metre gauge (MG) and narrow gauge (NG) lines to broad gauge (BG), which is the standard gauge in India.

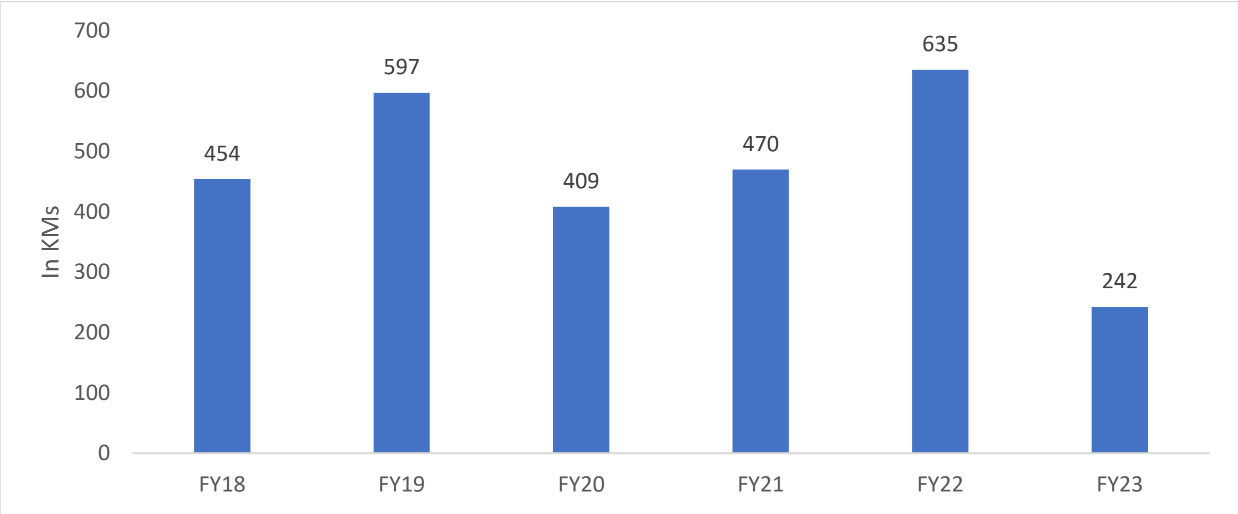
Indian Railways has made substantial progress in gauge conversion, with several thousand kilometers of lines converted to broad gauge in recent years. Some of the significant gauge conversion projects include the conversion of the Jodhpur-Merta

Road, Udaipur-Ahmedabad, and Lumding-Silchar lines. These projects have played a crucial role in improving connectivity in states like Rajasthan, Gujarat, and Assam. The Indian Railways have commissioned an average outlay of INR 686.34 Billion in FY24-25

Following commissioning of New Lines, Gauge Conversion and Doubling sections across Indian Railways-

As on April 2023, across Indian Railways, 459 Railway Infrastructure projects (189 New Line, 39 Gauge Conversion and 231 Doubling) of total length 46,360 km, costing approx. INR 7.18 Trillion are in planning/approval/construction stage.

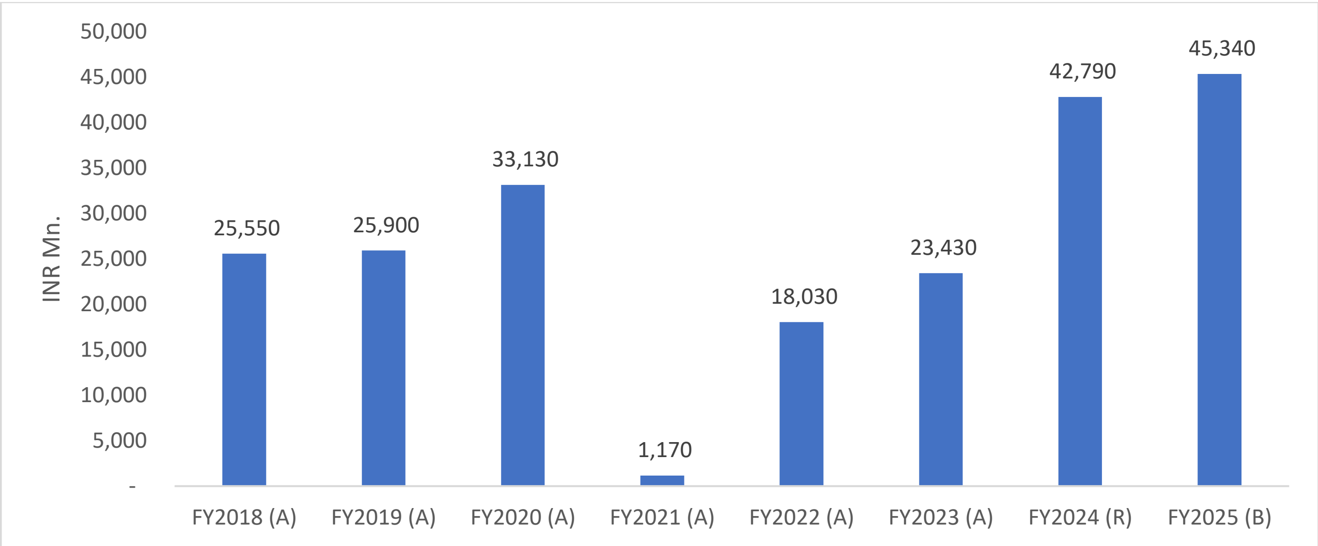
Chart 22: Gauge Conversion (in Kms)



Source: Indian Railway Year Book

A total of INR 2,07,910 Mn planned from FY23 to FY27 under Mission 3000 is allocated in Gauge Conversion across Indian Railways.

Chart 23: Budget and capex in Gauge Conversion



Source: Union Budget, Report of the Committee on Mission 3000 million tonnes

Construction of new railway line are expected to reduce congestion on the existing line of the new rail network by increasing the line capacity. This will reduce the lead time of the trains running via new railway line instead of the existing rail routes.

The savings can be calculated by-

Railway Network Decongestion	=	Increase in average speed on the section or adjacent network	X	Average Lead on network (Km)	X	Value of Passenger Time	-	Value of Time Travel Savings estimated

3.15. Key Challenges Pertaining to Network Congestion

- **High Traffic Volumes**: The Indian Railways network handles an immense volume of passenger and freight traffic. Many mainlines are heavily utilized, with trains operating at or near full capacity. This high demand often leads to bottlenecks, delays, and reduced service reliability.

- **Single-Track Lines**: A significant portion of the rail network still consists of single-track lines, which limits the number of trains that can run concurrently. Single tracks can only accommodate one direction of travel at a time, causing delays when trains in opposite directions need to pass each other.

- **Insufficient Capacity**: Existing tracks and stations often lack the capacity to handle growing traffic. The limited number of tracks and outdated signaling systems result in frequent delays and inefficient use of available infrastructure.

- **Aging Signaling Systems**: Many parts of the network rely on outdated signaling systems that are not equipped to handle the complexities of modern train operations. This can lead to slower train movements, increased risk of accidents, and delays in train scheduling.

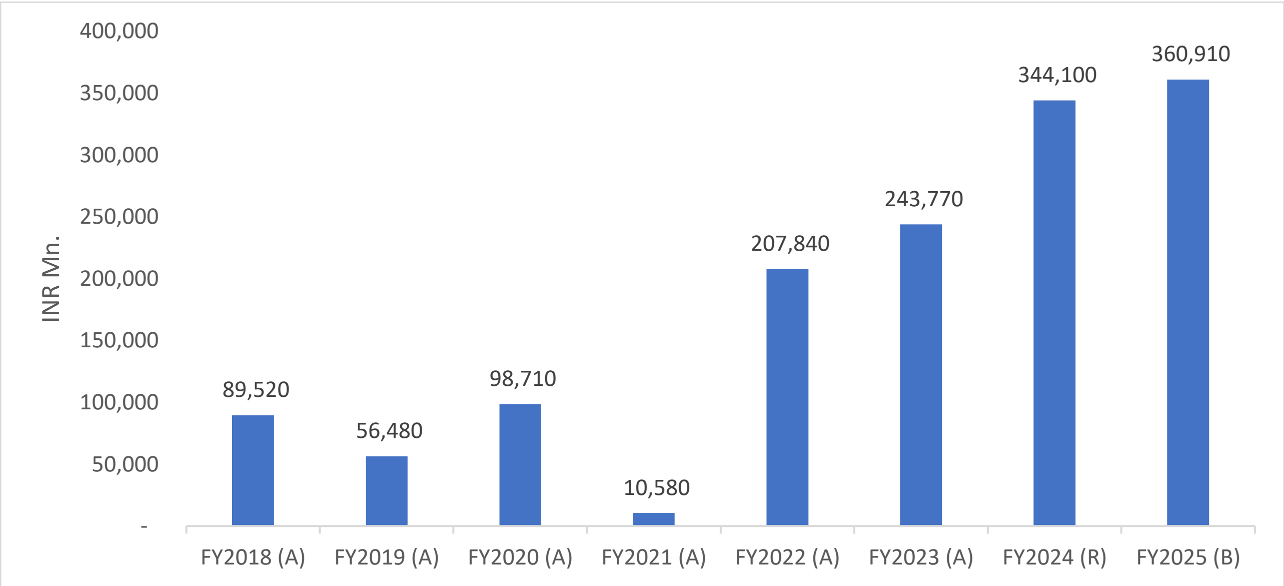
- **Freight and Passenger Mix**: Mainline tracks often serve both freight and passenger services, leading to conflicts between different types of traffic. Freight trains, which usually move slower, can cause delays for faster passenger trains, contributing to overall congestion.

3.16. Increase in Track lane

The expansion and modernization of track lanes in Indian Railways is a critical initiative aimed at enhancing the capacity, efficiency, and safety of the rail network. This strategic effort is essential to meet the growing demand for passenger and freight transportation and to support economic development across the country. Increasing track lanes, particularly through the construction of double, triple, and quadruple tracks, significantly enhances the capacity of the rail network. It allows for more trains to run simultaneously, reducing congestion and improving the frequency of services. Multiple tracks enable smoother and more efficient train operations, minimizing delays and reducing travel time. Track lane expansion is often accompanied by electrification and modernization efforts to improve the overall efficiency and sustainability of the rail network.

A total of INR 1,760.47 Bn planned from FY23 to FY27 under Mission 3000 is allocated in laying of new lines and track renewal across Indian Railways.

Chart 24: Budget and capex in New lines



Source: Union Budget, Report of the Committee on Mission 3000 million tonnes

3.17. Improvement in track and sleeper specification for higher freight carrying capacity

Indian Railways is working to improve track specifications and sleeper designs to accommodate higher freight carrying capacity. These enhancements are essential to support the growing demand for freight transportation, increase efficiency, and ensure safety. The continuous improvement in track and sleeper specifications by Indian Railways is crucial for enhancing the freight carrying capacity of the network. These upgrades ensure safer, more efficient, and reliable freight operations, supporting the economic growth and development of the country. By adopting modern technologies and materials, Indian Railways is well-positioned to meet the increasing demands of freight transportation in the future.

Below is an overview of the key improvements in track specifications and sleeper designs:

Track Specifications

- **Heavy Axle Loads:**
  - **Increased Axle Load Capacity:** Indian Railways has been upgrading tracks to handle higher axle loads, typically from 22.9 tonnes to 25 tonnes and beyond, which allows for the movement of heavier freight trains. Track structure under the higher axle load are subjected to intense stresses, wear and deformation. Hence, the increase in stresses lead to faster deterioration of track and proportional increase in track maintenance. Therefore, for the heavier axle load to run, it is necessary that the safety of infrastructures is ensured as it has to carry passenger traffic also.
  - **Enhanced Rail Sections:** A railway track, also known as a permanent way, is the structure on a railway consisting of the rails, sleepers, fastenings, ballast and the underlying formation.

    The track structures and their components are laid for operation of-
  - High-speed passenger train,
  - 25T axle loads train,
  - Existing loop lines and sidings

The track structure for operation of 25T axle loads train for speeds up to 100 kmph on Indian Railway routes-

Table 10: Specifications of Track components

Track Component	Specifications
Rail	60 Kg or higher section with 110 UTS
Sleeper	25T PSC Sleeper of DFC to Drg No. RT-7008 or Wider PSC Sleeper to Drg No. RT-8527
	Note: Existing PSC sleepers to Drg No. RT-2496 can continue as an interim measure, till renewal, for speed up to 60 kmph.
Rubber pad	10mm CGRSP to RDSO/T-7010
	6.2mm CGRSP to ROSO /T-6618 up to 60 kmph
GFN liner	RDSO/T-6938 & 6939
	RDSO/T-3706 up to 60 kmph
Metal liner	RDSO/T-8616 & 8617
	RDSO/T-3740 up to 60 kmph
Fastening	ERC Mk-V to RT- 5919
	ERC Mk-III to RT-3701 up to 60 kmph
Point & Crossing	Thick-web curved switches & weldable CMS Crossings with 60 Kg 110 UTS rails till new design of Canted turnouts & Weldable CMS Crossings with 60 Kg 110 UTS rails is approved by IR for regular adoption.
	Thick-web curved switches & normal CMS crossings with gapless joints with 60 kg 110 UTS rails can be used on existing 25T routes as an interim measure until renewal.
SEJ	Improved type SEJ with 110 UTS
Ballast	Total 350 mm ballast cushion below sleeper of hard stone machine crushed ballast out of which at least 200 mm shall be clean cushion.
	For existing track having total 300 mm ballast cushion with 150 mm clean cushion, operation of 25T axle load may be permitted at speed up to 60 kmph.
Sub grade and formation	New Formation –

Track Component	Specifications
	(a) Formation should conform to the specifications for 25T Axle Load in Guidelines GE: G-14 (Nov. 2009) and its amendment from time to time. b) Formation width should be 7.85 m for BG Single line & 13.16m for Double line c) Existing formation - Speed potential to be decided based on type of sub grade.

Source: Ministry of Railways

- **Improved Track Geometry:**
  - **Advanced Alignment Techniques:** Employing modern survey and alignment techniques to achieve better track geometry, which ensures smoother and faster train operations.
  - **High-Quality Welding:** Use of flash butt welding and other advanced welding techniques to create seamless tracks that reduce maintenance needs and improve safety.
- **Ballast and Sub-ballast:**
  - **Superior Quality Ballast:** Using high-quality ballast materials that provide better track stability and drainage, essential for heavy freight operations.
  - **Increased Ballast Depth:** Ensuring adequate depth of ballast to support higher axle loads and distribute the load effectively.

Sleeper Specifications-

- **Prestressed Concrete Sleepers (PSC):**
  - **Higher Strength Sleeper Designs:** Introduction of prestressed concrete sleepers designed to withstand higher loads and provide better track stability.
  - **Longer Sleeper Life:** Concrete sleepers have a longer lifespan compared to traditional wooden or steel sleepers, reducing the frequency of replacements and maintenance.
- **Wide Base Sleepers:**
  - **Improved Load Distribution:** Wide base sleepers provide better load distribution across the ballast bed, enhancing track stability under heavy freight loads.
  - **Enhanced Lateral Stability:** These sleepers offer improved lateral stability, reducing the risk of track buckling and ensuring safer operations.
- **Composite Sleepers:**
  - **Alternative Materials:** Use of composite sleepers made from recycled materials that offer comparable strength to concrete sleepers and are more environment friendly.
  - **Resistance to Environmental Factors:** Composite sleepers are resistant to environmental degradation, such as moisture and chemical exposure, ensuring longevity and consistent performance.

Table 11: List of commonly used Sleepers

Component	Drawing No.	Description
Ordinary PSC Sleepers	RT-2495	Prestressed Concrete Sleeper for 52 kg Rail designed for 22.9 t Axle load.
	RT- 2496	Prestressed Concrete Sleeper for 60kg/ 52kg Rail designed for 22.9 t Axle load.
	RT-7008	For 25T axle load for 60kg & 136 RE Rail.
Wider PSC Sleeper	RT-8527	For 25T Axle Load For 136RE & 60kg (UIC) Rails.
	RT-8746	For 25T Axle Load for 60 kg (UIC) / 60E1 & 52 kg RAILS
Slack Gauge Sleeper	RT-4183 to 4186	PSC Sleeper on curve for 60kg UIC running rail and 52 kg check rail
	RT-8621 to 8624	Wider PSC Sleeper on curve for 25T Axle Load For 136 RE / 60Kg UIC Rails.
	RT-5738 to 5740	PSC Sleeper on curve for BG 52 Kg Running Rail and 52KG/90R Check Rail.
Sleeper for LC	RT-4148/4148A	PSC Sleeper for Level Crossing with 60 Kg UIC OR 52 Kg Running Rail and 52 Kg Check Rail.

Component	Drawing No.	Description
	RT-8671	Wider PSC Sleeper for Level Crossing with 60 Kg Running Rail and 52 Kg Check Rail for 25T Axle Load.
Sleeper for SEJ	RT-4149	Prestressed concrete sleeper for switch expansion joint for long welded rails B.G. 52Kg/60Kg UIC.
	RT-8224	PSC Sleeper for Switch Expansion Joint for LWR for 25T Axle Load BG 1676 mm 60KG (UIC).
	RT-8838	Prestressed concrete sleeper for Thick Web Switch Expansion Joint for BG 60 Kg (UIC).
	RT-6253	PSC sleeper for SEJ (with 300 mm max: gap) for BG 60kg (UIC) rail on bridge approaches.
Sleeper for P&C	RT-4786 to 4790	PSC Approach Sleepers FOR 60 Kg (UIC).
	RT-4512	Sleeper No. 1 & 2 are common for 1 in 8.5 & 1 in 12 T/Outs.
	RT- 4793 to 4844	Sleeper No. 3 to 54 for 1 in 8.5 T/out with 6400 mm O.R. curved switch for 90R, 52 Kg & 60 Kg. (RT- 4865) & (RT-6279).
	RT- 4514 to 4594	Sleeper No. 3 to 83 for 1 in 12 T/out with 10125 mm O.R. curved switch for 60 Kg. (RT- 4218) & (RT-6154).
	RT-4512	Sleeper No. 1
	RT-4514 to 4517 &	Sleeper No. 2 to 5 for 1 in 16 T/out 11200 mm O.R. curved switch 60 Kg. (RT-5691)
	RT-5595 to 5690	Sleeper No. 6 to 101 for 1 in 16 T/out 11200 mm O.R. curved switch 60 Kg. (RT-5691)
	RT-4793 to 4806 & RT-6770 to 6775	Sleeper Set for 6400 mm O.R. RH derailing switch B.G. for 52 Kg. (RT-5836) & 60 Kg. (RT- 6068)
	RT-5471 to 5474	Exit Sleepers

Source: Ministry of Railways

Other Technological developments-

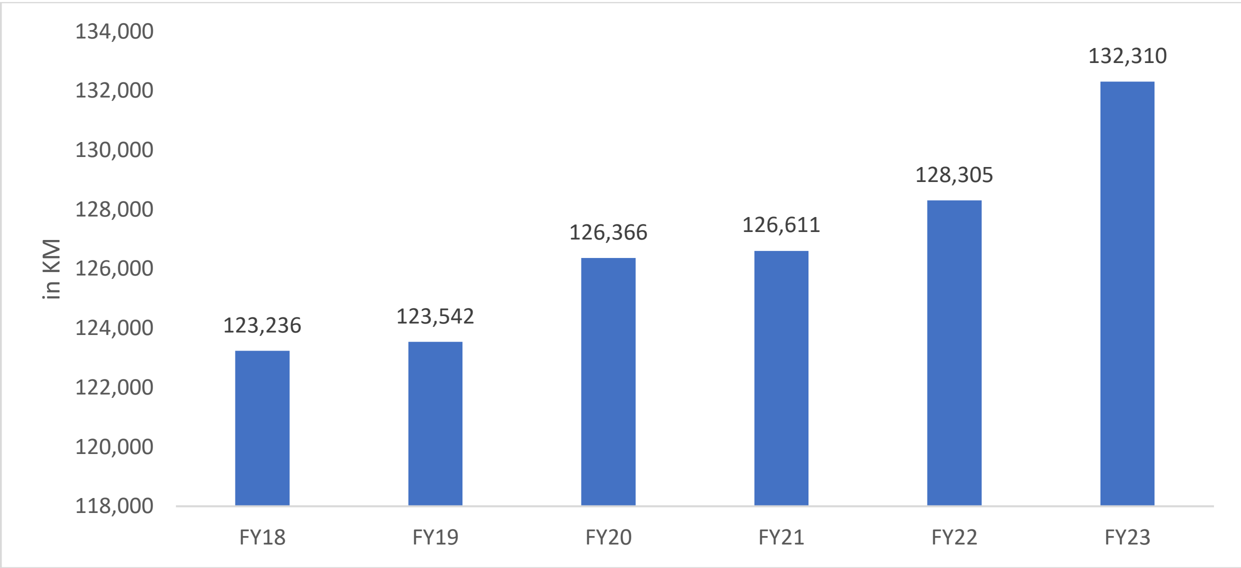
- **Elastic Fastenings:**
  - **Advanced Fastening Systems:** Use of elastic fastenings that provide better track holding and allow for minor movements of the rail, reducing stress and extending the lifespan of the track components.
  - **Noise and Vibration Reduction:** These fastenings help in reducing noise and vibration, contributing to a smoother ride and less track wear.
- **Track Monitoring and Maintenance:**
  - **Automated Inspection Systems:** Deployment of automated track inspection systems that use sensors and imaging technology to detect defects early and schedule timely maintenance.
  - **Predictive Maintenance:** Implementing predictive maintenance practices based on data analytics to prevent track failures and optimize maintenance schedules.

3.18. Trackage (Km)

Indian Railways has an extensive network of tracks spanning a substantial portion of the country. In FY24, Indian Railways has laid 5,100 Kms of new tracks with an average of daily track to be more than 14 Kms per day.

The Indian railway sector has seen multiple developments in the last decade such as expansion of metro rail network, introduction of high-speed trains, modernization of railway stations etc. For the next four to five years, India Railways has set out massive network expansion and decongestion targets. When new lines are constructed they are required to meet standards and specifications in relation to speed, safety and comfort which calls for adoption of precise defined techniques and standards. The construction of a modern railway track requires advanced technology using state of the art equipment. To address to this requirements, Indian Railways is moving towards mechanized track construction. Project like Delhi- Chennai route and Mumbai- Howrah route under Dedicated Freight Corridor used mechanized track construction technique which adds up to 10,122 km of track.

Chart 25: Trackage in Km in Indian Railways



Source: Ministry of Railways

As per National Rail Plan (NRP), capital investment in rail track infrastructure, is estimated to be approx. INR 24 Trillion till CY51 out of which 28% of it is for core track infrastructure, 10% for Dedicated Freight Corridor (DFC) and 62% for High Speed Rail (HSR).

3.19. Key Challenges in Passenger Segment

The passenger segment of Indian Railways faces several key challenges that impact service quality, efficiency, and customer satisfaction. Here are detailed pointers on these challenges:

- Overcrowding-
- Lack of Modern Amenities
- Safety and Security Concerns
- Punctuality and Delays
- Accessibility Issues
- Integration with Other Transport Modes

3.20. Key Challenges in Freight Segment

- Operational Inefficiencies
- Lack of Assured Transit Time
- Inadequate Rake Supply

3.21. PM Gati Shakti Terminals and Freight Movement

PM Gati Shakti - National Master Plan for Multi-modal Connectivity is a digital platform to bring ministries including railways and roadways together for integrated planning and coordinated implementation of infrastructure connectivity projects. The multi-modal connectivity will provide integrated and seamless connectivity for movement of people, goods and services from one mode of transport to another. It will facilitate the last mile connectivity of infrastructure and also reduce travel time for people. The estimated outlay under the program is INR 100 Trillion and it aims to reduce logistics cost and enhance export competitiveness of the country.

Indian Railways have set up a separate directorate within the Railway Board to prioritize projects under the PM Gati Shakti scheme. Further, in order to boost investments from industry in development of additional terminals for handling rail cargos, a new 'Gati Shakti Multi-modal Cargo Terminal (GCT)' policy has been framed. All new as well as under-construction/under-approval cargo terminals shall be covered under this policy. The policy seeks to promote proliferation of new cargo terminals and improve existing Cargo Terminals through investments from industry to accelerate the growth in Railways' cargo traffic. Union Budget FY22-23 has announced the target to set up 100 GCTs within the next three financial years and 15 GCTs have been commissioned till date.

The rail freight sector in India is a critical backbone for numerous key industries, facilitating the efficient transportation of bulk goods across vast distances. Key industries relying heavily on rail freight include coal, steel, cement, and agricultural products.

3.22. Share of Freight Movements by Mode

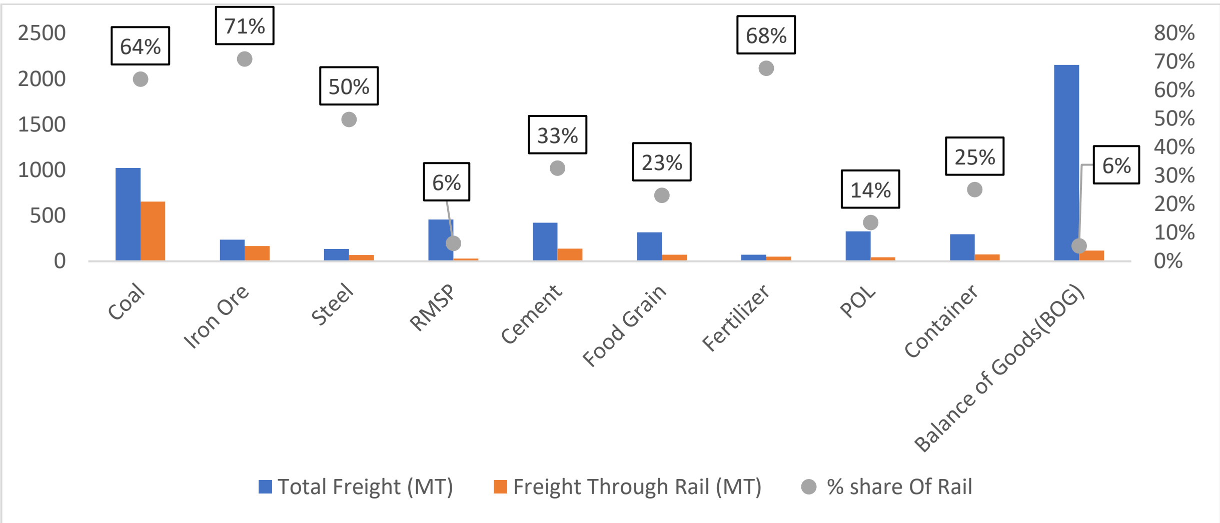
India's overall logistic industry generates about 4,500-5,000 MT of Cargo annually by handling over 10,000 types of diverse products. The Indian logistic industry has been witnessing rapid growth supported by high economic growth coupled with the rising population and improved standards of living. With rising income levels, higher exports, and rapidly growing e-commerce and retail markets, the demand for goods movement is expected to increase five-fold by FY50. This will spur growth across all the freight modes.

3.23. Share of Rail Mode in Domestic Freight

India being a large subcontinent, efficient and low-cost transportation of minerals, food grains, and industrial goods is vital for economic growth. Rail mode is one of such effective freight modes. It offers cost-effectiveness, reliability, and faster transit time and supports environmental factors such as carbon emissions.

Over the last seven decades, (from FY51 to FY22), India's logistics market has grown manifold by almost 55 times, whereas in comparison, Rail Cargo has grown only by about 20 times. The current level of rail market share is about 26-28%, which showcases substantially slower growth in rail freight. The Indian Railways has made sustained efforts to improve the ease of doing business and enhance service delivery at competitive prices, resulting in new traffic coming to railways from both conventional and non-conventional commodity streams.

Chart 26: Railway's Current Share in Freight Movement – Commodity-Wise (as on FY22)



Source: Ministry of Railways, Report of the Committee on Mission 3000 million tonnes

Further, in rail freight volumes, there is a significant dependency on coal, iron ore/steel, cement, food grain, and POL & fertilizer, contributing almost 74% of railway freight volume. These commodities have witnessed slower growth in the past few years and are likely to grow at the same pace in the future vis-à-vis overall growth of the logistics sector, owing to factors like the emergence of renewable energy, rise in pithead-based power plants, pipeline-based POL movement, modal shift to the road, etc. Railway's share in the transport of other goods such as stone, bauxite, finished metals, zinc, manganese, agricultural produce, fodder, edible oil, ashes, gypsum, sugar, salt, sand, de-oiled cake, chemicals, dolomite, limestone, slag, timber, concrete product, etc., was 6% in FY22. This is severely limiting the railways' growth potential in the freight segment.

As of FY22, the Indian Railways has a total route length of about 68,043 km. To improve the share of freight traffic by rail, it is essential to strengthen the rail network and build efficient warehouses. In FY20, the Indian Railways established a 'National Rail Plan (NRP) for India – CY30'. This plan is aimed at formulating strategies based on both operational capacities and commercial policy initiatives to increase the modal share of the railways in freight to 45% by FY30.

Accordingly, a pipeline of capacity enhancement works was envisaged for easing the bottlenecks/constraints and augmenting the network to make it capable of moving 3,600 MT cargo by FY30. For which, 'Mission 3000MT' has been formulated as an intermediate milestone towards achieving the aforesaid ambitious target of NRP. Details of the aforementioned plans are provided in Section 4.

Through NRP, Indian Railway is striving to achieve a modal share of 45% through a combination of capacity enhancement works and lowering of cost to customers by FY30.

3.24. Outlook for Modal Share and Volume Growth of Railways in Freight Transport

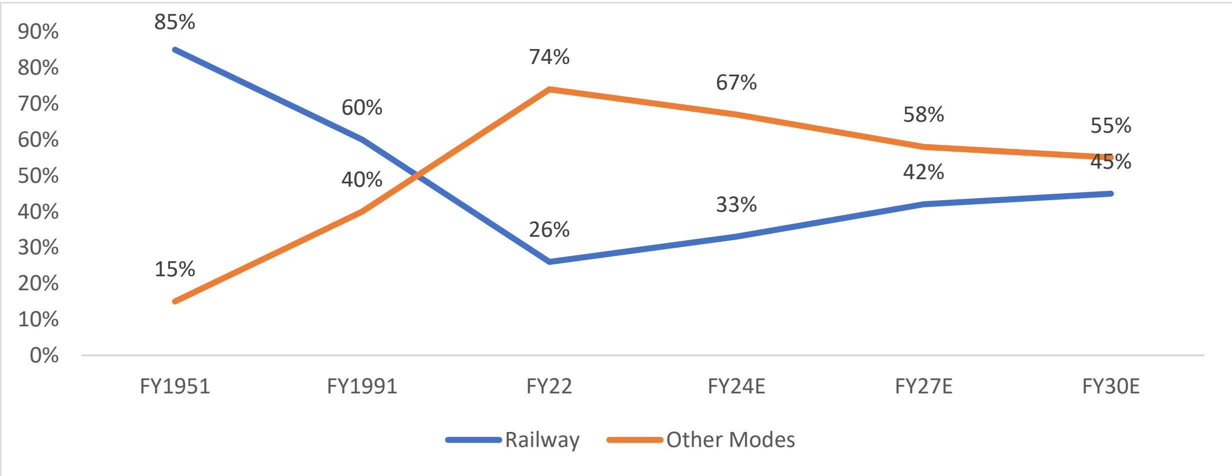
Indian Railways has prepared a National Rail Plan (NRP) for India – CY30 which envisages creation of a 'future ready' railway system by CY30. NRP aims to increase modal share of the Indian Railways in freight to 45% by FY30 from the current 26% by augmenting the freight volumes from 1,418 million tonnes in FY22 to 3,600 million tonnes by FY31, implying a CAGR of 11%. The objective of the Plan is to create capacity ahead of demand, which in turn would also cater to future growth in demand up to FY50.

Table 12:Share of Railways in Total Freight Movement (FY17-18)

Mode	Tonnes (Millions)	Share (%)
Rail	1162.72	26%
Road	2911.76	65%
Coastal Shipping	234	5%
IWT	72	2%
Pipeline	84	2%
Total	4464.48	100%

Source: National Rail Plan

Chart 27: Modal Share of Railways vs. Other Modes in Freight Transport



Source: Ministry of Railways, National Rail Plan

Driven by the measures mentioned in the above, India Railways share across commodity basket is expected to improve significantly which will lead to robust growth in freight volumes. The railway freight volumes are expected to reach 3,000 MT by FY27 and 3,600 MT by FY30.

India Railways' share across commodity basket is expected to improve significantly, which will lead to robust growth in freight volumes.

3.25. Benefits of Freight movements by railways

Freight movement by railways offers numerous benefits, including:

Cost Efficiency:

- **Lower Transportation Costs:** Rail transport is often more cost-effective than road transport, especially for long distances and bulk goods. The cost of freight movement by rail is less than half of that by road for comparable loads.

- **Economies of Scale:** Railways can move large quantities of goods in a single trip, reducing per-unit transportation costs. As railways expand their networks or increase the volume of their operations, they can achieve greater efficiency through the optimized use of resources, such as rolling stock, infrastructure, and labor.

Environmental Benefits:

- Railways offer significant environmental benefits compared to other modes of transportation. They are more energy-efficient and produce lower greenhouse gas emissions per passenger kilometer, making them a greener alternative to road and air travel. The efficiency of rail transport also helps decrease road congestion and the associated pollution from idling vehicles. Furthermore, the construction and operation of railways can contribute to the preservation of natural landscapes by providing a more sustainable transport option that minimizes the need for extensive road networks. Overall, railways play a crucial role in promoting environmental sustainability and reducing the ecological impact of transportation.

Safety and Reliability:

- Safety and reliability are paramount in railway operations, given the potential risks associated with high-speed travel and the extensive infrastructure involved. Ensuring safety involves rigorous adherence to standards and regulations, comprehensive training for personnel, and regular maintenance of both rolling stock and track infrastructure. Advanced safety systems, such as signaling and communication technologies, play a crucial role in preventing accidents and ensuring the safe operation of trains.

- KAVACH- KAVACH is an advanced train protection system implemented by Indian Railways to enhance safety on its network. It is designed to prevent train accidents by providing real-time alerts and automatic braking in case of potential collisions or over speeding. The system uses a combination of radio communication and signal-based technology to monitor train movements and track conditions.

Reduced Road Congestion:

- The introduction and expansion of railway systems can significantly reduce road congestion by providing a viable alternative for the transportation of people and goods. By shifting a substantial portion of travel from roadways to railways, the number of vehicles on the roads decreases, leading to smoother traffic flow and less frequent bottlenecks. Railways efficiently handle high volumes of passengers and freight, alleviating the pressure on road networks that would otherwise be congested with cars, trucks, and buses. This shift not only enhances the efficiency of the transportation system but also contributes to reduced air pollution and lower fuel consumption. Consequently, the increased use of railways can lead to more organized and less congested roadways, improving overall mobility and quality of life for commuters. Railways can bypass urban areas, reducing traffic and pollution in cities.

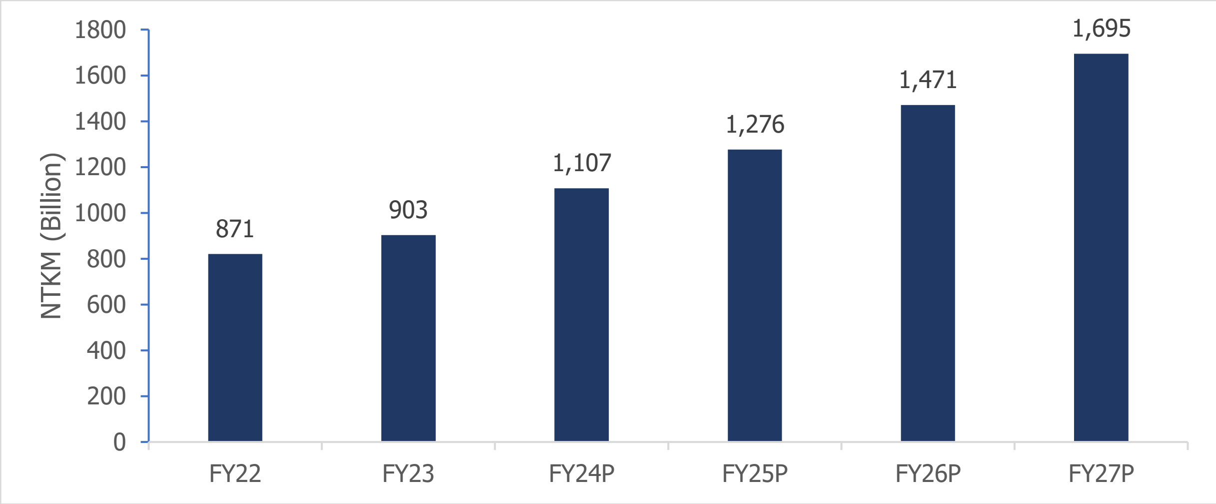
Intermodal Connectivity:

- Railways can be integrated with other modes of transport, such as ports and trucks, providing a seamless logistics solution. Intermodal connectivity in railway systems refers to the integration of different modes of transportation to create a seamless and efficient logistics network. This involves linking rail transport with other transport modes, such as road, sea, and air, to facilitate the smooth transfer of goods and passengers across various segments of their journey. Effective intermodal connectivity enhances operational efficiency by allowing for optimized routing, reduced transit times, and cost savings through combined transport solutions. It also improves accessibility and convenience for users by providing multiple transportation options within a single, coordinated system. Key components of successful intermodal connectivity include strategically located intermodal terminals, synchronized scheduling, and advanced logistics management systems that enable easy transfer and coordination between different transport modes. This integration is crucial for achieving comprehensive supply chain solutions and supporting sustainable and resilient transportation networks.

3.26. Projected increase in Freight and Passenger Traffic

Under the NRP, the railway’s share in freight transport is expected to increase to 45% by FY30 from existing 26%. This implies that the total freight transported by Indian Railways will increase to 3,000 million tonnes by FY27 and 3,600 million tonnes by FY30 from 1,509 million tonnes in FY23. Further, railway freight traffic measured in Net Tonne Kilometers (NTKM) is expected to double to 1,695 billion NKTM by FY27 from 871 billion NKTM in FY22.

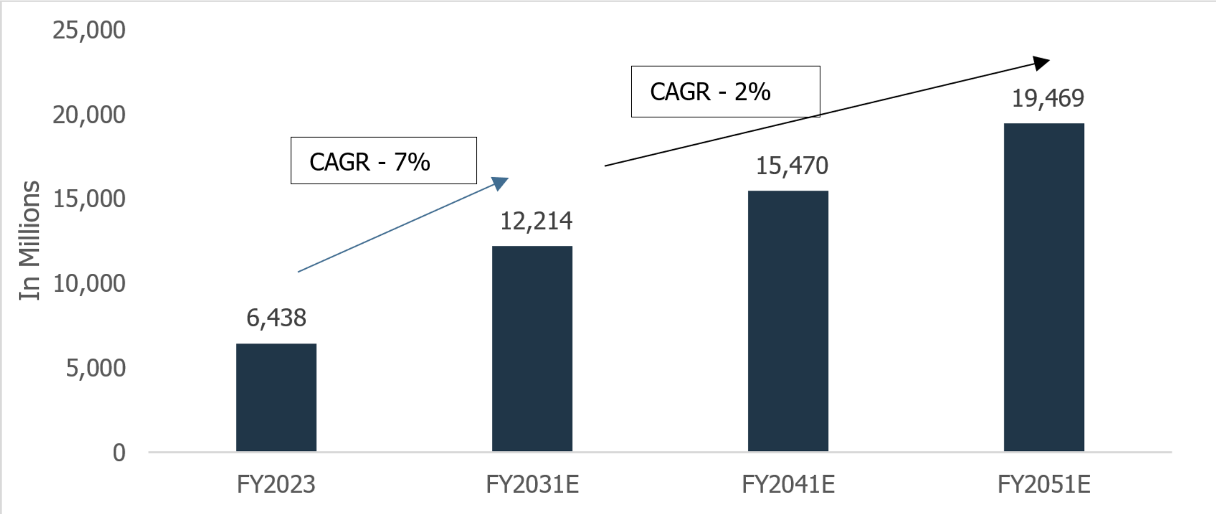
Chart 28: Trend in Indian Railway Freight Traffic



Source: Indian Railways, Report of the Committee on Mission 3000 million tonnes

The passenger traffic is expected to grow at a CAGR of 7% between FY23 and FY31 driven by population growth and growing workforce.

Chart 29: Projected Growth in Passenger Traffic

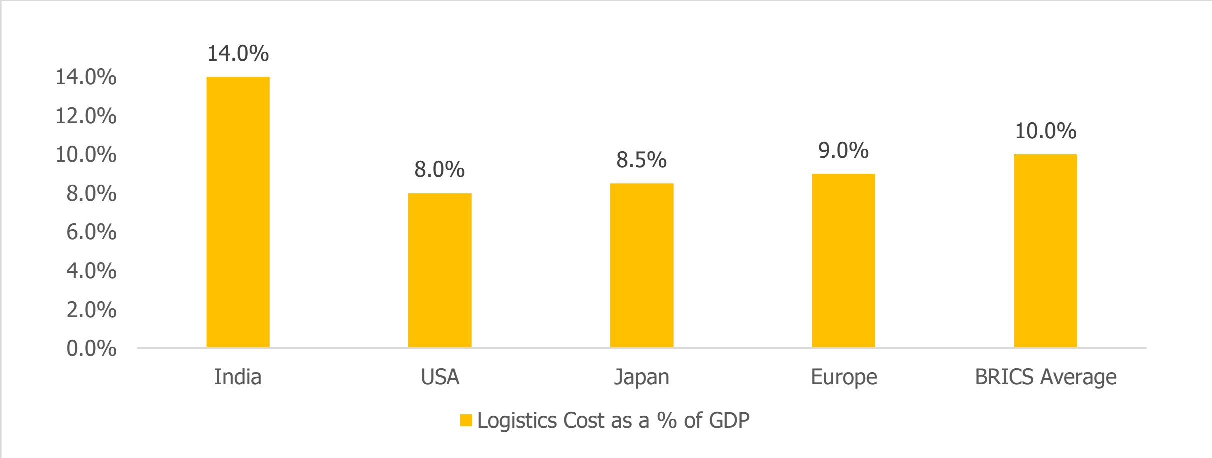


Source: Indian Railways, National Railway Plan

3.27. Increase in Logistic Capacity in MMT

The government is also concentrating its policies to improve efficiency and reduce cost of freight movement in the country. Currently, logistics cost in India accounts for 14% of the GDP, which is significantly higher compared to some of the developed nations where it ranges between 8-10%. The chart below shows the comparison of share of logistics cost in GDP of India vs. developed economies.

Chart 30: Logistics Cost as a share of GDP



Source: Ministry of Railways, Report of the Committee on Mission 3000 million tonnes, Industry Sources

Logistics industry connects other industries to domestic and international markets, it affects the efficiency of the manufacturing global value chains, and competitiveness of a country's economy within these value chains. Higher cost of logistics adversely affects the global competitiveness of the industry and consequently hampers the overall economic prosperity of the nation. The Indian Government is focusing on means to reduce the logistics cost to developed economies average of 8-10%. India being a large subcontinent, efficient and low-cost transportation of minerals, food grains, industrial goods, export consignments etc. to and from interiors is vital for its healthy, evenly spread and balanced economic growth.

Indian Railways has multiple benefits including cost effectiveness, reliability, faster transit time and environmental factors such as carbon emission etc. and can play a key role in reducing the logistics cost in the country. Further, under the National Rail Plan (NRP), it is envisaged that the average speed of freight trains will be increased to 50 kmph from existing 25 kmph, dedicated freight sub-network will be operationalized and the tariff shall be reduced by 30% to enable railways to achieve share of 45% in freight transport.

Railways will also play a key role in India's commitment towards mitigating the threat of climate change. CO_2 emissions from freight transport are projected to increase by 451% from 220 million tonnes in FY20 to 1,214 million tonnes in FY50. Currently, road freight is the biggest contributor to these emissions, responsible for 95% of CO_2 emissions from freight transport. India has updated its Nationally Determined Contribution (NDC)[1] to the United Nations Framework Convention on Climate Change (UNFCCC) under which India now stands committed to reduce Emissions Intensity[2] of its GDP by 45% by CY30, from CY05 level. Further, India has pledged to cut its net CO_2 emission to zero by CY70 at the UN Climate Change Conference held in Glasgow, UK in November 2021. As railways is an environment-friendly mode of transport, increasing share of Indian Railways in freight is essential for India to achieve its commitment towards net-zero target.

Various initiatives and schemes have been announced by the Government to reduce logistics cost through increase in railway's share in freight, increase the speed and quality of passenger travel etc. which will go a long way in achieving the overall economic growth objective. These policies are expected to significantly augment the railway infrastructure and will drive the growth of the domestic railway infrastructure industry. Some of the key policies are detailed below.

- **National Rail Plan**

  Indian Railways has prepared a National Rail Plan (NRP) for India –FY30 which envisages creation of a 'future ready' railway system by FY30. NRP aims to increase modal share of the Indian Railways in freight to 45% by 2030 from the current 26% by augmenting the freight volumes from 1,418 million tonnes in FY22 to 3,600 million tonnes by FY31, implying a CAGR of 11%. The objective of the Plan is to create capacity ahead of demand, which in turn would also cater to future growth in demand up to 2050.

  Following are the key objectives of National Railway Plan:

[1] NDC is a climate action plan to cut emissions and adapt to climate impacts. Each Party to the Paris Agreement, adopted at the 2015 United Nations Climate Change Conference, is required to establish an NDC and update it every five years.

[2] The total amount of greenhouse gas emissions emitted for every unit of GDP

- Formulate strategies based on both operational capacities and commercial policy initiatives to increase modal share of the Railways in freight to 45% by FY30
- Reduce transit time of freight substantially by increasing average speed of freight trains to 50Kmph
- As part of the National Rail Plan, Vision 2024 has been launched for accelerated implementation of certain critical projects by CY24 such as 100% electrification, multi-tracking of congested routes, upgradation of speed to 160 kmph on Delhi-Howrah and Delhi-Mumbai routes, upgradation of speed to 130kmph on all other Golden Quadrilateral-Golden Diagonal (GQ/GD) routes and elimination of all Level Crossings on all GQ/GD route.
- Identify new Dedicated Freight Corridors.
- Identify new High-Speed Rail Corridors.
- Assess rolling stock requirement for passenger traffic as well as wagon requirement for freight.
- Assess Locomotive requirement to meet twin objectives of 100% electrification (Green Energy) and increasing freight modal share.
- Assess the total investment in capital that would be required along with a periodical break up
- Sustained involvement of the Private Sector in areas like operations and ownership of rolling stock, development of freight and passenger terminals, development/operations of track infrastructure etc.

Under the NRP, enablement of Logistics Service Provider (LSPs) and provision of end to end services has been considered as an enabler for rail modal share in India. LSPs can consolidate freight and provide single point of coordination as well as add on services to such customers. LSPs can also issue suitable documentation (negotiable instruments) and requisition rakes for mixed cargo needs, apart from providing first/last mile services through other service providers.

- **National Logistics Policy (NLP)**

The National Logistics Policy 2022 was launched in September 2022 with the aim to develop technologically enabled, integrated, cost efficient, resilient, sustainable and trusted logistics ecosystem in the country for accelerated growth.

The key objectives are-

- To promote inter-modality and multi- modality by integrating processes, digital systems and policies.
- To promote and ensure optimal utilization of logistics infrastructure across the country through synergy.
- To standardize physical assets, processes, taxonomy and quality service standards across the logistic sector.
- To promote adoption of information technology, upgraded infrastructure, automations, green logistics etc. to facilitate integration with global value chain.
- To reduce fragmentation in the sector and promote mainstream logistics in higher education, upskilling of current work force.
- To promote inclusivity by addressing needs of logistics supply and encourage public- private participation.

Targets of NLP-

- To reduce cost of logistics in India to be comparable to global benchmarks by CY30
- To improve the Logistics Performance Index ranking - endeavor is to be among top 25 countries by CY30

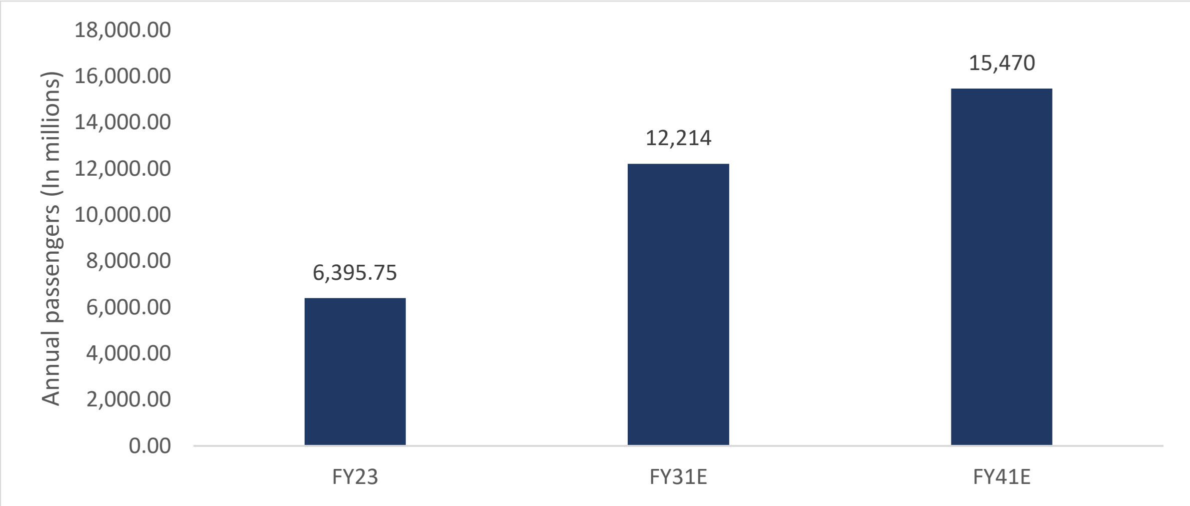
To create data driven decision support mechanism for an efficient logistics ecosystem.

3.28. Passenger Railways- Current status and requirement for growth to meet demand

The passenger traffic is broadly divided into 3 broad categories: suburban, non-suburban and sleeper class.

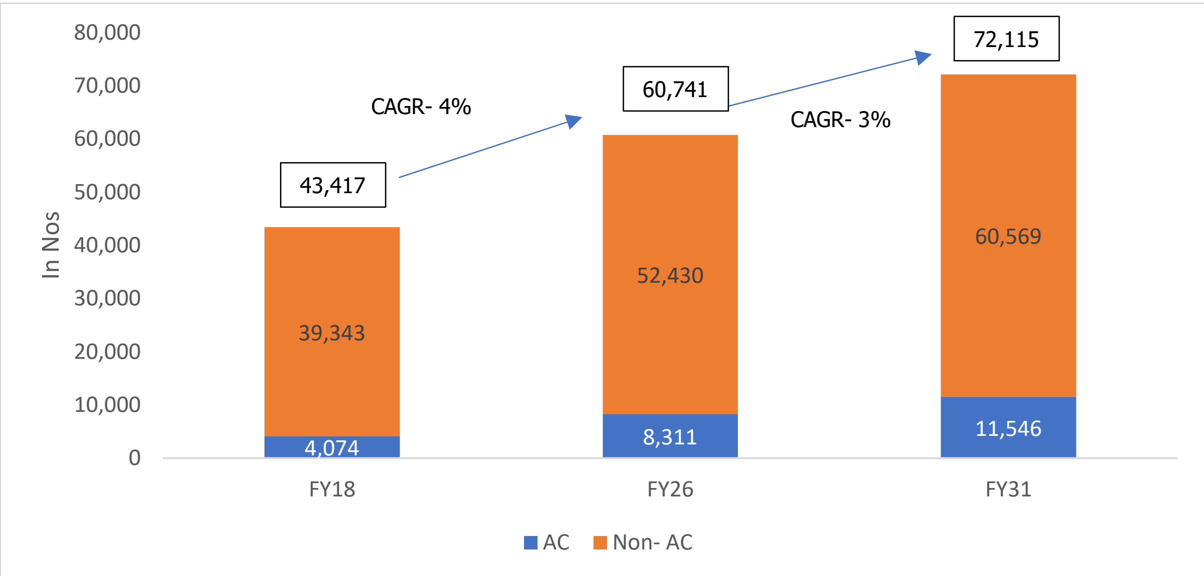
As per NRP, the passenger traffic is expected to grow at a CAGR of 2.62% from FY26 to FY31 and a CAGR of 2.34% from FY31 to FY41.

Chart 31: Projected Growth in Passenger Traffic



Source: Indian Railways, National Railway Plan

Chart 32: Forecast of Indian Railway Coaches Requirement



Source: Indian Railways, NRP

Indian Railways is expected to procure 8,000-9,000 incremental passenger coaches (AC and non-AC) between FY22 and FY26, representing a market opportunity of INR 150-180 Billion.

3.29. Recent Railway Capex Plan and its breakup

To address the supply side issues, the Indian Railways is expanding its track network as well as other railway infrastructure such as well as the rolling stock to be well equipped to handle the increase in freight volumes. Total capital expenditure of INR 8.45 Trillion has been earmarked over FY23-27 under Mission 3000 MT to address the capacity constraints.

Table 13: Projected Capex under Mission 3000 MT(INR Billion)

Sr No.	Works	Total Capex	Year wise Capex				
			FY23	FY24	FY25	FY26	FY27
1	Doubling (DL)	2,130.68	319.6	319.6	532.67	532.67	426.14
2	New Line (NL)	1,760.47	264.07	264.07	440.12	440.12	352.09

Sr No.	Works	Total Capex	Year wise Capex				
			FY23	FY24	FY25	FY26	FY27
3	Gauge Conversion (GC)	207.91	31.19	31.19	51.98	51.98	41.58
4	Traffic facility and yard remodeling work	241.72	36.26	36.26	60.43	60.43	48.34
5	Last mile connectivity to Mining, Ports, Industrial Hubs etc.	220.1	33.02	33.02	55.03	55.03	44.02
6	Automatic Signaling	130.45	19.57	19.57	32.61	32.61	26.09
7	Upgradation to 2 X25KV	1,51.83	22.77	22.77	37.96	37.96	30.37
8	25T axle load	102.13	15.32	15.32	25.53	25.53	20.43
9	Multi-tracking (Doubling, 3rd / 4th/ 5th Line)	1,647.43	247.11	247.11	411.86	411.86	329.49
10	Transmission lines	108.33	16.25	16.25	27.08	27.08	21.67
11	Wagons	701.42	105.21	105.21	175.36	175.36	140.28
12	Locomotive	1,052.1	157.82	157.82	263.03	263.03	210.42
	Total	**8,454.58**	**1,268.19**	**1,268.19**	**2,113.64**	**2,113.64**	**1,690.92**

Source: Ministry of Railways, Report of the Committee on Mission 3000 million tonnes

Indian Railways proposes to increase procurement of locomotives and rolling stock to gear up for handling higher freight volumes. It also proposes to augment the maintenance infrastructure, increase reliability of the existing wagons by changing certain parts, create material handling infrastructure, improve wagon turnaround time, reduce pre-departure detention of crew (PDD), increase deployment of end-of-train telemetry (EoTT)[3] and strengthen IT infrastructure for maintenance. Further, Dedicated Freight Corridor (DFC) network is being implemented exclusively for freight trains to address the issue of delays and reliability which are currently faced by customers using railways for freight transportation. This will also enable increase in speed of cargo trains from existing 25 kmph to upwards of 50-65 kmph.

3.30. Indian Railway Funding breakup

Railways' capital expenditure encompasses investments in building new lines, acquiring wagons, doubling existing tracks, and renewing infrastructure. For the fiscal year FY23-24, the Railways' capital expenditure is projected to reach INR 2.6 Trillion, marking a 6% rise compared to the previous year. The proportion of capital expenditure within the Railways' total expenditure has been steadily growing in recent years, even with a modest revenue surplus. This increase has been supported by budgetary allocations from the central government as well as additional resources outside the budget.

Table 14: Capital Expenditure (INR Billion)

	FY22	FY23	FY24
Gross budgetary support	1,172.76	1,593	2,402
Extra budgetary resources	710.66	817	170
Internal resources	19.25	43	30
Total	**1,902.67**	**2,453**	**2,602**

Source: Maia Research, CareEdge Research

3.31. Network congestion on the mainline Indian Railways

Network congestion on the mainline Indian Railways network poses significant challenges that impact operational efficiency, safety, and passenger satisfaction. Several key issues contribute to this congestion, and the outdated infrastructure exacerbates these problems, underscoring the urgent need for modernization. Addressing these challenges through targeted investments and comprehensive upgrades is vital for improving the efficiency and reliability of the Indian Railways network. By modernizing infrastructure and expanding capacity, Indian Railways can better manage congestion, reduce delays, and provide a more effective transportation service to meet the demands of a growing economy and population.

[3] EoTT establishes communication between the locomotive and last wagon of train and ensures that train is running with all coaches/wagons.

Urgent Need for Infrastructure Upgradation

- **Doubling and Electrification of Tracks**: Upgrading from single-track to double-track lines can alleviate congestion by allowing trains to travel in both directions simultaneously

- **Modernizing Signaling Systems**: Implementing advanced signaling technologies, such as automated train control systems and real-time tracking, can improve the flow of train operations and enhance safety. These systems enable better management of train movements and reduce delays.

- **Expanding Capacity**: Increasing the number of tracks and expanding station facilities are essential to accommodate rising traffic volumes. This includes constructing additional platforms, expanding station amenities, and improving loading and unloading facilities.

- **Dedicated Freight Corridors**: Establishing dedicated freight corridors can separate freight traffic from passenger trains, reducing congestion on mainline routes. This allows passenger trains to operate more efficiently and with fewer delays.

- **Upgrading Stations**: Modernizing stations to handle larger volumes of passengers and improve operational efficiency is critical. This includes enhancing infrastructure, improving accessibility, and incorporating technology to streamline operations.

- **Enhanced Maintenance Practices**: Regular and proactive maintenance of tracks, signaling systems, and other infrastructure components is necessary to prevent breakdowns and ensure smooth operations.

4. Overview of key government schemes in Railway sectors

4.1. PM Gati Shakti – National Master Plan for Multi Modal Connectivity

PM Gati Shakti - National Master Plan for Multi-modal Connectivity is a digital platform to bring ministries including railways and roadways together for integrated planning and coordinated implementation of infrastructure connectivity projects. The multi-modal connectivity will provide integrated and seamless connectivity for movement of people, goods and services from one mode of transport to another. It will facilitate the last mile connectivity of infrastructure and also reduce travel time for people. The estimated outlay under the program is INR 100 Trillion and it aims to reduce logistics cost and enhance export competitiveness of the country.

Indian Railways have set up a separate directorate within the Railway Board to prioritize projects under the PM Gati Shakti scheme. Further, in order to boost investments from industry in development of additional terminals for handling rail cargos, a new 'Gati Shakti Multi-modal Cargo Terminal (GCT)' policy has been framed. All new as well as under-construction/under-approval cargo terminals shall be covered under this policy. The policy seeks to promote proliferation of new cargo terminals and improve existing Cargo Terminals through investments from industry to accelerate the growth in Railways' cargo traffic. Union Budget FY22-23 has announced the target to set up 100 GCTs within the next three financial years and 15 GCTs have been commissioned till date.

Table 15: New Projects sanctioned under PM Gati Shakti

Sr. No	Name of Section for doubling stretch	Length in (kms.)	Estimates cost (INR Million)	State
1	Ajmer-Chanderiya	178.28	18,132.8	Rajasthan
2	Jaipur-Sawai Madhopur	131.27	12,685.7	Rajasthan
3	Luni-Samdari-Bhildi	271.97	35,309.2	Gujarat & Rajasthan
4	Agthori-Kamakhya with new Rail cum Road Bridge	7.062	16,503.7	Assam
5	Lumding-Furkating	140	23,338.4	Assam & Nagaland
6	Motumari-Vishnupuram and	88.81	17,462	Telangana & Andhra Pradesh
	Rail over Rail at Motumari	10.87		

Source: PIB

4.2. Dedicated Freight Corridor (DFC)

Dedicated Freight Corridor is broad-gauge high-capacity railway corridor under construction by the Indian Railways that is exclusively meant for the transportation of goods and commodities. If was conceptualized in around CY05 with an aim to increase share of railways in total domestic freight transportation and Dedicated Freight Corridor Corporation of India

(DFCCIL) was set up to undertake planning & development, mobilization of financial resources, construction, operation & maintenance, and business development of the dedicated freight corridors. The main objectives of DFCCIL are as below:

- Decongest the existing Indian Railway network.
- Increase the average speed of goods trains from existing 25 to 70 kmph.
- Run Heavy Haul trains (higher axle load of 25/32.5 Tonne) & overall load of 13,000 Tonne.
- Facilitate the running of longer (1.5km) and double stack container trains.
- Connect the existing ports and industrial areas for faster movement of goods.
- Energy efficient and environment friendly rail transport system as per global standards.
- Increase the rail share for DFC from existing 30% to 45%
- Reduce the logistic cost of transportation

Key features of the DFCs include double speeds, higher load carrying capacity, and double stacking capability.

Table 16: Railway Infrastructure – Key Segments

Design Feature	Indian Railway	DFC
Height	4.265m	5.1m/7.1 m
Width	3,200 mm	3,600 mm
Train Length	700 m	700m/1500m
Train Load	5,400 tonnes	12,000 tonnes
Axel Load	22.9 tonnes	25 tonnes track structure; Bridges and formation designed for 32.5 tonnes
Average Speed	25 kmph	>65 kmph
Traction	Electrical (25 Kv)	Electrical (2*25kv)
Signaling	Absolute/automatic with 1 Km spacing	Automatic with 2 Km spacing in automatic territory

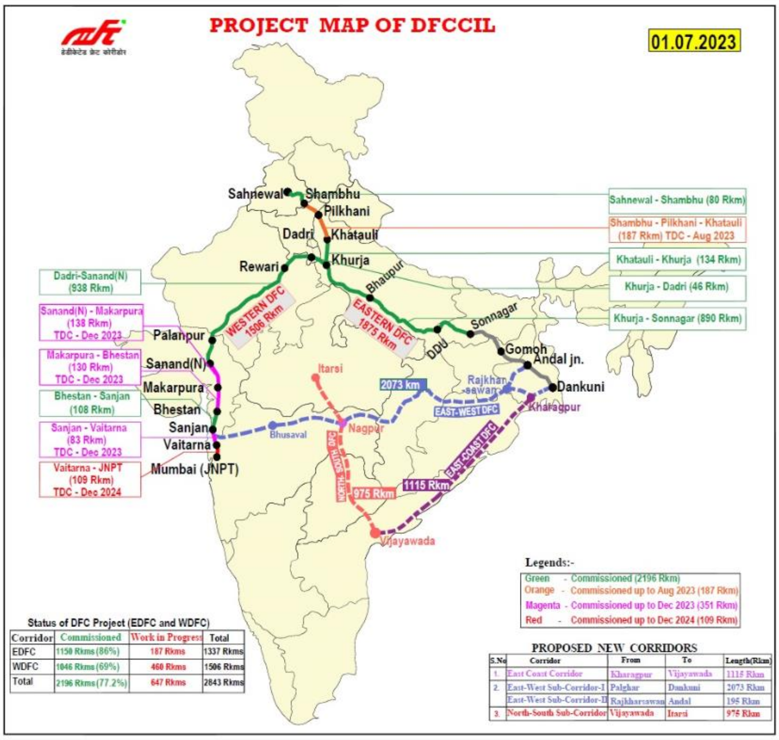
Source: Dedicated Freight Corridor Corporation of India

DFCs are proposed to use state-of-the art technology including the below:

- Heavy and long-Haul train operation of 25 Axle ton with having provision of 32.5 Ton axle load for the First time in India.
- Double stack containers in Western DFC
- Double line electric (2 X 25 KV) track to undertake higher haulage at higher speeds
- Automated New Track Construction (NTC) machine which can lay track at the speed of 1.5 km per day.
- Automated Wiring train for Overhead Equipment Work (OHE) capable of wiring up to 3 km per shift.
- Train Protection and Warning System (TPWS) for safe and efficient operation
- Elimination of road level crossing
- Developing Multi Modal Logistic Hubs and integration with Delhi-Mumbai Industrial Corridor & Amritsar-Kolkata Industrial corridor.

There are currently 2 DFCs in India - the Western and Eastern freight corridors spanning 3,360 Km. The Western DFC connects Dadri in Uttar Pradesh to Jawaharlal Nehru Port (JNPT) in Mumbai, and Eastern DFC connects Ludhiana in Punjab to Dankuni in West Bengal. Out of 2,843 Km (except Sonnagar- Dankuni section) approximately 2,120 km of lines have already been commissioned under the DFC as on August 2023. Further three corridors – the East Coast Corridor, East-West Corridor, and North-South Corridor are under planning.

Chart 33: Dedicated Freight Corridor in India



Source: Invest India

Table 17: Traffic Flows on Eastern Corridor (MTPA)

Eastern	CY20	CY21	CY22	CY23	CY24
Container	7.2	7.8	8.5	9.2	10.0
Coal	110.5	114.9	119.5	124.3	128.3
Cement	10.8	11.7	12.6	13.6	14.6
Steel	13.7	14.8	15.9	17.2	18.5
MISC	22.6	23.3	24.0	24.7	25.4

Source: Dedicated Freight Corridor Corporation of India

Table 18: Traffic Flows on Western Corridor (MTPA)

Western	CY20	CY21	CY22	CY23	CY24
Container	54.3	59.2	64.6	70.5	76.4
Coal	23.3	24.2	25.2	26.2	27.0
Cement	7.3	7.9	8.5	9.2	9.9
Steel	1.9	2.0	2.2	2.3	2.5
MISC	7.0	7.2	7.4	7.7	7.9

Source: DFCCIL Annual Report 2022-23

4.3. Amrit Bharat

The Amrit Bharat Station Scheme was launched in March, 2023 for development of railway stations on Indian Railways. The scheme was proposed to improve the station building, multimodal integration, amenities for Divyangjans, provision of ballast less tracks, improvement of station access, improvements of waiting halls, toilets, lifts/escalators, cleanliness, kiosks, Wi-Fi and schemes like 'One Station One Product' , landscaping etc. Also, the upgraded stations are expected to have only ballast less tracks.

Currently, 1,309 railway stations have been identified for development. Budgetary funds are being used for the scheme, however some of the stations are developed under Public Private Partnership Model. Work on redevelopment of 553 railway stations is already in progress. These stations, spread across 27 States and Union Territories, will be redeveloped at a cost of over INR 190 Billion These stations will act as 'City Centers' integrating both sides of the city.

Table 19: No. of stations to be redeveloped across states

Sr.No	State	Station Count
1	Andhra Pradesh	72
2	Arunachal Pradesh	1
3	Assam	50
4	Bihar	92
5	Chhattisgarh	32
6	Delhi	13
7	Goa	3
8	Gujarat	87
9	Haryana	34
10	Himachal Pradesh	4
11	Jharkhand	57
12	Karnataka	56
13	Kerala	35
14	Madhya Pradesh	80
15	Maharashtra	126
16	Manipur	1
17	Meghalaya	1
18	Mizoram	1
19	Nagaland	1
20	Odisha	57
21	Punjab	30
22	Rajasthan	83
23	Sikkim	1
24	Tamil Nadu	75
25	Telangana	40
26	Tripura	4
27	UT of Chandigarh	1
28	UT of Jammu & Kashmir	4
29	UT of Puducherry	3
30	Uttar Pradesh	156
31	Uttarakhand	11
32	West Bengal	98
	Total Stations	**1309**

Source: PIB

4.4. Energy, Mineral and Cement Corridor, Port connectivity corridors and High traffic density corridors

India is a strategic initiative aimed at developing a dedicated industrial corridor that leverages the country's vast reserves of energy, metals, and cement. This corridor is designed to boost economic growth by attracting investments in these key sectors and enhancing the country's industrial infrastructure.

Three major economic corridor programme were announced under the PM Gati Shakti for enabling multi-modal connectivity- energy, mineral and cement corridors, port connectivity corridors and high traffic density corridors. This will help decongest the high- traffic corridors and improve operations of passenger trains resulting in higher safety and travel speed for passengers. The three economic corridor programme along with the dedicated freight corridors are expected to accelerate the GDP growth of the country and reduce logistic costs.

Around 40,000 km rail tracks are expected to be laid under these corridors to enhance the network capacity by FY30-31.

4.5. High Speed Projects

To reduce the transit time, 12 high speed rail corridors with train speeds exceeding 250 km/hour have been proposed by the government, spanning approximately 7,200 Km. The 508 Km Mumbai-Ahmedabad corridor has been taken up for construction at an expected capital expenditure of INR 1.1 Trillion

and is expected to be fully operational by CY27. The maximum operation speed of train will be 320 km/hr. and distance between Mumbai-Ahmedabad (508 km) will be covered in 2 hours and 7 minutes.

Chart 34: Proposed High Speed Rail Corridors in India (FY24)

Source: Invest India

4.6. Semi- High-Speed Projects

The Government of India has taken various initiative under ' Make in India' campaign like Semi- High-Speed train, Vande Bharat Express etc. India has embarked on several semi-high-speed rail projects to enhance the speed, efficiency, and connectivity of its railway network. These projects aim to upgrade existing rail lines to support speeds of up to 160-200 km/h, significantly reducing travel times between major cities and boosting economic growth.

Key Semi-High-Speed Rail Projects

- **Gatimaan Express:** Launched in April 2016, Gatimaan Express is India's first semi-high-speed train. It has reduced the travel time between Delhi and Agra significantly.

- **Delhi-Meerut RRTS (Regional Rapid Transit System):** This project aims to provide a high-speed commuter service, significantly reducing the travel time between Delhi and Meerut. The corridor is expected to be operational in phases, with the full route completion projected by 2025

- **Mumbai-Ahmedabad Corridor:** In addition to the high-speed rail project, there are plans to introduce semi-high-speed trains to improve connectivity and provide a faster alternative to existing services.

- **Delhi-Varanasi Corridor:** Aimed at reducing the travel time between these two significant cities, this project will enhance regional connectivity and boost tourism and economic activities.

4.7. Other Schemes-

NCRTC: NCRTC is a joint venture company of the Government of India and the State governments of Delhi, Haryana, Rajasthan and Uttar Pradesh to implement Regional Rapid Transit System project across the NCR to promote better urban development and connectivity and access.

Vande Bharat Express: Vande Bharat Express are indigenously manufactured semi-high speed, electrical multiple unit trains operated by the Indian Railway. The Vande Bharat Express is equipped with multiple cutting-edge amenities, such as bio-vacuum toilets, Wi-Fi, completely automated doors, etc. and are 180 kmph capable air-conditioned chair car services. The railway currently operates seven Vande Bharat Express trains on Delhi-Varanasi, Delhi-Katra, Mumbai Central-Gandhinagar, Delhi-Amb Andaura, Chennai-Mysuru, Nagpur-Bilaspur and Howrah-New Jalpaiguri routes. In Union budget FY22-23, it was announced that 400 Vande Bharat Express will be introduced over the next 3 years.

Kisan Rail Trains: Indian Railways commenced the Kisan Rail train services since August 2022 to transport perishables and Agri-product, including milk, meat and fish. These trains provide multi-commodity and multi-consignor/consignee services. They run in a time-tabled manner and have stoppages at all major stations. As of December 2022, a total of 2,359 trips of Kisan Rail trains have been operated on 167 routes and approximately 7.9 lakh tonnes of consignments have been transported. Kisan Rail service has ensured access to bigger and new markets for the farm produce, with quick transportation, zero wastage, 50% freight subsidy.

Automobile Freight Train Operator (ATFO): To increase its share in the vehicle transportation segment, Indian Railway introduced the ATFO policy where-in the automobile manufacturers and logistics providers are permitted to operate their wagons on the Indian Railway network. A number of incentives have been provided to the automobile manufacturers including rebate on base freight rates etc.

Private Freight Terminal (PFT): Indian Railways has permitted establishment of PFTs on railway land adjacent to stations with a view to increase public-private-partnership (PPP) investments. The main motive behind this is to divert traffic from road to rail and attain increased rail freight volumes by offering integrated, efficient and cost effective logistic and warehousing solutions. Currently there are eight operational private freight terminals and 14 terminals are under construction along the DFCs.

Liberalized Wagon Investment Scheme (LWIS): LWIS was introduced to allow private players to own their own wagons as per their own cargo requirements. This initiative was taken to mitigate the shortage of rail wagon with the Indian Railways and to permit private players to maintain specialized wagons for specific products. Based on industry feedback, LWIS amendment was brought in FY19 which permitted the investors to load third party cargo in their rakes in empty directions.

5. Overview of EPC Market for Indian Railways

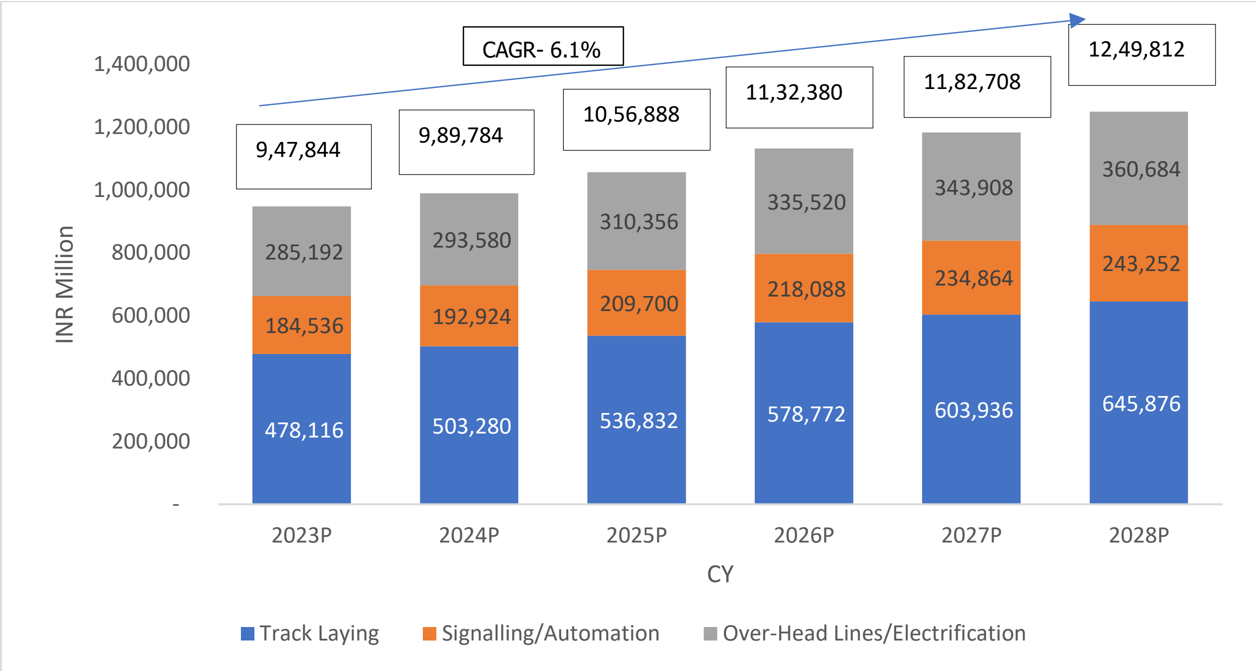
5.1. Indian Rail EPC Market

The Indian Rail EPC market is driven by several factors, including the government's ambitious plans to enhance connectivity, improve safety, and increase the efficiency of rail transport. Major initiatives like the Dedicated Freight Corridor project, high-speed rail corridors, and station redevelopment programs are key drivers of growth in this market. Additionally, the push towards digitalization and the implementation of advanced technologies such as automated signaling and smart ticketing systems are further fueling demand for EPC services.

Despite its potential, the market faces challenges such as regulatory hurdles, procurement delays, and the need for substantial investment in new technologies and skilled manpower. However, the overall outlook remains positive, with numerous opportunities for growth as the Indian government continues to prioritize rail infrastructure development to support economic growth and regional connectivity. The Indian Rail EPC market is thus poised for significant expansion, driven by ongoing projects and future infrastructure plans aimed at transforming the railway sector.

The Indian Rail EPC is expected to grow at 6.1% CAGR between CY23 and CY28 to reach INR 947.8 Bn from INR 1,249 Bn.

Chart 35: Forecasted India Market Size



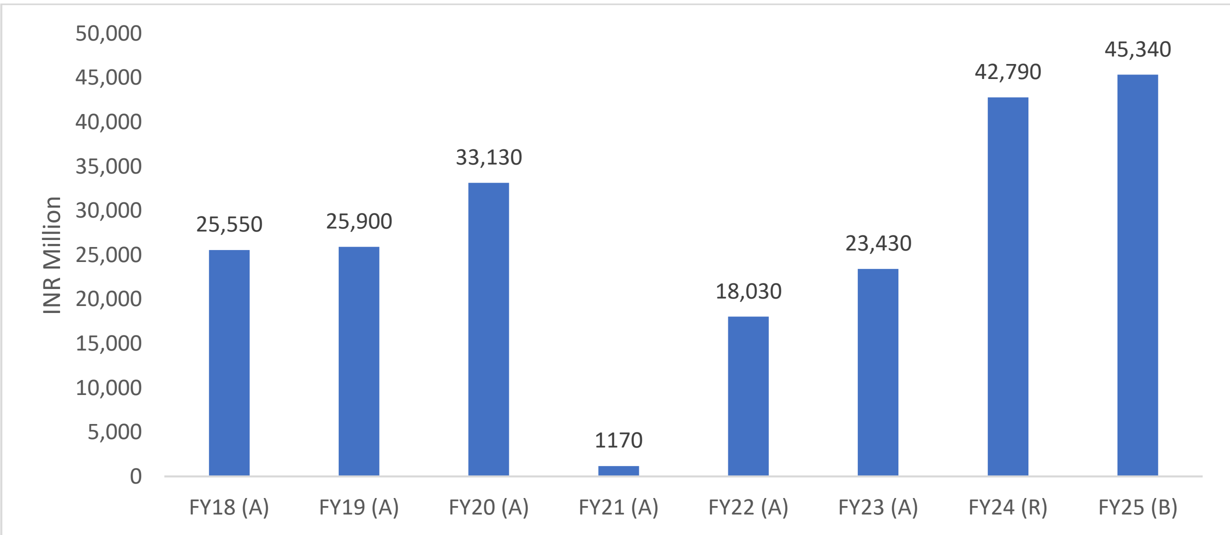
Source: CareEdge Research, Maia Research
Note: Track Laying includes the construction and repair of railway tracks and construction of infrastructure such as bridges, tunnels, and station buildings

5.2. Key Growth Drivers for Rail EPC

- **Gauge Conversion-**

Indian Railways has set out massive network expansion and decongestion targets. It undertook 17,000 track km of new lines, doubling and gauge conversion work in FY24. Total Capex of INR 207.91 Bn. has been projected under Mission 3000MT for Gauge Conversion by FY27.

Chart 36: Budgetary Outlay toward Gauge Conversion



Source: Budget Document; A- Actual, R- Revised, B-Budgeted

- **Electrification**

The Indian Railways have targeted to achieve net zero carbon emission by CY30. Some of the key steps to achieve this target include 100% electrification of the broad-gauge railway network and a shift from diesel to electric locomotives. As of July 2023, the railways have mustered electrification of 59,096 Route Kms, i.e., 100% of the total broad-gauge network.

Further, the share of electric locomotives in the Indian Railway fleet has been on the rise. By the end of FY24, 6,500 RKM of broad-gauge network is to be electrified and a budget outlay of INR 80,700 Mn. has been allocated for the same.

Moreover, Indian Railways has set a target to become the world's largest green railway with zero carbon emissions by CY30. It has already achieved full 100% railway electrification in 14 states/UTs, making significant strides towards achieving this ambitious goal.

- **Re-Development of Stations**

The Prime Minister of India has announced that 1,309 railway stations will be redeveloped as 'Amrit Bharat Stations'. Out of the 1,309 railway stations, the foundation has already been laid for 508 Amrit Bharat Stations as of August 2023. These 553 stations are spread across 27 states and union territories which include 55 each in Uttar Pradesh and Rajasthan, 49 in Bihar, 44 in Maharashtra, 37 in West Bengal, 34 in Madhya Pradesh, 32 in Assam, 25 in Odisha, 22 in Punjab, 21 each in Gujarat and Telangana, 20 in Jharkhand, 18 each in Andhra Pradesh and Tamil Nadu, 15 in Haryana, and 13 in Karnataka among others.

The total cost of redevelopment is around INR 244.7 Billion It involves the preparation of master plans and their implementation in phases to improve the amenities at the stations like enhanced station access, circulating areas, waiting halls, toilets, mandatory lifts/escalators, cleanliness, free Wi-Fi, kiosks for promotion of local products through schemes like 'One Station One Product', better passenger information systems, executive lounges, nominated spaces for business meetings, landscaping, etc.

- **Government Thrust on Rail Infrastructure Improvement**

The Government of India has identified railways as a key focus area to boost GDP and make India more export competitive by reducing freight costs. Accordingly, the budgetary outlay toward Indian Railways has been on the rise over the past few years and the government has introduced various schemes such as DFC, NLP, GPWIS, PM Gati Shakti & GCT, LWIS, AFTO, multi-modal logistics parks, etc., to boost railway infrastructure and share of railways in freight traffic. The passenger segment has also seen multiple developments through initiatives like High-Speed Rail Corridors and Vande Bharat Express.

- **Initiatives for Improvement of Rail Safety**

The Indian Railways have taken various infrastructural changes to ensure rail safety and efficient functioning of railways.

Some of the infrastructural changes are-

- **Railway Signaling and Protection Systems:**

Railway signaling systems are used to control the movement of railway traffic on the rail network. It is one of the most important components of the railway systems as it ensures train movement safety. Conventional Indian Railways signaling was based on color light signals and train detection with the help of track circuits and axle counters. Although this technology is suitable for the detection and control of trains it was still not able to utilize the section capacity to its full advantage.

Over the last decade, railways have seen a huge transition from conventional railway signaling systems to modern signaling systems including electronic signaling interlocking systems, automatic block signaling, and interlocking with signals at level crossing gates to enhance the safety at crossing.

Railways has also indigenously developed an automatic train protection system under 'Kavach,' designed to automatically bring the train to a halt when it notices another train on the same line within a prescribed distance. Kavach is now being deployed across the railway lines.

- **Condition Monitoring Systems:**

Condition monitoring systems are used to monitor the health and safety of key components including coaches, freight cars, locomotives, tracks, signaling assets, etc., that would finally result in improved safety, enhanced reliability, higher utilization, increased up-time, and reduced operation costs of the railway assets by enabling predictive maintenance and reduction in sudden catastrophic failures of these assets.

Some of the advanced conditioning monitoring systems also have the provision to capture and log operational data on the various elements of a train for subsequent analysis in a remote, cloud-based control center using advanced monitoring and analysis tools.

- **GPS Tracking Systems:**

  GPS has been used in railway systems to track the movement of locomotives, rail cars, maintenance vehicles, and wayside equipment in real time. When combined with other sensors, computers, and communications systems, GPS improves rail safety, security, and operational effectiveness. The technology helps reduce accidents, delays, and operating costs, while increasing track capacity, customer satisfaction, and cost-effectiveness.

  Indian Railways proposes to install GPS in wagons for real-time tracking to improve efficiency and effective utilization. It will also help in the improvement of the turnaround time of the wagons. The railways have already deployed a GPS-based Real-Time Train Information System (RTIS) for tracking trains for passenger trains which has been developed in collaboration with the Indian Space Research Organization (ISRO). RTIS device enables the automatic acquisition of the time of train movements at stations, including the time of arrival and departure or run-through. This has further facilitated automatic charting of trains and real-time updates to passengers regarding train running information.

  Further, the Indian Railways also proposes to use tools such as artificial intelligence and data analytics to reduce delays and downtimes and improve the overall efficiency of its assets and services.

5.3. Current Market and Future opportunity in Track Construction

5.3.1. Overview of railway track laying process

Types of Tracks –

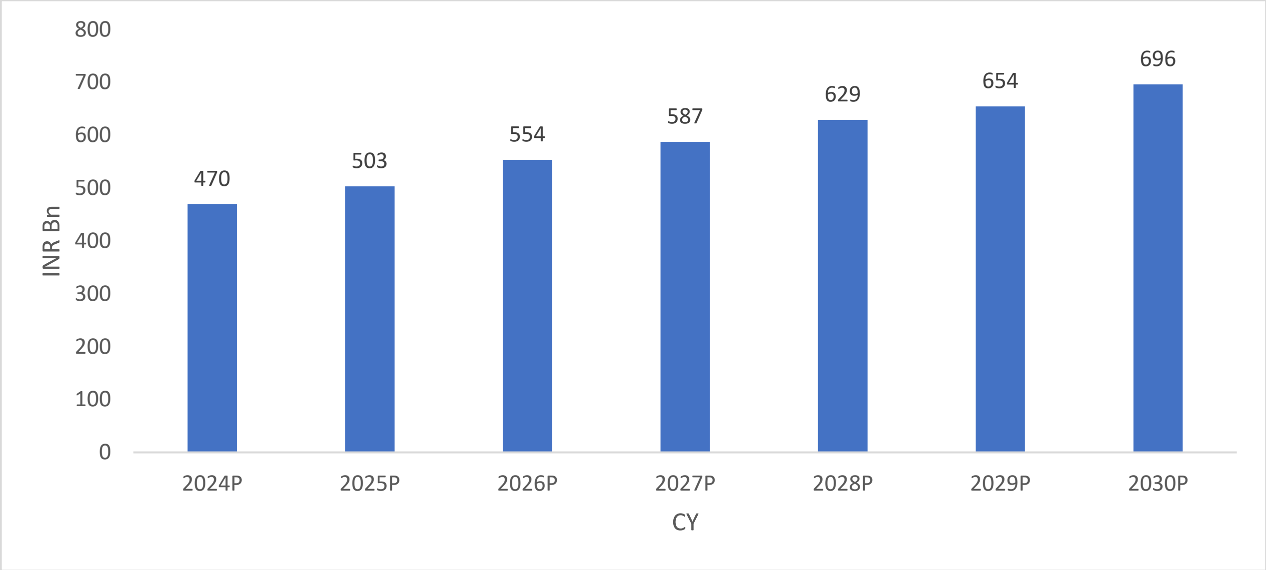
Ballasted Track Systems- The main type of Indian railway tracks is ballasted track. It can be further divided into substructure and superstructure. The ballasted track system consists of ballast bed, fastening system, sleepers and rails. The main function of the ballast is to support the weight of tracks and to absorb static and dynamic loads of the trains and to provide drainage to water.

Ballast less Track Systems- In this system, the standard ballast layer is replaced by a rig concrete or asphalt track slab to transfer the load and provide track stability. The ballast less track system is consisting of concrete or asphalt bearing layer, concrete slab track, rail and fastening system. The slab track system has different flexural stiffness and hence the soil condition define the suitable track.

5.3.2. Traditional Railway Network (Mainline Railway Network)

Railways is one of the most efficient and cost-effective mode of transport globally as it can carry higher numbers of passengers and cargo at higher speed over long distances. It is also the most environment friendly mode of land transport with much lower energy consumption and carbon dioxide emission compared to roadways or waterways. The projected investments in ballasted Indian Railway Network is around INR 4,093 Bn from CY24-CY30.

Chart 37: Projected Investments in Traditional Indian Railway Networks

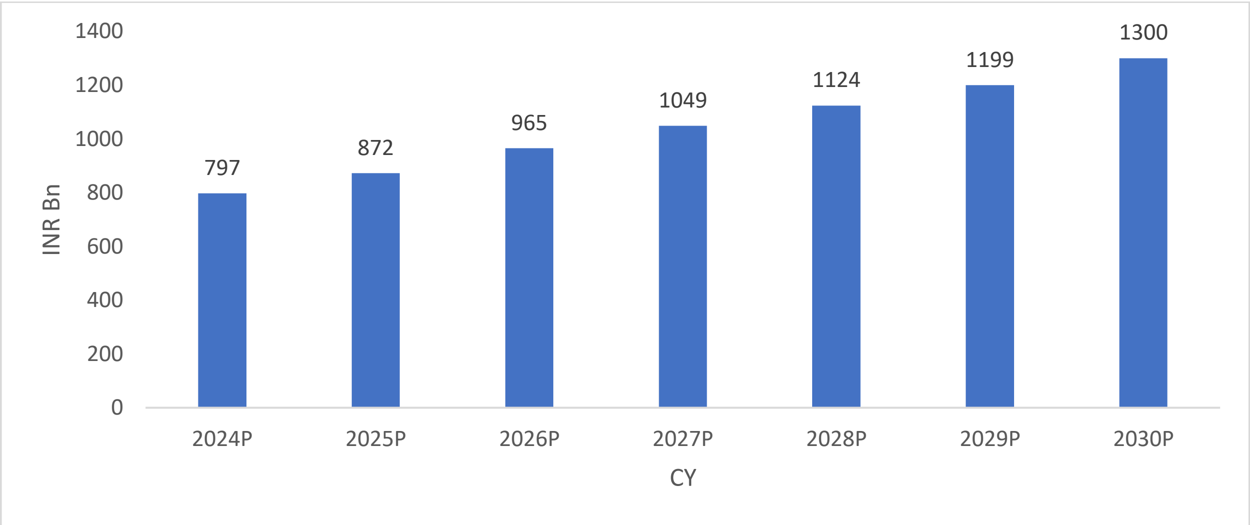


Source: CareEdge Research, Maia Research

5.3.3. Ballasted Indian Railway Network

Ballast is an important component of the track structure. Sufficient cushion of clean and angular ballast is necessary for providing resilience to track and drainage of water. While crib ballast provides resistance against longitudinal movement of sleepers, the shoulder ballast of required profile commensurate with the sleepers in use is necessary for providing lateral stability to track against buckling. The projected investments in ballasted Indian Railway Network is around INR 7,306 Bn from CY24-CY30.

Chart 38: Projected Investments in Ballasted Indian Railway Networks

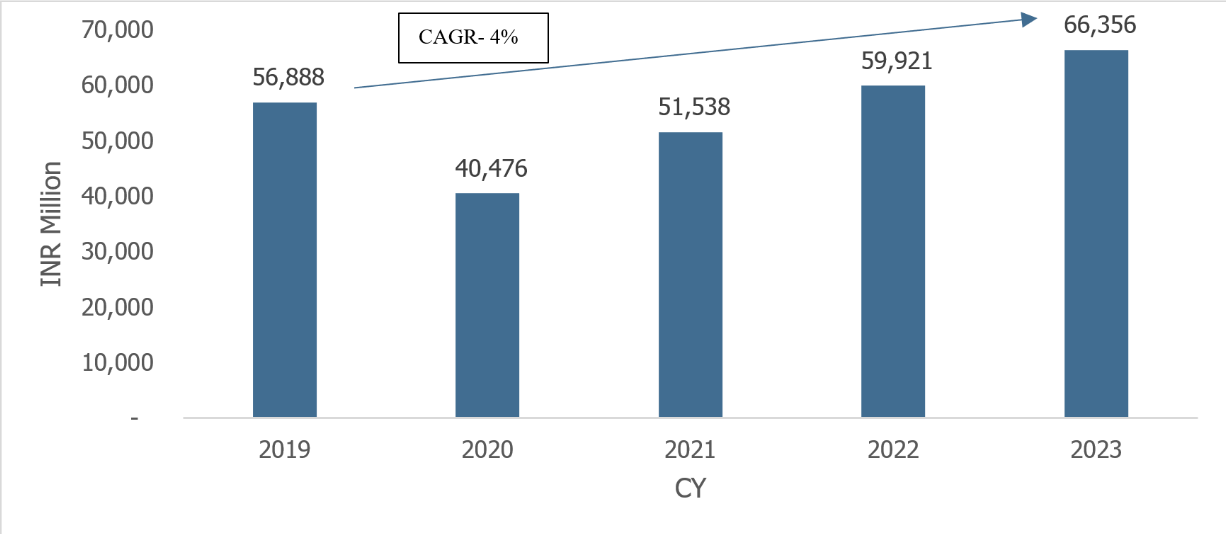


Source: CareEdge Research, Maia Research

5.3.4. Ballast less Indian Railway Network

The Ballast less Indian Railway Network represents a significant advancement in railway infrastructure aimed at enhancing the efficiency, safety, and longevity of train operations across the country. Unlike traditional ballast tracks, which rely on crushed stone to support and stabilize the railway sleepers, ballast less tracks utilize a concrete foundation that offers several advantages in terms of maintenance, durability, and speed. Ballast less tracks are largely used in metro rail networks, High Speed Rail network and Regional Rapid Transit System. The market size of ballast less railway network grew at a CAGR of 4% from INR 56,888 Million in CY19 to INR 66,356 Million in CY23.

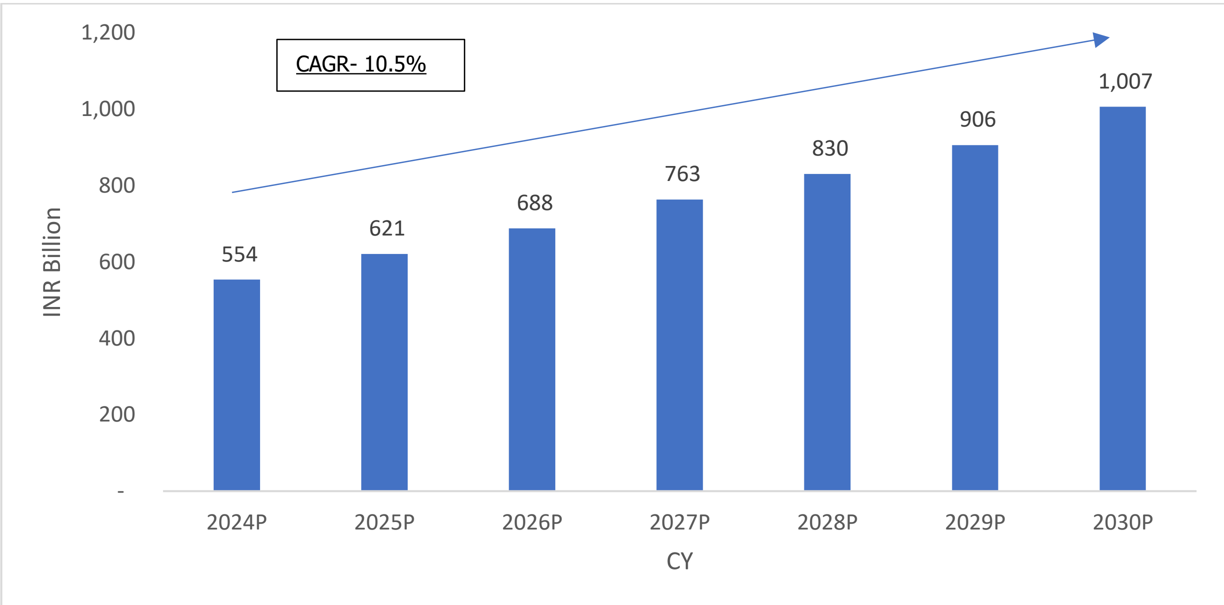
Chart 39: Market Size of Ballast less Indian Railway Networks



Source: CareEdge Research, Maia Research

The projected investments in ballast less Indian Railway Network is around INR 5,368 Bn from CY24-CY30.

Chart 40: Projected Investments in Ballast less Indian Railway Networks



Source: CareEdge Research, Maia Research

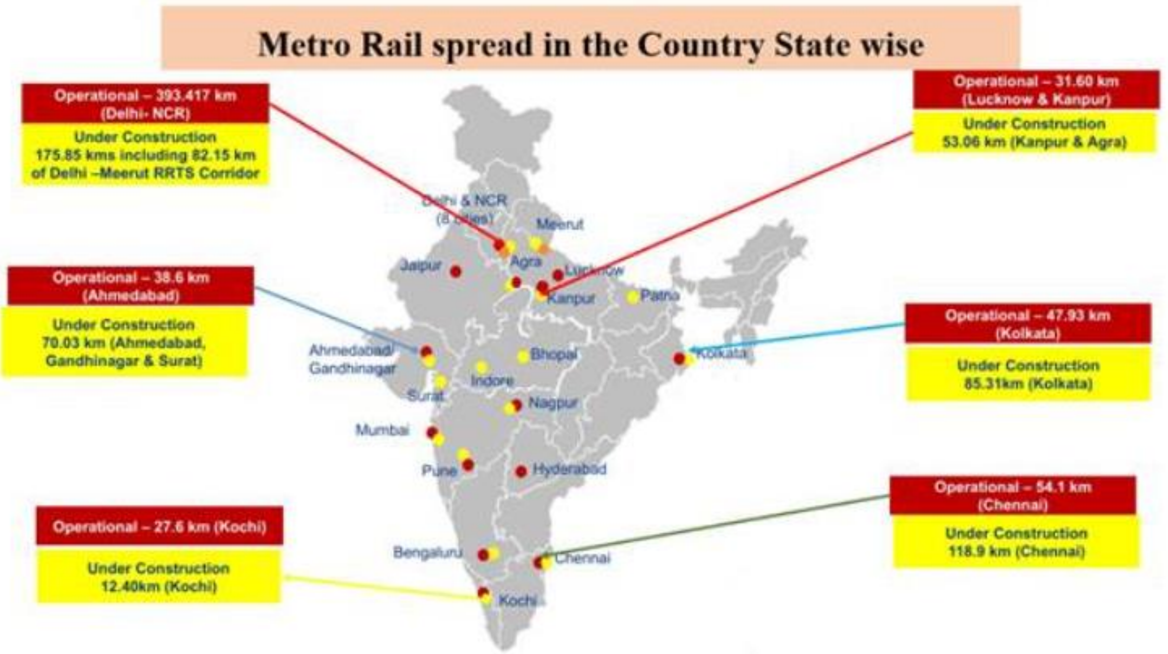
5.3.5. Metro Rail Network in India

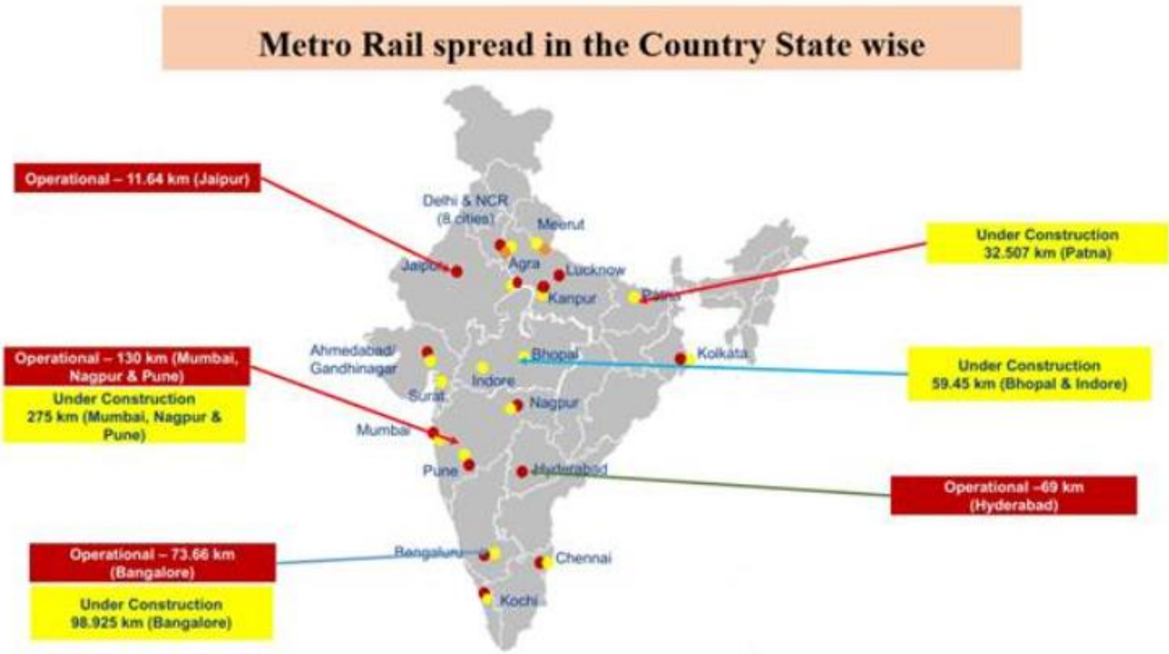
India currently has 945 Km of operational metro lines with over 2,500 metro coaches being deployed. Historically, majority of the metro coaches were being imported. However, to push the Make in India initiative, in August 2017, the government mandated that 75% of the metro cars and 25% of critical equipment required for metro construction be procured domestically. Currently there are four operational metro coach manufacturing facilities in India which have been set up either by PSUs or international companies and the ICF is in the process of setting up the facility.

Expansion of Metro Rail

As of August, 2024, about 945 Km of metro lines have been operationalized across 21 cities. The metro network, including regional rapid transit systems (RRTS) is proposed, to be expanded to 1,700 Km across 27 cities by 2025 and subsequently to 50 cities. The government is also proposing Metro Lite and Metro Neo lines which are suitable for smaller cities with lower peak traffic. Currently, approximately 2,500 coaches have been deployed in the operational metro lines roughly costing INR 325 Billion. As the operational metro lines are expected to increase by more than 2x over the next 4-5 years, domestic demand for metro rail rolling stock is expected to witness significant increase. Majorly the metro rail network is consisting of Ballast less tracks, given that new metro projects are upcoming in the country. This is expected to also add to the demand for ballast less tracks.

Chart 41: Indian Metro Rail Coverage





Source: Ministry of Housing and Urban Affairs, PIB

Table 20: Metro Rail Network Under Construction

Sr No	Name of Metro Rail Project	Under Construction Length (Km)
1.	Delhi Metro Extension from Dwarka Sector 21 to India International Convention & Expo Centre (IICC), Dwarka	2.03
2.	Delhi Metro Phase IV (03 Priority Corridors)	65.20
3.	Patna Metro Rail Project	32.51
4.	Bangalore Metro Rail Project Phase II	58.48

Sr No	Name of Metro Rail Project	Under Construction Length (Km)
5.	Bangalore Metro Rail Project Phase 2A & 2B	58.19
6.	Ahmedabad Metro Rail Project Phase I	29.46
7.	Ahmedabad Metro Rail Project Phase II	28.25
8.	Surat Metro Rail Project	40.35
9.	Bhopal Metro Rail Project	27.87
10.	Indore Metro Rail Project	31.55
11.	Kanpur Metro Rail Project	23.38
12.	Agra Metro Rail Project	29.40
13.	Mumbai Metro Line 3	33.50
14.	Nagpur Metro Rail Project Phase I	12.12
15.	Pune Metro Rail Project Phase I	21.28
16.	Pune Metro Line III	23.33
17.	Mumbai Metro Line 2A	8.77
18.	Mumbai Metro Line 2B	23.60
19.	Mumbai Metro Line 4	32.30
20.	Mumbai Metro Line 4A	2.70
21.	Mumbai Metro Line 5	24.90
22.	Mumbai Metro Line 6	14.50
23.	Mumbai Metro Line 7	5.60
24.	Mumbai Metro Line 9(7A)	13.72
25.	Navi Mumbai Metro Line 1	11.10
26.	Kochi Metro Rail Project Phase 1A	2.00
27.	Kochi Metro Rail Project Phase 2	11.20
28.	Chennai Metro Rail Project Phase II	118.90
29.	Kolkata Metro East-West Corridor	85.16
30.	Other Metro Rail Projects in Kolkata	
31.	Delhi-Meerut Regional Rapid Transit System (RRTS)	82.15
	TOTAL	**953.49**

Source: PIB; as on August 2022

Table 21: Metro Rail Network Under Appraisal/Approval

Sr No	Name of Project	Stretch (Kms)
1.	Remaining three corridors of Delhi Metro Phase-IV Projects	43.68
2.	Nashik MetroNeo	33.00
3.	Nagpur Metro Phase II	43.80
4.	Pune Metro Phase 1A	4.41
5.	Thane Integral Ring Metro	29.00
6.	Pune Metro Rail Project extension Line from Swargate to Katraj	5.46
7.	Gorakhpur Metro Lite Project	15.14
8.	Extension of Noida-Greater Noida Metro Rail	14.96
9.	Kochi Metro Phase 1A	2.00
10.	Kochi Metro Phase II	11.20
11.	Jammu Metro Lite	23.00
12.	Srinagar Metro Lite	25.00
13.	Delhi - Panipat RRTS Corridor	103.02
14.	Delhi-Gurugram-SNB (Shahjahanpur-Neemrana-Behror) Urban Complex RRTS Corridor	106.50
15.	SNB Urban Complex – Sotanala RIICO Industrial Area RRTS Corridor	33.30
16.	MetroNeo project in Dehradun	22.42
17.	Metro Rail from HUDA City Centre to Cyber City and Spur to Dwarka Expressway	28.50
18.	Chennai Metro Phase II	118.90
	TOTAL	**663.29**

Source: PIB; as on August 2022

5.3.6. High Speed Railways

The High-Speed Rail Corporation Limited was incorporated on February, 2016 under Company Act, 2013 to construct, maintain and manage the High-Speed Rail Corridor in India. The High-Speed Rail project is an initiative to achieve travel time saving, vehicle operation coat, reduction in pollution, job creation, enhance safety, reduction in pollutant etc.

The proposed expenditure as per National Rail Plan is INR 15 trillion from FY26 to FY51 with Mumbai – Ahmedabad corridor expected to complete by the end of CY27. Work has started on the installation of ballast less track on the project. It is expected that all the HSR projects will consist of ballast less track to improve efficiency, durability and longevity.

Table 22: Proposed Expenditure under NRP (INR Trillion)

Head	FY21-26	FY26-31	FY31-41	FY41-51	Total
High Speed Rail Corridors	-	5.1	2.9	7	15

Source: National Rail Plan

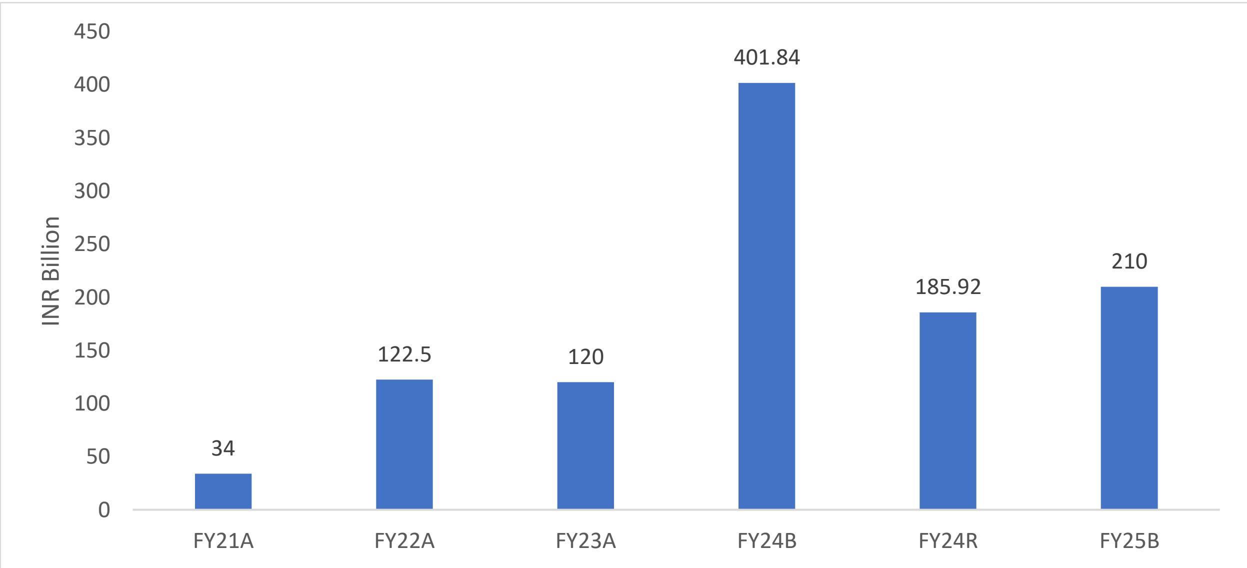
Table 23: Proposed and Under construction High Speed Railway Lines

Route	Length (Km)	Under construction (Km)
Mumbai- Ahmedabad	508.17	324.67
Delhi- Varanasi	865	0
Delhi- Ahmedabad	886	0
Mumbai- Nagpur	741	0
Delhi- Amritsar	465	0
Mumbai- Hyderabad	711	0
Chennai- Mysore	435	0
Varanasi- Howrah (Kolkata)	760	0
Hyderabad- Bangalore	618	0
Nagpur- Varanasi	855	0
Patna- Guwahati	850	0
Amritsar- Pathankot- Jammu	190	0

Source: National High-Speed Rail Corporation Limited

The budget for National High-Speed Rail Corporation Limited is INR 210 Billion for the year FY25 and have seen the highest allocation in FY24 budgeted but has been reduced in revision because of the delays in the sanction of the projects.

Chart 42: Budget for National High-Speed Rail Corporation Limited



Source: Union Budget

5.4. Current Market and Future Opportunity in Railway Bridges and Viaducts Construction

Types of Railway Bridges, typical cost of construction and maintenance cost

Types	Description	Materials	Use	Cost of construction	Maintenance Costs
Beam Bridges	Beam bridges are the simplest type of railway bridge, consisting of a horizontal beam supported at each end by piers or abutments. They are often used for short spans.	Reinforced concrete or steel	Crossing small rivers, streams, or roads.	INR 20 to 50 Million per km	1%- 2% of the initial cost
Arch Bridges	Arch bridges use an arch as the primary load-bearing structure. The arch transfers the load to the supports at either end, allowing for longer spans.	Stone, brick, concrete, or steel	Crossing wide rivers or deep valleys due to their strength and aesthetic appeal	INR 100 to 200 million per km	2%- 4% of the initial cost
Suspension Bridges	Suspension bridges have a deck suspended from cables that are supported by towers. The cables bear the load and distribute it to the towers and anchorages.	Steel cables and concrete or steel towers	Suitable for very long spans and are used in challenging environments where other types of bridges might not be feasible	INR 700 -1,000 million per km	4% -6% of the initial cost
Cantilever Bridges	Cantilever bridges are constructed using cantilevers—structures that project horizontally into space, supported only on one end. The cantilevered sections balance each other out.	Reinforced concrete or steel	Ideal for spans that are too long for simple beam bridges but do not require the extensive support of suspension bridges	INR 150- 300 million per Km	3%- 5% of the initial cost
Truss Bridges	Truss bridges use a framework of triangular units (trusses) to distribute the load across the structure. The trusses are typically made from steel or reinforced concrete	Steel or concrete	Used for medium to long spans, particularly in areas where high load capacity is needed.	INR 80-150 million per km	2%- 3% of the initial cost
Cable-Stayed Bridges	Cable-stayed bridges have one or more towers, with cables directly supporting the bridge deck. The cables are arranged in a fan or harp pattern.	Steel cables and concrete or steel towers	Used for medium to long spans, providing a modern and efficient alternative to suspension bridges.	INR 300- 600 million per km	3%-5% of the initial cost
Viaducts	Viaducts are long bridges consisting of a series of arches, beams, or cantilevered sections, supported by multiple piers or columns.	Stone, concrete, or steel	Used to cross valleys, low-lying areas, or flat terrains, spanning long distances.	INR 200- 500 million per Km	3% -4% of the initial cost
Composite Bridges	Composite bridges use a combination of different materials, such as concrete and steel, to leverage the strengths of each material.	Combinations of steel, concrete, and other materials	Suitable for various spans and conditions, offering flexibility in design and construction.	INR 120 to 300 million per Km	2%- 4% of the initial cost
Steel Bridges	Steel bridges use steel as the primary construction material. They can be designed as beam, truss, or arch bridges.	Steel	Used for longer spans and where high strength and durability are required	INR 100 to 200 million per Km	3% -5% of the initial cost

Composite and steel bridges are preferred over traditional bridges in the Indian Railway Network due to their superior strength, durability, and efficiency. These bridges offer a higher load-bearing capacity, which is essential for supporting the heavy freight and high-speed passenger trains prevalent on Indian railways. Their resistance to environmental factors such as corrosion and extreme temperatures reduces maintenance costs and extends their lifespan compared to conventional reinforced concrete bridges. Additionally, the ability to pre-fabricate steel and composite components off-site allows for quicker assembly and reduced construction time, minimizing disruptions to rail services. The lightweight nature of these materials also facilitates easier handling and installation, while advanced design capabilities enable engineers to address complex structural challenges effectively. Overall, the economic benefits, combined with improved seismic performance and flexibility in design, make composite and steel bridges the preferred choice for modernizing and expanding India's railway infrastructure.

India has a large network of different types of bridges consisting of river bridges, sea bridges, rail and road bridges. As on FY23, Indian Railway has 1,58,064 bridges, out of which 711 bridges are important, 12,610 bridges are major and 1,44,743 bridges are minor bridges. During the year FY23, 1,732 bridges were strengthened/rehabilitated/rebuilt to enhance safety of train operation. The rail-cum-road bridges accounts for major part of the Indian rail and road networks. Following are some of the major railway bridges in India-

Chenab Bridge: Located in Jammu and Kashmir, this is the world's highest railway bridge, standing 322 meters above the Chenab River. It was completed in August 2022 and is a significant part of the Jammu–Baramulla line. At an elevation of 359 meters over the Chenab River, the Chenab Rail Bridge holds the distinction of being the world's highest steel arch railway bridge with a length of 1,315 m.

Vembanad Rail Bridge: Spanning 4.62 kilometers, this is the second-longest railway bridge in India. It connects Edappally and Vallarpadam in Kochi and is vital for freight movement to the International Container Transshipment Terminal.

Pamban Bridge: This iconic bridge connects Rameswaram on Pamban Island to mainland India. It features a section that lifts to allow ship passage. A new vertical-lift version of the bridge is expected to be operational by the end of 2024.

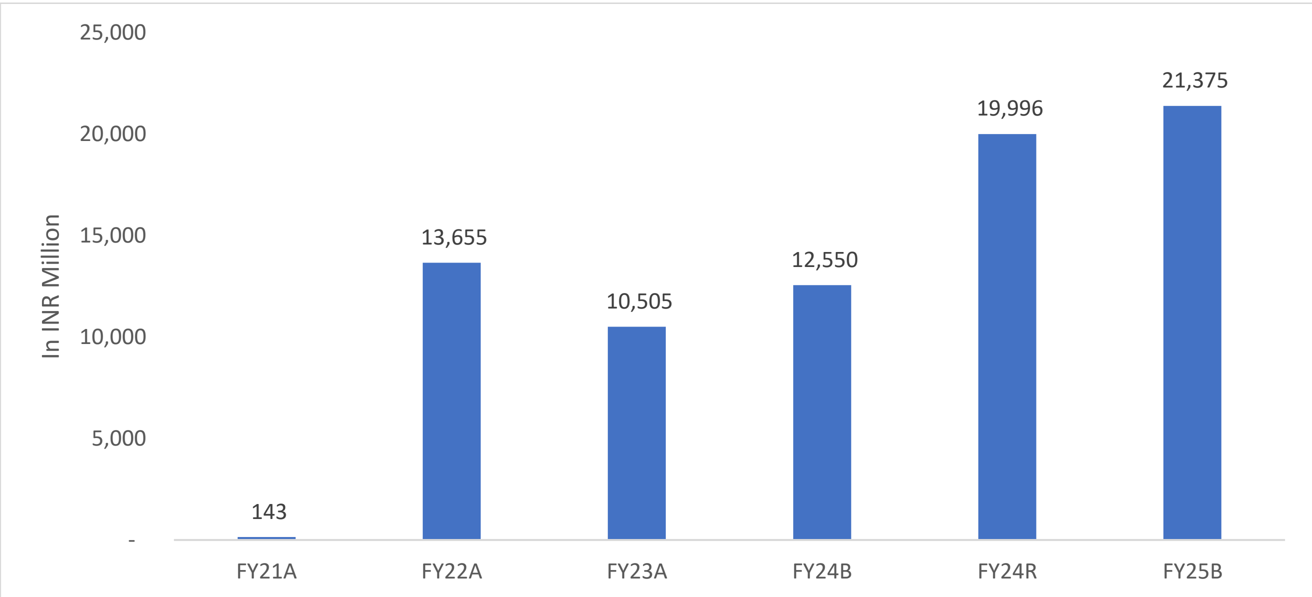
Godavari Arch Bridge: Crossing the Godavari River in Rajahmundry, Andhra Pradesh, this 2.7-kilometer bridge is known for its bowstring-girder arch design.

Sharavathi Bridge: Part of the Konkan Railway, this 2.06-kilometer bridge traverses the Western Ghats in Karnataka, offering stunning views, especially during the monsoon season.

Nehru Setu: Spanning the Son River in Bihar, this bridge stretches approximately 3.065 kilometers and was once one of the longest railway bridges in India.

Mandovi Bridge: Located in Goa, this 1.3-kilometer bridge is a critical link on the Konkan Railway, connecting North and South Goa.

Chart 43: Budget for Bridge Works, Tunnel Works and Approaches

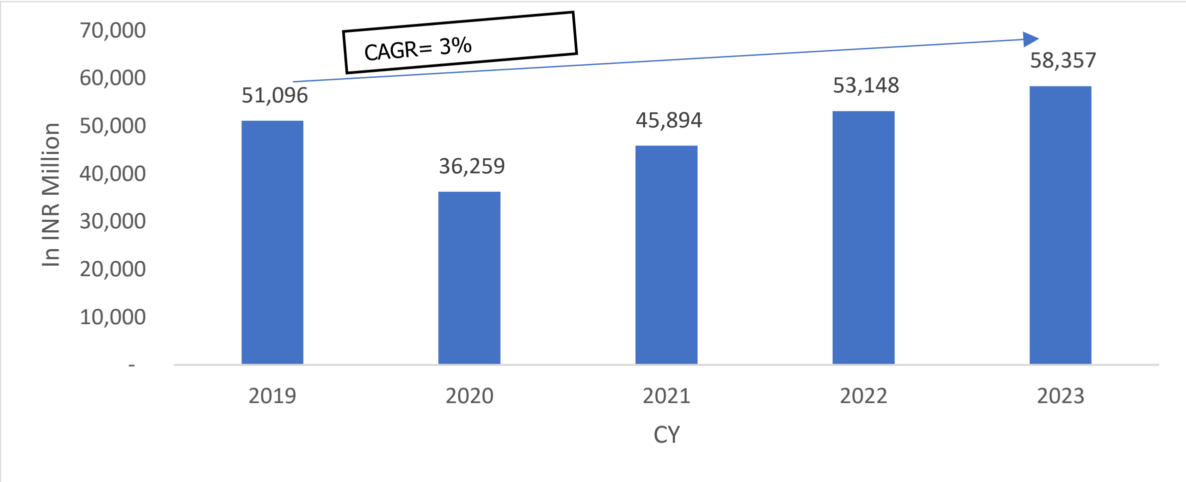


Source: Union Budget

5.4.1. Bridges

A bridge is a crucial infrastructure component built to allow a railway to cross various natural and man-made obstacles, such as rivers, lakes, straits, valleys, or other challenging terrains. It provides a means for the railway line to extend uninterrupted across these obstacles, ensuring continuous and efficient rail operations. Additionally, bridges enable the construction of three-dimensional intersections where a railway line can pass over or under another railway line or road, facilitating complex and multi-level transportation networks. These structures are essential for maintaining the flow of rail traffic and integrating railway systems with existing roadways and other rail lines.

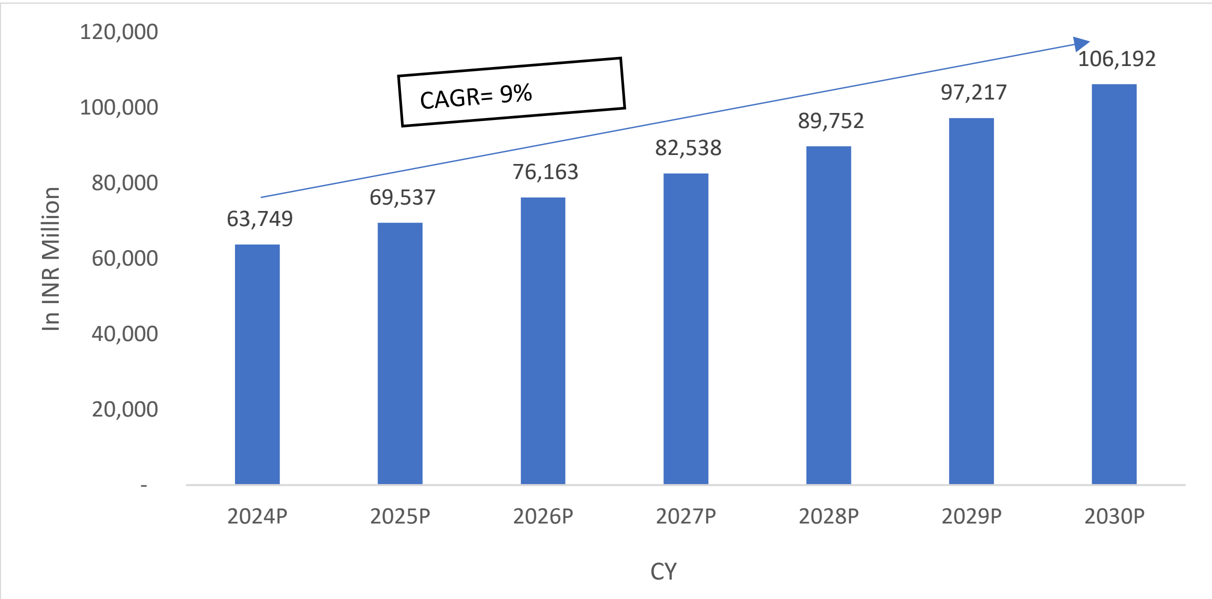
Chart 44: Trend in market size in railway bridges



Source: CareEdge Research, Maia Research

The CAGR was 3% from the span of CY19 to CY24. Key projects driving the growth of the railway bridge market include the Jiribam-Imphal new line, the world's highest pier bridge over the Ijai River, the Chenab Bridge in J&K, the Pamban Bridge, and the Mumbai-Ahmedabad High-Speed Rail Corridor.

Chart 45: Projected market size for railway bridges



Source: CareEdge Research, Maia Research

The expected CAGR is at 9% for railway bridges which is expected to grow from INR 63,749 million in CY24 to INR 106,192 million in CY30. . Concurrently, significant progress has been made in constructing Road Over Bridges (ROBs) and Road Under Bridges (RUBs) to replace manned level crossings, with over 10,800 completed between CY14 and CY23 and substantial investments made in the current fiscal year. As of January 31, 2024, a total of 1,948 Road Over Bridges (ROBs) and 2,325

Road Under Bridges (RUBs) have been sanctioned by Indian Railways and are at various stages of planning, estimation, and execution.

Key Players in Mid-Market Rail Bridges

All the key players in the segment cater majorly to the Indian Railways.

Company	Product/ Services
Rahee Infratech Limited	Bridges, Viaducts, Metro Rail, etc.
Afcons Infrastructure Ltd	Bridges, Viaducts, Flyovers, Roads, Metro Rail, etc.
Bridge & Roof Co. Ltd	Bridges, Multidisciplinary Constructions, etc.
NCC Ltd	Railway Bridges, Sidings, Highway Pavements, etc.
IRCON International Limited	Signaling, Bridges, Flyovers, etc.

5.4.2. Viaducts

Viaducts are an essential part of the Indian railway network, facilitating the seamless traversal of trains over difficult terrains such as valleys, rivers, and other natural obstacles. These structures are crucial for maintaining the extensive reach of the railway system, especially in regions with challenging topographies. In recent years, Indian Railways has undertaken several projects to upgrade and construct new viaducts to support high-speed trains and improve the efficiency of the network. These projects are part of India's broader efforts to enhance urban transportation infrastructure and connectivity across various cities:

- **Dedicated Freight Corridors:** Viaducts are a crucial part of the Dedicated Freight Corridor (DFC) projects, which aim to create exclusive rail corridors for freight trains. This includes building new viaducts to handle the increased load and speed of freight trains.

- **Semi-High-Speed Corridors:** Projects like the Delhi-Meerut Regional Rapid Transit System (RRTS) involve constructing modern viaducts to support trains running at speeds up to 180 km/h.

- **Mumbai Metro**: The Mumbai Metro is a significant urban transit project that includes the construction of several viaducts. Lines 2A, 2B, and 7 are currently under various stages of construction and completion.

- **Delhi Metro:** Another major metro project in Delhi involves extensive viaduct construction. The Delhi Metro Phase 4, which includes extensions of existing lines, is under construction with multiple viaduct segments being developed.

- **Pune Metro:** The Pune Metro project also features significant viaduct construction. The Rail Vikas Nigam Limited (RVNL) has been awarded contracts for building viaducts in this city.

- **Nagpur Metro:** The Nagpur Metro project includes extensive viaduct construction as part of its ongoing development to improve urban mobility.

- **Mumbai-Ahmedabad Bullet Train:** This ambitious project, which aims to introduce high-speed rail between Mumbai and Ahmedabad, involves constructing around 450 km of viaducts out of which 173 km have already been completed. This is a critical component of the infrastructure needed for the bullet train

5.5. Current Market and future opportunity in Tunnel Construction

Types of Tunnels

Types	Description	Cost of construction	Maintenance Costs
Cut and Cover Tunnels	Constructed by excavating a trench, building the tunnel structure, and then covering it with soil or other materials. This method is often used for shorter tunnels in urban areas.	INR 100-200 million per km	1%-2% of the construction cost
Bored Tunnels	Created using tunnel boring machines (TBMs) that excavate through rock or soil, leaving a smooth tunnel behind. This method is used for deep and long tunnels.	INR 500- 1000 million per km	2%-3% of the construction cost
Drill and Blast Tunnels	Constructed by drilling holes into rock, filling them with explosives, and then blasting the rock to create a tunnel. This method is often used in hard rock conditions.	INR 300- 600 million per km	2%-4% of the construction cost
Shield Tunnels	Similar to bored tunnels but use a shield or casing to support the tunnel face as excavation progresses. This method is particularly useful in unstable or water-bearing soils.	INR 600- 1200 million per km	3%-5% of the construction cost

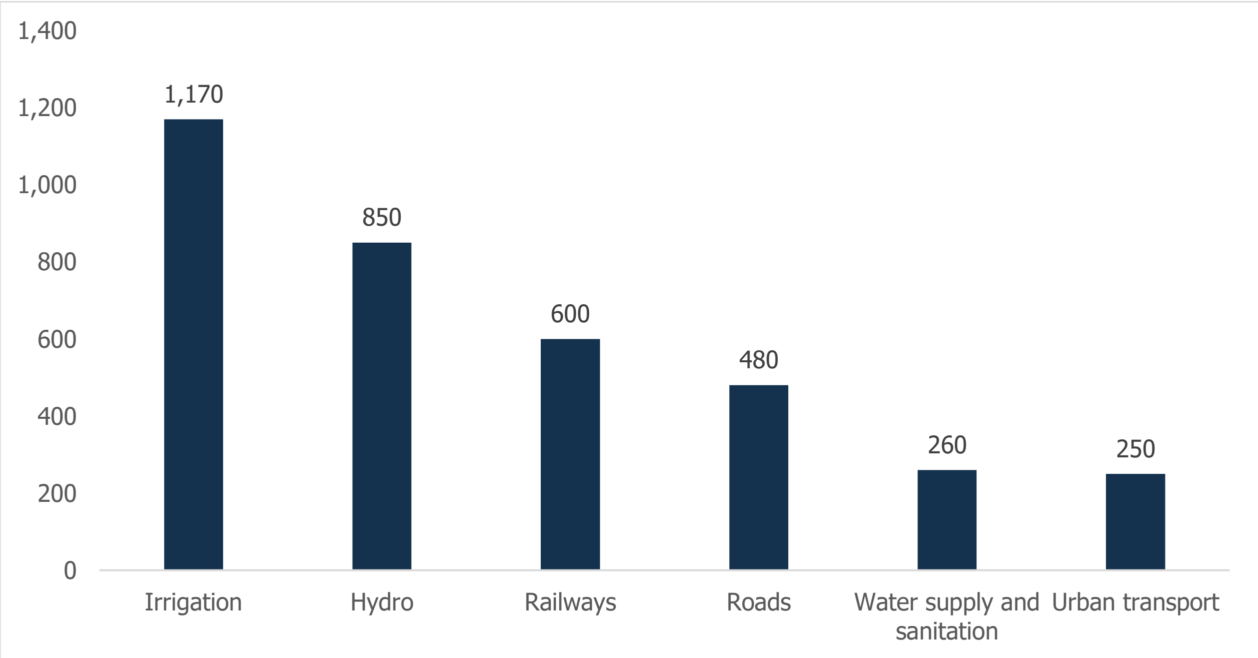
Types	Description	Cost of construction	Maintenance Costs
Segmental Tunnels	Constructed by assembling precast concrete segments as the tunnel progresses. This method is often used in conjunction with boring or shield tunneling.	NA	NA
Open Cut Tunnels	Similar to cut-and-cover but typically used in areas where the excavation is kept open for a significant portion of the construction period.	INR 150- 300 million per km	2%-3% of the construction cost
Snow Tunnels	Specifically designed for areas with heavy snowfall, these tunnels are constructed to allow safe passage and prevent snow accumulation.	NA	NA

5.5.1. Tunneling

India has more than 2,500 km of completed tunnel length[4]. In the past few years, tunnel development has consistently received a push with high Capex toward infrastructure development across various segments. Accordingly, expansion in hydropower capacity, underground rail metro projects, Bharatmala, Chardham Connectivity and AMRUT are expected to provide ample opportunities to tunnel contractors and consultants in the coming years. Also, most upcoming tunnel projects are of longer lengths, larger diameters, and even higher contract values, which is reflected in tunneling project size with a substantial increase.

Furthermore, the growing complexity of tunnel construction in the Himalayan and peninsular regions has necessitated the use of new & advanced materials. Also, this segment faces challenges with respect to geological complexities and inadequate investigation of ground & soil conditions, which may lead to the failure of tunneling projects.

Chart 46: Sector-Wise Upcoming Tunnel Length (in Km)

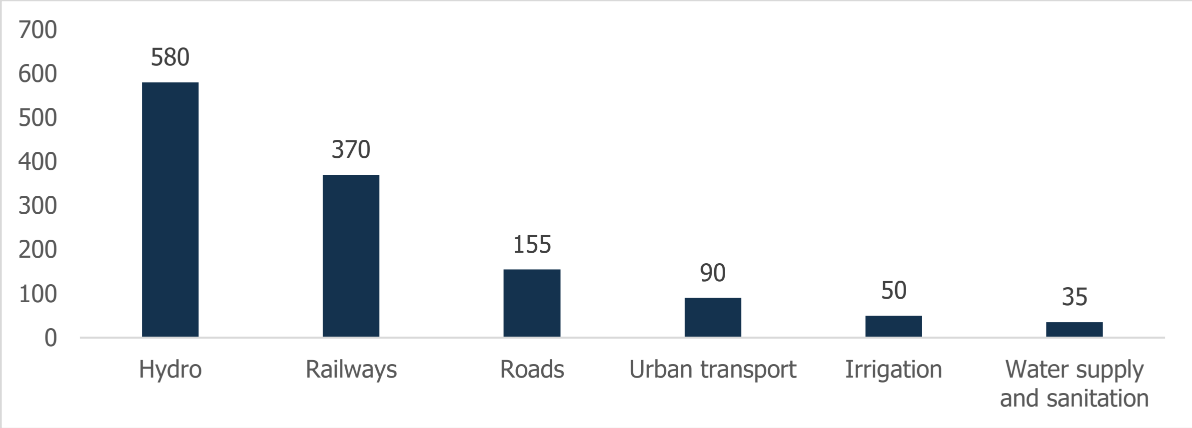


Source: CareEdge Research, India Infrastructure Research

Railways consists of 600 km of the upcoming tunnel projects in the country 68.94km are already under construction. Advanced Ballast less track technology is being adopted by the Railway tunnels while constructing the new projects. This is to ensure safety, efficiency and sustainability of the rail transport, particularly in the challenging environment of the tunnels. This ballast less track system will also be implemented at all the under-construction tunnels of various ongoing projects over East Coast Railway. Plans have also been taken to replace existing tracks in tunnels with ballast less ballast less tracks.

[4] Basis the projects tracked by India Infrastructure Research

Chart 47: Sector-Wise Upcoming (No. of Tunnels)



Source: CareEdge Research, India Infrastructure Research

Table 24: Under Construction Tunnels:

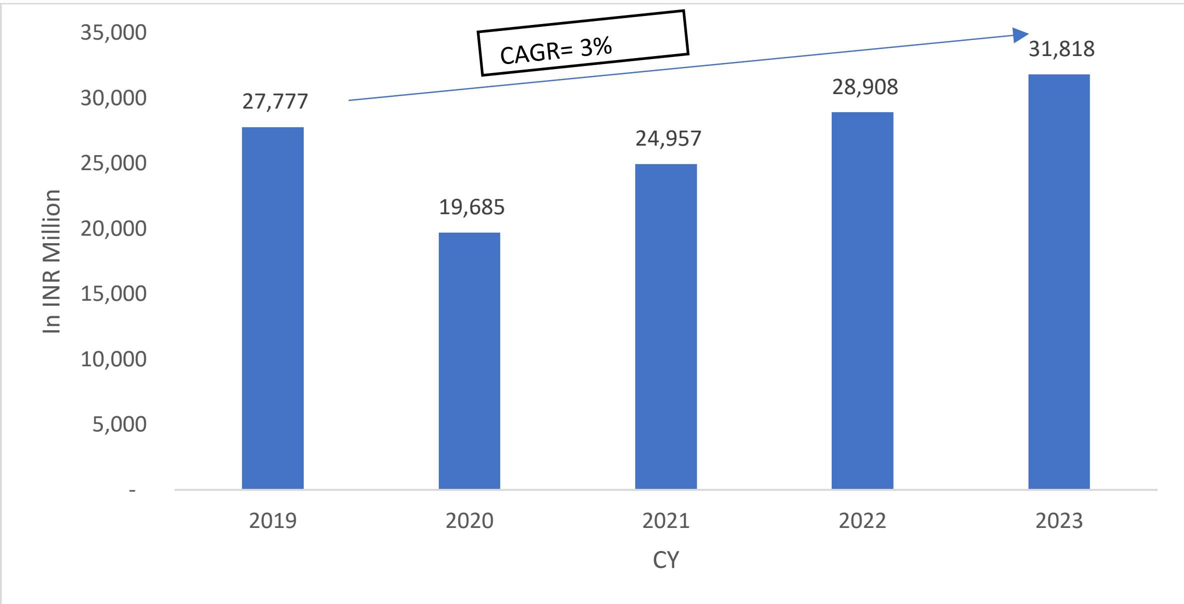
Sector	Name of tunnel	Length of tunnel (in km)
Railways	Jammu-Udhampur-Katra-Qazigund-Baramulla	42.64
	Mumbai-Ahmedabad High Speed Rail Corridor	26.20
Urban Transport	Chennai Metro Rail Project Phase-II (under planning)	12.00
	Chennai Metro Rail Project Phase-II (under planning)	94 9.00

Source: CareEdge Research; India Infrastructure Research

5.5.2. Tunnels

A tunnel is a fundamental element in railway infrastructure, constructed to enable trains to pass through natural obstacles such as valleys, mountains, and other terrain challenges. Tunnels enhance transportation efficiency by facilitating more straightforward and uninterrupted routes, which reduces travel time and increases the overall speed of rail services. This is particularly advantageous in regions where surface construction would be more complex and costlier. Overall, tunnels play a crucial role in optimizing rail networks and improving connectivity.

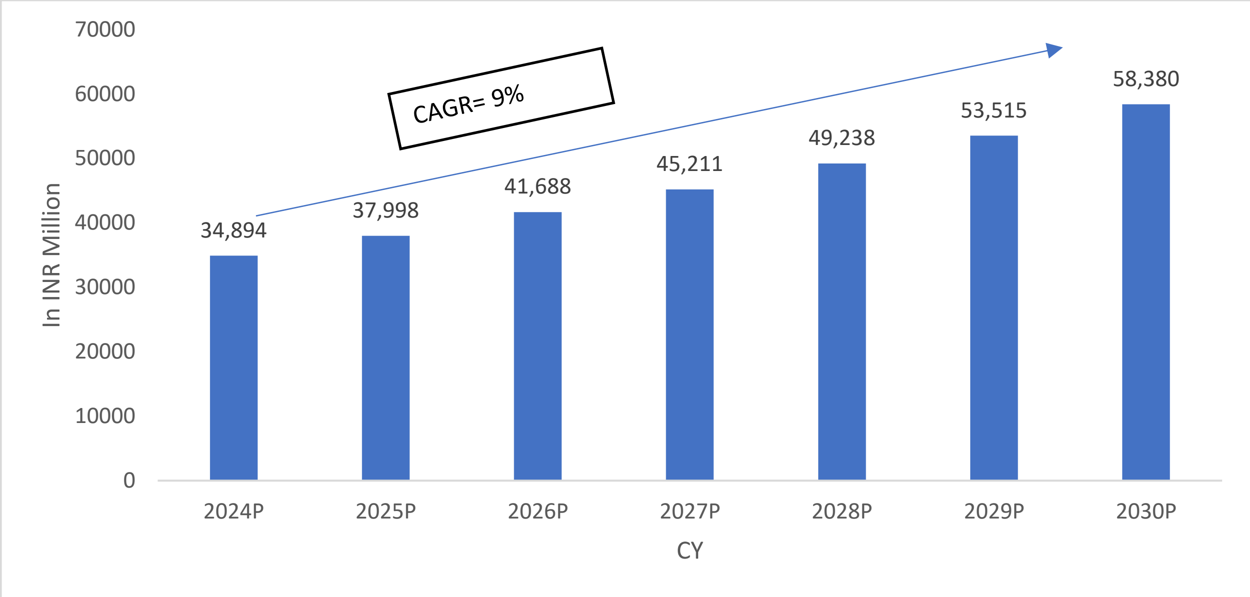
Chart 48: Trend in market size in railway tunnels



Source: CareEdge Research, Maia Research

The number of ongoing tunnels is 238 with the total tunnel length of 529 kms. The CAGR was 3%, with an increase from INR 27,777 million to INR 31,818 million from CY19 to CY23.

Chart 49: Projected market size for railway tunnels



Source: CareEdge Research, Maia Research

The CAGR is expected to grow at a rate of 9% from CY24 to CY30. The total number of upcoming projects is 135 with a total tunnel length of 74kms.

5.6. Data on Railway bids- past and current

5.6.1. Recent tenders by the Indian Railways

Table 25: Recent tenders by Indian Railways

Types of contract	Issuer Name	Tender Name	Year	State
Tracks and Track work	East Coast Railway	Providing Project Management Services (pms) For Various Projects of New Line/doubling/multi Tracking Works, Workshops/sheds, Robs Etc.	2024	Odisha
	South Central Railway	Laying of Sleepers	2024	Andhra Pradesh
	South Eastern Railway	Doubling of Railway Track Between Talgaria To Bhojudih	2024	
	Northeast Frontier Railway	Additional Protection Work of Bridge in Connection with Construction of New Bg Railway Line from Jiribam To Imphal.	2024	Manipur
	Southern Railway	Deep Screening of Ballast in Plain Track and Points and Crossing	2024	Tamil Nadu
	South Eastern Railway	Supply, Installation, Commissioning & Operation of Track Based Rail Gauge Face Lubricator	2024	Jharkhand
	Dedicated Freight Corridor Corpn. of India Ltd.	Shifting/construction Of New Ssp At Dapoli Due to Infringement with Proposed Dfccil Track Alignment	2024	Maharashtra
Bridges and tunnels	Eastern Railway	Tender for Rcc Jacketing of Bridge	2024	West Bengal
	Rail Vikas Nigam Ltd.	Construction of Tunnel from Chainage	2024	Madhya Pradesh
	Northeast Frontier Railway	Construction of Road Over Bridge	2024	
	North Western Railway	Conducting Drone Survey by Unmanned Arial Vehicle Based Visual Inspection of Bridge &	2024	Rajasthan

Types of contract	Issuer Name	Tender Name	Year	State
		Conducting Digital Twin Modelling of Railway Bridges with The Help Of		
	North Eastern Railway	Execution of Earthwork in Formation and Construction of Minor Bridge	2024	Uttar Pradesh
	North Eastern Railway	Execution of Earthwork in Formation, Blanketing and Construction of Minor Bridge	2024	Uttar Pradesh
	Northeast Frontier Railway	Repair and Maintenance Works of Sub-structure Of Bogibeel Bridge	2024	Assam
	Southern Railway	Strengthening Work for Major Bridges	2024	Tamil Nadu
EPC	South Central Railway	Engineering Procurement Construction (EPC) Contract of Doubling of Track Between Navipet Station to Indalvai Station	2024	Telangana

Source: Projects Today

Apart from this, 2,000 railway infrastructure projects worth more than INR 410 Billion were inaugurated in February 2024. This includes the redevelopment of 553 stations under Amrit Bharat Station Scheme, modernizing passenger amenities, and enhancing connectivity

5.6.2. Completed railway projects

Completed Railway projects	Cost (in INR Billion)
2021	
CEC International Corpn. India Pvt. Ltd.	31.49
KEC International Ltd.	14.14
2022	
Afcons Infrastructure Ltd.	92.80
IL&FS Engineering & Construction Co. Ltd.	30.35
Larsen & Toubro Ltd.	2,15.00
Ram Kripal Singh Construction Pvt. Ltd.	10.20
2023	
ARSS Infrastructure Projects Ltd	63.22
Atlantaa Ltd.	9.50
BSCPL Infrastructure Ltd.	17.00
Gannon Dunkerley & Co. Ltd.	30.55
Godrej & Boyce Mfg. Co. Ltd.	64.10
GPT Infraprojects Ltd.	7.35
IVRCL Ltd.	14.92
Kalindee Rail Nirman (Engineers) Ltd.	22.04
Larsen & Toubro Ltd.	9.68
MAN Structurals Pvt. Ltd.	15.20
Mavani construction, Rajkot	25.77
MRT Signals Ltd.	12.79
NCC Ltd.	30.64
Poshdecor	81.00
Power Mech Projects Ltd.	23.93
Relcon Infraprojects Ltd.	4.76
2024	
ARSS Infrastructure Projects Ltd	15.47
B L Kashyap & Sons Ltd.	4.00
Brahmaputra Infrastructure Ltd.	25.87
Bridge & Roof Co. (India) Ltd.	3.31
GPT Infraprojects Ltd.	17.66
ISC Projects Pvt. Ltd.	2.19
Jay Jawan Construction Co., Gujarat	6.41
Larsen & Toubro Ltd.	29.80
N S Patel & Co., Gujarat	11.19
N. S. Associates Pvt. Ltd.	1.26

Completed Railway projects	Cost (in INR Billion)
Power Mech Projects Ltd.	1.15
Venkatachalaperumal. N, Tamil Nadu	17.41

Source: Projects Today

5.6.3. Projects to be completed by 2027

Table 26: Projects under the planning, under execution and nascent stage

Contractor name	Cost (in INR. Billion)
2022	
Afcons Infrastructure Ltd.	11.85
Globe Civil Projects Pvt. Ltd.	3.60
K&R Rail Engineering Ltd.	0.45
Katira Construction Ltd.	1.38
Khodal Corpn.	1.78
Patel Construction, Ahmedabad	14.30
Rass Contractor & Engineer	0.09
RPP Infra Projects Ltd.	4.39
Vishnu Prakash R Punglia Ltd.	4.69
GPT Infraprojects Ltd.	1.73
2023	
Hardev Construction Pvt. Ltd.	0.42
SCR Nirman Pvt. Ltd.	0.69
Girrajji Stone Crushers Pvt Ltd.	0.63
2024	
URC Construction Pvt. Ltd.	0.98
SKS Infra Projects Pvt. Ltd.	0.95
KEC International Ltd.	1.14
MAN Structurals Pvt. Ltd.	0.38
Siddartha Civil Works Pvt. Ltd.	0.94
Deepak Builders & Engineers India Pvt. Ltd.	0.88
Larsen & Toubro Ltd.	5.84
2025	
Shree Balaji Engicons Ltd.	2.49
Ashoka Buildcon Ltd.	2.95
BSC Projects Pvt. Ltd.	1.20
Shree Manglam Buildcon Pvt. Ltd.	0.30
Ganga Sagar Singh, Uttar Pradesh	4.93
Girdhari Lal Constructions Pvt. Ltd.	4.50
Rail Vikas Nigam Ltd.	3.07
Vishal Infrastructure Ltd.	4.75
Allied Infrastructure & Project Pvt. Ltd.	0.25
Rail Vikas Nigam Ltd.	4.62
Zetwerk Manufacturing Businesses Pvt. Ltd.	3.15
URC Construction Pvt. Ltd.	2.95
Deepak Builders & Engineers India Pvt. Ltd.	4.78
Shree Manglam Construction	6.70
Leena Electro Mechanical Pvt. Ltd.	2.50
TSR Nirmaan Pvt. Ltd.	1.03
Brahmaputra Infrastructure Ltd.	1.81
Rachana-MCPL JV	1.52
Rail Vikas Nigam Ltd.	3.19
RPP Infra Projects Ltd.	3.99
URC Construction Pvt. Ltd.	3.08
2026	
Adyaraj Developers Pvt. Ltd.	1.95
G S Express Pvt. Ltd.	3.28
Paresh S Patel, Gujarat	0.37
Girdhari Lal Constructions Pvt. Ltd.	7.17

Contractor name	Cost (in INR. Billion)
Rail Infrastructure Devp. Corpn. (Karnataka) Ltd.	1.50
KEC International Ltd.	10.96
Rail Vikas Nigam Ltd.	3.91
Giriraj Civil Developers Pvt. Ltd.	1.95
Skylark Infra Engineering Pvt. Ltd.	3.16
Power Mech Projects Ltd.	3.06
Rail Vikas Nigam Ltd.	11.75
Rail Vikas Nigam Ltd.	67.08
Dineshchandra R. Agrawal Infracon Pvt. Ltd.	9.60
EVRASCON	3.65
Power Mech Projects Ltd.	6.60
2027	
H. G. Infra Engineering Ltd.	7.60
H. G. Infra Engineering Ltd.	7.51
Jhajharia Nirman Pvt. Ltd.	2.14

Source: Projects Today

5.6.4. Railway contract awarding process

Types of contracts awarded

The following forms of contract are primarily intended for application to works contracts:

- **Lumpsum Contract-** A Lumpsum contract is an agreement in which the contractor is hired to complete a specified work or supply within a set timeframe for a predetermined total amount. The contractor's receipt of this amount is contingent upon fulfilling the work or supply according to the specifications and within the allotted time, regardless of the actual quantities and types of work performed or materials supplied to achieve the desired results.

- **Schedule Contract**-A schedule contract is an agreement where the contractor is tasked with completing work or providing supplies as specified within a designated timeframe, at fixed unit rates or prices for each item involved. The total amount the contractor will receive is based on the actual quantities and types of work performed or materials supplied, in accordance with the specifications and within the stipulated time.

- **Piece work Contracts**- This refers to a contract where only the unit rates or prices for different types of work or materials are established, without specifying the total quantity of work to be performed or materials supplied within a designated timeframe. The zonal contract used in the Railways falls into this category.

- **EPC Contracts-** An Engineering, Procurement, and Construction (EPC) contract is the most prevalent type of contract utilized by the private sector for large-scale and complex infrastructure projects. In an EPC Contract, the contractor is obligated to complete the project for a fixed price by a specified date. The engineering and construction contractor are responsible for the detailed engineering design, procuring all necessary equipment and materials, and constructing the project to deliver a fully operational facility or asset to the client. Firms that execute EPC projects are commonly known as EPC Contractors.

Pre-qualification required for Track Laying work

General Requirement-

- The Bidder must be a Private or Public limited company (with or without associates) or a partnership firm. Individuals are not permitted to participate in this Contract. The Bidder (with or without associates) must have been operating in India for at least three years.

- The Bidder and its associates must not have been prohibited by the Central Government, any State Government, a statutory authority, or a public-sector undertaking from participating in any assignment.

- The Bidder and its associates must not have, within the past three years, failed to fulfill any agreement, as evidenced by the imposition of a penalty by an arbitral or judicial authority, or by a judicial ruling or arbitration award against the Bidder. Additionally, they must not have been expelled from any work or agreement, nor have had any agreement terminated.

- The Bidder must possess a valid certificate from NABCB or any international accreditation board (such as ANAB, IAS) specifically for ferrous material or rail/railway components.

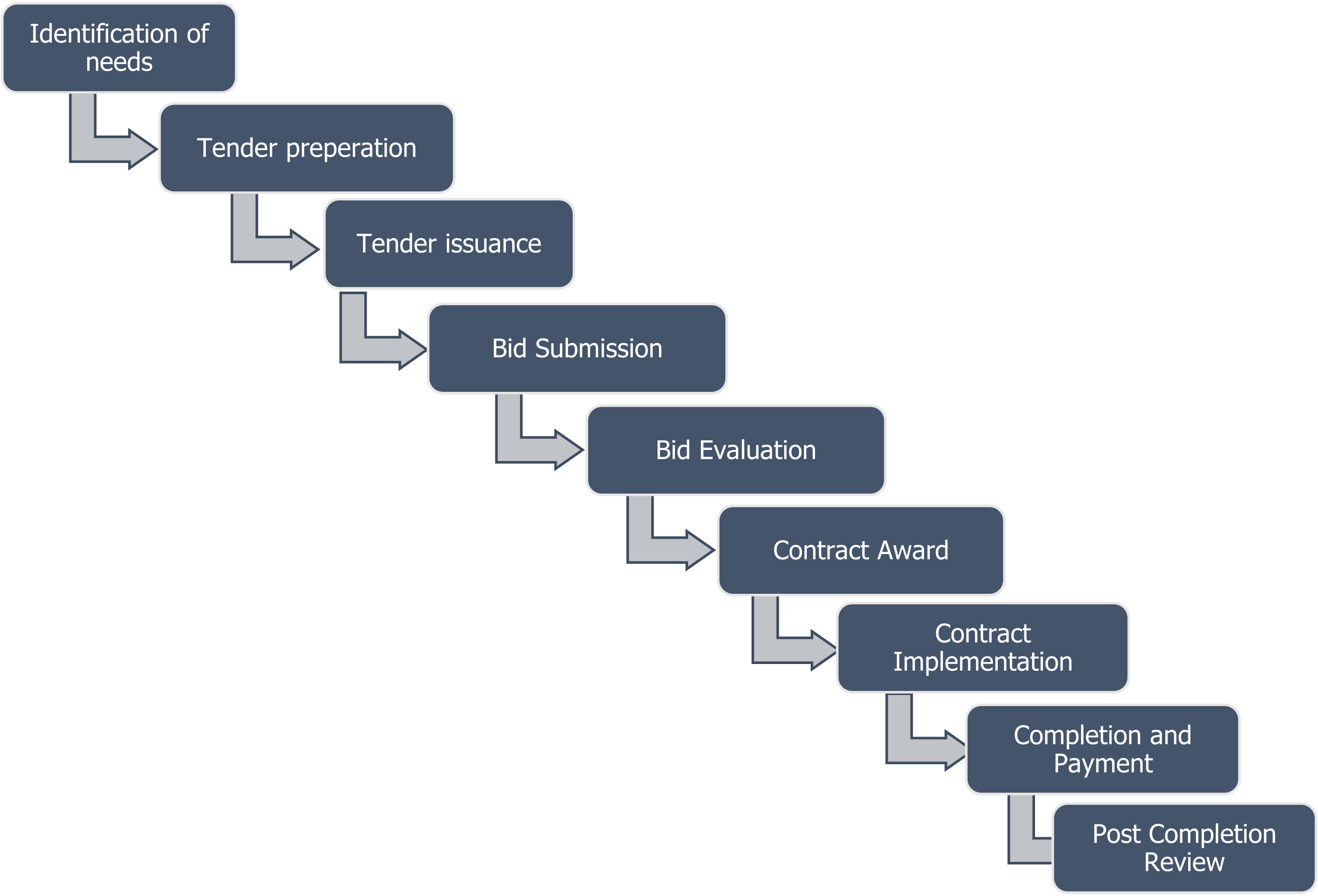
Technical Eligibility-

- Bidders must have completed at least 5 (five) Eligible Assignments within the last 5 Financial Years and the current Financial Year.

- Bidders must have experience in at least 3 specific assignments within the last 5 years.

Bidding and Awarding Process

In the Indian Railways, the decision-making process for awarding contracts for track laying is a structured and meticulous procedure, designed to ensure transparency, fairness, and efficiency. Within the powers delegated by the competent authority, contracts are awarded by the officers of the various Departments in the Railway Administration and the Railway Board for and on behalf of the President of India for supplies, services and works as per extant delegation of powers. The process begins with the pre-qualification of bidders, where potential contractors are evaluated based on their technical expertise, financial stability, past experience, and adherence to safety and quality standards. Once pre-qualified, the contractors are invited to submit detailed bids, which are then assessed by a committee of experts. This assessment considers various factors, including cost-effectiveness, the contractor’s ability to meet project timelines, and compliance with technical specifications. The decision-making process also involves thorough scrutiny to prevent any potential conflicts of interest or malpractice. The final decision to award the contract is typically based on a combination of the lowest bid (L1) and the best value, ensuring that the selected contractor can deliver high-quality work within the stipulated time frame and budget. Throughout the process, Indian Railways adheres to strict guidelines and protocols to maintain the integrity of the contracting process, contributing to the successful and timely execution of track laying projects across the country.



Source: Ministry of Railways

Technically complex projects offer better profit margins compared to less complex endeavors as there are fewer competitors. Only bidders that match specified eligibility criteria are permitted to bid for such projects. Such eligibility criteria, among other things, require previous experience in executing similar projects. In this regard, companies significantly benefit from experience of having executed multiple technically challenging projects across different business verticals.

6. Overview of Manufacturing Market for Track components of Indian Railways

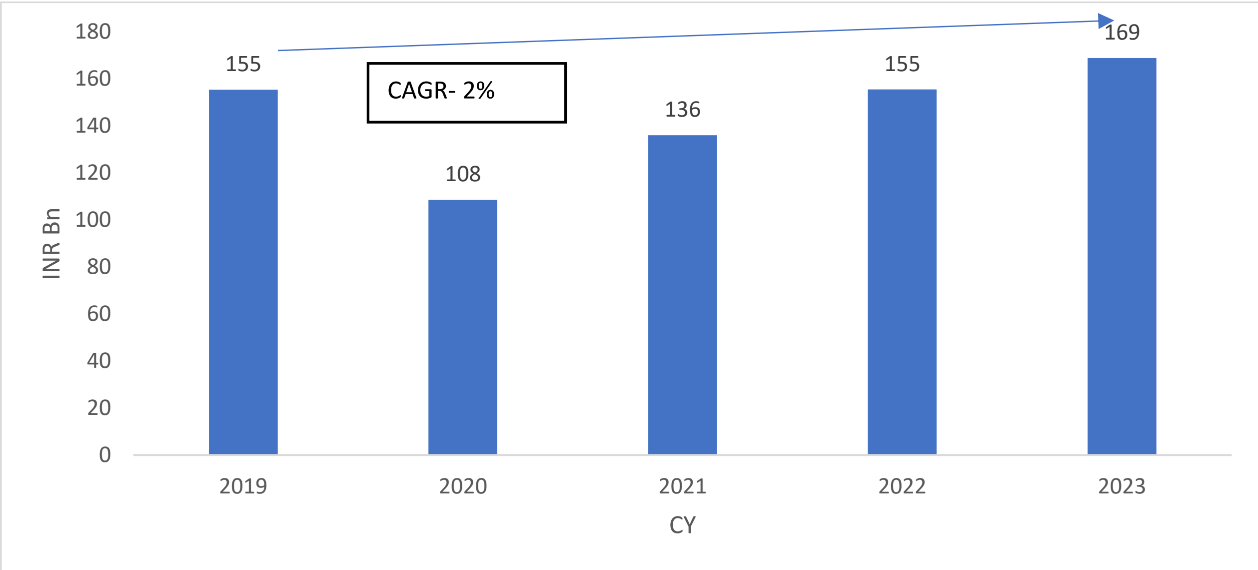
6.1. Manufacturing opportunity and market for track components

The track components market in India presents great potential because of large infrastructure investments and efforts to modernize the Indian Railways. The government's emphasis on high-speed rail projects, and urban transit expansion is increasing the need for high-quality track components. Programs such as "Make in India" and positive FDI regulations promote local production and global partnerships.

As freight and passenger traffic continue to rise, there is an increasing demand for high-quality replacements and creative, sustainable solutions. Nonetheless, breaking into this industry involves navigating through regulatory guidelines, effectively overseeing supply chains, and enforcing stringent quality control to meet safety and performance standards.

Railway tracks are composed of three essential elements: gauge, rail bed, and rails. The gauge is the spacing between the tracks, the rail bed serves as the foundation supporting the tracks, and the rails are the critical components that define the track's quality and durability.

Chart 50: Trend in market size in railway tracks

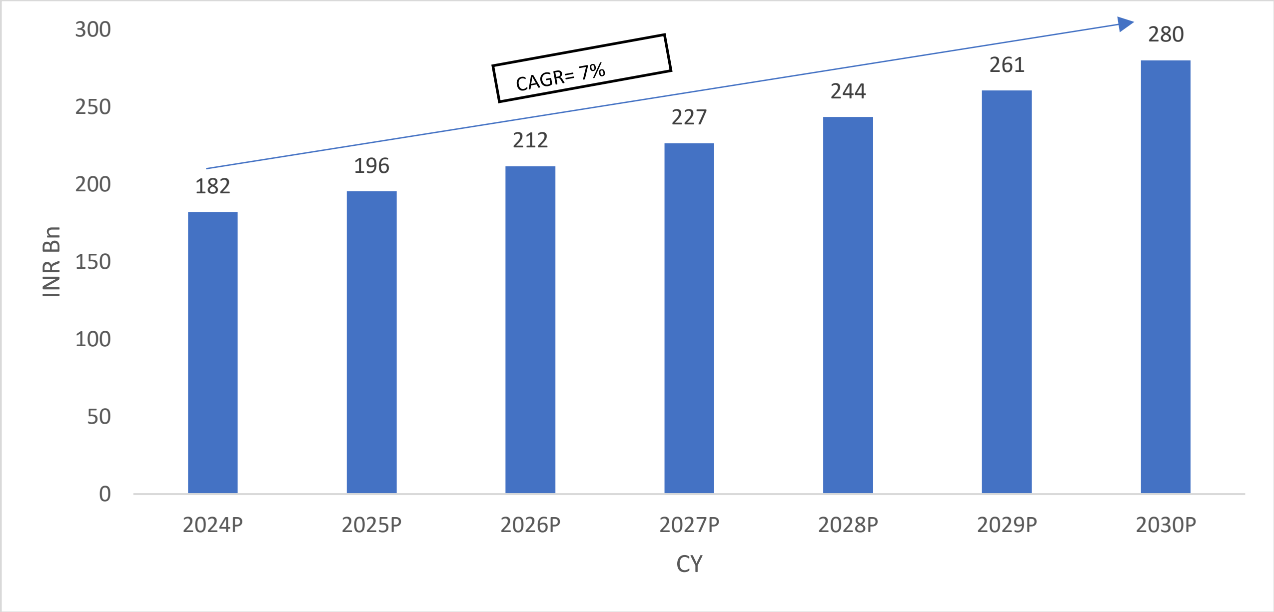


Source: CareEdge Research, Maia Research

The market size of railway racks has grown at a CAGR of 2% over the past 5 years from CY19 to CY23. There was a dip in CY20, due to COVID-19 but the trend has picked up since CY21.

Indian Railways is on track to achieve higher freight output, total revenue, and track construction for the financial year FY23-24, having already laid 5,100 kilometers of new tracks, averaging over 14 kilometers per day.

Chart 51: Projected market size for railway tracks



Source: CareEdge Research, Maia Research

The projected market size of the railway tracks is expected to grow at a CAGR of 7%. The six new upcoming railway tracks for doubling stretch are Ajmer-Chanderiya, Jaipur-Sawai Madhopur, Luni-Samdari-Bhildi, Agthori-Kamakhya with new Rail cum Road Bridge, Lumding-Furkating, Motumari-Vishnupuram and Rail over Rail at Motumari. The government is focusing on the development of new tracks to boost connectivity, minimize logistics cost, reduce oil imports and economic growth within the country.

6.2. Types of track components

Sophisticated design skills play a key role in the production of railway turnouts, guaranteeing accuracy, dependability, and security. Advanced design methods enable the creation of turnouts that adhere closely to precise requirements, crucial for ensuring proper rail alignment and reducing the chances of derailments. Customization choices allow turnouts to be personalized for different requirements, like high-speed operations or intricate track designs, enhancing performance and durability.

Innovative design characteristics improve safety with automated locking mechanisms and constant monitoring, while also enhancing performance by minimizing friction, wear, and noise. In addition, contemporary design methods reduce manufacturing expenses by using modular parts and standardizing processes. Advanced design capabilities guarantee that turnouts stay efficient and flexible to changing railway systems by incorporating new technologies.

Here are the key types of track components:

- **Sleepers:** Sleepers play a crucial role in railway tracks by offering essential support and stability to the entire rail network. Situated between the rails and the track bed, sleepers evenly distribute the weight of passing trains on the ballast, maintaining correct alignment and preventing distortion. Crafted from materials like wood, concrete, or advanced composites, sleepers are created to endure the significant pressures and environmental factors they face. Their significance in railway infrastructure is highlighted by their responsibilities in supporting rail alignment, ensuring track integrity, and enabling smooth train movement.

- **Fasteners:** Fasteners play a vital role in railway track systems, necessary for fastening the rails to the sleepers and maintaining the stability and proper alignment of the track. These components, which consist of clips, bolts, nuts, and plates, serve specific purposes within the track assembly. Rail clips, for example, secure the rails firmly to the sleepers, stopping any movement and ensuring gauge precision. Bolts and nuts play a role in fastening rail joints and other important connections, with base plates distributing weight and creating a firm connection between the rail and sleeper. Having efficient fasteners is essential in order to reduce rail movement, minimize noise and vibration, and guarantee the track infrastructure's long-term reliability and safety.

- **Turnout points:** Turnout points are crucial elements in railroad track systems that allow trains to make seamless transitions between tracks at junctions and intersections. These systems, composed of moveable switch blades and a junction called the frog, enable trains to be redirected easily and help in the effective control of railway congestion. Turnout points are essential for guiding train wheels onto specific tracks, leading to improved train traffic, decreased congestion, and enhanced efficiency of the railway system. It is essential to ensure the safe and reliable rail transportation by properly operating and maintaining them.

The government has increased its expenditure on track doubling and crossings by almost 6 times for the fiscal year FY14 to FY25 . The total commissioned length being 31,180 km from FY14-24. The doubling of tracks typically leads to an increase in turnouts and crossings to manage the added complexity, enhance operational flexibility, and accommodate higher traffic volumes. The expected CAGR is 8% for the next 6 years.

6.3. Turnouts in Indian Railways

Some key turnouts used in India are the following:

A. Conventional Turnout Systems

a. **Heat Treated Welded Crossings-** These crossings are crucial parts of railway networks where different tracks intersect or cross each other, such as at junctions or switch points. The heat treatment process enhances the hardness and wear resistance of the welded crossings, which helps them withstand the high impact and stress experienced at track crossings.

b. **Thick Web Rail Switches-** These are a type of railway switch or turnout designed to handle heavy loads and provide improved performance and durability in rail networks. These switches are an important part of railway track systems where trains change tracks, and they are specifically engineered to meet the demands of high-speed and heavy-haul rail operations.

c. **Diamond Xing and Crossings-** These railway switches are designed to handle the stresses and demands of heavy and high-speed rail operations. They are a specific type of rail switch or turnout that incorporates a thicker rail web to provide enhanced performance and durability.

d. **Rail Expansion Joints-** They are essential components used in railway track systems to accommodate the expansion and contraction of rail tracks due to temperature changes. They are crucial for maintaining the structural integrity and smooth operation of railways.

e. **Glued Insulated Rail Joints-** They are designed to provide reliable insulation between rail segments while maintaining structural integrity and smooth train operations. Glued Insulated Rail Joints are rail joints that use a specialized adhesive or glue to bond insulating materials to the rail ends. This setup provides electrical insulation between adjacent rail sections, preventing electrical current from passing through the joint.

f. **Spring Setting Devices-** They are essential components used in railway track systems, particularly in railway turnouts (switches) and crossings. These devices are designed to ensure proper alignment and operation of the switch mechanism, which allows trains to switch from one track to another.

B. Advanced Turnout Systems

a. **Canted Turnouts-** They are a specialized type of railway turnout (or switch) designed to enhance the smoothness and efficiency of train movements through track switches. They are particularly useful in managing high-speed rail operations and in situations where space constraints or track geometry require optimized design.

b. **Heavy Haul Turnouts-** These railway turnouts (or switches) are designed to accommodate the high stresses and heavy loads associated with heavy haul rail operations. These turnouts are engineered to handle the increased demands of freight trains that carry large quantities of cargo, often over long distances.

c. **Semi High-Speed Turnouts-** These designed to accommodate trains operating at intermediate speeds, typically ranging from about 160 to 250 km/h (100 to 155 mph). They are engineered to provide a balance between high-speed performance and cost-effectiveness, making them suitable for rail networks that experience both high-speed passenger and moderate freight traffic.

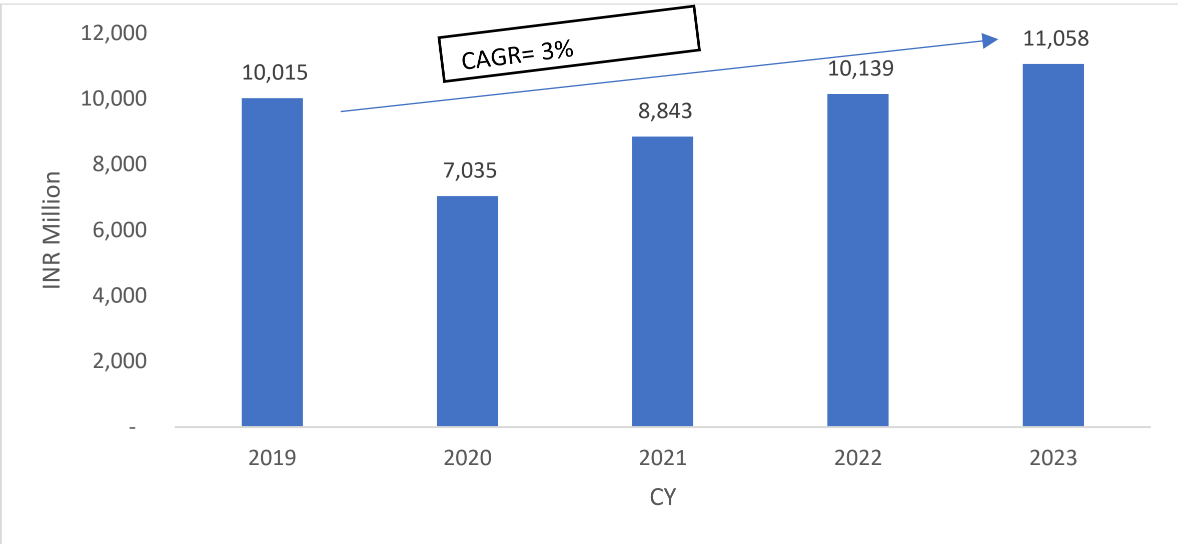
d. **High Speed Turnouts-** These railway turnouts accommodate trains traveling at very high speeds, typically above 250 km/h (155 mph). These turnouts are engineered to ensure smooth and safe transitions for trains moving at these high velocities, minimizing disruptions and maintaining operational efficiency.

e. **Swing Nose Crossings-** SNC is a type of railway crossing (or turnout) used in high-speed and heavy-haul rail networks to provide a smoother and more efficient transition between tracks. This design is particularly useful in minimizing the impact of sharp angles and ensuring smooth train movements at higher speeds.

6.3.1. Turnout points

Turnouts, also referred to as points and crossings, are essential elements of railway networks that facilitate the movement of trains between different tracks. Turnouts allow trains to switch from one track to another, enabling the re-routing of trains to their intended destinations. Points are the mechanisms that guide the train wheels from one track to another, while crossings enable trains to safely traverse intersecting tracks. These components are crucial for the flexibility and efficiency of railway operations, ensuring smooth and safe transitions at junctions and intersections within the network.

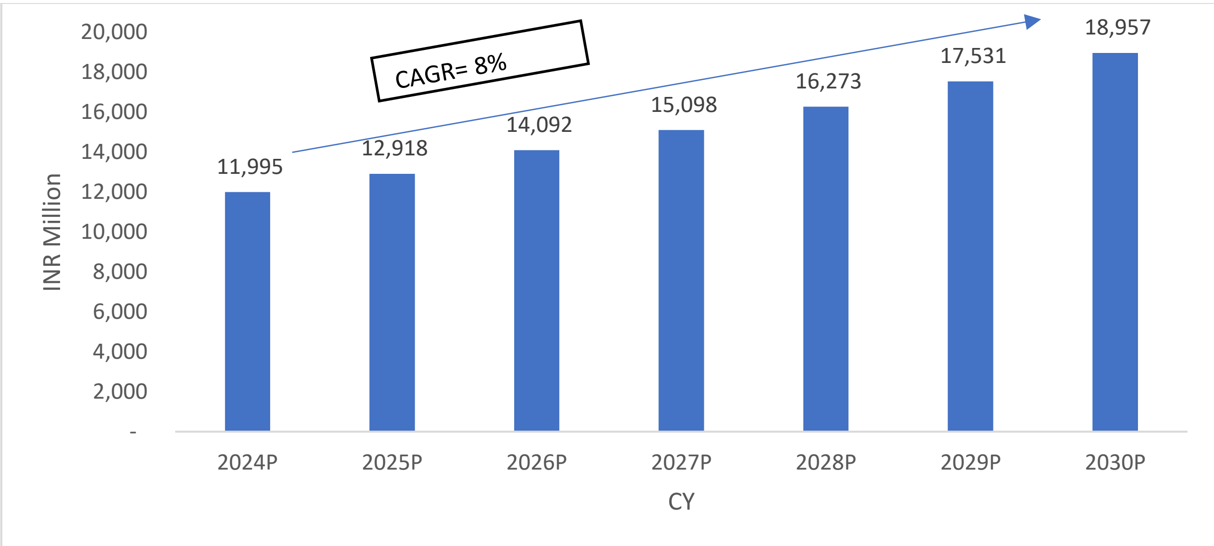
Chart 52: Trend in market size in railway turnouts and crossings



Source: CareEdge Research, Maia Research

The market size for turnouts and crossings has increased from INR 10,015 million to INR 11,058 million from CY19 to CY23 . The CAGR for the span of CY19 to CY23 is 3%. Indian Railways achieved a notable expansion of 31,180 kilometers from CY14 to CY24, with an average commissioning rate of 8.54 kilometers per day for new lines, gauge conversions, and doubling sections.

Chart 53: Projected market size for railway turnouts and points crossings



Source: CareEdge Research, Maia Research

6.3.2. Typical cost and replacement cycle in railways

In India, the time period for replacing railway components differs depending on their type, utilization, and maintenance methods. Rails are generally changed every 10 to 20 years, with the endurance affected by the amount of traffic and the state of the tracks. Concrete sleepers are durable and typically last 40 to 50 years before needing replacement, whereas wooden sleepers need to be replaced more often, every 20 to 30 years, because of wear and environmental factors. Turnouts and points, essential for track switching, typically require replacement every 7 to 12 years, based on the volume of traffic and maintenance standards. Ballast is necessary for maintaining track stability and is typically replaced every 10 to 20 years, depending on track stability and environmental factors.

The expenses for these parts differ as well. The price of rails typically ranges from INR 50,000 to INR 1,00,000 per ton, varying based on type and quality. The cost of concrete sleepers typically falls between INR 1,500 to INR 2,500 per unit, whereas wooden sleepers are cheaper, priced at around INR 500 to INR 1,000 each. The price of turnouts and points can range from

INR 10,00,000 to INR 30,00,000 per unit, based on their level of complexity. The price of ballast is around INR 500 to INR 1,000 per cubic meter. Regular maintenance is essential to prolong component lifespan and ensure efficient and safe rail operations, as costs can vary depending on market conditions, material quality, and procurement processes.

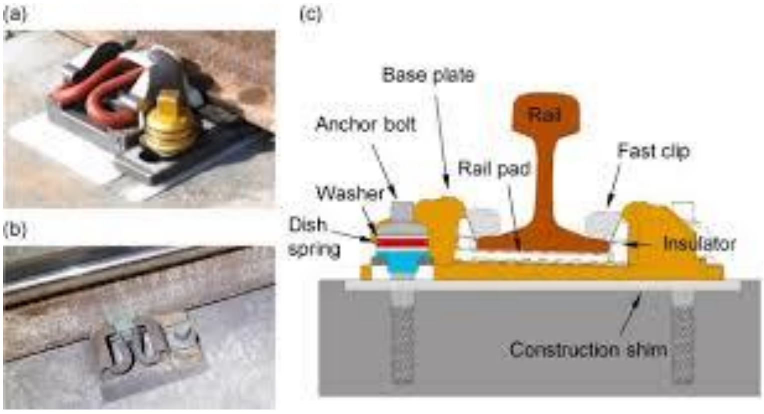
6.3.3. Key players in the market for conventional and advanced turnout market

The companies provide their key products and services to Indian Railways.

Company	Products/services
Rahee Track Technologies Private Limited	Tracks, tunnels, bridges, Turnouts, etc.
Vossloh Cogifer Turnouts India Pvt. Ltd.	Railway track, railway automation, signaling and track components
VAEVKN India Pvt. Ltd.	Turnouts, Steel Castings

6.4. Rail fasteners in Indian Railways

Advanced design capabilities are essential for developing railway fasteners, significantly influencing their effectiveness, safety, and cost-efficiency. Utilizing cutting-edge design tools, engineers can customize fasteners—like rail clips, fishplates, and sleeper bolts—to meet precise demands such as load strength, vibration resistance, and environmental durability. This attention to detail ensures that the fasteners provide optimal track stability, reduce maintenance requirements, and enhance the safety and reliability of railway systems.



The Rail Fastening Systems IS divided into two parts:

- Conventional Rail Fastening Systems used for Ballasted Tracks
- Advanced Rail Fastening Systems used for Ballast less Track Construction which has use cases in Metro Networks, HSR, Ballast less Tracks on Indian Railway Network

  The advanced design techniques lead to greater cost efficiency and foster innovation in railway fastener. Streamlined design processes cut down on material waste and production time, which lowers costs and speeds up delivery. Innovations such as enhanced locking mechanisms and materials resistant to corrosion are developed through sophisticated design methods, improving the longevity and performance of fasteners. Strict adherence to design standards and rigorous testing ensures that railway fasteners meet safety regulations and industry benchmarks, guaranteeing their quality and reliability in challenging rail conditions.

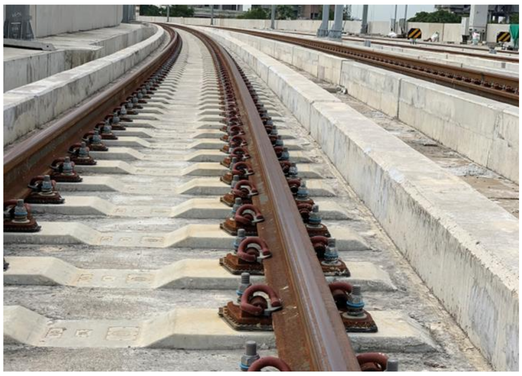
- **Rail Clips:** Rail clips are essential for securing rails to sleepers, maintaining proper alignment and stability. Spring clips provide the necessary tension, while elastic clips, made from materials like elastomers, help absorb vibrations and minimize noise. These clips are vital for both BLT and HSR tracks, enhancing stability and passenger comfort.

- **Rail Pads:** Rail pads are positioned between the rail and the sleeper to absorb vibrations and reduce noise. Rubber pads offer elasticity, while polyurethane pads are durable under heavy loads. They play a crucial role in both BLT and HSR systems by keeping the track aligned and extending the lifespan of track components.

- **Fastening Plates:** Fastening plates connect rails to sleepers, distributing the load and ensuring stability. Base plates help spread the load across a larger area, and shoulder plates assist in keeping the rail properly aligned. Together with rail clips and pads, these plates ensure a strong and stable track installation for both BLT and HSR systems.

- **Tie Rods and Bolts:** Tie rods and bolts are used to fasten various track components, including securing rails to sleepers. Standard hex bolts are used, while high-strength bolts are preferred in HSR systems for handling greater loads. These fasteners are crucial for maintaining the track's structural integrity and stability under dynamic forces.

- **Anchor Bolts:** Anchor bolts are used to secure sleepers to the track bed, preventing them from shifting. Expansion anchors provide a tight hold in concrete, and chemical anchors use adhesives. These bolts are especially important in BLT systems for maintaining alignment and reducing maintenance frequency.



- **Sleeper Fasteners:** Sleeper fasteners attach rails to sleepers, ensuring proper alignment and stability. Sleeper plates provide a mounting surface, while clamp fasteners hold the rail securely. These components are essential for maintaining a stable and reliable track in both BLT and HSR systems.

- **Track Joints:** Track joints connect different sections of rail, ensuring a smooth and continuous track. Fishplates, which are metal plates, join rails together, while welded joints create a seamless track ideal for high-speed applications. Both types are important for ensuring a reliable and efficient rail network.

- **Insulators:** Insulators prevent electrical conductivity between rail components and other structures. Plastic insulators are effective for electrical isolation, while composite insulators offer greater strength and durability. They are essential in electrified rail systems for ensuring safety and proper operation.

6.4.1. Key players in railway fasteners in India

The companies provide their key products and services to Indian Railways.

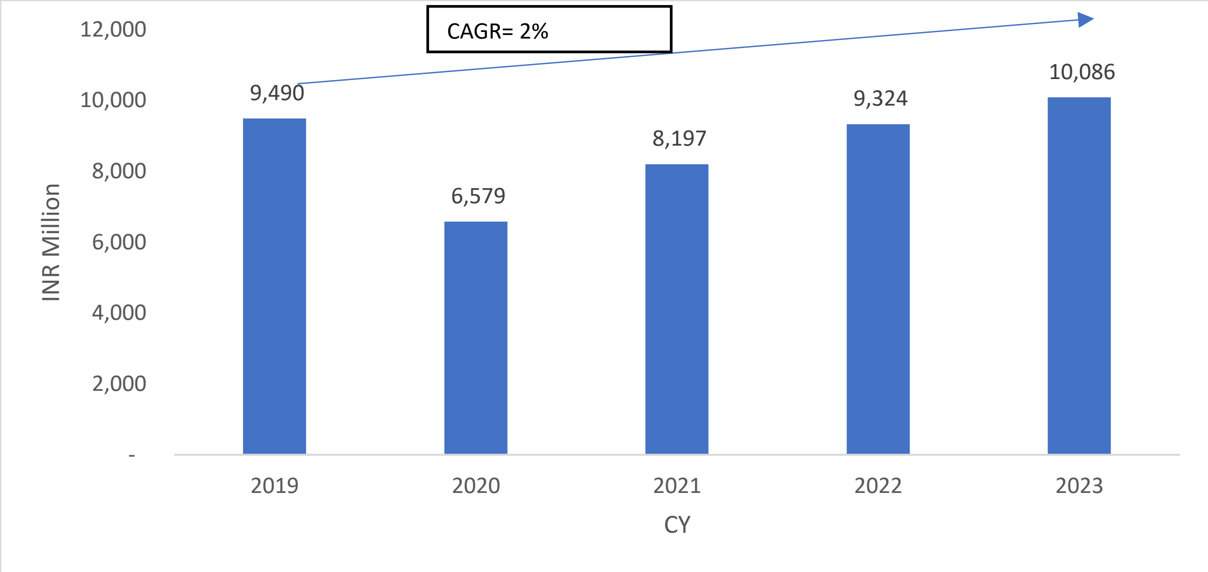
Company name	Key products/services
Rahee -Pandrol JV	Advanced Fasteners, Glued Insulated Joints etc.
Vossloh Cogifer Turnouts India Pvt. Ltd.	Railway track, railway automation, signaling and track components, Fasteners
Rattan Industries	Railway components, High Tensile fasteners, bolts, studs, etc.
Roll Fast	Railway components, High Tensile fasteners, etc.

Source: Industry sources

6.4.2. Fasteners

Railway fasteners are components used to connect steel rails to railway sleepers or other track foundations, serving as intermediate connection parts. Their primary functions include securing the steel rails to the sleepers, maintaining the proper gauge, and preventing the rails from shifting longitudinally or laterally relative to the sleepers. There are different types rail fasteners for fish plates, jogged fish plates and combination fish plates.

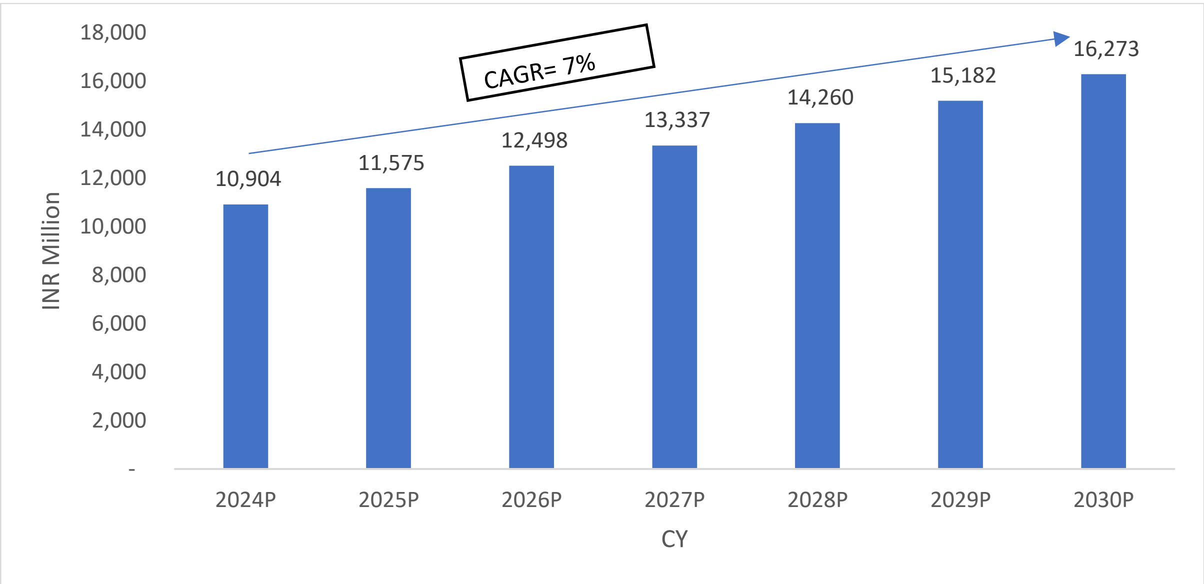
Chart 54: Trend in market size in railway fasteners



Source: CareEdge Research, Maia Research

The market for fasteners declined in CY20 and then again saw an upward trajectory like the other railway components. The CAGR is at 2% for five years. The market share for fasteners is around 3%.

Chart 55: Projected market size for railway fasteners



Source: CareEdge Research, Maia Research

The projected CAGR for 6 years for railway fasteners is 7%, this can be attributed to several factors, including extensive infrastructure expansion and modernization efforts taken up by the government, which require high-quality fasteners to support new and upgraded tracks. The rise in railway traffic, coupled with the need to replace aging components, further fuels demand. Government investments in railway projects, advancements in fastener technology, and stricter safety and compliance standards also play significant roles.

6.5. Sleepers in Indian Railways

- **Concrete sleepers:** In India, Concrete sleepers, especially Prestressed Concrete Sleepers (PSC), are commonly utilized because of their strong and long-lasting qualities. Crafted from durable concrete, these sleepers are available in a variety of styles. Monoblock sleepers, made of a single piece, are frequently utilized on contemporary railways due to their better performance and simple installation process. Sleepers in older rail systems are frequently made up of two separate concrete blocks that are connected together. Concrete sleepers are commonly used on mainline and high-speed tracks because of their durability and low maintenance needs, which make them perfect for heavy traffic and high loads.

- **Wooden sleepers:** Timber-made wooden sleepers are still utilized in specific regions. There are two primary categories: softwood and hardwood sleepers. Sleepers made from hardwood, which is denser, are favored for their increased longevity and robustness. Regular maintenance and treatment of wooden sleepers is essential to prevent decay, as they are more vulnerable to environmental conditions than concrete sleepers. They are commonly utilized in less busy regions or where concrete options are not possible, providing a cost-efficient answer in those circumstances.

- **Steel Sleepers:** Steel sleepers, crafted from metal, are utilized for particular situations that demand both strong durability and adaptability. These sleepers provide benefits in terms of durability and flexibility, but they are not as widespread as concrete sleepers. Steel sleepers are commonly used in specific rail lines or short-term setups due to their advantageous characteristics. They are appreciated for their capacity to manage changing loads and adjust to different track conditions, making them appropriate for specific rail system setups.

- **Carbon Steel Rails:** Carbon steel rails are commonly used in various rail applications across India. They are known for their strength and resistance to wear, making them suitable for a wide range of track types. These rails are frequently employed in both mainline and branch lines, offering a reliable solution for diverse load and speed conditions. Carbon steel rails strike a balance between performance and cost, ensuring durability and operational efficiency.

- **Alloy Steel Rails:** Alloy steel rails, which include additional alloying elements to enhance their properties, are used in high-demand rail systems. These rails are designed to offer improved resistance to wear and greater toughness, making them ideal for high-speed and heavily trafficked lines. The enhanced properties of alloy steel rails help to extend the track's lifespan and maintain high performance under demanding conditions, contributing to the overall effectiveness and safety of rail operations.

- **Rails for High-Speed Tracks:** Specialized rails for high-speed tracks are made from high-quality steel to withstand the intense demands of fast-moving trains. These rails are engineered to endure greater stresses and ensure a smooth ride, which is crucial for maintaining safety and comfort at high speeds. They are used in dedicated high-speed rail corridors to support the efficient and secure operation of modern rail systems.

- **Light Rails:** Light rails are characterized by their thinner and lighter design, making them suitable for lighter rail systems and less demanding applications. These rails are typically used in urban transit systems and lower-speed rail networks, where their reduced weight and cost advantages are beneficial. Light rails offer a practical and economical solution for urban and lower-traffic rail scenarios, addressing specific operational needs efficiently.

6.5.1. Key players in the sleepers and rails market

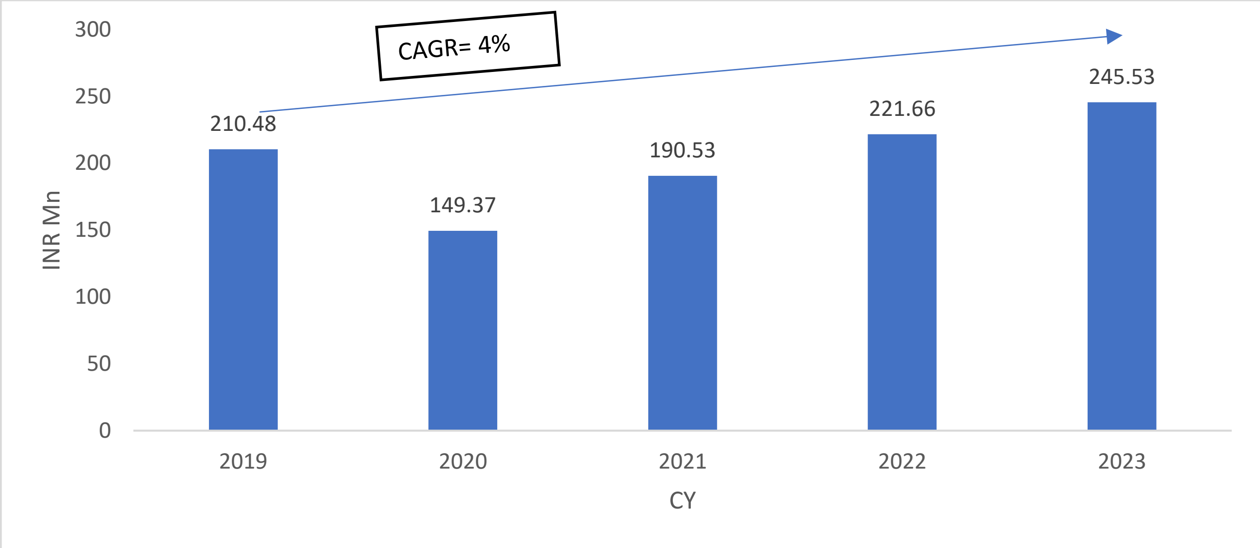
All the below mentioned players provides their products and services for track construction to Indian Railways.

Company name	Products/Services
Malu Group	Railway sleepers, lines poles, steel wires, etc.
Gilada Group	Concrete sleepers, rail guard and level crossings, etc.
Patil Group	Sleepers, fasteners, ballast, etc.
Jupiter Wagons	Rail road equipment, wagons, railway sleepers
Rahee Infratech Limited	Railway sleepers and fasteners
Noida Toll Bridge Company	Rails, railway sleepers, etc.

6.5.2. Sleepers

A railway sleeper is a key railway accessory that supports the steel rails, maintains their alignment, and transfers the substantial pressure from the rails to the track bed. It must be flexible and elastic to absorb and dampen the pressure from passing trains while returning to its original position afterward.

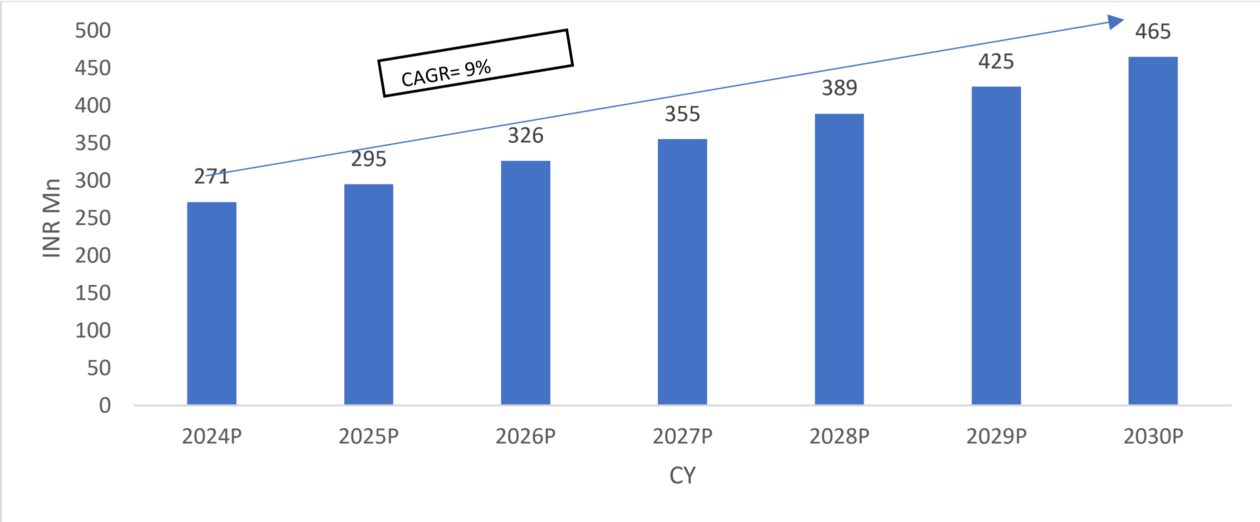
Chart 56: Trend in market size in railway sleepers



Source: CareEdge Research, Maia Research

The market size of sleepers has grown at a CAGR of 4% over CY19 to CY23. Following a decline in CY20 due to the COVID-19 pandemic, the market trend resumed its upward trajectory in CY21.

Chart 57: Projected market size for railway sleepers



Source: CareEdge Research, Maia Research

The growth for the railway's sleepers' market is expected to rise from INR 271 Million to INR 465 Million from CY24 to CY30. At the CAGR for five years expected to be around 9%. India is expected to maintain its growth momentum in the sleepers' market due to continuous investments in the railway projects.

6.6. Procurement process for Track components in Indian Railways in RDSO approved designs

- **Requirement Assessment:** The procurement process for track components in Indian Railways and metro projects begins with a thorough assessment of requirements. This step involves identifying the specific types and quantities of components needed based on the project's scope and operational needs. Engineers and project managers collaborate to outline these requirements, setting the foundation for the following procurement steps.

- **Preparation of Specifications:** Following the requirement assessment, detailed technical specifications for each track component are drafted. These specifications define the material properties, dimensions, and performance standards, aligning with the guidelines provided by the Research Designs and Standards Organization (RDSO). Adhering to RDSO standards ensures that the components will meet essential safety and performance criteria.

- **Tendering Process:** The next stage is the tendering process, where manufacturers and suppliers are invited to submit bids. Tender documents outline the required components, technical specifications, and evaluation criteria. Companies provide their bids, including technical and cost proposals, which are reviewed to select the most competitive and compliant offers.

- **Evaluation and Approval:** Bids undergo a two-phase evaluation: technical and financial. The technical review ensures that bids meet the specified standards and RDSO designs, while the financial review assesses cost-effectiveness. Contracts are awarded to bidders who meet both technical requirements and budget constraints.

- **Manufacturing and Quality Control:** Once contracts are finalized, manufacturers produce the track components according to the specified requirements and RDSO standards. Quality control is enforced throughout the manufacturing process, with comprehensive testing and inspections conducted both during production and upon delivery to verify compliance.

- **Delivery and Installation:** After production, the components are delivered to the project site in accordance with the schedule. Efficient logistics ensure that components arrive on time and in good condition. Installation is then carried out, ensuring that all components are correctly placed to ensure track functionality and safety.

- **Post-Installation Monitoring:** Post-installation, the track components are inspected to verify that they meet the technical specifications and perform as expected. Any issues detected are promptly addressed, and feedback is provided to manufacturers to enhance future products.

The Research Designs and Standards Organization (RDSO) is a pivotal entity in the Indian Railways, tasked with defining technical standards and approving designs for railway components. RDSO formulates detailed specifications for various track elements such as rails, sleepers, and signaling equipment, ensuring that all components meet stringent quality and performance criteria across the rail network. The organization meticulously evaluates and certifies designs submitted by manufacturers, conducting thorough testing to confirm compliance with these standards. This rigorous approval process guarantees that components are dependable and perform optimally under operational conditions. Additionally, RDSO is involved in advancing railway technology through research and development, driving innovation and modernization within the sector.

Beyond setting standards and approving designs, RDSO offers critical consultancy and guidance to Indian Railways and other relevant stakeholders. This support includes recommendations on best practices for the design, installation, and maintenance of railway components. RDSO also regularly updates its standards to integrate technological advancements and address evolving challenges, ensuring that its guidelines remain current and effective. By prioritizing safety, efficiency, and continuous improvement, RDSO significantly contributes to the enhancement of India's railway infrastructure, ensuring the reliable and safe operation of rail services across the country.

7. International Railway project opportunities

7.1. Indian Vendors Getting Approved in International Projects

Indian vendors have secured significant international railway contracts, demonstrating their growing influence and capabilities in global infrastructure projects.

- **RITES Limited and Bangladesh Railways:** RITES Limited, the export arm of Indian Railways, has been awarded an INR 9.15 Billion contract by Bangladesh Railways. The contract involves supplying 200 broad-gauge passenger carriages and includes design expertise, spare parts support, and training. Funded by the European Investment Bank, this deal was secured through a global competitive bidding process. RITES' role extends beyond supply, emphasizing its comprehensive support and technical know-how.

- **RITES Ltd and CFM Mozambique:** On December 12, 2023, RITES Ltd signed a pact with CFM Mozambique for the supply of ten diesel locomotives and related services. The contract, valued at INR 3.141 Billion, highlights RITES' growing presence in the African rail market. This agreement underscores India's expanding footprint in providing railway solutions and services to international clients.

- **Škoda Group and Titagarh Firema:** In a notable collaboration, the Škoda Group and Titagarh Firema won a contract to produce up to 370 new railway coaches for Italian night lines. Announced on August 9, 2023, the project, valued at INR 66.643 Billion, involves supplying new sleeping coaches for Trenitalia's Milan-Palermo-Syracuse line. This contract reflects the successful partnership between Indian and international firms, leveraging advanced technical solutions and environmental sustainability.

- **Rahee Infratech Limited and Bangladesh Railways:** Rahee has been instrumental in designing multiple types of dual gauge turnouts and is an exporter of dual turnouts to the Bangladesh Railways

These contracts illustrate the growing international recognition of Indian vendors in railway infrastructure, driven by their high-quality standards, competitive pricing, and technological advancements. The success of RITES and the Škoda-Titagarh Firema consortium underscores India's significant role in global railway projects.

10.2 Order Inflow for Indian Companies from International Projects

Indian companies are experiencing significant order inflow from international railway projects, reflecting their expanding global footprint.

- RITES Limited secured an INR 9.33 Billion contract with Bangladesh Railways to supply 200 passenger carriages, showcasing its capability to deliver comprehensive railway solutions and garnering substantial funding from the European Investment Bank.

- RITES Ltd also won an INR 3.16 Billion contract with CFM Mozambique for ten diesel locomotives, highlighting its growing presence in the African market.

- Škoda Group and Titagarh Firema, a consortium including Indian firm Titagarh Firema, received an INR 66.643 Billion order for up to 370 railway coaches for Italian night lines, underscoring Indian vendors' competitive edge in large-scale European contracts.

These projects contribute to a robust order inflow, reinforcing Indian companies' expertise and reliability in the global railway sector.

India Vietnam joint exhibition

- **International Projects Participation by Indian Companies**

  International railway project opportunities present significant potential for Indian companies to expand their global footprint and leverage their expertise in infrastructure development. One notable player in this field is IRCON, a 44-year-old integrated engineering and construction company in India. IRCON specializes in large turnkey infrastructure projects such as railways, roads, highways, bridges, flyovers, tunnels, aircraft maintenance hangars, runways, ultra-high voltage substations, metros, and MRTs. With a presence in several Indian states and countries including Malaysia, Nepal, Bangladesh, South Africa, Algeria, Myanmar, and Sri Lanka, IRCON has completed over 128 projects in 25 countries and 395 projects across Indian states. Approximately 7% of the company's orders are derived from international projects, underscoring its growing global influence.

Ongoing International Projects:

- **Sri Lanka Railway Line Project:** IRCON is upgrading the railway line from Maho to Omanthai for the Sri Lanka Railway. This project, valued at INR 6,380 Million, is expected to be completed by FY23-24.

- **Khulna-Mongla Port Rail Line Project, Bangladesh:** In Bangladesh, IRCON is constructing the embankment, track, civil works, and bridges for the Khulna-Mongla Port rail line. The contract, valued at INR 11,960 Million, is also slated for completion by FY 23-24.

- **Algeria Rail Project:** IRCON is working on a double-track line between Oued-Sly and Yellell (93 km) on the Algiers-Oran line in Algeria. The project, costing INR 22.940 Billion, is 80% complete.

- In September 2023, the Ministry of Transport and Highways of Sri Lanka and IRCON International signed a contract for the design, installation, testing, and commissioning of a **signaling system for Sri Lanka Railways**, from Maho to Anuradhapura, valued at INR 1.25 Billion under an Indian Line of Credit (LOC).

In addition to IRCON, RITES Ltd, another entity under Indian Railways, actively participates in international railway projects. RITES Ltd operates in 55 countries, exporting locomotives, coaches, wagons, DMU train sets, and other related equipment. This extensive reach allows Indian companies to not only provide infrastructure development services but also export high-quality railway equipment and technology.

The robust participation of Indian companies like IRCON and RITES Ltd in international railway projects highlights their capability and competitiveness on a global scale. These projects offer numerous opportunities for Indian companies to showcase their engineering progress, enhance international collaborations, and contribute significantly to the global infrastructure landscape.

8. Rahee Company Profile

Rahee Group operates eight manufacturing facilities located in the Eastern region and the Southern region and Rahee's associate, Pandrol is a manufacturer and innovative supplier of advanced rail fastening components in India which is majorly used in metros and High-Speed Railways in India.

They are also the manufacturers and suppliers of rail fastening systems, railroad infrastructure and mainline ballast less track construction in India, having an experience of more than 60 years in manufacturing rail fastening systems. The company have constructed 258.9 km of ballast less track for metros and main lines in India as on August, 2024 with construction of 191.84 km of ballast less track in progress. As of July 31, 2024, the company has constructed more than 185 km of ballast less/ballasted track for metros which constitutes to about 19.5% of the total operational metro network of 945km in India and 65 km of main lines ballast less tracks in India, with further construction of 140 km of ballast less track in progress, constituting to about 20% of about 600+km under-construction metro network in India. They undertook track construction for the longest rail tunnel in India (12.77 km in length) have manufactured and set up 62 km of ballast less track in tunnels for the Udhampur-Srinagar-Baramulla rail link and also designed, supplied and installed more than 2,400 sets of H-beam sleepers with fastening systems at the world's highest steel arch rail bridge at Chenab. Rahee Infratech has obtained a patent for Switch Expansion Joint design in 1998 and zero restraint fastening system for steel sleepers on bridges in 2002, both are commonly used components whose license was transferred to Indian Railways and have replaced the conventional designs. The company has also provided zero restraint fastening system for steel bridges like Chenab bridge and Bogibeel Bridge in Northeast India.

Along with this, Rahee Infratech is an EPC contractor of ballast less tracks for Mainline Tracks in India. The company has entered into an agreement with Pandrol, a part of the Delachaux Group, headquartered in France, which is a global player in rail fastening systems who has provided services in more than 100 countries and 400 railways across the world is expected to provide Rahee with diverse experience. As part of a joint venture, the company has constructed 41.1 track Km of ballast less and ballasted track work including depot of 7.8 track Km. (ballasted – 4.2 track Km and ballast less – 3.6 track Km) for the Kolkata Metro Rail Corporation Ltd. The track construction included 12.6 track Km on an elevated portion and 20.7 track Km underground.

Apart from this, Rahee is currently constructing ballast less tracks for station platforms under the station redevelopment project of Indian Railways including Bankura stations in West Bengal. They have also manufactured and installed pre-casted embedded ballast less track for Delhi metro Rail Corporation at Badli Depot and East-West Metro in Kolkata under the Hooghly River which is India`s first under water metro tunnel.

9. Key threats and challenges to Rahee Group and its product and services

- **Project Delays**

  Project delays pose a significant threat to the railway infrastructure sector, as demonstrated by the Bangalore Suburban Railway Project (BSRP). Originally set for completion in December 2025, this 149.348 km commuter rail network with 64 stations has been postponed to December 2027 due to various obstacles. Such delays can lead to increased costs and financial strain, impacting the profitability of the companies involved. The extended project timelines can disrupt the delivery of services and affect market positioning. Additionally, delays often result in operational inefficiencies and resource strain, complicating project management and execution. The extended duration of railway projects, like the BSRP, further exacerbates regulatory and supply chain challenges, hindering overall industry development and impacting competitive advantage.

- **Labour Issues**

  Shortages of skilled labour can delay project timelines and reduce operational efficiency, leading to increased costs and potential revenue losses. The railway sector often requires specialized expertise for complex tasks, and a lack of available skilled workers can impede progress and affect project quality. Additionally, labour strikes or disputes can halt construction work, further delaying projects and increasing expenses. High turnover rates or inadequate training can also impact productivity and safety, leading to project delays and potential operational disruptions. These labour-related challenges can strain resources, affect project delivery schedules, and impact overall competitiveness in the market. Addressing labour issues effectively is crucial to maintaining project momentum and achieving successful outcomes in the railway infrastructure sector.

- **Global Political and Economic Instability**

  Political uncertainties, such as changes in government policies or trade regulations, can lead to project delays and increased costs due to shifting priorities or new compliance requirements. Economic instability, including fluctuations in currency exchange rates and inflation, can impact the cost of materials and labour, leading to budget overruns and financial strain. Additionally, geopolitical tensions may disrupt supply chains, affecting the timely delivery of critical components and equipment. These instabilities can hinder project execution, reduce profitability, and impact overall market competitiveness. Furthermore, uncertainty in global markets can affect investment confidence and funding availability, challenging the growth and sustainability of railway infrastructure projects. Addressing these challenges requires strategic planning and risk management to mitigate the impact of global instability on project success and operational efficiency.

- **Competition**

  With numerous companies vying for railway projects, increased competition can lead to price wars, reducing profit margins and impacting overall financial performance. Companies offering innovative technologies or more efficient solutions can attract clients. Additionally, competitive pressures can lead to more stringent bidding processes, increasing the cost and complexity of securing contracts. This heightened competition also challenges to continually improve its service quality and operational efficiency to maintain a competitive edge. Furthermore, emerging competitors with lower cost structures or specialized expertise may capture market share, affecting project acquisition and growth opportunities. Effectively navigating this competitive landscape requires strategic differentiation and robust market position.

10. Competitive benchmarking

Indian Railways issue tenders for procurement and EPC contracts for construction and maintenance of track, track components, bridges, electrification and wagons etc. from various players in India like Rail Vikas Nagam, GPT Infraprojects Ltd, Jupiter Wagons, Rahee Infratech Ltd, IRCON International, Texmaco etc.

Rail Vikas Nigam Ltd

Rail Vikas Nigam Limited (RVNL) is an Indian public sector enterprise that focuses on the development and expansion of railway infrastructure. It was established in 2003 as a wholly-owned subsidiary of Indian Railways. The company is involved in various activities, including the construction and enhancement of railway tracks, stations, bridges, and other infrastructure projects related to rail transport.

RVNL's projects often aim to improve the efficiency and safety of the railway network, support the growth of rail transportation capacity, and facilitate the modernization of railway infrastructure across India. The company's work includes the execution of new railway lines, doubling or gauge conversion of existing tracks, and the development of major railway stations and freight terminals.

Particulars	Rail Vikas Nigam Limited		
	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations (INR millions)	2,18,892.30	2,02,815.70	1,93,817.10
Total Income (Rs. in millions)	2,30,748.00	2,12,780.40	2,01,819.40
2-year Revenue CAGR (Fiscal 2022 to Fiscal 2024) (%)	6.27%	-	-
EBITDA (INR millions)	25,384.00	22,432.40	19,832.70
EBITDA Margins (%)	11.00%	10.54%	9.83%
Profit after tax (INR millions)	15,744.70	14,205.50	11,101.40
Profit after tax (attributable to owners of the company including share of profit of associate) (INR millions)	15,743.00	14,205.50	11,826.90
Net worth (INR millions)	87,456.80	73,251.20	63,974.00
Net Debt to Equity Ratio	0.56	0.76	0.31
Net Debt to EBITDA Ratio	1.92	2.48	1.00
Return on Net worth (%)	18.00%	19.39%	18.49%
ROCE (%)	17.09%	16.17%	15.10%
Net Working Capital	45,471.70	41,620.20	33,225.90
Net Working Capital days	76	75	63

Note: Consolidated financial performance has been considered for the peer analysis
Source: Industry sources

GPT Infraprojects Ltd

GPT Infraprojects Limited is an Indian company that operates primarily in the infrastructure sector. Founded in 1986, GPT Infraprojects focuses on various areas within infrastructure development, including Railway Infrastructure, Bridges and Flyovers, Highways and Roads, Urban Infrastructure etc.

The company is involved in the construction and maintenance of railway tracks, including track laying, signaling, and station development. They work on projects that enhance rail connectivity and efficiency, construction of bridges, flyovers, and other elevated structures, aiming to improve transportation networks and urban infrastructure. The company is also engaged in road construction and highway projects, including the construction of various public amenities and facilities aimed at improving city infrastructure. The Company's concrete sleeper operations are spread across four countries – India, South Africa, Namibia and Ghana.

Particulars	GPT Infraprojects Limited		
	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations (INR millions)	10,182.84	8,091.46	6,745.21
Total Income (Rs. in millions)	10,248.83	8,137.32	6,783.56
2-year Revenue CAGR (Fiscal 2022 to Fiscal 2024) (%)	22.87%	-	-
EBITDA (INR millions)	1,276.45	920.69	879.18
EBITDA Margins (%)	12.45%	11.31%	12.96%
Profit after tax (INR millions)	556.36	297.67	229.39
Profit after tax (attributable to owners of the company including share of profit of associate) (INR millions)	578.44	313.97	243.40
Net worth (INR millions)	3,015.46	2,758.54	2,548.31
Net Debt to Equity Ratio	0.61	0.86	0.97
Net Debt to EBITDA Ratio	1.44	2.58	2.84
Return on Net worth (%)	19.18%	11.38%	9.55%
ROCE (%)	22.81%	14.11%	13.24%
Net Working Capital	3,192.08	3,263.92	3,587.84
Net Working Capital days	114	147	194

Note: Consolidated financial performance has been considered for the peer analysis
Source: Industry sources

IRCON International Ltd

IRCON International Limited is a prominent Indian public sector engineering and construction company specializing in transportation infrastructure projects. Established in 1976 and headquartered in New Delhi, IRCON operates under the Ministry of Railways and has a reputation for delivering complex and large-scale infrastructure projects. The company undertakes various highway and road construction projects, including the development of national and state highways. IRCON constructs bridges, tunnels, and elevated structures essential for both rail and road transportation.

Particulars	Ircon International Limited		
	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations (INR Millions)	1,23,309.10	1,03,679.30	73,796.70
Total Income (INR Millions)	1,28,705.20	1,07,498.90	75,857.10
2-year Revenue CAGR (Fiscal 2022 to Fiscal 2024) (%)	29.26%	-	-
EBITDA (INR Millions)	14,637.40	10,851.00	7,927.00
EBITDA Margins (%)	11.37%	10.09%	10.45%
Profit after tax (INR millions)	9,295.10	7,652.30	5,922.70
Profit after tax (attributable to owners of the company including share of profit of associate)(INR Millions)	9,295.70	7,652.30	5,923.40
Net worth(INR Millions)	58,659.90	52,065.60	46,606.90
Net Debt to Equity Ratio	0.07	-0.16	0.03
Net Debt to EBITDA Ratio	0.26	-0.77	0.18
Return on Net worth (%)	15.85%	14.70%	12.71%
ROCE(%)	16.17%	14.57%	11.51%
Net Working Capital	28,063.40	16,769.80	13,640.20
Net Working Capital days	83	59	67

Note: Consolidated financial performance has been considered for the peer analysis
Source: Industry sources

ITD Cementation India Ltd

ITD Cementation India Ltd, established in 1978, is a leading player in the Indian infrastructure and construction sector. A subsidiary of the Italian company ITD Cementation, the company specializes in various segments of civil engineering, Building Foundations, Underground Works, Marine Works, Highways, Road and highway construction and Railway Infrastructure.

Particulars	ITD Cementation India Limited		
	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations (INR Millions)	77,178.73	50,909.11	38,090.17
Total Income (INR Millions)	77,658.99	51,195.33	38,208.75
2-year Revenue CAGR (Fiscal 2022 to Fiscal 2024) (%)	42.35%	-	-
EBITDA (INR Millions)	7,930.88	4,285.15	3,049.21
EBITDA Margins (%)	10.21%	8.37%	7.98%
Profit after tax (INR millions)	2,741.85	1,247.28	693.41

Particulars	ITD Cementation India Limited		
	Fiscal 2024	Fiscal 2023	Fiscal 2022
Profit after tax (attributable to owners of the company including share of profit of associate) (INR Millions)	2,737.33	1,242.44	688.05
Net worth (INR Millions)	14,937.02	12,375.06	11,311.72
Net Debt to Equity Ratio	0.17	0.22	0.11
Net Debt to EBITDA Ratio	0.32	0.65	0.42
Return on Net worth (%)	18.33%	10.04%	6.08%
ROCE(%)	24.84%	16.05%	12.29%
Net Working Capital	4,683.16	2,710.35	3,504.20
Net Working Capital days	22	19	34

Note: Consolidated financial performance has been considered for the peer analysis
Source: Industry sources

Texmaco Rail & Engineering Ltd

Texmaco Rail & Engineering Ltd, a prominent player in the Indian infrastructure sector, specializes in manufacturing and engineering solutions for railways and other critical infrastructure. Established in 1958 and headquartered in Kolkata, Texmaco has built a reputation for its expertise in railway transport, including the design and production of rolling stock and engineering services.

Texmaco Rail & Engineering is known for manufacturing various types of rolling stock, including freight wagons, passenger coaches, and locomotives. Their products cater to both Indian Railways and international markets. The company's focus on railways and engineering solutions, combined with its established market presence and capabilities, positions it well for future growth.

Particulars	Texmaco Rail & Engineering Limited		
	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations (INR Millions)	35,028.70	22,432.77	16,217.36
Total Income (INR Millions)	35,724.17	22,696.52	16,441.67
2-year Revenue CAGR (Fiscal 2022 to Fiscal 2024) (%)	46.97%	-	-
EBITDA (INR Millions)	3,330.66	1,717.82	1,626.46
EBITDA Margins (%)	9.32%	7.57%	9.89%
Profit after tax (INR millions)	961.82	88.79	141.83
Profit after tax (attributable to owners of the company including share of profit of associate) (INR Millions)	1132.07	260.26	205.00
Net worth(INR Millions)	24,799.81	13,392.08	13,142.74
Net Debt to Equity Ratio	0.24	0.68	0.49
Net Debt to EBITDA Ratio	1.81	5.54	4.02
Return on Net worth (%)	4.56%	1.94%	1.56%
ROCE(%)	9.48%	5.88%	6.26%
Net Working Capital	24,992.48	17,687.00	15,187.15
Net Working Capital days	260	288	342

Note: Consolidated financial performance has been considered for the peer analysis
Source: Industry sources

Rahee Infratech Ltd

Rahee Infratech Ltd is a railway infrastructure company in India and is focused on providing manufacturing and construction services spanning the entire gamut of track substructure and superstructure, which includes turnkey bridge construction projects, supply and installation of railway tracks, design and manufacture of turnouts, track devices, thick web switches, rail fastening systems and sleepers and is a suppliers of turnouts, special track devices, ballasted track, ballast less track, embedded track and railway sidings and yards to Indian Railways. They provide a one-stop solution for the design, supply and installation of tracks for all types of railway track infrastructure projects.

Rahee Infratech Ltd has entered into joint ventures with Pandrol, Delachaux Group, France to gain expertise which will be required in the HSR, Semi HSR and MLT projects . The company face competition from domestic as well as overseas companies.

Particulars	Rahee Infratech Limited		
	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations (INR Millions)	9,657.37	7,858.21	5,568.38
Total Income (INR Millions)	9,751.80	7,891.23	5,611.58
2-year Revenue CAGR (Fiscal 2022 to Fiscal 2024) (%)	31.69%	-	-
EBITDA (INR Millions)	1,241.23	1,005.87	885.75

Particulars	Rahee Infratech Limited		
	Fiscal 2024	Fiscal 2023	Fiscal 2022
EBITDA Margins (%)	12.73%	12.75%	15.78%
Profit after tax (INR millions)	761.25	521.24	470.97
Profit after tax (attributable to owners of the company including share of profit of associate) (INR Millions)	713.11	496.45	378.07
Net worth (INR Millions)	3,133.49	2,423.92	1,937.96
Net Debt to Equity Ratio	0.54	0.43	0.42
Net Debt to EBITDA Ratio	1.64	1.32	1.23
Return on Net worth (%)	22.76%	20.48%	19.51%
ROCE (%)	19.96%	20.98%	22.21%
Net Working Capital	3,564.82	2,463.00	1,904.24
Net Working Capital days	135	114	125

Note: Consolidated financial performance has been considered for the peer analysis
Source: Industry sources

Titagarh Rail System Ltd

Titagarh Rail Systems Ltd, headquartered in Kolkata, India, is a leading player in the Indian railway manufacturing sector. Established in 1997, the company is renowned for its expertise in designing, manufacturing, and supplying a wide range of rail systems and components. Titagarh Rail Systems Ltd operates in the railways sector, focusing on the production of rolling stock, including freight and passenger cars, and specialized rail infrastructure components. In 2021, Titagarh Rail Systems acquired Firema Trasporti S.p.A., another Italian company specializing in the production of railway rolling stock.

Particulars	Titagarh Rail Systems Limited		
	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations (INR Millions)	38,533.00	27,795.90	19,307.92
Total Income (INR Millions)	38,931.08	28,221.73	19,666.28
2-year Revenue CAGR (Fiscal 2022 to Fiscal 2024) (%)	41.27%	-	-
EBITDA (INR Millions)	4,917.38	3,060.74	1,687.59
EBITDA Margins (%)	12.63%	10.85%	8.58%
Profit after tax (INR millions)	2,884.34	1,257.16	(6.86)
Profit after tax (attributable to owners of the company including share of profit of associate) (INR Millions)	2,861.42	1,302.04	-3.28
Net worth (INR Millions)	21,439.08	8,891.27	7,671.51
Net Debt to Equity Ratio	-0.12	0.20	1.01
Net Debt to EBITDA Ratio	-0.53	0.63	5.05
Return on Net worth (%)	13.35%	14.64%	-0.04%
ROCE(%)	20.92%	24.62%	8.32%
Net Working Capital	9,624.41	4,007.48	5,937.64
Net Working Capital days	91	53	112

Note: Consolidated financial performance has been considered for the peer analysis
Source: Industry sources

Jupiter Wagons Ltd

Jupiter Wagons Ltd, headquartered in Kolkata, India, is a prominent manufacturer of rail freight wagons and related components. Established in 1986, the company is recognized for its expertise in the design, manufacturing, and supply of various types of freight wagons used in the railway sector. Jupiter Wagons Ltd caters primarily to Indian Railways and other domestic clients, contributing to the efficient transportation of goods across the rail network. In 2021, Jupiter Wagons acquired Titan Rail Systems, a company specializing in rail infrastructure and signaling solutions.

Particulars	Jupiter Wagons Limited		
	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations (INR Millions)	36,437.33	20,682.47	11,783.54
Total Income (INR Millions)	36,682.79	20,733.35	11,817.45
2-year Revenue CAGR (Fiscal 2022 to Fiscal 2024) (%)	75.85%	-	-
EBITDA (INR Millions)	5,137.94	2,571.50	1,174.98
EBITDA Margins (%)	14.01%	12.40%	9.94%
Profit after tax (INR millions)	3,310.17	1,206.75	496.55
Profit after tax (attributable to owners of the company including share of profit of associate) (INR Millions)	3,315.58	1,207.87	496.76
Net worth(INR Millions)	15,984.04	7,856.32	6,649.42
Net Debt to Equity Ratio	0.13	0.21	0.14
Net Debt to EBITDA Ratio	0.42	0.66	0.83

Particulars	Jupiter Wagons Limited		
	Fiscal 2024	Fiscal 2023	Fiscal 2022
Return on Net worth (%)	20.74%	15.37%	7.47%
ROCE(%)	24.68%	21.04%	11.71%
Net Working Capital	9,203.11	4,558.84	2,808.97
Net Working Capital days	92	80	87

Note: Consolidated financial performance has been considered for the peer analysis
Source: Industry sources

Peer Analysis:

1. *Revenue from operations means the revenue from operations for the year*
2. *Revenue CAGR has been derived using the formula: [(Revenue from operations for the fiscal 2024/Revenue from operations for the fiscal 2022)^(1/2)]-1*
3. *Total Income is calculated as addition of revenue from operations and other income for the year.*
4. *EBITDA is calculated as restated profit before income tax plus finance costs and depreciation and amortisation expenses.*
5. *EBITDA margin means EBITDA divided by Total Income for the period*
6. *Profit after tax means the restated profit after taxes.*
7. *Profit after Tax (attributable to owners of the company including share of profit of associate) means the restated profit after taxes attributable to owners of the company including share of profit of associate.*
8. *"Net worth" means the aggregate value of paid-up share capital and other equity created out of the profits, 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, derived from the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation, capital reserves and amalgamation.*
9. *Net Debt to Equity is calculated as Net Debt divided by Total Equity, where Net Debt is equal to Short Term Borrowings plus Long-Term Borrowings excluding Cash & Cash Equivalent.*
10. *Net Debt to EBITDA is calculated as Net Debt divided by EBITDA for the period*
11. *Return on Net worth is calculated as Profit after tax (attributable to owners of the company including share of profit of associate) for the period divided by Net Worth.*
12. *RoCE is calculated as Profit before Interest and Taxes divided by Capital Employed for the period. Capital Employed is calculated as Total Assets less Current Liabilities.*
13. *Net Working Capital is calculated as Net Current Asset less Net Current Liability, where Net Current Asset is calculated by deducting Cash & Cash Equivalents, Loans from Current Asset. Net Current Liability is calculated by deducting Borrowings, Lease Liabilities and Capital Creditors from Current Liabilities.*
14. *Net Working Capital Days are calculated as Net Working Capital divided by Revenue from operations for the period multiplied by 365 days.*

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. Prospective investors should read "Forward-Looking Statements" beginning on page 20 for a discussion of the risks and uncertainties related to those statements along with "Risk Factors", "Industry Overview", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 36, 151, 316 and 390, 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.

Our Company's financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular fiscal year are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscal 2024, Fiscal 2023 and Fiscal 2022, 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 316. Please also refer to "Definitions and Abbreviations" on page 1 for certain terms used in this section. The Restated Consolidated Financial Information is based on our audited financial statements and is restated in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations. Our audited financial statements are prepared in accordance with Indian Accounting Standards, which differs in certain material respects with IFRS and U.S. GAAP. For details, see "Risk Factors – Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as US GAAP and IFRS which may affect investors' assessments of our Company's financial condition" on page 70.

Unless the context otherwise requires, in this section, references to "we", "us", "our" "our Company" or "the Company" refers to Rahee Infratech Limited and its Subsidiaries on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Industry Research on Indian Railways Infrastructure" dated September 2024 (the "**CARE Report**", and the date of the CARE Report, the "**Report Date**") 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 an engagement letter entered into with our Company dated June 6, 2024. 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 is available on the website of our Company at www.rahee.com/investor from the date of the 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. For more information and risks in relation to commissioned reports, see "Risk Factors – Certain sections of this Draft Red Herring Prospectus contain information from the CARE Report which we commissioned and purchased and any reliance on such information for making an investment decision in the Offer is subject to inherent risks" on page 64. Also see, "Certain Conventions, Presentation of Financial, Industry and Market Data – Industry and Market Data" on page 18.*

Overview

We are an integrated railway civil engineering, manufacturing and construction company in India with a 31.69% CAGR growth in revenue from Fiscal 2022 to Fiscal 2024. We are focused on providing manufacturing and construction services including the design, supply, construction and installation of tracks, turnkey bridge construction projects including both substructure and superstructure and the design, manufacture and supply of turnouts and track devices, rail fastening systems and sleepers. We obtained a patent for improved switch expansion joint design duly head hardened imparting increased life potential which was licensed to the Indian Railways for mass usage in 2008 and which replaced the conventional design across Indian Railways (*Source: CARE Report*). We are an RDSO approved supplier of turnouts and special track devices to the Indian Railways. We are a manufacturer and supplier of advanced rail fastening systems to the Indian Railways which are used in Metro Rail and High Speed Rails (HSR) in India (*Source: CARE Report*) and have patented Zero Restraint Fastening System for steel sleepers on bridges in 2002 which was licensed to the Indian Railways for mass usage across Indian Railways (*Source: CARE Report*). Pandrol Rahee Technologies Private Limited, our Associate, is a licensed Indian manufacturing company offering specialised rail fastening systems for HSR in India. We are an EPC contractor of ballastless tracks for Mainline Tracks in India for the Indian Railways as well as for Metro Rail projects.

We have been awarded as the "Company of the year (Construction)" by Outlook Business and "Excellence in Rail Infra Development" by the UrbanInfra Group. For details, see "*History and Certain Corporate Matters – Key awards, accreditations, certifications and recognitions received by our Company*" on page 271.

The table below sets out our capabilities and industry opportunities in HSR, Semi-HSR, Mainline Tracks and Metro Rail:

Segment	Capabilities	Opportunities*
High Speed Rail	Manufacturing of advanced fastening systems, track components and constructing ballastless tracks, bridges and viaducts supply of products and services.	The budget for National High-Speed Rail Corporation Limited is ₹210 billion for Fiscal 25. As per the National Rail Plan, capital investments in rail track infrastructure is estimated to be approximately ₹24 trillion till CY2051 of which 62% is for High Speed Rail.
Semi-High Speed Rail	Manufacturing of advanced fastening, track components and turnout systems and construction of ballastless tracks, bridges and viaducts for Semi-HSR.	The Government of India has undertaken various initiatives under the 'Make in India' campaign including Semi-High Speed trains. Vande Bharat Express trains are indigenously manufactured Semi-high Speed trains operated by the Indian Railways. In the Union budget 2022-23, it was announced that 400 Vande Bharat Express trains will be introduced over the next three years. The projected investment in Semi-High Speed Railways is expected to increase from ₹327 billion in CY2024 to ₹596 billion in CY2030.
Mainline Track	Manufacturing of advanced fastening, track components and turnout systems and construction of ballastless tracks, bridges and viaducts for Mainline Tracks.	The projected investment in Mainline Tracks is expected to increase from ₹470 billion in CY2024 to ₹696 billion in CY2030. 1,309 railway stations in India have been identified for development and all upgraded stations are expected to have only ballastless tracks.
Metro Rail	Manufacturing of advanced fastening systems and construction of ballastless tracks and viaducts for Metro Rail.	The projected investment in Metro Rail is expected to increase from ₹210 billion from CY2024 to ₹319 billion in CY2030. Operational metro lines are expected to double over the next 4-5 years resulting in an increase in domestic demand for Metro Rail rolling stock.

* *Source: CARE Report*

We have entered into strategic collaborations with established multi-national companies which have diverse experience in the rail industry. In 2004, we entered into an agreement with Pandrol, a part of the Delachaux Group, headquartered in France, which is a global player in rail fastening systems and has provided services in more than 100 countries and 400 railways across the world (*Source: CARE Report*), to introduce advanced fastening systems to Indian railways and Metro Rails by forming Pandrol Rahee Technologies Private Limited (the "**Pandrol Rahee**"). Our Company holds 40% equity shares of Pandrol Rahee. Pandrol Rahee manufactures high speed and semi-High Speed Rail fastening systems, metro rail fastening systems, modern fastening systems, noise and vibration solutions and other specialized devices and services to support rail modernization.

Our railway civil engineering, manufacturing and construction operations are conducted through our Construction Division which includes bridge works and track works, and our Manufacturing Division which includes manufacturing of turnouts, track devices, fastenings and sleepers.

Construction Division

Bridge Works

We undertake turnkey bridge construction including super structure (which includes design, fabrication, supply and assembly of pre stressed concrete products, reinforced cement concrete and erection of steel) and substructure work (including pile, well, box type and open foundation). We carry out construction of both plate and triangulated truss girder bridges for large spans. The turnkey bridge projects which we have executed include concrete bridges, steel bridges, composite bridges, rail-cum-road bridges and we are in the process of executing viaducts projects. We are approved by the Indian Railways/RDSO for the manufacture and supply of steel bridge girders for railway bridges. As of July 31, 2024, we have commissioned 105 major railway bridges in India including for the under construction Khurda Road-Bolangir Project in Odisha, India which is over 5 kms in length.

As part of our bridge works, we have undertaken landmark projects including, cantilever erection at 100 metres pier height and have launched spans weighing more than 1,000 MT without ground support at the Jiribam-Imphal Rail Link Project in Manipur, India; constructed a 125 metres long monolithic span and 7.5 metres wide motorable road bridge in connection with the Char Dham Yatra Rail Link between Rishikesh and Karnaprayag in Uttarakhand, India; and (iii) a 4.5 kms long rail cum road bridge, with a span of 123 metres at the Ganga Bridge, near Patna in Bihar, India.

To facilitate the production at various project sites, our Company has established two well equipped steel fabrication facilities, in Howrah, West Bengal and Dhenkanal, Odisha. These facilities are manned by experienced and qualified manpower and are approved by RDSO. As on July 31, 2024, we have a 12 member design and engineering team and a dedicated quality assurance team consisting of 60 individuals. Our steel components are subjected to testing at our in-house testing facilities.

Track Works

We are an integrated solution provider for design, supply and installation of tracks for railway track infrastructure projects which includes ballasted track, ballastless track, embedded track and railway sidings and yards. We have carried out track works in the following segments:

- Mainline Track

  We undertake construction of both ballasted and ballastless tracks in the Mainline Track segment. We are currently constructing ballastless tracks in Jammu and Kashmir, Manipur, West Bengal and Sikkim. We have constructed ballastless tracks on the Mainline network which supports train running speeds up to 160 kmph. We also construct ballastless tracks in track laying projects in tunnels. We undertook track construction for the longest rail tunnel in India (12.77 kms in length) (*Source: CARE Report*) where we constructed 62 kms of ballastless track in tunnels for the Udhampur-Srinagar-Baramulla rail link in Jammu & Kashmir, India.

- Station Platform Tracks

  We undertake construction of ballastless tracks for station platforms. We are currently constructing ballastless track for station platforms under the Amrit Bharat Scheme for station redevelopment projects of Indian Railways. Our current projects include Adra, Bishnupur, Purulia and Bankura stations in West Bengal.

- Metro Rail

  We have constructed ballastless tracks for Delhi Metro, Kolkata Metro and Nagpur Metro. We are currently executing metro railway track construction projects at Mumbai Metro and Surat Metro. We installed precast ballastless track in India for the Delhi Metro Rail Corporation and East-West Metro in Kolkata under the Hooghly River, which is India's first under water transportation tunnel. (*Source: CARE Report*) Through our Construction Division, as of August 31, 2024, we have constructed 258.9 kms of ballastless track for Metro Rails and main lines in India with construction of 191.84 kms of ballastless track in progress (*Source: CARE Report*). As per the CARE Report, as of July 31, 2024, our Company has constructed more than 185 kms of ballastless and ballasted tracks for Metro Rail in India which constitutes more than 19.5% of the total operational metro network of 945 kms in India (*Source: CARE Report*), with construction of 140 kms of ballastless track in progress for Metro Rail in India, which constitutes to about 20% of the about 600+ kms under-construction metro network in India.

Set out below is our revenue from operations from our Construction Division in Fiscal 2024, Fiscal 2023 and Fiscal 2022 together with such revenue contribution as a percentage of revenue from operations:

Division	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)
Construction Division	7,231.78	74.88%	6,166.88	78.48%	2,943.60	52.86%

Manufacturing Division

We have four Manufacturing Facilities located in Howrah, West Bengal and Sangareddy District, Telangana and two steel fabrication sites located in Howrah, West Bengal and Dhenkanal. Odisha Pandrol Rahee has a fastenings manufacturing facility located in Hyderabad, Telangana, India and a castings facility in Barjora, West Bengal, India. Our manufacturing infrastructure is complemented by our stringent quality, safety standards and processes which are evidenced by RDSO certifications and ISO 14001:2015 and ISO 45001:2018 certifications. Set out below is the cumulative installed capacity and capacity utilization of our Manufacturing Facilities in Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Facility	Nature of the Products Manufactured	Fiscal 2024			Fiscal 2023			Fiscal 2022		
		Installed Capacity (MTPA)	Actual Production (MTPA)	Capacity Utilization (%)	Installed Capacity (MTPA)	Actual Production (MTPA)	Capacity Utilization (%)	Installed Capacity (MTPA)	Actual Production (MTPA)	Capacity Utilization (%)
Howrah, West Bengal Fastening and Steel Sleeper Unit	Railway track and construction material	6,400	5,760	90.00%	6,400	3,781	59.08%	6,400	4,401	68.77%
Howrah, West Bengal	Railway track and	3,500	457	13.06%	3,500	635	18.15%	3,500	980	28.00%

Facility	Nature of the Products Manufactured	Fiscal 2024			Fiscal 2023			Fiscal 2022		
		Installed Capacity (MTPA)	Actual Production (MTPA)	Capacity Utilization (%)	Installed Capacity (MTPA)	Actual Production (MTPA)	Capacity Utilization (%)	Installed Capacity (MTPA)	Actual Production (MTPA)	Capacity Utilization (%)
Fastening, Bolt and Rail Pad Unit	construction material									
Howrah, West Bengal Fastening, Bolt and Rail Pad Unit	Rubber and allied products	1,000	295	29.54%	1,000	303	30.31%	1,000	449	44.90%
Howrah, West Bengal Fabrication Unit	Fabrication	8,500	7,735	91.00%	8,500	7,390	86.94%	8,500	5,140	60.47%
Dhenkanal, Odisha Fabrication Unit#	Fabrication	42,000	-	0.00%	-	-	0.00%	-	-	0.00%
Howrah, West Bengal Track and Turnout Devices Unit	Railway track and construction material	8,250	3,192	38.69%	8,250	1,722	20.87%	8,250	4,298	52.09%
Sangareddy District, Telangana Track and Turnout Devices Unit	Railway track and construction material	3,850	1,424	36.99%	3,850	1,539	39.97%	3,850	3,450	89.61%

* *As certified by Biswadeep Chatterjee, Chartered Engineer, by certificate dated September 21, 2024.*

\# *Production from Dhenkanal, Odisha Fabrication Unit was started in the month of April 2024*

Notes:

(i) The information relating to the installed capacity of the manufacturing facilities as of the dates included above are based on various assumptions and estimates that have been taken into account for calculation of the installed capacity. The assumptions and estimates include the standard capacity calculation practice of Railway Track products manufacturing and after examining the calculations and explanations provided by the Company and the reactor capacities and other ancillary equipment installed at the facilities. The assumptions and estimates taken into account include the number of working days in a year as 288 days to 312 days , which varies from unit to unit. The installed capacity of the manufacturing facilities as of 31st March 2024 have been provided on an annualized basis.

(ii) The information relating to the actual production at the manufacturing facilities as of the dates included above are based on the examination of the internal production records provided by the Company, explanations provided by the Company, the period during which the manufacturing facilities operate in a year, expected operations, availability of raw materials, downtime resulting from schedule maintenance activities, unscheduled break down , as well as operating efficiencies.

(iii) Capacity utilisation has been calculated on the basis of actual production during the relevant financial year divided by the aggregate installed capacity of the relevant manufacturing facility as the date of end of relevant financial year.

(iv) The Dhenkanal Odisha Fabrication Unit was commission in April 2024. As a result, there was no production in the financial year 2024, 2023 and 2022.

We design and manufacture turnout and track devices which include turnout systems, rail expansion joints, complete layouts and turnout components such as crossing and switch devices for railway tracks, for high speed, heavy haul, urban and commuting railways. Our turnout and track devices are installed on railway tracks in India, Malaysia, Bangladesh, Sri Lanka, Australia and Mozambique. We also manufacture a wide variety of rail fastening systems to suite the specific requirements of our customers including elastic fasteners, rigid fastenings, track bolts and nuts, fish plates and bolts, high tensile fasteners, rail screws and rail pads. We also manufacture H-beam steel sleeper for bridges, steel channel sleeper for bridges and steel sleepers for standard track. We designed, supplied and installed more than 2,400 sets of H-beam sleepers with fastening systems at the world's highest steel arch rail bridge at Chenab in Jammu & Kashmir, India (*Source: CARE Report*).

Set out below is our revenue from operations from our Manufacturing Division in Fiscal 2024, Fiscal 2023 and Fiscal 2022 together with such revenue contribution as a percentage of revenue from operations:

Division	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)
Manufacturing Division	2,191.99	22.70%	1,574.73	20.04%	2,465.95	44.28%

As of July 31, 2024, we have 16 bridge projects and 12 track projects which are under execution across 18 states in India. Our order book as of March 31, 2024 was ₹22,962.70 million. The table below sets out our bid to win ratio for Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Fiscal	Bids submitted		Bids closed*		Bids lost		Bids won		Bids for which results are awaited		Bid to win ratio#	
	Number of bids	Value (in ₹ millions)	Number of bids	Value (in ₹ millions)	Number of bids	Value (in ₹ millions)	Number of bids	Value (in ₹ millions)	Number of bids	Value (in ₹ millions)	Number of bids	(in value (%))
2024	46	48,300.00	39	45,505.00	24	31,625.00	15	13,880.00	7	2,795	38.46%	30.50%
2023	22	33,850.00	22	33,850.00	15	25,880.00	7	7,970.00	-	-	31.82%	23.55%
2022	15	55,420.00	15	55,420.00	10	47,450.00	5	7,970.00	-	-	33.33%	14.38%

* *Bids closed = number of bids submitted – bids for which results are awaited + bids submitted in previous fiscal that were opened in the current Fiscal.*

\# *Bid to win ratio is (Bids won/ Bids closed)*100.*

Over the years of our operations we have developed strong relationships with our customers including Rail Vikas Nigam Limited, IRCON International Limited, Konkan Railway Corporation Limited and Texmaco Rail & Engineering Limited and have customers across our markets through our performance, technical competence and relationships with several customers for several years. We have been supplying turnouts and special track devices to the Indian Railways for several years. As per the CARE Report, we have experience of more than 60 years in manufacturing rail fastening systems. Our Company has 76 years of experience in the manufacture of track products.

We are dedicated to integrating environmental, social and governance best practices into our business and ensuring a sustainable and responsible approach to our operations. We have strong health, safety and governance systems in place which are maintained through internal audits. We have various certifications and accreditations including ISO 9001:2015 management system certificates, ISO 14001:2015 environmental management system and ISO 45001:2018 health and safety management system.

We have a management team with extensive industry experience. Our Individual Promoters, have a cumulative experience of more than 100 years in the railway infrastructure sector. Our Board of Directors includes a combination of management executives and Directors who bring in significant business and management expertise. Our CFO, Rajesh Goenka and our Director, Technical and Business Development, Sunil Gupta have been associated with our Company for 39 and 15 years, respectively. As of July 31, 2024, we have 1,716 employees, which includes 125 engineers. We believe that the combination of our experienced Board of Directors, our dynamic management team and our skilled employees positions us well to capitalize on future growth opportunities.

Strengths

Integrated manufacturing and construction operations enabling us to provide comprehensive solutions to our customers in the railway infrastructure sector

We undertake our construction and manufacturing businesses in an integrated manner and have developed in-house key competencies and resources to deliver a project from conceptualization until completion. Our backward integrated capabilities include a design and engineering team, manufacturing facilities capable of manufacturing track products, and structural steel fabrication.

Through our Construction Division, as of August 31, 2024, we have constructed 258.9 kms of ballastless track for Metro Rails and main lines in India with construction of 191.84 kms of ballastless track in progress (*Source: CARE Report*). As per the CARE Report, as of July 31, 2024, our Company has constructed more than 185 kms of ballastless and ballasted tracks for Metro Rail in India which constitutes more than 19.5% of the total operational metro network of 945 kms in India (*Source: CARE Report*), with construction of 140 kms of ballastless track in progress for Metro Rail in India, which constitutes to about 20% of the 600+ kms under-construction metro network in India. Through our years of experience and expertise, we believe that we have developed and established track record of project management and execution experience, involving trained and skilled manpower and efficient deployment of equipment. Our track record of project completion, contract management, planning and project management, use of innovations in designs and advanced technology has helped us develop a strong reputation and increased our opportunities to bid for larger and more prominent projects. Over the years of our operations, we have gained deep domain expertise in the execution of projects.

We have four Manufacturing Facilities located in Howrah, West Bengal and Sangareddy District, Telangana, as well as two steel fabrication sites located in Howrah, West Bengal and Dhenkanal, Odisha. Pandrol Rahee has a fastenings manufacturing facility in Telangana and a castings facility in West Bengal. Our fabrication units in Howrah, West Bengal and Dhenkanal, Odisha are utilized to fabricate structural steel which is then supplied by us for our bridge construction projects. This process includes design, engineering and manufacturing in a controlled environment. The products are then supplied, installed and constructed under supervision through on-site project management team. We have a dedicated quality control team and our steel components are subjected to testing through multiple testing techniques.

As an integrated construction and manufacturing company providing "design led manufacturing and construction" solutions to our customers, we provide design, engineering solutions, manufacturing, testing and construction to ensure that our products and structures meet robust standards in reliability, safety and performance. As part of our operations through our Manufacturing Division, we design and manufacture turnout and track device which include turnout systems, rail expansion joints, complete layouts and turnout components such as crossing and switch devices for railway tracks, for high speed, heavy haul, urban and commuting railways. We manufacture a wide variety of rail fastening systems to suite the specific project requirements of our customers including elastic fasteners, rigid fastenings, track bolts and nuts, fish plates and bolts, high tensile fasteners, rail screws and rail pads as per the specifications of our customers. We also design and manufacture H-beam steel sleeper for bridges, and steel channel sleeper for bridges and steel sleepers for standard track. As part of our track work operations, we provide a one-stop solution for the design, supply and installation of tracks for all types of railway infrastructure projects which includes ballasted track, ballastless track, embedded track and railway sidings and yards.

As of July 31, 2024, we have a 12 member design and engineering team who are instrumental in our ability to provide integrated comprehensive solutions. Our design and engineering team has been instrumental in designing multiple types of turnouts. We also obtained a patent for improved switch expansion joint design duly head hardened imparting increased life potential which was licensed to the Indian Railways for mass usage in 2008 and which replaced the conventional design across Indian Railways (*Source: CARE Report*). We are an RDSO approved supplier of turnouts and special track devices to the Indian Railways.,. For the launch of heavy steel girders of 1000 MT spans over 100 metres high pillars without ground support, our design and engineering team developed specialised cranes and fixtures adopting cantilever launching mechanism. Our design and engineering team has also introduced the nose and tower launching method to launch segments of a bridge for construction of a steel arch bridge over a river in a mountainous region.

Our comprehensive solutions ensures reliability, efficiency and cost-effectiveness for the customers and allows us to control quality, reducing lead times with optimized cost. We believe that our integrated model ensures that products and services required for development and construction of a project meet our quality standards and are delivered in a timely manner thereby reducing contractual risks. We believe that our in-house integrated model has contributed to our ability to successfully complete projects on time, without compromising on quality and allowing us to capture a larger proportion of the value chain in the railway engineering, manufacturing and construction sector. We also believe that our in-house integrated model provides us with a competitive advantage over other EPC companies that outsource their construction activities to external agencies or procure manufacturing components from external agencies.

Strong technical capabilities enhanced by relationships with reputed global rail technology players

We have expanded our business by entering into strategic collaborations with established multi-national companies which have diverse experience in the rail industry. We entered into an agreement with Pandrol, a part of the Delachaux Group, headquartered in France, which is a global player in rail fastening systems which has provided services in more than 100 countries and 400 railways across the world (*Source: CARE Report*), in 2004, to manufacture and supply advanced elastic fastening systems to railways and metros in India by forming Pandrol Rahee. Our Company holds 40% of the equity shares of Pandrol Rahee. Through our association with Pandrol Rahee, we offer high speed rail fastening systems, mainline ballastless track systems, metro rail fastening systems, mainline ballasted fastening systems, noise and vibration solutions and other specialized devices to support modern railway tracks.

In 2022, our subsidiary, Rahee Track Technologies Private Limited entered into a technical collaboration with Tracktec GmbH, Poland ("**Tracktec**") for manufacturing specialized turnouts and track device solutions. Through our collaboration with Tracktec, we have the capability of providing high speed turnouts, semi-high speed turnouts, heavy haul turnouts with heavy axle, Metro Railway and ballastless track turnout solutions and specialized swing nose crossings for rail and Metro Rail.

Collaborating with established and reputed companies in the industry allows us to leverage their expertise, networks, and credibility, facilitating smoother entry into new product segments and enhancing our overall market depth. These alliances allow us to gain access to specialized technologies required for the successful implementation of projects or manufacturing of products.

Long standing relationships with customers and strong order book providing revenue visibility

We have established long-term relationships with our customers and have been supplying products and providing services to some of our customers for several years. We believe our customer relationships are primarily led by our ability to develop processes, meet stringent quality and technical specifications and complete designing, manufacturing and construction solution for our customers in a timely and cost-effective manner. The table below sets out our revenue contribution from our top 20 repeat customers, together with such revenue contribution as a percentage of our revenue from operations:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)
Top 20 repeat Customers	8,140.98	83.48%	7,114.75	90.16%	4,621.01	82.34%

We have long standing relationships with our customers and have worked with some of our customers for several years including railway divisions in India as early as 1996, IRCON International Limited as early as 2001, Rail Vikas Nigam Limited as early as 2006 and railways in Bangladesh as early as 2005. As per the CARE Report, we have experience of more than 60 years in manufacturing rail fastening systems.

We believe that our enduring customer relationships serve as a clear testament to our commitment to quality, as well as our advanced design, engineering, construction and manufacturing capabilities. We believe that as a result of our long-standing relationships with our customers, we are well equipped to retain our presence in the market and build upon these relationships to increase our product base and reach out to new customers. These enduring customer relationships have helped us expand our product and service offerings and geographic reach. Our relationships with customers which started as early as 1996 and ongoing active engagements with customers also allow us to plan our capital expenditure, enhance our ability to benefit from increasing economies of scale, thereby ensuring a competitive cost structure to achieve sustainable growth and profitability.

As of July 31, 2024, we have 16 bridge projects and over 12 track projects which are under execution across 18 states in India. The table below sets out our order book as of March 31, 2024, March 31, 2023 and March 31, 2022 and our order book breakdown between our construction and manufacturing division:

As of March 31, 2024			As of March 31, 2023			As of March 31, 2022		
Total Order Book (in ₹ million)	Order book from our Construction Division (in ₹ million)	Order book from our Manufacturing Division (in ₹ million)	Total Order Book (in ₹ million)	Order book from our Construction Division (in ₹ million)	Order book from our Manufacturing Division (in ₹ million)	Total Order Book (in ₹ million)	Order book from our Construction Division (in ₹ million)	Order book from our Manufacturing Division (in ₹ million)
22,962.70	21,692.70	1,270.00	14,345.75	13,237.00	1,108.75	9,748.60	8,573.90	1,174.70

Our order book to bill ratio for Fiscal 2024, Fiscal 2023 and Fiscal 2022 was 2.38, 1.83 and 1.75, respectively. As of July 31, 2024, Pandrol Rahee, our Associate, has an order book of ₹8,988.06 million.

Strong financials with consistent healthy performance

We have experienced sustained growth in various financial indicators including our revenue from operations and profit after tax in Fiscal 2024, Fiscal 2023 and Fiscal 2022. The table below sets out details of our key financial and operational metrics for Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from operations (in ₹ million)(1)	9,657.37	7,858.21	5,568.38
Total Income (in ₹ million)(2)	9,751.80	7,891.23	5,611.58
Two year revenue CAGR (Fiscal 2022 to Fiscal 2024) (%)	31.69%	-	-
Order book (in ₹ million)* (3)	22,962.70	14,345.75	9,748.60
Order book to bill ratio (4)	2.38	1.83	1.75
EBITDA (in ₹ million) (5)	1,241.23	1,005.87	885.75
EBITDA margin (in %) (6)	12.73%	12.75%	15.78%
Profit after tax (excluding share of profit of Associate) (in ₹ million) (7)#	609.97	505.31	439.01
Profit after tax (attributable to owners of the company including share of profit of Associate) (in ₹ million)(8)#	713.11	496.45	378.07
PAT margin (excluding share of profit of Associate) (in %) (9)	6.25%	6.40%	7.82%
Net worth (in ₹ million) (10)	3,133.49	2,423.92	1,937.96
Net debt to equity ratio (11)	0.54	0.43	0.42
Net debt to EBITDA ratio (12)	1.64	1.32	1.23
Return on Net worth (in %) (13)	22.76%	20.48%	19.51%
ROCE (in %) (14)	19.96%	20.98%	22.21%
Net working capital (in ₹ million) (15)	3,564.82	2,463.01	1,904.24
Net working capital days (16)	135	114	125

* *Excluding the order book of our Associate.*

\# *Based on the Restated Consolidated Financial Information.*

Notes:

(1) *Revenue from operations means the revenue from operations for the year.*

(2) *Total Income is calculated as addition of revenue from operations and other income for the year.*

(3) Order Book represents the estimated contract value of the unexecuted portion of our existing assigned EPC contracts and manufacturing orders and is an indicator of visibility of future revenue for our Company.

(4) Order book to bill ratio is an indicator of the size of the order book as of a particular period to the revenue generated for that period and is calculated as order book at the end of period divided by revenue from operations for the period.

(5) EBITDA is calculated as restated profit before income tax plus finance costs and depreciation and amortization expenses. The computation of EBITDA is set out below:

(in ₹ million)

Particulars	***Fiscal 2024***	***Fiscal 2023***	***Fiscal 2022***
Profit before tax	*823.97*	*681.41*	*621.82*
Add: Finance Costs	*255.04*	*184.89*	*145.86*
Add: Depreciation and Amortisation Expense	*162.22*	*139.57*	*118.07*
EBITDA	***1,241.23***	***1,005.87***	***885.75***

(6) EBITDA margin means EBITDA divided by Total Income for the period.

(7) Profit After Tax means the restated profit after taxes excluding share of profit of Associate.

(8) Profit after Tax (attributable to the owners of the company including share of profit of associate) means the restated profit after taxes attributable to the owners of the company including share of profit of associate.

(9) PAT Margin means PAT (excluding share of profit of Associate) divided by Total Income for the period.

(10) Net worth means the aggregate value of paid-up share capital and other equity created out of the profits, 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, derived from the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

(11) Net Debt to Equity is calculated as Net Debt divided by Total Equity.

(12) Net Debt to EBITDA is calculated as Net Debt divided by EBITDA for the period.

(13) Return on Net Worth is calculated as Profit after tax (attributable to owners of the company including share of profit of Associate) for the period divided by Net Worth.

(14) RoCE is calculated as Profit before Interest and Taxes divided by Capital Employed for the period. Capital Employed is calculated as Tangible Net Worth plus Total Debt & Deferred Tax Liability.

(15) Net Working Capital is calculated as Inventories + Loans + Trade Receivables + Bank balances other than cash and cash equivalents + Other financial assets + contract assets + other current assets - trade payables - other financial liabilities (less creditors for CAPEX) – contract liabilities - current tax liabilities – provisions - other current liabilities.

(16) Net Working Capital Days are calculated as Net Working Capital divided by Revenue from Operations for the period multiplied by 365 days.

We strive to maintain a robust financial position with emphasis on having a strong balance sheet and increased profitability. For further details on a comparative analysis of our financial position and revenue from operations, see "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on page 390.

Experienced and dedicated promoters and professional management team with extensive domain knowledge

We are led by our Promoters, Pradeep Khaitan, Pawan Khaitan and Ravi Khaitan experienced in the railway and civil engineering, manufacturing and construction sector. Our Promoters are actively involved in the critical aspects of our business including engineering, manufacturing operations, quality assurance, marketing and finance. Pradeep Khaitan and Pawan Khaitan have 42 years of experience in the business and Ravi Khaitan has 35 years of experience in the business. Our Key Managerial Personnel, Rajesh Kumar Goenka, Sunil Gupta, Ayush Khaitan, Devansh Khaitan and Rahul Khaitan have been associated with our Company for a period of 39 years, 16 years, 14 years, 13 years and 15 years, respectively.

Our organizational structure supports seamless scaling and adaptation to market changes. We have specialized teams for each of our construction and manufacturing divisions, led by experienced professionals in key areas such as plant operations, quality control, sales and marketing, procurement and finance, which enables us to be well-equipped to respond to evolving industry demands and opportunities. Our Promoters, together with our Key Managerial Personnel, Senior Management Personnel and dynamic Board, with their hands-on management approach ensure that strategic initiatives are effectively implemented across the organization. The depth and breadth of our management teams' expertise is pivotal in navigating the complexities of our business landscape and has enabled us to supply turnouts and special track devices rail fastening systems to the Indian Railways. Their industry experience enables us to anticipate and address market trends, manage and grow our operations, maintain and leverage customer relationships and respond to changes in customer preferences. For further information on our Promoter, Directors and management team, see "*Our Promoter and Promoter Group*" and "*Our Management*" on pages 301 and 284, respectively.

Strategies

Specialize and continue expanding in the railway infrastructure sector, choosing new areas for future growth, that are closely associated with the current specializations of the Company

We continue to maintain and strengthen our market position in the railway infrastructure sector in India. Over the next few years, we will continue to focus on execution of our existing projects while seeking opportunities to expand our portfolio of projects. While we intend to maintain our focus on bridge and track works, we plan to also continue to pursue new areas if construction such as viaducts from Metro Rail and railway projects. In the past, we have leveraged our competencies in steel fabrication of bridges and expanded into turnkey construction of bridges. Similarly, we leveraged our competencies of supply of track components such as turnouts, expansion joints and fastening systems and expanded into construction of tracks.

A key element of our growth strategy is to seek to improve the performance and competitiveness of our existing activities. The scale and complexity of our projects have increased in recent years, and we intend to continue to focus on projects with higher contract values. Further, to fuel our growth strategy, we intend to invest in latest equipment and technology to support our expanding operations. We also seek to purchase equipment from domestic and foreign manufacturers and continue our strategy of minimal reliance on hired and leased equipment. We believe that investment in modern equipment ensures continuous and timely availability of equipment critical to our business while investments in technology makes us more efficient and accurate, both of which make our operations cost-effective in the long term.

We intend to draw on our experience in the railway infrastructure sector, effectively use our assets, market position and our ability to execute and manage multiple projects across geographies to grow in areas associated with the current specializations of our Company including tunnelling. We have ventured into bidding for a tunnelling project. As per the CARE Report, in the past few years, tunnel development has consistently received a push with high capex towards infrastructure development across various segments. Further, upcoming tunnel projects are of longer lengths, larger diameters, and even higher contract values (*Source: CARE Report*). As per the CARE Report, the railways in India has 600 kms of upcoming tunnel projects of which 68.94 kms are already under construction. The projected market size for tunnelling in India is expected to increase at a CAGR of 9% from ₹34,894 million in CY2024 to ₹58,380 million in CY2030 (*Source: CARE Report*).

We seek to capitalise on opportunities in these areas by leveraging on our established project execution track record in the railway infrastructure sector. In order to mitigate the risk of over diversification, we seek to expand in businesses that require execution skills that are similar to our present capabilities and allow us to leverage our experience. We believe that expanding into new functional areas will allow us to consolidate our position in the railway infrastructure sector and effectively leverage our experience in executing projects.

Leverage our core competencies to grow our business in HSR, Metro Rail and modern track systems in a cost effective manner

We have capabilities of manufacturing advanced fastening systems and constructing ballastless tracks for HSR, Metro Rail, tunnels and railway stations. We also have the capabilities of constructing bridges and viaducts for HSR and viaducts for Metro Rail. The budget for National High-Speed Rail Corporation Limited is ₹210 billion for Fiscal 25. As per the National Rail Plan, capital investments in rail track infrastructure is estimated to be approximately ₹24 trillion till CY2051 of which 62% is for High Speed Rail. The projected investment in Metro Rail is expected to increase from ₹210 billion from CY2024 to ₹319 billion in CY2030. Operational metro lines are expected to double over the next 4-5 years resulting in an increase in domestic demand for Metro Rail rolling stock (*Source: CARE Report*). The projected CAGR for railway fasteners is 7% with an increase from ₹10,904 million in CY2024 to ₹16,273 million in CY2030. (*Source: CARE Report*) In order to continue our operations and maximize the cost effectiveness, we intend to pay our suppliers faster which will enable us to gain better pricing terms from our suppliers.

The National Rail Plan envisions a comprehensive transformation of India's railway infrastructure, aiming to enhance both capacity and efficiency (*Source: CARE Report*). The National Rail Plant, targets, by 2030, to increase the rail networks' capacity by 100% through significant investments and expansions which includes doubling 25,000 kms of track, developing dedicated freight corridors and introducing High Speed Rail corridors (*Source: CARE Report*). The National Rail Plan anticipates an investment of approximately ₹12,582 billion over the next decade (*Source: CARE Report*).

We intend to leverage our in-house design capabilities in manufacturing advanced turnouts such as canted turnouts, heavy haul turnouts, semi-high speed turnouts, high speed turnouts and swing nose crossings. We also intend to leverage our capabilities and that of Pandrol Rahee to supply modern fastening systems to the Indian railways for upgradation of the current and future track infrastructure on the railway network.

Strategic partnership with international rail technology leaders to bring in best in class technology to the Indian railways

In the past, we have expanded our business by entering into strategic collaborations with renowned multi-national companies which have diverse experience in the rail industry. We entered into an agreement with Pandrol, a part of the Delachaux Group, headquartered in France, which is a global player in rail fastening systems having provided services in more than 100 countries and 400 railways across the world (*Source: CARE Report*), in 2004, to bring advanced elastic fastening systems to India by forming Pandrol Rahee. Our Company holds 40% of the equity shares of Pandrol Rahee. We have also entered into a technical collaboration with Tracktec in 2022, for specialized turnouts and track device solutions.

The projected CAGR for railway fasteners is 7% with an increase from ₹10,904 million in CY2024 to ₹16,273 million in CY2030. (*Source: CARE Report*) As per the CARE Report, the government of India has increased its expenditure on track doubling and crossings by almost six times for the period between Fiscal 2014 and Fiscal 2024 period The doubling of tracks typically leads to an increase in turnouts and crossings to manage the added complexity, enhance operational flexibility and accommodate higher traffic volumes (*Source: CARE Report*). As per the CARE Report, the projected market size for railway turnouts and points crossings are expected to increase from ₹11,995 million in CY2024 to ₹18,957 million in CY2030 at a CAGR of 8%. As per the CARE Report, the National Rail Plan targets increasing the rail network's capacity by 100% through significant investments and expansions which includes doubling 25,000 kms of tracks (*Source: CARE Report*). The expansion and modernization of track lanes in Indian Railways is a critical initiative, aimed at enhancing the capacity, efficiency and safety of the rail network. ₹17,60,470 million is allocated under Mission 3000 for laying of new lines and track renewables across Indian Railways (*Source: CARE Report*).

We look to capitalize on the growth in the railway infrastructure sector by partnering with international rail technology leaders to bring in best in class technology to Indian railways and expand our capabilities and portfolio of products. We will look to expand our capabilities in line with our existing or desired competencies. Further, we are focussed on partnering with such international rail technology leaders that have natural synergies with our business and which will benefit from our manufacturing competencies and the scale of our pan-India distribution network. Our senior management evaluates potential opportunities and assists us in evaluating each potential collaboration in determining how their business model or solution will integrate with our existing product portfolio, engineering and technical capabilities. As per the CARE Report, the Indian railway sector has seen multiple developments in the last decade such as expansion of Metro Rail network, introduction of high speed and semi-high speed trains and modernization of railway stations, and the Indian railways is moving towards large scale capacity expansion with technological development.

Enhance automation of internal manufacturing and construction processes to improve cost effectiveness

We are focused on using appropriate cost-effective technologies for manufacturing of products to continue to be a comprehensive solution provider to our customers in the railway infrastructure sector. Improving cost and operational efficiency in our manufacturing and construction processes continues to be one of our key strategies. We have implemented strategic cost-saving and efficiency improvement measures such as automation solutions to improve productivity and bring efficiency in the manufacturing and construction processes including booted block production systems and automated end forged rail die-manipulator. We plan to continue to invest in mechanised and automated intervention in manufacturing and construction. We believe that such investments in automation of our internal operations gives us long term advantage in terms of our operational costs including employee cost and reduce levels of rework required during our manufacturing and construction processes.

We intend to maintain efficiency and profitability by achieving productivity improvement of existing processes through constant optimization and process cycle time reduction in our manufacturing process. We believe we have low execution costs which is partly attributable to our integrated operations and investment in technology. Further, the scale of our operations provides us with a significant advantage in reducing costs and sustaining our cost advantage.

Continually strengthen in-house design engineering capabilities in bridges and track structures to be able to offer high value solutions

Our in-house design and engineering capabilities have been instrumental in our growth in our bridge and track works over the years and we seek to focus on further enhancing our in-house capabilities. We seek to enhance our design and engineering capabilities in the areas of bridges and track structures. We believe that further developing specialized in-house design and engineering capabilities will reduce our dependencies on third parties, thereby avoiding risks and minimizing cost and time associated with outsourcing. We intend to continue to increase the size of our design and engineering team to cater to the design requirements of our customers.

Before creating project designs, our design and engineering teams spend considerable time in analysing the requirements of our customers and use softwares such as STAAD PRO, Solid Works, TEKLA/ TRIMBLE and AutoCAD. We will continue to invest in technology which aids our design and engineering teams.

Participate in technically challenging opportunities such as HSR, mechanized track construction, ballastless track works and bridge works and bring higher value addition

The budget for National High-Speed Rail Corporation Limited is ₹210 billion for Fiscal 25. As per the National Rail Plan, capital investments in rail track infrastructure is estimated to be approximately ₹24 trillion till CY2051 of which 62% is for High Speed Rail.

We are focussed on pursuing technically challenging opportunities such as High Speed Railway and mechanized track construction that fit our project selection process and risk management framework. As per the CARE Report, technically complex projects offer better profit margins compared to less complex endeavours as there are fewer competitors. Only bidders that match specified eligibility criteria are permitted to bid for such projects. Such eligibility criteria, among other things, require previous experience in executing similar projects. In this regard, we significantly benefit from our experience of having executed multiple technically challenging projects across our business verticals. With over a decade of experience in ballastless track construction in India for Metro Rail and Mainline network, we have enhanced our capabilities to be able to participate in complex projects requiring high technical capabilities such as construction of ballastless tracks for HSR, semi-HSR and Metro Rail. In December 2021, we bid for a project involving the construction of ballastless track for HSR in India. We intend to pursue similar challenging opportunities.

As per the CARE Report, when new lines are constructed they are required to meet standards and specifications in relation to speed, safety and comfort which calls for adoption of precise defined techniques and standards. The construction of a modern railway track requires the most advanced technology using state of the art equipment (*Source: CARE Report*). As per the CARE Report, the Indian Railways is moving towards mechanised track construction to address this requirement. We believe in owning assets and machinery which are required for our operations and intend to procure machinery for mechanized track construction in order to capitalize on the opportunities in this segment. The expansion and modernization of track lanes in Indian Railways is a critical initiative, aimed at enhancing the capacity, efficiency and safety of the rail network. ₹17,60,470 million is allocated under Mission 3000 for laying of new lines and track renewals across Indian Railways (*Source: CARE Report*).

The expected CAGR is at 9% for railway bridges which is expected to grow from ₹63,749 million in CY2024 to ₹106,192 million in CY2030. We intend to leverage our existing capabilities to participate in challenging railway bridge projects. As per the CARE Report, majority of the Metro Rail network consists of ballastless tracks, given that new Metro Rail projects are upcoming in India, it is expected to add demand for ballastless tracks. We have executed ballastless track projects in the past including 62 kms of ballastless track in tunnels in the Udhampur-Srinagar-Baramulla Rail Link in Jammu & Kashmir, India, ballastless tracks for the Kolkata Metro Railway, West Bengal, India and Nagpur Metro Rail, Maharashtra, India. We intend to leverage our capabilities to address the opportunities for ballastless track construction in India.

Our significant experience provides us with a steady stream of opportunities, leading to greater stability and visibility of revenues. Additionally, technically challenging opportunities provide us with publicity and exposure to potential clients and allow us to distinguish ourselves from other companies.

DESCRIPTION OF OUR BUSINESS

We are an integrated railway civil engineering, manufacturing and construction company in India with a 31.69% CAGR growth in revenue from Fiscal 2022 to Fiscal 2024. We are focused on providing manufacturing and construction services including the design, supply, construction and installation of tracks, turnkey bridge construction projects including both substructure and superstructure and the design, manufacture and supply of turnouts and track devices, rail fastening systems and sleepers. Our railroad engineering, manufacturing and construction operations are conducted through our (A) Construction Division which includes bridge works and track works; and (B) Manufacturing Division which includes manufacturing of turnouts, track devices, fastenings and sleepers.

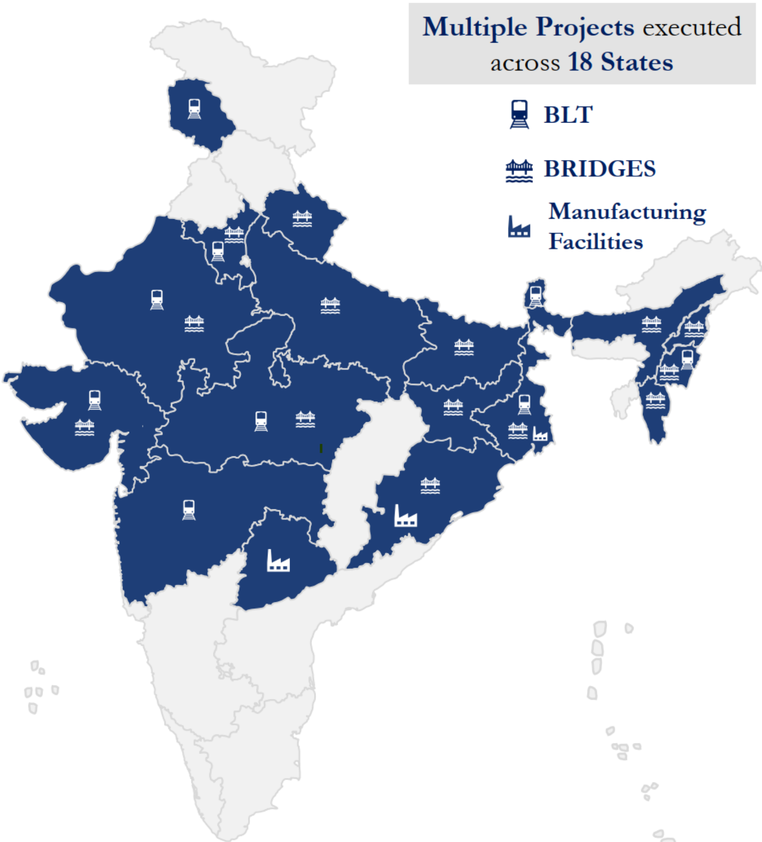
Set out below is a breakdown of revenue from operations from our Construction Division and Manufacturing Divisions in Fiscal 2024, Fiscal 2023 and Fiscal 2022 together with such revenue contribution as a percentage of revenue from operations:

Divisions	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)
Construction Division	7,231.78	74.88%	6,166.88	78.48%	2,943.60	52.86%
Manufacturing Division	2,191.99	22.70%	1,574.73	20.04%	2,465.95	44.28%
Others*	233.60	2.42%	116.60	1.48%	158.83	2.85%
Total	9,657.37	100.00%	7,858.21	100.00%	5,568.38	100.00%

* *Others includes revenue from traded goods, commission income and sale of other services.*

OUR PRESENCE

The map below sets out our major bridge and track works executed together with the location of our manufacturing facilities:



OUR SERVICES, PRODUCTS AND MANUFACTURING PROCESSES

Services

Bridge Works

We undertake turnkey bridge construction including super structure (which includes fabrication, assembly, prestressed concrete, reinforced cement concrete and erection of steel) and substructure work (including pile, well, box type and open foundation). We carry out construction of both plate and triangulated truss girder bridges for large spans. The turnkey bridge projects which we have executed include concrete bridges, steel bridges, composite bridges, rail-cum-road bridges and are in the process of executing viaducts projects. We are approved by the Indian Railways for the supply of welded steel girders for railway bridges. As of July 31, 2024, we have commissioned over 105 major railway bridges in India including the ongoing Khurda Road – Bolangir Project under execution which is over 5 kms in length.

Steel Fabrication

To facilitate the production at various project sites, our Company has established two well equipped steel fabrication facilities, one in West Bengal and one in Odisha. We have the capability to fabricate a single piece of heavy structural steel. We are capable of carrying out complete, to-the-scale layouts and control/ trial assembles. Our fabrication facilities are equipped with shot blasting rooms for surface preparation and anti-corrosive treatment of fabricated components. We have a dedicated quality control team and our steel components are subjected to testing through multiple testing techniques.

Equipment

We utilize cantilever, erection and crawler cranes, mobile heavy lifting cranes up to 130T, transit mixer, CNC cutting and drilling machines, submerged arc welding, CO_2 welding machines and various other types of welding machine, backhoe loader, electroslag welding machines, batching plants, hydraulic pick and carry crane, spray metalizing and shot blasting facility and power spray cum recovery booth in our bridge works operations.

Marquee Bridge Work Projects

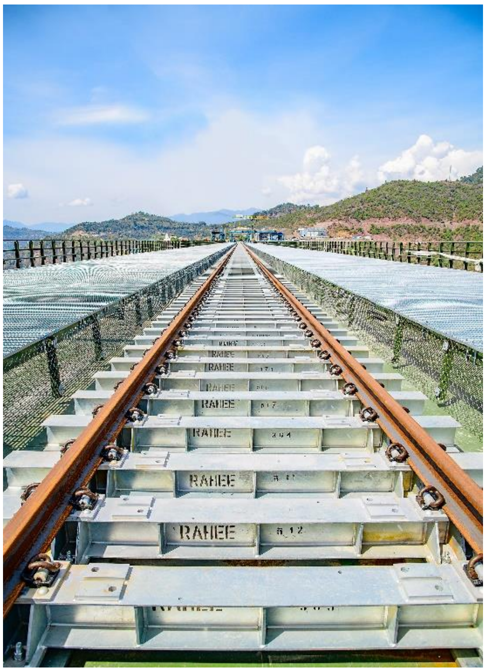
Set out below are some of the marquee bridge work projects executed by us:

(i) Kaleshwar Bridge

We have constructed major bridges namely the the Lachmoli Bridge, the Srinagar Rail Bridge, the Srinagar Road Bridge in the state of Uttrakhand. Additionally, we have also worked on sub-contracts for constructing the Kaleshwar Bridge and the Gauchar Bridge over river Alaknanda in the state of Uttrakhand. Along with the fabrication of the composite steel girder, we adopted nose launching and tower methods for these rail and road bridges over the perennial river Alaknanda.

(ii) The Chenab Bridge – World's Highest Railway Bridge

At an elevation of 359 meters over the Chenab River, the Chenab Rail Bridge holds the distinction of being the world's highest steel arch railway bridge with a length of 1,315 meters (*Source: CARE Report*). We designed, manufactured and installed over 2,400 sets H-Beam Sleepers with full toe load elastic fastening systems for the world's highest bridge. Due to the complex structure of the bridge, each sleeper was designed and manufactured with a unique geometry to suit the track alignment.



(iii) ***Rail cum road bridge over the Ganga River***

We erected a rail cum road bridge over the Ganga River near Patna with a span as long as 123 m in length involving 38,000 tons of steel fabrication.

(iv) ***Major Bridges on New Broad Gauge Line from Jiribam to Imphal***

We erected a bridge on the new broad gauge line from Jiribham to Imphal with spans as long as 103 m erected over 100 m pier height without ground support using cantilever launching method.

(v) ***Steel Girder Bridges for Sambalpur-Titlagarh Doubling Project in Odisha***

We constructed steel/pre stressed concrete girder bridge, composite girder rail over bridges spread across distance of more than 200 kms. Works involved 7000 MT Fabrication and erection of steel girders across major bridges.

Our Ongoing Projects

Active Bridge Projects	Customer	Geography (India)	Letter of Agreement Amount (in ₹ millions)
Viaduct and Major Bridges for Khurda Road - Bolangir Project	A railway division in India	East	2,923.20
Foot Over Bridge for stations of Khurda Road division in Odisha	A railway division in India	East	584.98
Obra Dam Bridge at Uttar Pradesh	A railway division in India	East	547.71
Supaul Triveniganj Bridge Project	A railway division in India	East	1,319.88
Major Bridges for Araria Galgalia New BG Line Project	A railway division in India	East	1,336.08

Active Bridge Projects	Customer	Geography (India)	Letter of Agreement Amount (in ₹ millions)
Major Bridges for Dimapur Kohima new line Project	A railway division in India	East	785.10
Major Bridges for Bairabi Sarang new line Project	A railway division in India	East	1,164.55
Foot Over Bridge - I - Lumding Division in Assam	A railway division in India	East	698.73
Foot Over Bridge - II -Lumding Division in Assam	A railway division in India	East	1,299.35
Major Bridge over river Yamuna in New Delhi	A railway division in India	North	2,249.62
Foot Over Bridge - 14 Stations Kharagpur Division in West Bengal	A railway division in India	East	1,989.97
Major Bridge over Subernarekha between Narayangarh-Bhadrak	A railway division in India	East	416.98
Major Bridges for Ramganjmandi Bhopal New Line Project in MP	A railway division in India	Central	1,311.15
Major bridge over Ganga in Devprayag region near Rishikesh	An engineering and infrastructure company in India	North	746.78
Major bridge over river basin beside Alaknanda river in Dharidevi Uttrakhand	Rithwik Projects Private Limited	North	972.96
Kolkata Metro - Viaduct construction for Biman Bandar Metro Corridor	Rail Vikas Nigam Limited	East	1,398.61

Track Works

We provide a one-stop solution for the design, supply and installation of tracks for all types of railway track infrastructure projects which includes ballasted track, ballastless track, embedded track and railway sidings and yards. As per the CARE Report, we installed precast ballastless track in India for the Delhi Metro Rail Corporation and East-West Metro in Kolkata under the Hooghly River which is India's first under water transportation tunnel. Through our Construction Division, as of August 31, 2024, we have constructed 258.9 kms of ballastless track for Metro Rails and main lines in India with construction of 191.84 kms of ballastless track in progress (*Source: CARE Report*). As per the CARE Report, as of July 31, 2024, our Company has constructed more than 185 kms of ballastless and ballasted tracks for Metro Rail in India which constitutes more than 19.5% of the total operational metro network of 945 kms in India (*Source: CARE Report*), with construction of 140 kms of ballastless track in progress for Metro Rail in India, which constitutes to about 20% of the about 600+ kms under-construction metro network in India.

Equipment

We utilize boom placer concrete pumps, booted block transfer machines, railway track inspection vehicle (track master), total stations, pick & carry cranes, transit mixers, concrete mixer and batching plants in our track work project.

Marquee Track Work Projects

Set out below are some of the marquee track work projects executed by us:

(i) Ballastless Tracks for the Udhampur-Srinagar-Baramulla Rail Link

We successfully undertook track construction of 62 kms of ballastless track in tunnels in the Udhampur-Srinagar-Baramulla Rail Link. As a part of this project, we completed track construction in the longest transportation tunnel of India which is 12.77 kms in length (*Source: CARE Report*). The track construction is designed for a speed of upto 160 kmph for mixed traffic.

(ii) ***Joka to Majerhat, Metro Service***

We have successfully laid ballastless tracks from Joka station to Majerhat station under Kolkata Metro Railway.

(iii) ***Design, construction, manufacturing, supply, installation, testing and commissioning of track work and installation of third rail (Salt Lake Sector V-Howrah Maidan including Central Park Depot of the Kolkata Metro Rail)***

We constructed 41.1 track kms of ballastless and ballasted track work including depot of 7.8 track kms (ballasted – 4.2 track kms and ballastless – 3.6 track kms) for the Kolkata Metro Rail Corporation Ltd. Track construction of 12.6 track kms was done on an elevated portion and 20.7 track kms was underground. This project was executed through a joint venture.

(iv) ***Nagpur Metro Project – T-05- Ballastless Trackwork***

We constructed more than 90 kms of ballastless and ballasted track work including two depots for Maharashtra Metro Rail Corp Ltd. Track construction was done over double decker viaduct being nearly 30 meters high.

(v) Delhi Metro- CT21- Embedded Track Work

We installed an embedded track for Delhi Metro at Badli Depot (*Source: CARE Report*). The technology encapsulates the rails in specialized rubber molds enabling nose and vibration free travel and allowing road vehicles to ply over the same path if need be.

Ongoing Projects

Ongoing Project	Customers	Geography (India)	LOA Amount (in ₹ millions)
Surat Metro - Bhesan to Saroli - Ballastless Track Work on Viaduct	A metro rail corporation in India	West	1,612.67
Khongsang-Tupul - Ballastless Track in Tunnels	A railway division in India	East	1,342.39
Tupul-Imphal - Ballastless Track in Tunnels	A railway division in India	East	1,305.86
Adra/Bishnupur/Bankura Stations BLT projects under Amrit Bharat Scheme	A railway division in India	East	134.72
Sivok Rangpo Rail Line - Ballastless Track in Tunnels	IRCON International Limited	East	1,953.70
Udhampur Srinagar Baramulla Rail Link Project - J&K- Ballastless Track in Tunnels - Package 3	IRCON International Limited	North	2,236.12
Udhampur Srinagar Baramulla Rail Link Project - Katra Dharam section - J&K- Ballastless Track in Tunnels	A railway division in India	North	1,509.52
Mumbai Metro - Ballastless Track on Viaduct	A metropolitan development authority in India	West	918.68
Panvel Karjat section - Ballastless Track in tunnels	A railway division in India	West	372.15
Kolkata Metro - Nicco Park Line - Ballastless Track on Viaduct	Rail Vikas Nigam Limited	East	1,225.93
Kolkata Metro - Garia VIP Bazaar - Ballastless Track on Viaduct	Rail Vikas Nigam Limited	East	724.50
Kolkata Metro - Joka Majerhaat - Ballastless Track on Viaduct	Rail Vikas Nigam Limited	East	969.17

Flash Butt Welding

We also undertake mobile flash butt welding through our fleet of five mobile flash butt welding machines, and we have approval for Grade 880 and 1080 rails from the Research Design and Standards Organisation of the Indian Railways. These mobile flash butt welding manufacturing units, which are road-cum-rail vehicles, allow us to address the requirements of our customers in a wide geographical expanse. As of July 31, 2024, we successfully executed over 400,000 welds spread across over 2,200 kms of tracks.

Products

A. Turnouts and Track Devices

(a) Turnouts

In technical collaboration with Track Tec GmbH, we have the capability to offer turnouts for heavy haul, semi-high speed and high-speed track. Our canted turnouts facilitate improvement in track speed for the mainline network in India from 160 kmph to 200 kmph.

We manufacture dual gauge turnouts, enabling two gauge rolling stocks, meter gauge and broad gauge to be able to move over the turnouts.

(b) Heat Treated Welded Crossings

HTW crossing is a monolithic structure, where the Vee is formed from two separate pieces of rails, with a steel plate sandwiched in between. The plate is electro-slag welded and machined to form a solid nose. The weld metal hardness, at the top of the rail head and in the weld cross section, ranges from 350 to 390 BHN.

(c) *Switches*

We supply thick web switches to the Indian Railways (*Source: CARE Report*). These switches are made from specific asymmetrical tongue rail sections, forged at the end to match standard rail sections.

(d) *Switch Expansion Joints*

We are an RDSO approved supplier of turnouts and special track devices to the Indian Railways, and obtained a patent for Switch Expansion Joint design in 1998 which was licensed to the Indian Railways for mass usage in 2008, which replaced the conventional design across Indian Railways (*Source: CARE Report*).

(e) *Glued Insulated Rail Joints*

Glued insulated joints are used in tracks for electrical insulation of one track from the other. It consists of glass fibre cloth insulated fishplates, a corresponding number of insulated high-tensile bolts and end post made of insulating material. This product is used extensively across India to address the signaling requirement on the track.

B. Fastening Systems

(a) Elastic Rail Clips

We manufacture elastic rail clips as per customers' requirements. We manufacture and export customized elastic clips for different rail section and toe load requirement of our customers. Special coatings can be applied on the clips as per the customer's request.

(b) Track Bolt and Nuts

We manufacture and supply bolts and nuts for use by the railways which are manufactured as per the specification of our customers in compliance with Indian or international standard specifications. We use bolt forging with continuous atmosphere-controlled heat treatment facilities to provide heat treated threaded high tensile fasteners.

(c) Spikes

We supply spikes as per drawings and specifications provided by our customers in galvanized as well as in non-galvanized condition. We manufacture hot forged and hot thread rail screw spikes.

(d) *Rubber Pads*

We have the capability to design and manufacture pads as per the specifications of our customers in line with international standards. We manufacture rubber grooved pads for use on standard track on pre stressed concrete sleepers, steel sleepers for bridges, turnouts and rail expansion joints.

(e) *High Speed Rail Fastening Systems*

Pandrol Rahee manufactures and supplies high speed fastening system for use on ballastless tracks for speeds up to 320 kmph. The system involves a combination of elastic fastener, casted plates, plastic dowels and special insulated components.

(f) *Heavy Haul Fastening Systems*

The fastenings manufactured by Pandrol Rahee are capable to address the heavy haul track requirement of Indian Railways, supporting axle loads of over 25 ton. The fastening system comprises of elastic clips, casted inserts, rail pads and Insulators.

(g) *Metro Rail Fastening Systems*

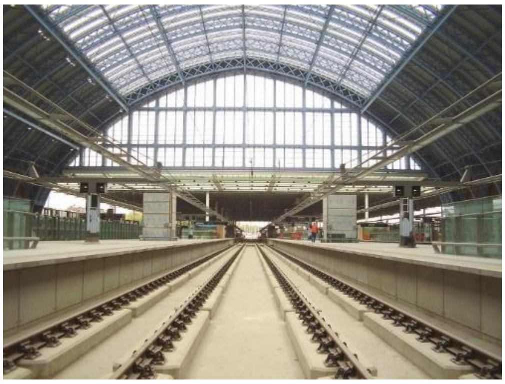
Pandrol Raheesupplies advanced fasteners to the Indian Railways (*Source: CARE Report*). Our fastening systems address all the track complexities of Metro Rails in India. Our designs are approved by RDSO and are being extensively used across various Metro Rail systems in India. Our system comprises of complete assembly to hold the rail on the ground using anchor bolts, fastenings systems, base lates, plastic components, collared washer compression springs and rail pads

(h) Mainline Ballasted Fastening Systems

Pandrol Rahee offers modern fastenings for mainline ballasted track application. The fastenings are supplied along or without sleepers as per the requirements of our customers. System comprises an assembly of rail pads, elastic fastenings, cast shoulders and insulation component.

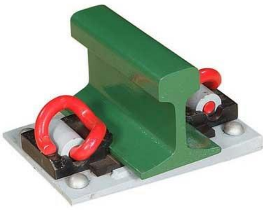
(i) Noise and Vibration Solutions

To address the growing urban concerns of vibrations causing discomfort to the public, Pandrol Raheeprovides host of solutions to address these needs. We address the issues with our specialized fastening designs. The Vanguard system holds the rail in a suspended mode above the base plates, thereby preventing vibrations from travelling to the adjacent buildings and structures.



(j) *Zero Restraint Fastening Systems*

Zero restraint fastening systems is a solution designed by us to overcome the shortcomings of conventional fastening systems used by railways on bridges. The system allows un-restrained movement of rails over the bridges, thereby reducing the rail stresses and maintenance needs of the Railways.



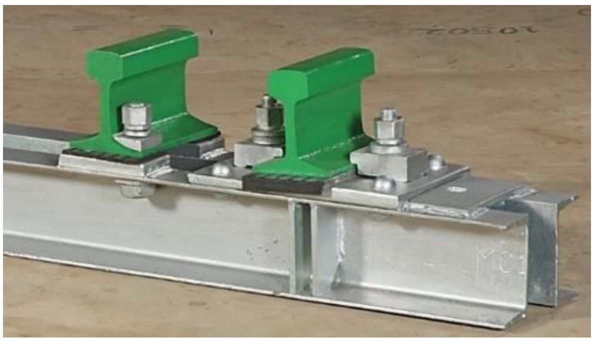
C. ***Sleepers***

(a) *H- Beam Steel Sleepers for Bridges*

The H-beam sleeper is made of single rolled H-beam section having adequate bearing area and accurate dimensions which are more suitable for the tracks running over steel bridges. Canted bearing plates are riveted on the H-beam sleeper to hold the running rails using rail elastic fastening system.

(b) *Steel Channel Sleepers for Bridges*

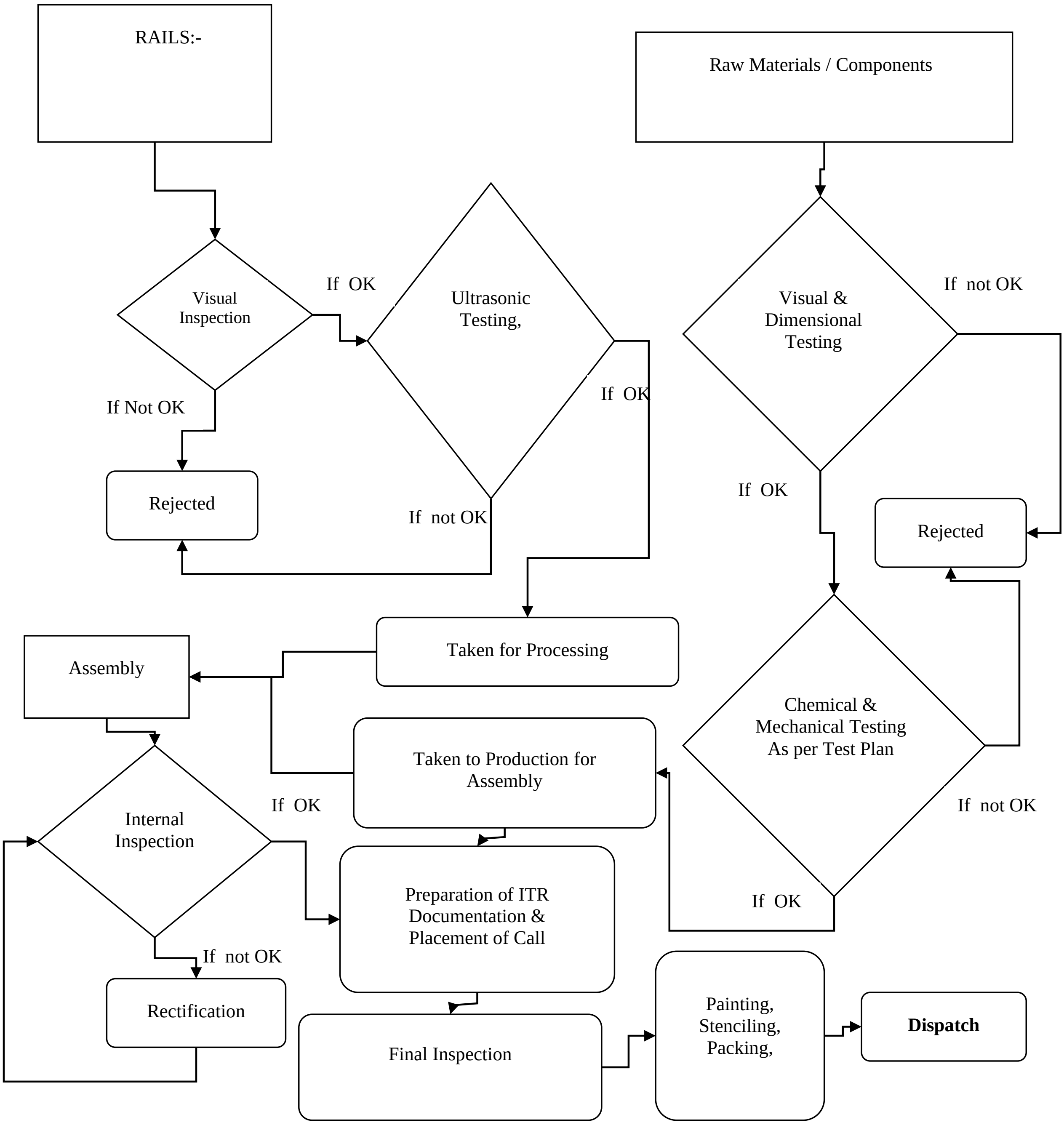
Steel channel sleepers are designed for use in the railway tracks running over steel bridges where a resilient ballast bed cannot be used. Steel channel sleepers are fabricated from steel channel sections, wherein two channels are welded together to obtain the required strength. Both running and guard rails are accommodated on the channel sleeper.



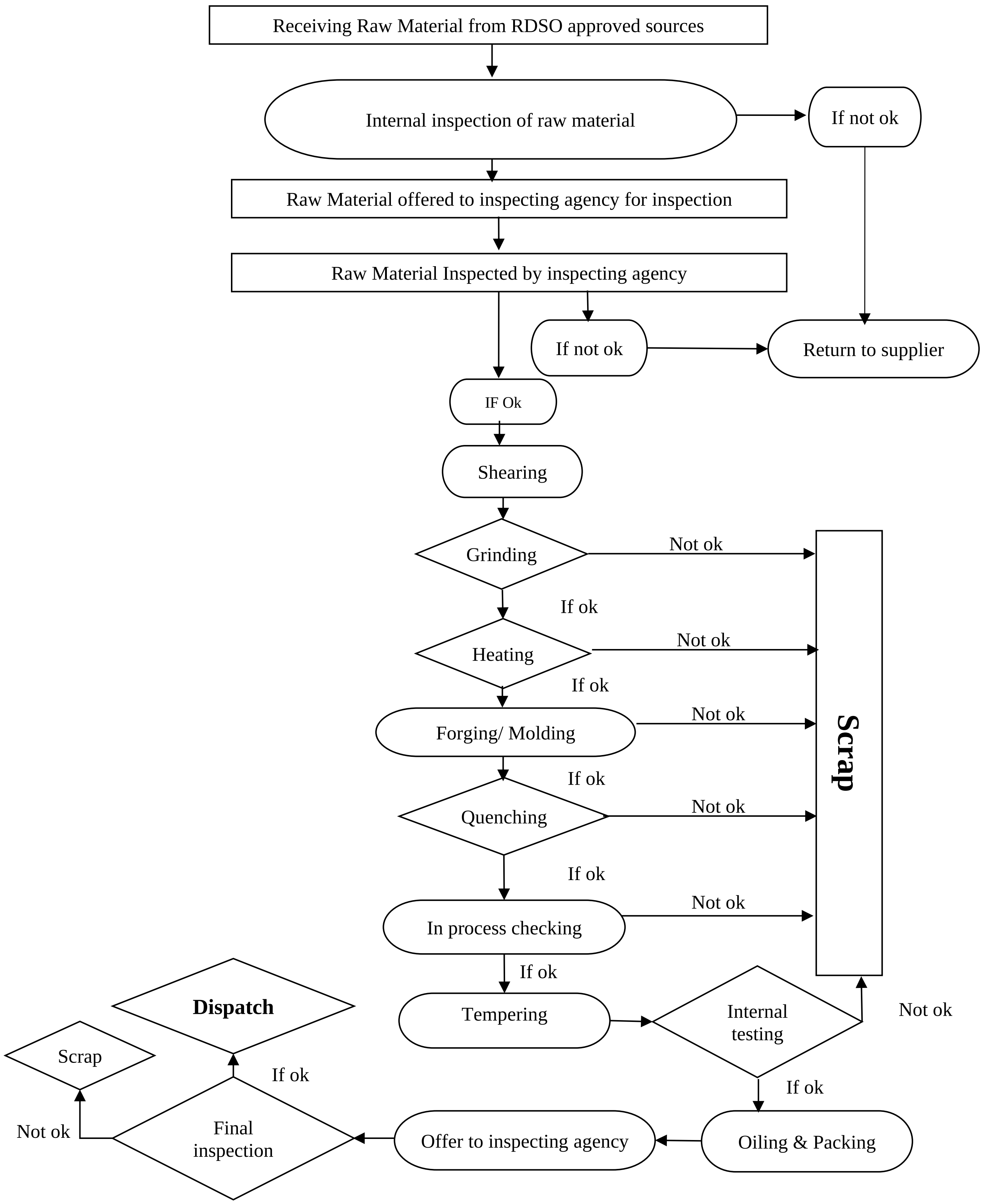
Manufacturing Processes

Turnouts and Track Devices

The various steps involved in the manufacture of turnouts and track devices are described below:

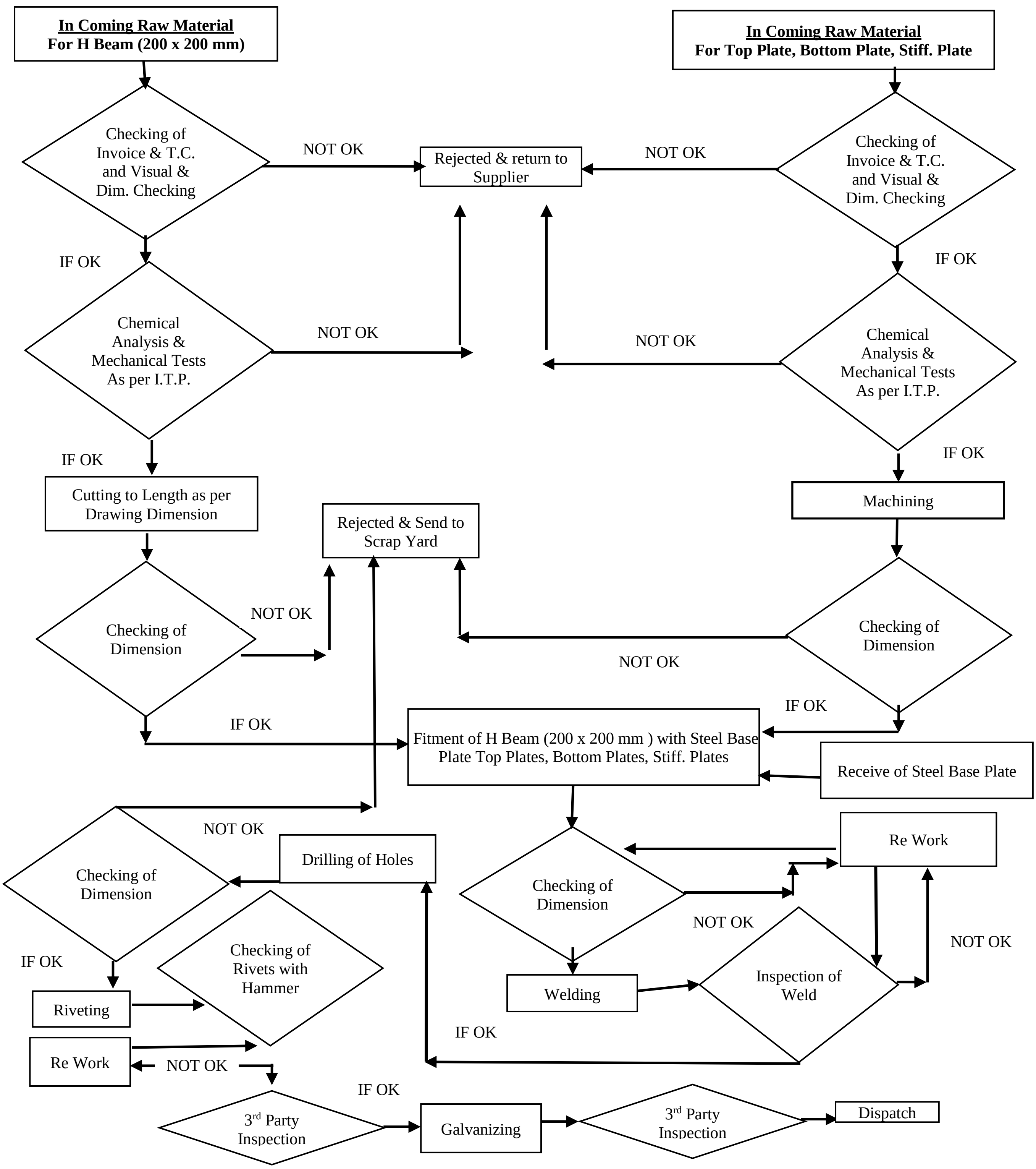


Fastening Systems



Sleepers

Set out below is the process involved in the manufacture of H Beam Sleepers:



OUR COLLABORATIONS

Joint venture

We entered into an agreement with Pandrol Rahee, a part of the Delachaux Group, headquartered in France, which is a global player in rail fastening systems providing products and services in more than 100 countries and 400 railways across the world, in 2004, to bring advanced elastic fastening systems and track products to India. Our Company holds 40% of the equity shares of Pandrol Rahee. Through our association with Pandrol Rahee, we offer high speed rail fastening systems, semi-high speed fastening systems, mainline ballastless track systems, metro rail fastening sytems, mainline ballasted fastening systems, noise and vibration solutions and other specialized devices to support rail modernization.

Technical collaborations

We have entered into a technical collaboration with Tracktec in 2022, for specialized turnouts and track device solutions. Through our collaboration with Tracktec we have the capability of providing high speed turnouts, semi-high speed turnouts, heavy haul turnouts, Metro Rail and ballastless track turnout solutions and specialized swing nose crossings for rail and metro.

OUR MANUFACTURING FACILITIES

Manufacturing Facilities

Turnout and Track Device Units

Howrah, West Bengal and Sangareddy Districy, Telangana

We manufacture turnouts, switches, crossings, switch expansion joints and glued insulated joints. We use modern CNC plano milling machines, hydraulic forging press up to 3000T capacity, electroslag welding machine, planing machines, rail head hardening machines, drilling and sawing machines.

Fastening and Steel Sleeper Unit

Howrah, West Bengal

We manufacture anchor bolts, high tensile fasteners, specialized track fittings, and steel sleepers. We use shearing machines, welding machines, sawing machines, hydraulic press, straightening machine and drilling machines in the manufacturing process.

Fastening and Rail Pad Unit

Howrah, West Bengal

We manufacture track bolts and nuts, screw spikes, elastic clips and rail pads. We use forming machines, hot forge presses, threading machines, shearing machines, mixing mill and Knider machine and rubber forming presses.

Steel Fabrication Units

(a) *Howrah, West Bengal*

We fabricate steel bridge girders at this unit. The girders are manufactured using SAW Welding, MIG Welding, CNC Drilling, CNC plate cutting machines, straightening press, heavy lift EOT Cranes, Shot Blasting & Metalizing booths.

(b) *Dhenkanal, Odisha*

We fabricate steel bridge girders and other industrial structures in this unit. The facility can also fabricate Stainless Steel Structures as per the client requirement. The structures are manufactured using SAW Welding, MIG Welding, CNC Drilling, CNC Plate Cutting Machines, Straightening Press, heavy lift EOT cranes, shot blasting and metalizing booths.

Pandrol Rahee Fastenings Unit

The Pandrol Fastenings unit produces elastic clips and rubber pads and block for railway. The manufacturing process includes shearing, heating, Semi automated former, heat treatment, shot blasting, powder coating machines, zinc flake coating facilities, and pad finishing machine manufacturing of track components.

Pandrol Rahee Castings Unit

The Pandrol Rahee castings unit produces Sphero Graphite Iron base plates and shoulders for Metro Rail and railways. Equipments used in the manufacturing process includes high pressure DISA moulding lines, induction furnace, core shooters, fettling machines, shot blasting machines and sand plant.

Production Capacity and Capacity Utilization

The table below sets forth the installed production capacity and the capacity utilization of our Manufacturing Facilities for Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Facility	Nature of the Products Manufactured	Fiscal 2024			Fiscal 2023			Fiscal 2022		
		Installed Capacity (MTPA)	Actual Production (MTPA)	Capacity Utilization (%)	Installed Capacity (MTPA)	Actual Production (MTPA)	Capacity Utilization (%)	Installed Capacity (MTPA)	Actual Production (MTPA)	Capacity Utilization (%)
Howrah, West Bengal Fastening and Steel Sleeper Unit	Railway track and construction material	6,400	5,760	90.00%	6,400	3,781	59.08%	6,400	4,401	68.77%
Howrah, West Bengal Fastening, Bolt and Rail Pad Unit	Railway track and construction material	3,500	457	13.06%	3,500	635	18.15%	3,500	980	28.00%
Howrah, West Bengal Fastening, Bolt and Rail Pad Unit	Rubber and allied products	1,000	295	29.54%	1,000	303	30.31%	1,000	449	44.90%
Howrah, West Bengal Fabrication Unit	Fabrication	8,500	7,735	91.00%	8,500	7,390	86.94%	8,500	5,140	60.47%
Dhenkanal, Odisha Fabrication Unit#	Fabrication	42,000	-	0.00%	-	-	0.00%	-	-	0.00%
Howrah, West Bengal Track and Turnout Devices Unit	Railway track and construction material	8,250	3,192	38.69%	8,250	1,722	20.87%	8,250	4,298	52.09%
Sangareddy District, Telangana Track and Turnout Devices Unit	Railway track and construction material	3,850	1,424	36.99%	3,850	1,539	39.97%	3,850	3,450	89.61%

* *As certified by Biswadeep Chatterjee, Chartered Engineer, by certificate dated September 21, 2024.*

\# *Production from Dhenkanal, Odisha Fabrication Unit was started in the month of April 2024*

Notes:

(i) The information relating to the installed capacity of the manufacturing facilities as of the dates included above are based on various assumptions and estimates that have been taken into account for calculation of the installed capacity. The assumptions and estimates include the standard capacity calculation practice of Railway Track products manufacturing and after examining the calculations and explanations provided by the Company and the reactor capacities and other ancillary equipment installed at the facilities. The assumptions and estimates taken into account include the number of working days in a year as 288 days to 312 days , which varies from unit to unit. The installed capacity of the manufacturing facilities as of 31st March 2024 have been provided on an annualized basis.

(ii) The information relating to the actual production at the manufacturing facilities as of the dates included above are based on the examination of the internal production records provided by the Company, explanations provided by the Company, the period during which the manufacturing facilities operate in a year, expected operations, availability of raw materials, downtime resulting from schedule maintenance activities, unscheduled break down , as well as operating efficiencies.

(iii) Capacity utilisation has been calculated on the basis of actual production during the relevant financial year divided by the aggregate installed capacity of the relevant manufacturing facility as the date of end of relevant financial year.

(iv) The Dhenkanal Odisha Fabrication Unit was commission in April 2024. As a result, there was no production in the financial year 2024, 2023 and 2022.

RAW MATERIALS AND PROCUREMENT

The table below sets forth details on our cost of raw material, including as a percentage of our total expenses, during the years stated:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ millions)	% of total expenses	Amount (in ₹ millions)	% of total expenses	Amount (in ₹ millions)	% of total expenses
Cost of raw material consumed	4,757.01	53.28%	3,787.10	52.53%	2,406.82	48.24%

Construction Division

The major raw materials in our construction division are structural steel, plates, Tor steel and cement.

Manufacturing Division

The major raw materials in our manufacturing division are MS Plates, MS Flat, MS Round, H Beams and natural rubber.

We do not enter into long term contracts for the supply of raw materials but enter into purchase orders with our suppliers. We typically agree to a price for raw materials for each purchase order. We are able to leverage our wide and diverse network of suppliers to ensure that our supply chain remains unaffected even in cases where there is any disruption at any of our vendors.

UTILITIES AND LOGISTICS

Power and Fuel

Our manufacturing processes require an uninterrupted and constant voltage power to ensure that the products are of high quality. We source power from the state-controlled electricity boards/ bodies. Our Manufacturing Facilities requires substantial amount of power, which we source from the West Bengal State Electricity Distribution Company Limited, Southern Power Distribution Company of TG Limited and Damodar Valley Corporation.

The table below sets out our costs incurred on utilities in Fiscal 2024, 2023 and 2022 and such cost as a percentage of our total expenses for the same period:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ millions)	% of total expenses	Amount (in ₹ millions)	% of total expenses	Amount (in ₹ millions)	% of total expenses
Power and Fuel	323.24	3.62%	217.62	3.02%	188.38	3.78%

Freight and Transportation

We transport our finished products by road, rail and sea We do not own any vehicles for the transportation of our products and raw materials rely on and utilise external logistic contractors.

OUR CUSTOMERS

Over the years of our operations we have developed strong relationships with our customers including Rail Vikas Nigam Limited, IRCON International Limited, Konkan Railway Corporation Limited and Texmaco Rail & Engineering Limited and have built a loyal base of customers across our markets through relationships with several customers.

We believe our customer relationships are primarily led by our ability to develop processes, meet stringent quality and technical specifications and complete the designing, manufacturing and construction for our customers in a timely and cost-effective manner. We believe that such long-term association with our customers offers us significant 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. We have long standing relationships with our customers and have worked with some of our customers for several years including railway divisions in India since as early as 1996, IRCON International Limited as early as 2001, Rail Vikas Nigam Limited as early as 2006 and railways in Bangladesh as early as 2005.

SALES AND MARKETING

Our business is conducted on a business-to-business basis and our focus is on maintaining constant contact with customers and to ensuring timely delivery.

We participate in the Indian Railway Permanent Way Seminar which is held yearly. We participated at the INNO Rail in Lucknow and IREE in New Delhi.

QUALITY CONTROL, TESTING AND CERTIFICATIONS

We place an emphasis on product and process quality control, which we consider integral to our success. Our quality systems and processes are intended to enable us to meet the stringent requirements of our customers and meet the stipulated performance standards timelines. High quality and timely delivery of the projects are critical for success and growth. We have a dedicated quality control team and our steel components are subjected to testing through multiple testing techniques. The Company also ensures regular quality check audits are conducted to ensure compliance with standards and client specifications.

Our Company has received the following certifications and accreditations:

i. ISO 9001:2015 management system certificate for design, development, manufacture, fabrication and supply of welded/ riveted steel bridge girders and steel structures.

ii. ISO 9001:2015 management system certificate for manufacture, fabrication, supply and installation of welded/riveted steel bridge girders & steel structures, railway tracks, bridge sleepers including steel channel sleepers and H beam sleepers, track fittings & fastenings, zero load fastenings, fish plate, joggled fish plate and combination fish plate, HSFG bolt and nut with plain & plain chamfered washer and direct tension indicators (DTI) washers, elastic fastenings including elastic rail clips (Mk-II, Mk-III, Mk-IV, Mk-V & antitheft), high tensile bolts and nuts (HTS bolts & nuts for glued insulated rail joints and products), glued insulated rail joints & flash butt welding for rail tracks including operation and maintenance of flash butt welding machines and spectrometric analysis of metals & construction of concrete bridges including foundation (pile, well and open), sub-structure and super structure. Design, development of steel bridge (riveted and welded) and steel structures.

iii. ISO 9001:2015 quality management system for (i) manufacture and supply of rail fastening such as rail screw, plate screw, wedge, bolts and nuts, screw and spikes, dog spikes, rivets and washers, drift bushes, high tensile bolts and nuts, zero toe loas fastening system, elastic fastening including elastic rail clips mark-II, Mk-III, Mark-IV and Mark-IV. (ii) Manufacture and supply of rail pads (6mm GRSP, 10mm thick CGRSP 6.2mm thick, 10mm thick, 6mm thick nylon cord reinforced rubber pads) nylon cord reinforced elastomeric pads (25 mm thick, 20mm thick and 5 mm thick) steel embedded rubber pad rubber to metal bonded items and rubber molded items as per IS 3400.

iv. ISO 9001:2015 quality management system for design, manufacture and installation of rail track points, crossing, switches/ thick web switches, turnouts, switch expansion joints/ improved switch expansion joints/ rail expansion joints, steel/ turnout sleepers, spring settings/ other dual drive devices, clamp lock, glued insulated rail joints, steel bridge bearings and end forged rails/ adaptor rails.

v. ISO 14001:2015 environmental management system for design, supply, installation, testing and commissioning of ballasted and ballastless track and development, manufacturer, fabrication, supply and erection of welded/ riveted steel bridge girders and steel structures. Construction of concrete bridges including foundation (pile, well and open), sub-structure and super structure.

vi. ISO 45001:2018 health and safety management system for design, supply, installation, testing and commissioning of ballasted and ballastless track and development, manufacturer, fabrication, supply and erection of welded/ riveted steel bridge girders and steel structures. Construction of concrete bridges including foundation (pile, well and open), sub-structure and super structure.

vii. RDSO certificate for inclusion of the name of the Company as a vendor for composite grooved rubber sole plates (6.2 mm & 10 mm thick).

viii. RDSO certificate for inclusion of the name of the Company as a vendor for elastic rail clip Mk-III & ERC-J & Elastic Rail Clips Mk-V).

ix. RDSO certificate for inclusion of the name of the Company as a vendor for zero toe load fastening (ZTLF) system.

x. RDSO certificate for inclusion of the name of the Company as a vendor for high tensile fish bolts & nuts IRS: T-28-73.

xi. RDSO certificate for supply and fabrication of steel bridge girders.

xii. RDSO certificate for the inclusion of the name of the Company as a vendor for 6mm thick nylon cord reinforced GRSP.

HUMAN RESOURCES AND EMPLOYEE TRAINING

Our workforce is a critical factor in maintaining quality and safety which strengthens our competitive position. We are largely dependent on our highly skilled and technically competent workforce for timely completion of our projects. We conduct on-boarding training sessions and technical workshops to train our employees on a regular basis to increase the level of operational excellence, improve productivity and maintain compliance standards on quality, awareness and safety including implementing comprehensive training programmes.

As on July 31, 2024, our company had 1,716 permanent employees. We engage contract labourers depending on the requirements of labour-intensive projects. The number of contract labourers engaged by us vary from time to time based on the nature and extent of work involved in our ongoing projects.

HEALTH, SAFETY AND ENVIRONMENT

We endeavour to adhere to laws and regulations relating to protection of health, employee safety and the environment. Our activities are subject to the environmental laws and regulations of India and other jurisdictions, which govern, among other aspects, air emissions, waste water discharge, the handling, storage and disposal of hazardous substances and waste, the remediation of contaminated sites, natural resource damage, and employee health and employee safety.

We believe that accidents and occupational health hazards can be significantly reduced through a systematic analysis and control of risks by providing appropriate training to our management and our employees. We have adopted an employee health and safety policy to ensure compliance with legal and other requirements related to environment and occupational health safety, in addition to ensuring resource conservation, prevention of pollution, injury and ill health of employees. We aim to ensure safe and healthy environment and further provide for medical checkups and safety measures in order to achieve zero accidents on a sustainable basis. We take initiatives to reduce the risk of accidents at our manufacturing facilities including by providing training and safety manuals to our employees and by conducting safety audits periodically. Our employees are provided appropriate personal protection equipment and we have a dedicated environment, health and safety team which is responsible to ensure adherence to safety norms. We also conduct mock drills to ensure compliance with safety norms.

We develop specific site safety plan, risk assessment and mitigation procedure and emergency management mentioning the roles and responsibilities of all individuals present at site. We form an HSE committee to control the unsafe acts/conditions at the site. Regular and routine inspection is being done at site including plant and machinery and an internal HSE audit is performed by the safety head. Accident and incident reporting procedures implemented to report all accident and danger occurrences to the company head office as well as the customers. We prepare monthly safety reports which serve as a comprehensive review of all safety-related activities and incidents that occur within a given month. These reports are instrumental in identifying trends, understanding root causes of incidents, and implementing corrective measures to prevent future occurrences.

We also prepare an environment management plan which outlines the measures we will take to manage and mitigate environmental impacts during its operations. This plan typically includes strategies for waste management, pollution control, and resource conservation.

INFORMATION TECHNOLOGY

Investment in information technology ("**IT**") infrastructure is essential to improve our operational efficiencies, improve scale and enhance productivity. We currently use advanced information technology systems, which assists us with various functions including material management, production planning, plant maintenance, sales and distribution, financial and accounting, and human resource functions. These systems facilitate the flow of real-time information across departments and allows us to make information driven decisions and manage performance. All electronic files created, sent, received or stored on any system owned, leased or administered equipment or otherwise under the custody and control of our Company is our property. Our IT systems are vital to our business, and we have established a differentiated technology infrastructure with web-based integrated systems, analytical tools, infrastructure monitoring and information security monitoring tools to assist us in our operations.

We are committed to safeguarding confidentiality, and we ensure the integrity and availability of all physical and electronic information assets of facilities where we operate, to ensure that legal, regulatory, and operational requirements are fulfilled. For security and network maintenance, we authorise individuals within the Company IT Department to monitor equipment, systems and network traffic at any point of time, further we reserve the right to audit networks and systems on a periodic basis. We will continue to focus on increasing operational efficiency through technology initiatives.

INSURANCE

Our operations are subject to certain hazards such as work accidents, fire, earthquakes, flood and other force majeure events and explosions and those hazards which are inherent to companies operating in our sector such as destruction of property and inventory, losses resulting from defects or damages arising during transit of our products in addition to risk of equipment failure, acts of terrorism and environmental damage. We may also be subject to claims from our customers if the products that we manufacture and services that we provide are not in compliance with regulatory standards and the terms of our contractual arrangements.

We maintain insurance policies that we believe are customary for companies operating in our industry and which are necessary for our business. We typically obtain contractor's all risk insurance, professional liability insurance, private car standalone own damage insurance, contractor's plant and machinery insurance and employee's compensation insurance. We obtain other specific insurance as may be required by our customers under the scope of work which we undertake.

We believe that the level of insurance we maintain is appropriate for the risks of our business. However, we cannot assure you that our current insurance policies will insure us fully against all risks and losses that may arise in future. Even if such losses are insured, we may be required to pay a significant deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss. In addition, we cannot assure you that we will be able to renew these policies on similar or otherwise acceptable terms, or at all. See "*Risk Factors – Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have an adverse effect on our business*" on page 63.

CORPORATE SOCIAL RESPONSIBILITY

Our Company has constituted a Corporate Social Responsibility (**"CSR"**) Committee in compliance with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 notified by Central Government and amendments thereto and formulated a CSR policy to govern such initiatives. The CSR activities undertaken by our Company include promotion of healthcare, education, rural development and support to old age homes.

Our Company has adopted a CSR policy and our CSR activities are administered by the CSR Committee. For further details on the composition of the CSR committee and its terms of reference, see "*Our Management – Corporate Governance- Committees of our Board- Corporate Social Responsibility Committee*" on page 295.

We have incurred ₹ 23.12 million, ₹ 3.34 million and ₹ 0.90 million in Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively, towards our corporate social responsibility activities.

INTELLECTUAL PROPERTY RIGHTS

For details of the intellectual property held by our Company, see "*Government and Other Approvals- Intellectual Property* Rights" on page 443.

PROPERTIES

The following table sets forth details of our principal properties:

Sr. No	Property	Location	Nature of holding	Term of the lease
1.	Registered Office	Kemwell Manor, 5th floor, 10/D/2, Ho Chi Minh Sarani, Kolkata – 700 071, West Bengal, India	Leased	Six years commencing April 1, 2019
2.	Corporate Office	107, Lakhinarayan Talla Road, Shalimar, Howrah, 711 103, West Bengal, India	Owned	Not applicable
3.	Howrah, West Bengal Fastening and Steel Sleeper Unit	106, Lakshmi Narayan Talla Road, Majerhat (previously known as No. 61, College Ghat Road) P.S. Sibpur, Howrah, West Bengal 711 103	Owned	Not applicable
4.	Howrah, West Bengal Fastening, Bolt and Rail Pad Unit	Mouza Panchpara, J.L. No. 37, under Police Station Sankrail, in the District of Howrah, West Bengal 711 317	Owned	Not applicable
5.	Howrah, West Bengal Fabrication Unit	503, Mouza Jangalpur, PS Sankrail, PO Argori District, Howrah, West Bengal 711 302. Jangalpur	Owned	Not applicable
6.	Howrah, West Bengal Track and Turnout Device Unit	Mouja Jangalpur, J.L. No. 28, P.S. Sankarail, Dist. Howrah -711 302	Owned	Not applicable
7.	Sangareddy District, Telangana Track and Turnout Device Unit	173/B/2 & 3, in Survey No. 172/2, situated at Bollaram Village, Jinnaram Mandal, Medak District, under Grampanchayat, Bollaram village, Registration sub-district-Narsapur, Registration Distrcit-Medak at Sangareddy, Telangana-502325	Owned	Not applicable
8.	Factory land – Rahee Steeltech Private Limited	1812, Mouza-Ghutgarya, P.S. Barjora, District Bankura, under the Gram Panchayet Ghuthoria, District Bankura, Pin Code - 722168	Owned	Not applicable
9.	Factory land – Rahee Steeltech Private Limited	Mouza-Ghutgarya, P.S. Barjora, District Bankura, under the Gram Panchayet Ghutgoria District Bankura, Pin Code - 722202	Leased	99 years commencing from January 28, 2022
10.	Dhenkanal Odisha Steel Fabrication Unit	Mouza Padmanavpur, P.S. Dhenkanal Sadar, P.S. No. 161, Dhenkanal S.R.O., Pin Code- 759013	Leased	10 years commencing from July 24, 2023

COMPETITION

We face competition from companies which either operate in the same line of business as us or offer similar products and services. Our competition varies by market, geographic areas and type of product or service.

We obtain a part of our business through a competitive bidding process in which we compete for projects based on, among other factors, pricing, technological capabilities, and performance, as well as reputation for quality, experience, past track record, and financing capabilities. The competitive bidding process entails managerial time to prepare bids and proposals for contracts and at times requires us to resort to aggressive pricing to be able to be awarded the contracts. As per the CARE Report, competitive pressures can lead to more stringent bidding processes, increasing the cost and complexity of securing contracts. Further, emerging competitors with lower cost structures or specialized expertise may capture market share, affecting project acquisition and growth opportunities (*Source: CARE Report*).

To remain competitive in our markets, we must continuously strive to reduce our costs of production, through automation and innovation and improve our operating efficiencies. Some of our competitors have greater financial and other resources and better access to capital than we do, which may enable them to compete more effectively, or better geographical reach which gives them the ability to quote competitively as the transportation costs are limited. However, depending on various factors, and the extent of our presence in the relevant geographical region, we are able to leverage our experience, established relationships and familiarity with the industry to provide cost effective products than our competitors or offer a better value proposition.

For details, see *"Industry Overview*" beginning on page 151.

KEY REGULATIONS AND POLICIES

The following is an overview of the relevant sector specific laws and regulations which are applicable to our business and operations in India. The information detailed below has been obtained from publications available in the public domain. The description of laws and regulations set out below are not exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of Indian law, and remain subject to judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative, or judicial decisions. For details of government approvals obtained by our Company under applicable rules and regulations, see "Government and Other Approvals" beginning on page 441.

Laws Related to our Business

Railways Act, 1989 (the "Railways Act")

The Railways Act as amended from time to time, oversees the development of railway land for commercial use and public carriage. The Railways Act provide framework for railway administration including non- government railway, construction and maintenance of railway works, land acquisition for special railway project, carriage of goods and public etc. The Railways Act also governs contract executed between non-government railway and central government for purposes of constructing and maintaining a railway wherein railway administration can alter, repair, maintain necessary acts for running railway, direct state government to accommodate railway work and provide directions for safety in case railway work is likely to impede or alter natural flow of water.

The Metro Railways (Construction of Works) Act, 1978

The Metro Railways (Construction of Works) Act, 1978 was enacted to provide for the construction of works relating to metro railways in the metropolitan cities and for matters connected therewith. Metropolitan city as per section 2(k) of the act means Delhi, Mumbai, Kolkata or Chennai. It came into force on February 1, 1979. The act empowers the Central Government, on an application made by the 'metro railway administration', to acquire any land, building, street, road or passage or any right of user or any right in the nature of easement after being satisfied that the requirement mentioned therein is for a public purpose and is required for the construction of metro railways or any other work connected therewith.

Electricity Act, 2003 (the "Electricity Act")

The Electricity Act is the central legislation which covers, among others, generation, transmission, distribution, trading and use of electricity. Under the Electricity Act, the transmission, distribution and trade of electricity are regulated activities that require licenses from the Central Electricity Regulatory Commission ("**CERC**"), the State Electricity Regulatory Commissions ("**SERCs**") or a joint commission (constituted by an agreement entered into by two or more state governments or the central government in relation to one or more state governments, as the case may be. The generating company is required to establish, operate and maintain generating stations, tie-lines, sub-stations and dedicated transmission lines. Further, the generating company may supply electricity to any licensee or even directly to consumers and have a right to open access, for the purpose of carrying electricity subject to availability of adequate transmission and distribution systems and payment of transmission charges, including wheeling charges and open access charges, as may be determined by the appropriate electricity regulatory commission. In terms of the Electricity Act, 'open' access means the non-discriminatory provision for the use of transmission lines or distribution system or associated facilities with such lines or system, by any licensee or consumer or a person engaged in generation in accordance with the regulations specified by the appropriate electricity regulatory commission. Under the Electricity Act, the appropriate commission shall specify the terms and conditions for the determination of tariff. Pursuant to the powers granted under the Electricity Act, various regulations and guidelines have been framed by the CERC and SERCs for determination of tariff for thermal producers and generation, distribution, transmission, allowing open access, among others. The Electricity (Amendment) Bill, 2014 was introduced to amend certain provisions of the Electricity Act. Among others, the amendment empowers the GoI to establish and review a national tariff policy and electricity policy.

Environmental Laws

Environment (Protection) Act, 1986 ("EPA") and the Environment Protection Rules, 1986 ("EP Rules")

The EPA provides for the protection and improvement of the environment. The EPA empowers the Central Government to take all such measures as it deems necessary or expedient for the purpose of protecting and improving the quality of the environment and preventing, controlling and abating environmental pollution. The EPA prohibits any person carrying on any industry, operation or process from discharging, emitting or permitting to be discharged or emitted any environmental pollutant in excess of prescribed standards. Further, it requires persons handling hazardous substances to do so in accordance with such procedure, and in compliance with such safeguards, as may be prescribed.

The EP Rules prescribe the standards for emission or discharge of environmental pollutants from industries, operations or processes, for the purpose of protecting and improving the quality of the environment and preventing and abating environmental pollution.

Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act provides for the prevention and control of water pollution and the maintaining or restoring of the wholesomeness of water, and envisions the establishment of a central pollution control board and state pollution control boards for this purpose. Any person establishing or taking steps to establish any industry, operation or process, or any treatment and disposal system or extension or addition thereto, which is likely to discharge sewage or trade effluent into a stream, well, sewer or on land is required to obtain the prior consent of the concerned state pollution control board. The Water Act prescribes specific amounts of fine and terms of imprisonment for various contraventions. The Parliament of India has recently passed the Water (Prevention and Control of Pollution) Amendment Act, 2024, which seeks to amend the Water Act to, inter alia, decriminalize certain offences, increased penalties for violation of the provisions of the Water Act in the range of ₹ 10,000 to ₹ 1,500,000.

Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

The Air Act provides for the prevention, control and abatement of air pollution. The Air Act requires any person establishing or operating any industrial plant in an air pollution control area to obtain previous consent from the concerned state pollution control board. Further, it prohibits any person operating any industrial plant in an air pollution control area from causing or permitting to be discharged the emission of any air pollutant in excess of prescribed standards.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 ("Hazardous Wastes Rules")

The Hazardous Wastes Rules pertain to the management, import, export, treatment, storage and disposal of hazardous and other wastes. The Hazardous Wastes Rules impose on occupiers the responsibility to manage hazardous and other wastes in a safe and environmentally sound manner. Authorisation must be obtained from the concerned state pollution control board by occupiers of any facility undertaking activities including the handling, generation, collection, storage, transport, use, transfer or disposal of hazardous and other wastes.

Industrial and Labour Related Regulations

Factories Act, 1948

The Factories Act, 1947, as amended (the "**Factories Act**") defines a 'factory' to cover any premises where 10 or more workers are working, or were working on any day in the preceding 12 months, and in any part of which a manufacturing process is ordinarily carried on with the aid of power, or where 20 more workers are working, or were working on any day in the preceding 12 months, and in any part of which a manufacturing process is ordinarily carried on without the aid of power. The state governments are empowered to make rules requiring the registration or licensing of factories or any class of factories. The Factories Act requires the occupier of the factory to ensure, as far as is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory. The occupier is required to ensure: (i) that the plants and systems of work at the factory are safe and without risks to health; (ii) safety and absence of risks to health in connection with the use, handling, storage and transport of articles and substances; (iii) the provision of such information, instruction, training and supervision as are necessary to ensure the health and safety of all workers at work, and; (iv) the maintenance of safe working conditions and working environment. The occupier and manager of a factory may be punished with imprisonment or fine for contravention of the provisions of the Factories Act.

In addition, the employment of workers, depending on the nature of the activity, is currently regulated by a wide variety of generally applicable labour legislations, including the Industrial Disputes Act, 1947, the Contract Labour (Regulation and Abolition) Act, 1970, Industrial Employment (Standing Orders) Act, 1946, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Employee's Compensation Act, 1923, the Trade Unions Act, 1926, the Payment of Bonus Act, 1965, the Equal Remuneration Act, 1976, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Child Labour (Protection Regulation) Act, 1986, the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Apprentices Act, 1961.

In order to rationalise and reform labour laws in India, the Government has enacted the following codes:

- Code on Wages, 2019, which regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees. It subsumes four existing laws, namely the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, and the Equal Remuneration Act, 1976.

- Industrial Relations Code, 2020, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes. It subsumes the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.

- Code on Social Security, 2020, which amends and consolidates laws relating to social security. It governs the constitution and functioning of social security organisations such as the employees' provident fund and the employees' state insurance corporation, regulates the payment of gratuity, the provision of maternity benefits, and compensation in the event of accidents to employees, among others. It subsumes various 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, and the Payment of Gratuity Act, 1972.

- Occupational Safety, Health and Working Conditions Code, 2020, amends and consolidates laws regarding the occupational safety, health and working conditions of persons employed in an establishment. It proposes to subsume various legislations including the Factories Act, 1948, and the Contract Labour (Regulation and Abolition) Act, 1970 and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979. This code proposes to provide for, among other things, standards for health, safety and working conditions for employees of establishments, and will come into effect on a date to be notified by the Central Government.

Certain portions of the Code on Wages, 2019, have come into force upon notification by the Ministry of Labour and Employment. The remainder of these codes shall come into force on the day that the Government shall notify for this purpose.

Shops and Establishments Legislations

The provisions of various shops and establishments legislations, applicable in the states in which the establishments are set up, regulate the work and employment of the workers employed in shops and establishments, including commercial establishments, and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments, and other rights and obligations of the employers and employees.

Fiscal Regulations

Foreign Exchange Management Act, 1999 (the "FEMA")

Foreign investment in India is primarily governed by the provisions of FEMA. Pursuant to FEMA, the GoI and the RBI have promulgated various regulations, rules, circulars and press notes in connection with various aspects of foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India.

FEMA Rules

The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 by Notification No. FEMA. 395/2019-RB dated October 17, 2019 ("**FEMA Rules**") to prohibit, restrict, or regulate transfer by or issue security to a person resident outside India. As laid down by the FEMA Rules, no prior consents and approvals are required from the RBI for Foreign Direct Investment ("**FDI**") under the "automatic route" within the specified sectoral caps.

Foreign Trade (Development and Regulation) Act, 1992 ("FTDRA"), the Foreign Trade (Regulation) Rules, 1993 ("FTRR") and the Foreign Trade Policy 2023 ("Foreign Trade Policy")

The FTDRA provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India. The FTDRA empowers the Central Government to formulate and amend the foreign trade policy. The FTDRA prohibits any person from making an import or export except under an Importer- exporter Code Number ("**IEC**") granted by the director general or any other authorised person in accordance with the specified procedure. The IEC may be suspended or cancelled if the person who has been granted such IEC contravenes, amongst others, any of the provisions of the FTDRA, or any rules or orders made thereunder, or the foreign policy or any other law pertaining to central excise or customs or foreign exchange. The FTDRA also prescribes the imposition of penalties on any person violating its provisions.

The FTRR prescribes the procedure to make an application for grant of a license to import or export goods in accordance with the foreign trade policy, the conditions of such license, and the grounds for refusal of a license.

The FTDRA empowers the Central Government to, from time to time, formulate and announce the foreign trade policy. The Foreign Trade Policy came into effect in 2017 and requires all importers and exporters to obtain an IEC. Further, pursuant to the policy, the Director General of Foreign Trade may impose prohibitions or restrictions on the import or export of certain goods, for reasons including the protection of public morals, protection of human, animal or plant life or health, and the conservation of national resources. The Foreign Trade Policy also prescribes restrictions on imports or exports in relation to specific countries, organisations, groups, individuals or products. The Foreign Trade Policy also provides for various schemes, including the export promotions capital goods scheme and duty exemption/remission schemes.

Taxation Laws

The Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the state government including union territories on intra-state supply of goods or services. Further, Central Government levies GST on the inter-state supply of goods or services. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), relevant state's Goods and Services Act, 2017 (SGST), Union Territory Goods and Services Act, 2017 (UTGST), Integrated Goods and Services Act, 2017 (IGST), Goods and Services (Compensation to States) Act, 2017 and various rules made thereunder.

Further, the Income-tax Act, 1961 ("**Income Tax Act**") is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or rules made there under depending upon its 'Residential Status' and "Type of Income' involved. The Income Tax Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the Income Tax Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc. In 2019, the Government has also passed an amendment act pursuant to which concessional rates of tax are offered to a few domestic companies and new manufacturing companies.

Customs Act, 1962 ("Customs Act")

The Customs Act empowers the Central Government to prohibit the export or import of goods for reasons including the maintenance of public order, the maintenance of the security of India, the prevention of smuggling and the prevention of shortage of goods. The Customs Act also governs the detection of illegally imported goods, the detection of illegal export of goods, the valuation of imported and exported goods, the determination of rate of duty and tariff, and the refund of export or import duties in certain cases. The Customs Act prescribes the imposition of penalties or the confiscation of goods in specified circumstances, including the improper export of goods, and empowers any authorised officer of customs to arrest any person who has committed a punishable offence under the Customs Act.

Intellectual Property Laws

Trade Marks Act, 1999 ("Trade Marks Act")

The Trade Marks Act provides for the registration and better protection of trade marks for goods and services and for the prevention of the use of fraudulent marks. The registration of a trade mark under the Trade Marks Act confers on the proprietor the exclusive right to the use of the trade mark, and the right to obtain relief in respect of infringement of the trade mark. The registration of a trade mark shall be for a period of ten years, but may be renewed from time to time as prescribed under the Trade Marks Act. The Trade Marks Act also prescribes penalties for the falsification or false application of trade marks.

Patents Act, 1970 ("Patents Act")

The Patents Act entitles persons claiming to be the true and first investor of any invention to file an application for a patent with the patent office. A patent granted under the Patents Act confers upon the patentee rights including the exclusive right to prevent third parties from the act of making, selling, using, offering for sale, selling or importing the patented product or using the patented process, as the case may be, without the patentee's consent. The term of a patent under the Patents Act is twenty years from the date of filing an application for the patent. Further, any patent granted for a drug or medicine is subject to the condition that the import of the drug or medicine by the government for its own use or distribution will not amount to infringement of the patent.

Other Laws

In addition to the above, our Company is also required to comply with the provisions of the Companies Act and rules framed thereunder, relevant central and state tax laws, including the Income Tax Act, 1961, the Income Tax Rules, 1962, and the relevant goods and services tax legislations, the Competition Act, 2002, the Consumer Protection Act, 2019, the Information Technology Act, 2000, foreign exchange and investment laws, foreign trade laws, and other applicable statutes promulgated by the relevant Central and State Governments.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief History of our Company

Our Company was originally incorporated as "*Ramchander Heeralall*" as an unregistered partnership firm, under the Indian Partnership Act, 1932. Subsequently, the firm was registered as "*Ramchander Heeralall Limited*", at Calcutta, as a public limited company, under Part IX of the Companies Act, 1956, and was issued a certificate of incorporation on January 30, 1996 by the Registrar of Companies, West Bengal at Calcutta. The Company was also issued a certificate for commencement of business on February 1, 1996 by the Registrar of Companies, West Bengal at Calcutta. The name of the Company was changed to "*Rahee Industries Limited*", for the purpose of branding, pursuant to a Board resolution dated August 22, 1997 and a resolution passed in the extra ordinary general meeting of the Shareholders held on August 26, 2017 and consequently a fresh certificate of incorporation dated August 3, 1998 was issued by the Registrar of Companies, West Bengal at Calcutta. Thereafter, our Company's name was changed to "*Rahee Infratech Limited*" pursuant to a Board resolution dated July 26, 2010 and a resolution passed in the extra ordinary general meeting of the Shareholders held on July 27, 2010 and consequently a fresh certificate of incorporation dated August 3, 2010 was issued by the Registrar of Companies, West Bengal at Kolkata ("**RoC**").

Our Company has been unable to trace certain corporate records. We have conducted a search at the RoC for these records but were unable to retrieve them and have relied on the search report dated September 30, 2024 prepared by Shubham Ranjan Sinha, independent practicing company secretary, and their certificated dated September 30. See "Risk Factors — Certain forms filed by us with the RoC and certain corporate records and other documents, are not traceable and have discrepancies. While we have conducted a search with the RoC, in respect of the unavailability of such forms and other records, we cannot assure you that such forms or records will be available at all or any time in the future" on page 52.

Changes in Registered Office

The following table sets forth the details of the change in registered office of the Company since its date of incorporation:

Date of change of registered office	Details of change in address of our registered office	Reason for change
December 6, 2003	Change in the registered office of the Company from 138, B.R.B. Basu Road, Kolkata – 700 001 to 5th Floor, Century Towers, 45, Shakespeare Sarani, Kolkata – 700 017.	For operational convenience
January 1, 2011	Change in the registered office of the Company from 5th Floor, Century Towers, 45, Shakespeare Sarani, Kolkata – 700 017 to 4, Ho Chi Min Sarani, Flat No 1C, First Floor, Kolkata, West Bengal, India – 700 071.	To streamline operations
April 1, 2019	Change in the registered office of the Company from Flat 1C, First Floor, 4 Ho Chi Minh Sarani, Kolkata – 700 071 to Kemwell Manor, 5th floor, 10/D/2, Ho Chi Minh Sarani, Kolkata – 700 071.	To streamline operations

Main Objects of our Company

The main objects contained in our Memorandum of Association are as disclosed below:

1. *To carry on the business of construction work comprising of civil works, civil engineers, civil contractors and to undertake projects and contracts for Government and Government Departments or authorities and undertake either alone and jointly with any other company or persons, works of all distinction like construction, renovation, repairs, widening, paving, resurfacing of roads, upgrading, strengthening of roads, flyovers, highways, tunnels or bridges of all types of R.C.C. and post-tensioned cement concrete works, reinforced cement concrete works, granting, rock-cutting, reclamations, cement gutting, waterproofing works, painting, decorating and to purchase, acquire, contract, erect, repair and maintaining of structures, flyovers, tunnels, dams, earth tunnes, towers, reservoirs, drains and culverts, trenches, embankments, irrigation work reclamations, land improvement, sewerage and sanitary works.*

2. *To produce, manufacture, process, refine, import, export, purchase, sell and generally to deal in and to act as agents, stockiest, distributors and suppliers of metal and metal products, iron and steel, mild steel, alloy stainless, spring steel, special steel, cast iron, pig iron, ferrous metal and non-ferrous metals of every kind and description and its products, metal founders and to act as manufacturers, processors, welders, fabricators, assemblers, drawers, rollers and rerollers of steel, shafting, bars, flats, squares, rounds, channels from hinges, plates, hot and cold steel strips, hoops rounds, circle angles,*

rails, joints, channels, window section, agriculture tools and implements, galvanized pipe, corrugated sheet, lift-rails, beams, grill frames, electric goods and articles, electric motors, bearing brushes balls, building materials, architectural materials, engineering goods, railways accessories, washers, fastners, track fastenings, tools, implements, utensils and to manufacture automobiles, rolling stock for railways, like bogies, wagons, special purpose movement rolling stock etc, and any other products from steel, brass, copper,, lead, rubber and any other ferrous and non-ferrous metals of all sizes, specifications and descriptions and all kind of rubber goods or rubber used goods, products, by products including groove rubber pad, rolling ring, oil seals, diaphragms, hydraulic & pneumatic seals, rubber rollers, rubber belles, gaskets, rubber tubes, strips, cords, rubber, nylon corded, rubber conveyors, moulders products viron, silicon, polyurethane, hypalon, butylsbr, natural & teflon of different sizes with any metallic or non-metallic substance.

3. *To acquire by purchase, lease, exchange, hire or otherwise and/or hold and/or deal with and/or dispose of any immoveable properties including lands, buildings, structures, hereditaments of any tenure or description and any estate or interest therein and with or without any other fixtures, fittings, furnitures and/or properties lying and/or connected with such immoveable properties and any rights over or connected with and/or any estate or any interest therein and connected with the aforesaid properties as may deem expedient and to prepare building sites and/or construct, reconstruct, alter rooms, markets, factories, workshops, warehouse, cold storages, garden, godowns, offices, hotels and works of all kinds and to connect or consolidate or divide or sub-divide such properties and generally to deal in transact speculate and to deal with and dispose of by way of sale, mortgage, lease, exchange or otherwise any lands, buildings, properties including any properties of any description, real or personal moveable or immovable and to lay out, develop, construct, deal erect, demolish, resurrect, alter, repair, removable, remodel or to do any other work in connection with any land or lands or building or buildings and to deal with the same or part thereof in any manner whatsoever.*

4. *To act as Merchant Bankers, Co-Managers, Registrars to the issue, under writers, Brokers, Sub-brokers, portfolio managers, trustees, custodians, Transfer Agents and to become members of stock Exchange(s), Over the Counter Exchange of India (OTC), National Stock Exchange and to provide services as consultants, advisors, providing general, administration, secretarial, commercial, technical, legal, accountancy, quality control, loan syndication, finance structuring, inter-corporate deposits, fixed deposits, corporate planning, profit identification, appraisal and funding, merger and advisory services and relating, tie-ups, collaborations, marketings, placement and recruitment of personnel and to render such other related services to persons, firms, companies, corporate bodies, trusts, associations or organizations whatsoever.*

5. *To acquire, hold, sell and otherwise deal-in-shares, debentures, stocks, bonds, Equity Warrants, cumulative convertible preference shares, OFCDS, obligations and securities issued or guaranteed by any Company or corporations whatsoever constituted of or carrying on business, to acquire any such shares, stocks, debentures, bonds etc. by original subscriptions, tender, purchase, exchange or otherwise and to subscribe for the same either conditionally or otherwise and to guarantee the subscription thereof, and to exercise and enforce all rights and powers conducive or incidental to the ownership thereof.*

6. *To carry on the business of technical, financial and management consultants and advisors and to carry on all kind of agencies business take part in the management, supervision or control of business operation of any other Company, association, firm or person and to inter into collaboration agreement for the manufacture of items which the company is entitled to produce in India and in abroad with the Companies, firms, central and state government and their concerns and to render and provide all types of services including managerial, personnel, secretarial, designing, plant layouts and project reports drawings and helping in finalization of contracts and creation and commissioning of plants.*

The objects clause as contained in the Memorandum of Association enables our Company to carry on the business presently being carried out.

Amendments to the Memorandum of Association

The amendments to the Memorandum of Association of our Company in the 10 years immediately preceding the date of this Draft Red Herring Prospectus are as detailed below.

Date of Shareholders' Resolution/ Effective Date	Nature of Amendment
August 24, 2024	Clause 5 of the MoA was amended to reflect the reclassification of authorized share capital from ₹115,000,000 (Rupees eleven crore fifty lakhs) divided into 11,500,000 (one crore fifteen lakhs) equity shares of face value ₹10 each, to ₹170,000,000 (Rupees seventeen crore) divided into 85,000,000 (eight crore fifty lakhs) Equity Shares of face value ₹2 each.
March 8, 2016	Adoption of new set of MoA and alteration in existing main objects clause 3 A (1) to the following object "*To carry on the business of construction comprising of civil works, civil engineers, civil contractors and to undertake projects and contracts for Government and Government Departments or authorities and undertake either alone and jointly with any other company or*

Date of Shareholders' Resolution/ Effective Date	Nature of Amendment
	persons, works of all distinction like construction, renovation, repairs, widening, paving, resurfacing of roads, upgrading, strengthening of roads, flyovers, highways, tunnels or bridges of all types of R.C.C. and post tension cement concrete works, reinforced cement concrete works, granting, rock cutting, reclamations, cement gutting, waterproofing works, painting, decorating and to purchase, acquire, contract, erect, repair and maintaining of structures, flyovers, tunnels, dams, earth tunnels, towers oblique reservoirs drains and culverts trenches, embankments, irrigation work reclamations, land improvement, sewerage and sanitary works"

Major events and milestones of our Company

The table below sets forth some of the major events in the history of our Company:

Calendar Year	Major events and milestones
2001-2003	Awarded a turnout export contract
2002	Patented Zero Restraint Fastening System for steel sleepers on bridges (*Source: CARE Report*)
2006	Ventured into bridge construction business
2008	Patent License transfer to Indian Railway for Switch Expansion Joint design for mass usage (*Source: CARE Report*)
2013	Ventured into metro railway construction work
2021	Won a ballastless track construction contract for tunnels
2022	Won a high speed railway fastening contract
2023	Ventured into construction of viaduct for metros
2023	Installed Pandrol Fastclip (FE system) for speeds upto 250 km/hr
2024	Won a station platform ballastless track construction contract

Key awards, accreditations, and recognitions received by our Company

The table below sets forth certain key awards, accreditations, and recognitions received by our Company:

Calendar Year	Award/Accreditation/Recognition
2023	Business Excellence Awards for "Company of the year (construction)" by Outlook Business
2023	Urban Infra Awards for "Excellence in Rail Infra Development" by UrbanInfra Group
2024	Recognised as the "Most Admired Company in the Infrastructure Sector (Railways)" by 9th summit of the ET Now Intra Focus summit and awards

Significant financial and/or strategic partnerships

Our Company does not have any significant financial and strategic partners as of the date of this Draft Red Herring Prospectus.

Defaults or rescheduling/ restructuring of borrowings from financial institutions/ banks

As on the date of this Draft Red Herring Prospectus, our Company has not defaulted on repayment of any outstanding loan availed from any banks or financial institutions. Further, the tenure of repayment of any loan availed by our Company from banks or financial institutions has not been rescheduled or restructured.

Time and cost overruns in setting up projects

As on date of this Draft Red Herring Prospectus, there have been no time and cost over-runs in respect of our business operations.

Launch of key products or services, entry into new geographies or exit from existing markets, capacity/ facility creation or location of plants

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets and capacity/facility creation to the extent applicable, see "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 232 and 390, respectively.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations, and revaluation of assets, if any, in the last ten years

Except as disclosed below, our Company has not made any material acquisitions or divestments of business/undertakings, mergers, amalgamations, and revaluation of assets, if any, in the last ten years immediately preceding the date of this Draft Red Herring Prospectus.

Business Transfer Agreement dated September 13, 2024 entered into between Shalimar Fabricators Private Limited and our Company ("BTA")

Our Company has purchased the railway component business of Shalimar Fabricators Private Limited ("**Shalimar**"), our Corporate Promoter, along with all its rights, benefits, interests, debts and liabilities for a lump sum consideration of ₹160.00 million.

As per the valuation report dated September 19, 2024, issued by Bhavesh M Rathod, Chartered Accountants, the fair value of Shalimar's business undertaking as on September 15, 2024 was ₹160.00 million.

Scheme of amalgamation of Punit Elastomers Private Limited ("PEPL") into our Company

By way of an order dated June 30, 2016, the Hight Court at Calcutta, approved a scheme of amalgamation of PEPL ("**Transferor Company**") into our Company pursuant to the provisions of Section 391 to 394 of the Companies Act, 1956 ("**2016 Amalgamation Scheme,**" and such amalgamation, the "**Amalgamation**").

Prior to the 2016 Amalgamation Scheme, the Transferor Company was engaged in the business of manufacturing and dealing in all kinds of products of natural and synthetic rubbers and elastomers and formulations thereof. Considering that the companies involved were engaged in similar lines of business activities, the Amalgamation was proposed to enable efficient and economical management of the business, administrative convenience and to further growth and development of the business of our Company.

Pursuant to the Amalgamation, all assets and liabilities (including debts), properties, legal proceedings, contracts and deeds, employees relating to PEPL were transferred to our Company. Our Company was also required to issue and allot one equity share of face value ₹10 each for every 500 equity shares of face value ₹10 each held by the shareholder of PEPL in the Transferor Company. The appointed date under the 2016 Amalgamation Scheme was April 1, 2015, and it became effective on August 13, 2016.

As per the valuation report dated March 31, 2016, issued by J B S & Company, Chartered Accountants, the fair value of the equity shares of our Company was ₹129.

For details of issuance of equity shares pursuant to the 2016 Amalgamation Scheme, see "*Capital Structure—Share capital history of our Company*" on page 95.

Material agreements entered into by our Company

Except as disclosed below, there are no other 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.

Joint venture agreement between our Company and Pandrol Limited ("Pandrol") dated March 2, 2004, as amended by the addendum no. 1 dated April 12, 2005 and addendum no. 2 dated September 4, 2008 (collectively the "Joint Venture Agreement")

Our Company and Pandrol have entered into the Joint Venture Agreement pursuant to which a special purpose vehicle was incorporated under the name "Pandrol Rahee Technologies Pvt Ltd" ("**PRT**") for, *inter alia*, purchase and import, marketing, commissioning of manufacturing, ensuring quality control and engaging in incidental business activities within India, in relation to the products (*as defined under the Joint Venture Agreement*).

In terms of the Joint Venture Agreement, Pandrol was allotted 120,000 shares of face value ₹10 each and our Company was allotted 80,000 shares of face value ₹10 each in PRT. Further, each party shall be entitled to appoint two directors on the board of PRT. Our Company will also provide all necessary management services and accounting facilities and Pandrol will provide technical support to the PRT, as per the stipulated terms. The articles of association of PRT also provide certain material terms, including, (i) Pandrol and our Company's entitlement to nominate equal number of directors at all times; and (ii) chairman of PRT shall be one of Pandrol's nominated directors who shall not be entitled to a casting vote on any issue arising at a board meeting.

Holding Company

As of the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Subsidiaries, Jointly Controlled Operations and Associate Companies

As of the date of this Draft Red Herring Prospectus, our Company has four Subsidiaries, 12 Jointly Controlled Operations and one Associate. For details, see "*Subsidiaries, Associate and Jointly Controlled Operations*" on page 278.

Shareholders' agreements

As on the date of this Draft Red Herring Prospectus, there are no subsisting agreements entered into by and between our Company and Shareholders of our Company.

Other agreements

Except as disclosed above, our Company has not entered into any other subsisting material agreements including with strategic partners, joint venture partners or financial partners, which is not in the ordinary course of business carried on by our Company, or which needs to be disclosed or non-disclosure of which may have bearing on any investment decision in the Offer.

We confirm that there are no other inter-se agreements between our Company, Shareholders, Promoters, shareholders' agreements or other agreements of a like nature, in relation to the securities of our Company, comprising material clauses / covenants that are required to be disclosed in this Draft Red Herring Prospectus or containing clauses / covenants that are adverse / prejudicial to the interest of public shareholders.

We confirm there are no other inter-se agreements, arrangements and clauses or covenants which our Company is a party to, in relation to securities of our Company, which are material, adverse or pre-judicial to the interest of the minority/ public shareholders or which may have a bearing on the investment decision.

Other than as disclosed in "*Capital Structure – Build-up of Promoters' equity shareholding in our Company*" on page 110 and "*Capital Structure – Secondary transactions of Equity Shares of our Company*," on page 104, we have not entered into any agreements in relation to the primary and secondary transactions of securities.

Agreements with Key Managerial Personnel, Senior Management, Directors, Promoters, or any other employee

There are no agreements entered into by our Promoters, Key Managerial Personnel, Senior Management or Directors or any other employee 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.

Guarantees given by the Promoters participating in the Offer for Sale

Our Individual Promoters, who are also the Selling Shareholders have issued personal guarantees in relation to loans availed by our Company. Set out below are the details of the said personal guarantees:

[Remainder of the page intentionally left blank]

In relation to the facilities availed from the Indian Bank consortium by the Company:

Promoters	Name of the Lender	Type of Facility	Sanctioned Amount (*in ₹ million*)	Security	Obligation on our Company	Obligation of the Promoters offering their shares in the Offer for Sale	Reason	Consideration
Pradeep Khaitan, Pawan Khaitan and Ravi Khaitan	Indian Bank ICICI Bank Limited Axis Bank Limited Union Bank of India Punjab National Bank IndusInd Bank Federal Bank Limited	Working Capital	₹ 4,205.00 million	1. The Borrower agrees that the said Facilities together with interests, compound interests, additional interest, liquidated damages, costs, charges, expenses and other moneys payable in respect thereof will be secured in favour of the said Banks (i) by a First Charge ranking pari passu by way of hypothecation and/or pledge of the Borrower's Current Assets, namely, Stocks of Raw Materials, Semi-Finished and Finished Goods, Consumable Stores and Spares and Plant and Machinery and installed at Borrower's factories, premises and godowns situated at 107, Lakhinarayantalla Road, Shalimer, Howrah 711 103, Jungalpur, Howrah and Panchpara, Sankrail, Howrah etc. and/or Construction Sites or wherever else, Bills Receivable and Book Debts and all other movables of the Borrower/or pertaining to the said Division both present and future excluding such movables as may be permitted by the said Banks from time to time. 2. Registered Mortgage of Factory Land and Building at 107, Lakhinarayan Road, Shalimar, Howrah in the name of Rahee Infratech Limited. (1st Pari Passu charge basis) 3. Registered Mortgage of Factory Land & Building at Panchpara, Sankrail, Howrah, in the name of Rahee Infratech Limited. (1st Pari Passu charge basis) 4. Registered Mortgage of Factory Land and Building at Mouza: Jangalpur, Howrah, in the name of Rahee Infratech Limited. (1st Pari Passu charge basis) 5. Pledge of FDR of ₹ 3.00 Crore (1st Pari Passu charge basis) 6. Equitable Mortgage of 2589 Sq. Ft. Residential Flat at Banjara Hills, Hyderabad standing in the	Till all the facilities are repaid by the Company	Till all the facilities are repaid by the Company	Personal guarantee in respect of working capital facilities availed from the Indian Bank consortium availed by our Company	Nil

Promoters	Name of the Lender	Type of Facility	Sanctioned Amount (*in ₹ million*)	Security	Obligation on our Company	Obligation of the Promoters offering their shares in the Offer for Sale	Reason	Consideration
				name of Smt. Shashi Khaitan. (1st Pari Passu charge basis) 7. Continuing Security Interest by way of Hypothecation over the Current and Fixed Assets of the Borrower as well as the Fixed Assets mortgaged by the Guarantor with IB Consortium for GECL/GECLS/ECGLS. (2nd Pari Passu charge basis) 8. All the assets created/to be created under GECL/GECLS/ECGLS. (1st Pari Passu charge basis.				

In relation to the unsecured facility by Tata Capital Limited

Promoters	Name of the Lender	Type of Facility	Sanctioned Amount (*in ₹ million*)	Security	Obligation on our Company	Obligation of the Promoters offering their shares in the Offer for Sale	Reason	Consideration
Ravi Khaitan, Pawan Khaitan and Pradeep Khaitan	Tata Capital Limited	Term Loan and channel finance	₹ 100.00 million	Primary: First and exclusive charge on the CEQ asset in the name of the borrower financed by Tata Capital limited Primary: Fixed Despoit (FD) of 10% of loan amount with a Bank as acceptable to RCL, duly lien marked on Principal and Interest in favour of TCL. With nature of deposit: Reinvestment of interest and maturity instruction of auto renew principal and interest.	Till all the facilities are repaid by the Company	Till all the facilities are repaid by the Company	Irrevocable and unconditional personal guarantee of Ravi Khaitan, Pawan Khaitan and Pradeep Khaitan	Nil

In relation to the equipment and vehicle financing by ICICI Bank

Promoters	Name of the Lender	Type of Facility	Sanctioned Amount (*in ₹ million*)	Security	Obligation on our Company	Obligation of the Promoters offering their shares in the Offer for Sale	Reason	Consideration
Ravi Khaitan	ICICI Bank Limited	Equipment and vehicle financing	₹ 60.28 million	Guarantee by Ravi Khaitan and hypothecation of equipment/ vehicle	Till all the facilities are repaid by the Company	Till all the facilities are repaid by the Company	Guarantee by Ravi Khaitan	Nil

In relation to the equipment and vehicle financing by Tata Capital financial Services Limited

Promoters	Name of the Lender	Type of Facility	Sanctioned Amount (*in ₹ million*)	Security	Obligation on our Company	Obligation of the Promoters offering their shares in the Offer for Sale	Reason	Consideration
Ravi Khaitan and Pradeep Khaitan	Tata Capital Financial Services Limited	Equipment and vehicle financing	₹ 115.87 million	Guarantees by Ravi Khaitan and Pradeep Khaitan and hypothecation of equipment/ vehicle	Till all the facilities are repaid by the Company	Till all the facilities are repaid by the Company	Guarantee by Ravi Khaitan and Pradeep Khaitan	Nil

In relation to the equipment and vehicle financing by Axis Bank Limited

Promoters	Name of the Lender	Type of Facility	Sanctioned Amount (*in ₹ million*)	Security	Obligation on our Company	Obligation of the Promoters offering their shares in the Offer for Sale	Reason	Consideration
Ravi Khaitan	Axis Bank Limited	Equipment and vehicle financing	₹ 47.44 million	Guarantee by Ravi Khaitan and hypothecation of equipment/ vehicle	Till all the facilities are repaid by the Company	Till all the facilities are repaid by the Company	Guarantee by Ravi Khaitan	Nil

In relation to the equipment and vehicle financing by Kotak Mahindra Bank Limited

Promoters	Name of the Lender	Type of Facility	Sanctioned Amount (*in ₹ million*)	Security	Obligation on our Company	Obligation of the Promoters offering their shares in the Offer for Sale	Reason	Consideration
Ravi Khaitan	Kotak Mahindra Bank Limited	Equipment and vehicle financing	₹ 66.86 million	Guarantee by Ravi Khaitan and hypothecation of equipment/ vehicle	Till all the facilities are repaid by the Company	Till all the facilities are repaid by the Company	Guarantee by Ravi Khaitan	Nil

In relation to the equipment financing by HDFC Bank Limited

Promoters	Name of the Lender	Type of Facility	Sanctioned Amount (*in ₹ million*)	Security	Obligation on our Company	Obligation of the Promoters offering their shares in the Offer for Sale	Reason	Consideration
Ravi Khaitan	HDFC Bank Limited	Equipment and vehicle financing	₹ 96.73 million	Guarantee by Ravi Khaitan and hypothecation of equipment/ vehicle	Till all the facilities are repaid by the Company	Till all the facilities are repaid by the Company	Guarantee by Ravi Khaitan	Nil

In relation to the equipment and vehicle financing by YES Bank Limited

Promoters	Name of the Lender	Type of Facility	Sanctioned Amount (*in ₹ million*)	Security	Obligation on our Company	Obligation of the Promoters offering their shares in the Offer for Sale	Reason	Consideration
Ravi Khaitan	YES Bank Limited	Equipment and vehicle financing	₹ 34.76 million	Guarantee by Ravi Khaitan and hypothecation of equipment/ vehicle	Till all the facilities are repaid by the Company	Till all the facilities are repaid by the Company	Guarantee by Ravi Khaitan	Nil

In relation to the equipment and vehicle financing by Kotak Prime

Promoters	Name of the Lender	Type of Facility	Sanctioned Amount (*in ₹ million*)	Security	Obligation on our Company	Obligation of the Promoters offering their shares in the Offer for Sale	Reason	Consideration
Ravi Khaitan	Kotak Prime	Equipment and vehicle financing	₹ 1.54 million	Guarantee by Ravi Khaitan and hypothecation of equipment/ vehicle	Till all the facilities are repaid by the Company	Till all the facilities are repaid by the Company	Guarantee by Ravi Khaitan	Nil

The guarantees set out above have been issued as security in connection with facilities availed by our Company, to the extent applicable. Pursuant to the terms of the guarantees, the obligation of our Promoters includes repayment of the guaranteed sum in case of default by the Company to the respective lenders. The financial implications in case of default by the Company are that the lender would be entitled to invoke the guarantees to the extent of the outstanding loan amount, together with any interests, costs or charges due to the respective lenders. The guarantees are effective for a period until the underlying loan is repaid in full by the Company. Any default or failure by our Company to repay the loans in a timely manner, or at all, could trigger repayment obligations on the part of our Promoters. No consideration has been paid or is payable to our Promoters for providing these guarantees. The borrowings of our Company, as applicable, are typically secured by immovable property, movable fixed assets and current assets.

For further details with respect to financing arrangements of our Company in respect of which guarantees have been given by our Promoters, including any implications in case of default, see "*Financial Indebtedness*" and "*Restated Consolidated Financial Information – Borrowings*" on pages 431 and 353, respectively.

Our Company have no conflict of interest with the suppliers of raw materials and third party service providers (crucial for operations of the Company) and the lessors of immovable property of the Company (crucial for operations of the Company).

SUBSIDIARIES, ASSOCIATE AND JOINTLY CONTROLLED OPERATIONS

Our Subsidiaries

As on the date of this Draft Red Herring Prospectus, our Company has four subsidiaries, the details of which are below:

1. Rahee Track Technologies Private Limited ("RTTPL")

Corporate Information

RTTPL was originally incorporated as Shalimar Fastenings Private Limited, a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated February 15, 2002 issued by the Registrar of Companies, West Bengal. Subsequently, its name was changed to Rahee Track Technolgies Private Limited and a fresh certificate of incorporation dated July 7, 2005 was issued by the Registrar of Companies, West Bengal. Its CIN is U27106WB2002PTC094232, and its registered office is situated at N.H. 6, Post Officer – Argori, Vill – Jangalpur, Police Station – Sankrail, Howrah, West Bengal, India, 711302.

Nature of business

RTTPL is engaged in the business of producing, manufacturing, processing, refining, importing, exporting, purchasing, selling and generally to deal in and act as agents, stockiest distributors and supplier of inter alia, metal and metal products, Iron and Steel, mild steel, alloy stainless, spring steel, special steel, cast iron, pig iron, ferrous metal and non-ferrous metals of every kind and description and its products, metal founders, as authorized under the objects clause of its memorandum of association.

Capital structure

Particulars	No. of equity shares of face value of ₹ 10 each
Authorised share capital of ₹ 31,000,000	3,100,000
Issued, subscribed and paid-up equity share capital of ₹ 13,948,750	1,394,875

Shareholding pattern

The shareholding pattern of RTTPL as on the date of this Draft Red Herring Prospectus is as follows:

Name of the shareholder	No. of equity shares (of ₹ 10 each) held	Percentage of total capital (%)
Rahul Khaitan (*holding equity shares on behalf of the Company*)	1	Negligible
Rahee Infratech Limited	1,394,874	100
Total	1,394,875	100

2. Rahee Steeltech Private Limited ("RSPL")

Corporate Information

RSPL was incorporated as a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated July 26, 2021 issued by the Registrar of Companies, Jurisdictional Registrar of Companies, Central Registration Centre. Its CIN is U28999WB2021PTC246688, and its registered office is situated at 5th floor Kemwell Manor, 10/D/2 Ho Chi Minh Sarani, Kolkata, West Bengal, India 700071.

Nature of business

RSPL is engaged in the business of manufacturing of engineering products for railways and other infrastructural works as authorized under the objects clause of its memorandum of association. However, the business of the company has not yet commenced.

Capital structure

Particulars	No. of equity shares of face value of ₹ 10 each
Authorised share capital of ₹ 10,000,000	1,000,000
Issued, subscribed and paid-up equity share capital of ₹ 10,000,000	1,000,000

Shareholding pattern

The shareholding pattern of RSPL as on the date of this Draft Red Herring Prospectus is as follows:

Name of the shareholder	No. of equity shares (of ₹ 10 each) held	Percentage of total capital (%)
Rahee Infratech Limited	999,700	99.97%
Pradeep Khaitan (*holding equity shares on behalf of the Company*)	100	0.01%
Rahul Khaitan (*holding equity shares on behalf of the Company*)	100	0.01%
Devansh Khaitan (*holding equity shares on behalf of the Company*)	100	0.01%
Total	1,000,000	100%

3. Response Metalcrafts Private Limited ("RMPL")

Corporate Information

RMPL was originally incorporated as Bluerose Suppliers Private Limited, a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated June 1, 2011 issued by the Registrar of Companies, West Bengal. Subsequently, its name was changed to Response Technical Laboratory Private Limited and a fresh certificate of incorporation dated December 2, 2011 was issued by the Registrar of Companies, West Bengal. Consequently, its name was changed to Response Metalcrafts Private Limited and a fresh certificate of incorporation dated October 11, 2018 was issued by the Registrar of Companies, West Bengal. Its CIN is U52100WB2011PTC163217, and its registered office is situated at 107, Lakhinarayan Talla Road, Shalimar, Howrah, West Bengal, India, 711103.

Nature of business

RMPL is engaged in the business of manufacture, cut, polish, process, mine, hirers, repairers and stores or otherwise acquire hold buy sell exchange distribute or otherwise dispose of trade, deal in import and export interalia any and all kindly of silver, gold, jewellery, gems, diamonds, cutlery and articles of vertu as authorized under the objects clause of its memorandum of association.

Capital structure

Particulars	No. of equity shares of face value of ₹ 10 each
Authorised share capital of ₹ 100,000	10,000
Issued, subscribed and paid-up equity share capital of ₹ 100,000	10,000

Shareholding pattern

The shareholding pattern of RMPL as on the date of this Draft Red Herring Prospectus is as follows:

Name of the shareholder	No. of equity shares (of ₹ 10 each) held	Percentage of total capital (%)
Rahee Infratech Limited	9,999	99.99
Pradeep Khaitan (*holding equity shares on behalf of the Company*)	1	Negligible
Total	10,000	100.00

4. Serpentine Weldtech Engineering Private Limited ("SWEPL")

Corporate Information

SWEPL incorporated as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated March 29, 2012 issued by the Registrar of Companies, West Bengal. Its CIN is U28910WB2012PTC178577, and its registered office is situated at 107, Lakhinarayan Talla Road, Shalimar, Howrah, West Bengal, India, 711 103.

Nature of business

SWEPL is engaged in the business of manufacturing, processing, refining, importing, exporting, purchasing, selling and generally to deal in and to act as agents, stockists, distributors, flash butt welding of rail tracks and suppliers of inter alia, metal and metal products, iron and steel , mild steel , alloy stainless, spring steel, special steel, cast iron, pig iron, ferrous metal and non-ferrous metals of every kind, as authorized under the objects clause of its memorandum of association.

Capital structure

Particulars	No. of equity shares of face value of ₹ 10 each
Authorised share capital of ₹ 35,000,000	3,500,000
Issued, subscribed and paid-up equity share capital of ₹ 33,000,000	3,300,000

Shareholding pattern

The shareholding pattern of SWEPL as on the date of this Draft Red Herring Prospectus is as follows:

Name of the shareholder	No. of equity shares (of ₹ 10 each) held	Percentage of total capital (%)
Rahee Infratech Limited	3,299,990	99.99%
Ravi Kumar Khaitan (*holding equity shares on behalf of the Company*)	10	Negligible
Total	**3,300,000**	**100%**

Our Jointly Controlled Operations

Our Company, from time to time, enters into certain joint venture agreements for the purposes of bidding and execution of projects. Except as set out below, our Company does not have any Jointly Controlled Operations that have been awarded projects and are active as on the date of this Draft Red Herring Prospectus:

S. No.	Name of the Jointly Controlled Operations	Name of the partner(s) of the Jointly Controlled Operations	Name of the project/ purpose	Company's share in the Jointly Controlled Operations	Date of the agreement
1.	Rahee GPT JV	GPT Infrastructures Private Limited	To submit bids for the purposes for balance work of supply, fabrication and erection of steel girders over major bridges, for doubling of railway line between Barang-Rajatgahr, Cuttack-Barang and 3rd line between Barang-Bhubaneswar in the State of Orissa, India. The agreement provides that both the parties shall be jointly and severally responsible to the client for successful execution of the contract.	50%	Joint Venture Agreements dated October 19, 2006 and May 17, 2011, and Further Joint Venture Agreements dated November 4, 2006, November 26, 2007, March 25, 2009 and February 4, 2011
2.	Texmaco Rahee JV	Texmaco Rail & Engineering Limited	Submitting the bid in response to the bidding documents and in the event of successful bidder to execute the contract and carry out the supply, installation, testing and commission of ballastless trace of standard gauge phae-1, north-south corridor of reach-2 (Sitaburdi-automative square) and east-west corridor of reach-4 (Sitaburdi to Prajapati Nahar) Sections of elevated Ballastless track of Nagpur Metro Rail Project. The agreement provides that the parties shall be jointly and severally liable for execution of works in accordance with terms of the contract.	40%	Joint Bidding Agreements dated April 18, 2018, dated September 2, 2019
3.	Rahee Jhajharia E to E JV	EtoE Transportation Infrastructure Private Limited	Execution of work on award of the EPC contract for supply and installation of Road Bed, major and minor bridges, track (including supply pf rails), signaling and telecom and overhead equipment & associated equipment for 25kv, AC	50%	Consortium agreement dated July 18, 2012, amended vide amendment agreement dated February 26, 2013

S. No.	Name of the Jointly Controlled Operations	Name of the partner(s) of the Jointly Controlled Operations	Name of the project/ purpose	Company's share in the Jointly Controlled Operations	Date of the agreement
			traction, in connection with private railway siding from Jaithari railway station of Bilaspur Division on Bilaspur-Anuppur Thermal Power Project in Anuppur, Madhya Pradesh. The agreement provides that the sharing of responsibilities and obligations shall not in any way be a limitation of the joint and several responsibilities of the partners under the contract.		
4.	Kalindee Rail Nirman (E) Ltd – Rahee Infratech Ltd Joint Venture	Kalindee Rail Nirman (Engineers) Limited	Execution of the contract for the work of design, construction, manufacturing, supply installation, testing, commissioning of track work and installation of third rail (salt lake sector).	30%	Internal Joint Venture Agreement dated January 18, 2013
5.	ATEPL Rahee JV	Arvind Techno Engineers (P) Limited	To bid and secure the work of construction or major bridges in connection with the construction of new BG rail line from Haridaspur to Paradeep in Khurda Division of East Coast Railway in Orissa.	26%	Agreement dated October 25, 2013
6.	Rahee Mangalam JV	Shree Mangalam Buildcon	Construction of rail bridge no-9 with span arrangement of 15 x 30.5m composite steel girder at CH: 73+253.8m and construction of steel through grider road bridge with span arrangement of 2x110m with extended viaduct over river Alaknanda at Srinagar including other ancillary work like river training, protection works etc in connection with Rishikesh – Karanprayag New BG Rail line project in Uttarakhand, India. The agreement provides that both the parties shall be jointly and severally responsible to the employer for performance of the contract.	51%	Agreement dated March 22, 2019 and the supplementary agreement dated March 17, 2020
			Construction of Viaduct & ramp including related work for the approaches of new town maitenance depot (1.38 km.) from depot Line Ch.110 M (Main Line peri CPP-655 new new Town Station) to Ch.1490 M (entrance of New Town Maintenance depot) including balance viaduct superstructure works between technopolis and owl more in connection With New Garia-Biman Metro Corridor of Kolkata Metr Railway Line, West Bengal	70%	Agreement dated August 26, 2023
7.	Rahee Emrail JV	Emrail Sdn. Bhd.	Supply, installation, testing, commissioning of ballastless track of standard guage phase-1, North-South corridor of Line-1 (Sitaburdi-Khapari) and East West corridor of line-2 (Sitaburdi-Lokmanya Nagar) sections of Nagpur Metro Rail Project. The agreement provides that both the parties shall be jointly and severally responsible for execution of the works in accordance with the contract.	49%	Joint Bidding Agreement dated February 24, 2017 and internal joint bidding agreement dated January 2, 2018
8.	GR JV	GPT Infraprojects Limited	Assembling, errection, supplying, fitting and fixing, launching WOT steel girder and composite girder with bearing in bridge no. 44 over river Makru of psan 1	70%	Joint venture agreements dated January 23, 2015, October 13, 2015 and October 30, 2015

S. No.	Name of the Jointly Controlled Operations	Name of the partner(s) of the Jointly Controlled Operations	Name of the project/ purpose	Company's share in the Jointly Controlled Operations	Date of the agreement
			x 30.00 mm + 4 x 106.00mm + 1 x 71.50m + 1 x 30.00m at KM 22.425 in between Dholakhal and Kaimai Road station including other ancillary works in connection with the construction of new BG line from Jiribam to Imphal. The agreement provides that both the parties shall be jointly and severally responsible for discharging all obligations and liabilities as per the contract.		
9.	GPT Rahee JV	GPT Infraprojects Limited	The project of assembly, erection/ launching of (18 x 123m) + (1 x 64 m) span triangulated steel girders for new rail-cum road bridge across river Ganga at Patna from Dighghat end (South end) including transportation of fabricated components of (17 x 123m + 1x 64m) span from fabrication worshop at Sighaghat end and (1 x 123m) span from fabrication workshop at Pahleghat end of river Ganga to launching site including casting of bed blocks and final cost of painting. The agreement provides that both the parties shall be jointly and severally liable for the execution of the contract.	35%	Joint venture agreement dated September 10, 2008 and further joint venture agreement dated October 7, 2009
10.	Rockeira Rahee JV	Rockeria Engineering Limited	Composite work for construction of major bridge no. 215 open web grinder at Subarnrekha including foundation, substructure, superstructure making of formation of approach and other allied works in connection with proposed 3rd line between Narayangarh – Bhadrak section of S.E. Railway	45%	Joint venture agreement dated April 1, 2022
11.	RG JV	GPT Infraprojects Limited	Tender for Khurda Road – Bolangir New B.G. Link Project, Execution of viaducts, major bridges, ROBs, supply of vehicle, site facilities and other allied works from KM 123 to KM 143 in between Buguda Baniguccha section and execution of ROB no. 229 in between Nuagaon – Daspalla section. As per the agreement each member shall maintain confidentiality regarding information related to the tender	70%	Joint venture agreement dated June 27, 2022
12.	Rahee PRT Consortium JV	Pandrol Rahee Technologies Private Limited	Tender for design of broad gauge ballastless track including supply, installation, testing and commissioning between Sivok and Rangpo in connection with Sivok – Rangpo New BG Single Line Railway Project	80%	Agreement dated November 16, 2023
			Tender No. E-DRM-Engg-ADRA-97-23 closing date05-09-2023 15:00 for Station development work under Amrit Bharat Station Scheme for provision of ballastless Track at Adra-4 nos each 580 mtrs (Total =2.32 Track km) in Adra division. (Adra Station)	80%	Agreement dated January 27, 2024
			Tender No. E-DRM-Engg-ADRA-100-23 closing date 05-09-2023 15:00 for Station development work under Amrit Bharat Station Scheme for provision of ballastless Track at BQA-3 Nos each580 mtr(Total= 1.740 Track km) in Adra division. (Bankura Station)	80%	Agreement dated January 19, 2024

S. No.	Name of the Jointly Controlled Operations	Name of the partner(s) of the Jointly Controlled Operations	Name of the project/ purpose	Company's share in the Jointly Controlled Operations	Date of the agreement
			Tender No. E-DRM-Engg-ADRA-100-23 closing date 05-09-2023 15:00 for Station development work under Amrit Bharat Station Scheme for provision of ballastless Track at BQA-3 Nos each 580 mtr (Total= 1.740 Track km) in Adra division. (Bishnupur Station)	80%	Agreement dated January 19, 2024
			Station development workunder Amrit Bharat Station Scheme for provision of ballastless Track at Bokaro Steel City - 02 nos each 580 mtrs (Total = 1.16 Track km) and Purulia station - 02 nos. each 580 mtrs. (Total = 1.16 Track km).	80%	Agreement dated July 26, 2024

Our Associate

As on the date of this Draft Red Herring Prospectus, our Company has one Associate, the details of which are below.

1. Pandrol Rahee Technologies Private Limited ("PRTPL")

PRTPL was incorporated as a private limited company on December 8, 2004, under the Companies Act, 1956 as a company limited by shares pursuant to a certificate of incorporation issued by the Registrar of Companies, West Bengal at Kolkata. The registered office of PRTPL is situated at Kemwell Manor, 5th floor, 10/D/2, Ho Chi Minh sarani, Kolkata, West Bengal, India, 700071. Its CIN is U28991WB2004PTC100639.

PRTPL is engaged in the business of manufacture of elastic clips, resin bonded pads and all types of rail fastening products and other fabricated nuts and bolts, as authorized under the objects clause of its memorandum of association.

Common pursuits

None of our Subsidiaries and Associate are engaged in the same line of business as that of our Company and there are no common pursuits between our Subsidiaries and Associate and our Company. Our Company will adopt the necessary procedure and practices as permitted by law to address any situations of conflict of interest, if and when they arise.

Accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of our Subsidiaries which are not accounted for by our Company.

Business interest between our Company and our Subsidiaries

None of our Subsidiaries or Associate have any business interest in our Company other than as stated in *"Our Business"* and "*Related Party Transactions*", on pages 232 and 313 respectively.

Other confirmations

Listing

None of our Subsidiaries or Associates are listed on any stock exchange in India or abroad. Further, neither have any of our Subsidiaries or Associates been refused listing in the last ten years by any stock exchange in India or abroad, nor have any of our Subsidiaries or Associates failed to meet the listing requirements of any stock exchange in India or abroad.

OUR MANAGEMENT

Board of Directors

In accordance with the Companies Act and our Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors, or such higher number as determined by our Company after passing a special resolution in its general meeting.

As of the date of this Draft Red Herring Prospectus, our Board comprises of seven Directors, of whom three are Executive Directors and four are Non-Executive, Independent Directors (including one-woman Non-Executive, Independent Director).

The following table sets out details regarding our Board as of the date of this Draft Red Herring Prospectus:

Name, DIN, designation, date of birth, address, occupation, term, and period of directorship of our Directors	Age (years)	Other directorships
Pradeep Khaitan ***DIN****:* 00179108 ***Designation***: Chairman and Managing Director ***Date of birth****:* September 1, 1962 ***Address:*** 84/S/D, Block-E, New Alipore, Diamond Harbour Road, P.O. – New Alipore, Kolkata, West Bengal, India, 700 053 ***Occupation*****:** Business ***Current term****:* For a period of 3 years from April 1, 2024 to March 31, 2027 ***Period of directorship***: Since January 30, 1996	62	***Indian Companies:*** 1. Rahee Track Technologies Private Limited 2. Pandrol Rahee Technologies Private Limited 3. Mridul Commodities Private Limited 4. Rahee Viniyog Limited 5. Serpentine Weldtech Engineering Private Limited 6. Rahee Steeltech Private Limited 7. Pandrol Rahee Precision Industries Private Limited ***Foreign Companies:*** Nil
Pawan Khaitan ***DIN****:* 00201473 ***Designation***: Whole-time Director ***Date of birth****:* July 24, 1960 ***Address:*** 84-SD, Block-E, New Alipore, Kolkata, West Bengal, India, 700 053 ***Occupation*****:** Business ***Current term****:* For a period of 3 years from July 1, 2024 to June 30, 2027 ***Period of directorship***: Since June 20, 2005	64	***Indian Companies:*** 1. Rahee Track Technologies Private Limited 2. Mridul Commodities Private Limited 3. Rahee Viniyog Limited 4. Dhakalia Investments Limited 5. Serpentine Weldtech Engineering Private Limited 6. Sinter Keramos and Composites Private Limited ***Foreign Companies:*** Nil
Ravi Khaitan ***DIN****:* 00179329 ***Designation***: Whole-time Director ***Date of birth****:* September 11, 1965	59	***Indian Companies:*** 1. Mridul Commodities Private Limited 2. Rahee Viniyog Limited 3. Serpentine Weldtech Engineering Private Limited

Name, DIN, designation, date of birth, address, occupation, term, and period of directorship of our Directors	Age (years)	Other directorships
Address: 84/SD, Block-E, Sivnath Sastri Sarani, New Alipore, PO – New Alipore, Kolkata, West Bengal, India, 700 053 ***Occupation*:** Business ***Current term**:* For a period of 3 years from July 1, 2024 to June 30, 2027 ***Period of directorship***: Since January 30, 1996		4. Sinter Keramos and Composites Private Limited ***Foreign Companies:*** Nil
Anurag Kumar Sachan ***DIN**:* 08197908 ***Designation***: Non-Executive, Independent Director ***Date of birth**:* July 31, 1960 ***Address:*** 14-A Railway Officers Enclave, S P Marg, Delhi, India, 110 021 ***Occupation*:** Consultant ***Current term**:* For a period of 5 years from April 30, 2024 to April 29, 2029 ***Period of directorship***: Since April 30, 2024	64	***Indian Companies:*** 1. Shrem Infra Investment Manager Private Limited 2. Afcons Infrastructure Limited ***Foreign Companies:*** Nil
Rakesh Sony ***DIN**:* 00363053 ***Designation***: Non-Executive, Independent Director ***Date of birth**:* January 2, 1976 ***Address:*** B-2502, India Bulls Blu, Plot No. 131/ 132, Ganpatrao Kadam Marg, Worli, Mumbai, Maharashtra-400013 ***Occupation*:** Service ***Current term**:* For a period of 5 years from April 30, 2024 to April 29, 2029 ***Period of directorship***: Since April 29, 2024	48	***Indian Companies:*** 1. GEMWS Foundation 2. Times Internet Limited ***Foreign Companies:*** Nil
Ishani Ray ***DIN**:* 08800793 ***Designation***: Non-Executive, Independent Director ***Date of birth**:* January 4, 1964 ***Address:*** 108 Maniktala Main Road, Block 1, Flat 2, Kolkata, West Bengal, India 700 054 ***Occupation*:** Professional ***Current term**:* For a period of 5 years from April 30, 2024 to April 29, 2029	60	***Indian Companies:*** 1. Suraksha Diagnostic Limited 2. ABC India Limited 3. Gloster Limited 4. Yellow Hat Consultants Private Limited ***Foreign Companies:*** Nil

Name, DIN, designation, date of birth, address, occupation, term, and period of directorship of our Directors	Age (years)	Other directorships
Period of directorship: Since April 30, 2024		
Rajesh Kumar Bansal ***DIN****:* 09634747 ***Designation***: Non-Executive, Independent Director ***Date of birth****:* August 18, 1961 ***Address:*** Flat 904, Tower 1, SPR Imperial Estate Sector 82 Atigaon Road, Faridabad, Haryana, India 121 002 ***Occupation*****:** Professional ***Current term****:* For a period of 5 years from June 18, 2022 to June 17, 2027 ***Period of directorship***: Since June 18, 2022	63	***Indian Companies:*** 1. SEPC Limited 2. Rahee Track Technologies Private Limited ***Foreign Companies:*** Nil

Brief Profiles of our Directors

Pradeep Khaitan is the Chairman and Managing Director of our Company. He holds a bachelor's degree in commerce from St. Xavier's College, University of Calcutta. He has been associated with our Company since January 30, 1996 and has 42 years of experience in the railway industry.

Pawan Khaitan is a Whole-time Director of our Company. He has completed his higher education*. He has been associated with our Company since January 30, 1996 and has 42 years of experience in the railway industry.

**Pawan Khaitan is unable to trace documentary evidence for his educational qualification. For further details, see "Risk Factors – Our Promoters and Whole-time Directors, Pawan Khaitan and Ravi Khaitan are unable to trace their education degrees" on page 50.*

Ravi Khaitan is a Whole-time Director of our Company. He has completed his higher education. He has been associated with our Company since January 30, 1996 and has 35 years of experience in the railway industry.

Anurag Kumar Sachan is a Non-Executive, Independent Director of our Company. He holds a bachelor's in civil engineering from Maulana Azad College of Tech, Bhopal University. He has also completed the Indian Railways Higher Administrative Grade Program from Tepper School of Business, Carnegie Mellon University. He holds a diploma of membership from the Indian Institution of Technical Arbitration and has been elected as a life member of the Chartered Institute of Logistics and Trasport – India. He was previously associated with Dedicated Freight Corridor Corporation of India Limited as a managing director. He was awarded the outstanding global leadership award, 2019 by the Institute of Economic Studies India. He was also awarded the K.C, Sood Memorial Award for the year 2018 for the second-best position during the International Technical Seminar by the Institution of Permanent Way Engineers (India). He has been associated with our Company since April 30, 2024.

Rakesh Sony is a Non-Executive, Independent Director of our Company. He is a chartered accountant with over 25 years of experience in senior leadership positions in various corporates. He is currently associated with Bennett Coleman & Co. Limited as the Group Corporate Director. He is also a director of Times Internet Limited and GEMWS Foundation as a director. He has been associated with our Company since April 30, 2024. .

Ishani Ray is a Non-Executive, Independent Director of our Company. She holds a bachelor's degree in commerce (honours) and master's degree in commerce from university of Calcutta. She is a fellow member of the Institute of Chartered Accountants of India. She was previously associated with Khadim India Limited, Saregama India Limited, the Gramophone Company of India Limited, Williamson Magor and Company Limited and Price Waterhouse. She has been associated with our Company since April 30, 2024.

Rajesh Kumar Bansal is the Non-Executive, Independent Director of our Company. He holds a bachelor's degree in textiles technology from Maharshi Dayanand University. He has also passed the CAIIB examination of the Indian Institute of Banking and Finance. He is registered to act as an insolvency professional. He was previously associated with the Indian Bank, Allahabad as a Deputy General Manager. He has been associated with our Company since June 18, 2022.

Confirmations

None of our Directors is or was a director of any company listed on any stock exchange, whose shares have been or were suspended from being traded during the five years preceding the date of this Draft Red Herring Prospectus, during the term of None of our Directors is, or was a director of any listed company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

Except as stated below, none of our Directors are related to each other:

Sr. No.	Name of Directors	Relationship
1.	Ravi Khaitan, Whole-time Director and Pawan Khaitan, Whole-time Director	Brothers

Except as stated above and as disclosed in "*Our Management – Relationship among Key Managerial Personnel and/or Senior Management Personnel*", our Directors are not related to any of the Key Managerial Personnel and Senior Management Personnel of our Company.

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 any of our Directors to become or to help any of them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Arrangement or understanding with major shareholders, customers, suppliers or others

None of our Directors were appointed as Directors of our Company pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

Service contracts with Directors

Other than the statutory benefits available to the Executive Directors, none of our Directors have entered into service contracts with our Company which provide benefits upon termination of employment.

Borrowing Powers of our Board

In accordance with the Articles of Association of our Company, Section 179, Section 180(1)(a) and other applicable provisions of the Companies Act, our Shareholders have pursuant to a special resolution passed at their meeting dated November 19, 2016, authorised the Board to borrow any sum or sums of money already borrowed by the company, may exceed aggregate of its paid up capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, provided however the total amount so borrowed shall not exceed ₹1,000 crores.

Terms of Appointment of the Executive Directors of our Company

Chairman and Managing Director

Pradeep Khaitan

Pradeep Khaitan is the Chairman and Managing Director of our Company and has been associated with our Company since January 30, 1996. He was reappointed as the managing director of our Company pursuant to the resolution passed by our Board at its meeting dated March 26, 2024 and the special resolution passed by our Shareholders' on August 24, 2024, for a period of 3 years with effect from April 1, 2024.

Further, pursuant to the resolution passed by the Board on July 26, 2024 and the resolution passed by the Shareholders' on August 24, 2024, he is entitled the following remuneration and perquisites with effect from July 1, 2024:

Sr. No.	Particulars	Description
1.	Basic salary	A yearly gross salary of ₹33,00,000/- payable in 12 monthly instalments of ₹2,75,000/- for each calendar month with a power to the Board to give annual increment subject to maximum 30% of the basic salary.
2.	Bonus/ Commission	Bonus/ commission shall be payable once a year subject to the approval of the Board of Directors.
2.	Allowances and Perquisites	Medical Benefits: Payment/ reimbursement of medical expenses incurred for self and family (including premium paid on medi-claim/ health insurance policies) in accordance with the rules of the Company

Sr. No.	Particulars	Description
		Leave Encashment: Leave with full pay and allowances with all benefits and amenities as per the rules of the Company. Accumulation as well as encashment of unavailed earned privilege leave will be permissible in accordance with the rules of the Company.
		Reimbursement of club membership fee, if any

Whole-time Directors

Pawan Khaitan

Pawan Khaitan is the Whole-time Director of our Company and has been associated with our Company since June 20, 2005. He was appointed/reappointed as the whole-time director of our Company pursuant to the resolution passed by our Board at its meeting dated March 26, 2024 and the special resolution passed by our Shareholders' on August 24, 2024, for a period of 3 years with effect from July 1, 2024.

Further, pursuant to the resolution passed by the Board on July 26, 2024 and the resolution passed by the Shareholders' on August 24, 2024, he is entitled the following remuneration and perquisites with effect from July 1, 2024:

Sr. No.	Particulars	Description
1.	Basic salary	A yearly gross salary of ₹30,00,000/- payable in 12 monthly instalments of ₹2,50,000/- for each calendar month with a power to the Board to give annual increment subject to maximum 30% of the basic salary.
2.	Bonus/ Commission	Bonus/ commission shall be payable once a year subject to the approval of the Board of Directors.
3.	Allowances and Perquisites	Medical Benefits: Payment/ reimbursement of medical expenses incurred for self and family (including premium paid on medi-claim/ health insurance policies) in accordance with the rules of the Company
		Leave Encashment: Leave with full pay and allowances with all benefits and amenities as per the rules of the Company. Accumulation as well as encashment of unavailed earned privilege leave will be permissible in accordance with the rules of the Company.

Whole-time Director

Ravi Khaitan

Ravi Khaitan is the Whole-time Director of our Company and has been associated with our Company since January 30, 1996. He was appointed/reappointed as the whole-time director of our Company pursuant to the resolution passed by our Board at its meeting dated March 26, 2024 and the special resolution passed by our Shareholders' on August 24, 2024, for a period of 3 years with effect from July 1, 2024.

Further, pursuant to the resolution passed by the Board on July 26, 2024 and the resolution passed by the Shareholders' on August 24, 2024, he is entitled the following remuneration and perquisites with effect from July 1, 2024:

Sr. No.	Particulars	Description
1.	Basic salary	A yearly gross salary of ₹90,00,000/- payable in 12 monthly instalments of ₹7,50,000/- for each calendar month with a power to the Board to give annual increment subject to maximum 30% of the basic salary.
2.	Bonus/ Commission	Bonus/ commission shall be payable once a year subject to the approval of the Board of Directors.
2.	Allowances and Perquisites	Medical Benefits: Payment/ reimbursement of medical expenses incurred for self and family (including premium paid on medi-claim/ health insurance policies) in accordance with the rules of the Company
		Leave Encashment: Leave with full pay and allowances with all benefits and amenities as per the rules of the Company. Accumulation as well as encashment of unavailed earned privilege leave will be permissible in accordance with the rules of the Company.

Our Company has paid the following compensation to our Executive Directors in Fiscal 2024:

S. No.	Name of Director	Total compensation (in ₹ million)
1.	Pradeep Khaitan	2.64
2.	Pawan Khaitan	2.40
3.	Ravi Khaitan	7.20

Terms of appointment of our Non-Executive, Independent Directors

Pursuant to a Board resolution dated April 30, 2024, our Non-Executive, Independent Directors are entitled to receive sitting fees of ₹0.08 million for attending each meeting of the Board and ₹0.03 million for attending each meeting of the Committees of our Board.

Our Non-Executive, Independent Directors, Anurag Kumar Sachan, Rakesh Sony and Ishani Ray were not paid any sitting fees for Fiscal 2024, since they were appointed on April 30, 2024. Rajesh Kumar Bansal was paid the following sitting fees for Fiscal 2024:

S. No.	Name of Director	Sitting Fees (in ₹ million)
1.	Rajesh Kumar Bansal	0.36

Remuneration paid or payable to our Directors by Subsidiaries or Associate

Except as stated below, none of our Directors have received or were entitled to receive any remuneration, sitting fees or commission from any of our Subsidiaries or Associate for the Fiscal Year 2024:

1. Our Managing Director, Pradeep Khaitan has received ₹ 6.37 million total compensation from Pandrol Rahee Technologies Private Limited in his capacity as a managing director in Fiscal 2024; and

2. Our Whole-time Director, Pawan Khaitan has received ₹ 7.20 million as total compensation from Rahee Track Technologies Private Limited, in his capacity as managing director in Fiscal 2024.

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.

Shareholding of Directors in our Company

As per our Articles of Association, our Directors are not required to hold any qualification shares.

Except as disclosed below, as on date of this Draft Red Herring Prospectus, none of our Directors hold any Equity Shares in our Company:

Sr. No.	Name of Director	Number of Equity Shares of face value of ₹ 2 each	Percentage shareholding (%)
1.	Pradeep Khaitan	4,074,320	6.28
2.	Ravi Khaitan	4,811,810	7.41
3.	Pawan Khaitan	2,586,520	3.99

Bonus or profit-sharing plan of our Directors

None of our Directors are party to any bonus or profit-sharing plan of our Company other than the performance linked bonus given to the Executive Directors.

Interests of our Directors

All our Non-Executive Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board and/or committees, the reimbursement of expenses payable to them, and commission as approved by our Board from time to time.

All Directors may be deemed to be interested to the extent of reimbursement of expenses payable to them, if any and the remuneration payable to such Directors as decided by the Board from time to time. Our Executive Directors are interested to the extent of remuneration, payable to them for services rendered as an officer or employee of our Company or our Subsidiaries. Our Non-Executive, Independent Directors are interested to the extent of the sitting fees. Further, certain of our Directors are also on the board of one of our Subsidiaries.

Our Directors may be interested to the extent of Equity Shares, if any, held by them, their relatives (together with other distributions in respect of Equity Shares), or held by the entities in which they are associated as partners, promoters, directors, proprietors, members or trustees, or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer and any dividend and other distributions payable in respect of such Equity Shares.

All the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company which is promoted by them or in which they hold directorships or any partnership firm in which they are partners in the ordinary course of business. Further, our Directors may be interested to the extent of any employee stock option schemes that may be formulated by our Company from time to time.

Interest of Directors in the promotion or formation of our Company

Except Pradeep Khaitan, Ravi Khaitan, and Pawan Khaitan who are the Promoters of our Company, none of our Directors have any interest in the promotion or formation of our Company as on the date of this Draft Red Herring Prospectus. Also see, "*Our Promoters and Promoter Group*" on page 304.

Interest in land and property

Our Directors do not have any interest in any property acquired or proposed to be acquired of or by our Company.

Further, our Directors do not have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery during the three years preceding the date of this Draft Red Herring Prospectus.

Business interest

Except in the ordinary course of business and as disclosed in "*Restated Consolidated Financial Information – Note 52*" at page 365, our Directors do not have any other business interest in our Company.

Loans to Directors

Our Directors have not availed any loans from our Company.

Other confirmations

Our Directors have no conflict of interest with the suppliers of raw materials and third party service providers (crucial for operations of the Company) and the lessors of immovable property of the Company (crucial for operations of the Company).

Changes to our Board in 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 set out below:

Name	Date of appointment/ cessation reappointment/resignation/ regularisation	Reason
Anurag Kumar Sachan	September 14, 2024	Regularization as Non-Executive, Independent Director
Rakesh Sony	September 14, 2024	Regularization as Non-Executive, Independent Director
Ishani Ray	September 14, 2024	Regularization as Non-Executive, Independent Director
Anurag Kumar Sachan	April 30, 2024	Appointment as Additional Non-Executive, Independent Director
Rakesh Sony	April 30, 2024	Appointment as Additional Non-Executive, Independent Director
Ishani Ray	April 30, 2024	Appointment as Additional Non-Executive, Independent Director
Dinkar Raj Joshi	April 23, 2024	Resignation due to personal reasons
Anushree Jain	April 16, 2024	Resignation due to personal reasons
Rajesh Kumar Bansal	September 28, 2022	Regularization as Non-Executive, Independent Director
Anushree Jain	March 15, 2022	Change in designation to non-executive, professional director
Rajesh Kumar Bansal	June 18, 2022	Appointment as Additional Non-Executive, Independent Director
Subodh Kumar Jain	April 30, 2022	Resignation due to personal reasons

Corporate Governance

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable regulations in respect of corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, pertaining to the constitution of the Board and committees thereof and formulation and adoption of policies. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of SEBI Listing Regulations and the Companies Act, 2013.

Committees of our Board

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board-level committees:

(a) Audit Committee;

(b) Nomination and Remuneration Committee;

(c) Stakeholders' Relationship Committee;

(d) Corporate Social Responsibility Committee; and

(e) Risk Management Committee.

Our Company has also constituted an IPO Committee as per the requirements in relation to the Offer.

Audit Committee

The Audit Committee was constituted by our Board on April 1, 2011 pursuant to a resolution passed by our Board at its meeting held on April 1, 2011 and re-constituted by our Board on April 30, 2024 pursuant to a resolution passed by our Board at its meeting held on April 30, 2024. The Audit Committee is in compliance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations.

The members of the Audit Committee are:

Name of the Director	Position in the Committee	Designation
Ishani Ray	Chairperson	Non-Executive, Independent Director
Rakesh Sony	Member	Non-Executive, Independent Director
Rajesh Kumar Bansal	Member	Non-Executive, Independent Director
Ravi Khaitan	Member	Whole-time Director

The terms of reference of the Audit Committee are as follows:

1. Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;

2. Recommending to the Board the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditor and the fixation of the audit fee of the Company;

3. Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;

4. Approving payments to statutory auditors for any other services rendered by the statutory auditors;

5. To approve the key performance indicators being included in the offer documents in connection with the proposed initial public offer by the Company;

6. Formulating a policy on related party transactions, which shall include materiality of related party transactions;

7. Examining and reviewing, 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's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;

    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 management;

    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.

8. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

9. Reviewing, 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 the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;

10. Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

    Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013;

11. Reviewing, at least on a quarterly basis, the details of the related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

12. Laying down the criteria for granting omnibus approval in line with the Company's policy on related party transactions;

13. Scrutinising of inter-corporate loans and investments;

14. Valuation of undertakings or assets of the Company, wherever it is necessary;

15. Evaluating of internal financial controls and risk management systems;

16. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

17. Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;

18. Reviewing 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;

19. Discussing with internal auditors on any significant findings and follow up thereon;

20. Reviewing 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;

21. Discussing 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;

22. Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;

23. Looking 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;

24. Reviewing the functioning of the whistle blower mechanism;

25. Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;

26. Monitoring the end use of funds raised through public offers and related matters;

27. Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

28. Carrying 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 and/or specified/provided under the Companies Act, the Listing Regulations or by any other regulatory authority;

29. Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as per applicable law;

30. Formulating a policy on related party transactions, which shall include materiality of related party transactions;

31. Approval of related party transactions to which the subsidiary(ies) of the Company is party but the Company is not a party, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover as per the last audited financial statements of the Company, subject to such other conditions prescribed under the SEBI Listing Regulations;

32. Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services; and

33. Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

34. Carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted by our Board on March 2, 2015 pursuant to a resolution passed by our Board at its meeting held on March 2, 2015 and re-constituted by our Board on April 30, 2024 pursuant to a resolution passed by our Board at its meeting held on April 30, 2024. The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations.

The members of the Nomination and Remuneration Committee are:

Name of the Director	Position in the Committee	Designation
Rajesh Kumar Bansal	Chairperson	Non-Executive, Independent Director
Anurag Kumar Sachan	Member	Non-Executive, Independent Director
Ishani Ray	Member	Non-Executive, Independent Director

The terms of reference of the Nomination and Remuneration Committee are as follows:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

   The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

   i. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

   ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

   iii. remuneration 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;

2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge, and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:

   i. use the services of an external agencies, if required;

   ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and

   iii. consider the time commitments of the candidates

3. Formulating of criteria for evaluation of the performance of the independent directors and the Board;

4. Devising a policy on Board diversity;

5. Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every director's performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;

6. 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;

7. Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time;

8. Analysing, monitoring and reviewing various human resource and compensation matters;

9. Determining the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

10. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;

11. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

12. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;

13. Administering monitoring and formulating detailed terms and conditions the employee stock options scheme/ plan approved by the board and the members of the company in accordance with the terms of such scheme/ plan ("ESOP Scheme"), if any.

14. Construing and interpreting the ESOP Schemes and any agreements defining the rights and obligations of the company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Schemes;

15. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

    (i) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; or

    (ii) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended.

16. Performing such other activities as may be delegated by the Board and/or specified/provided under the Companies Act, the Listing Regulations or by any other regulatory authority; and

17. Recommend to the Board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by our Board on August 24, 2024 pursuant to a resolution passed by our Board at its meeting held on August 24, 2024. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The members of the Stakeholders' Relationship Committee are:

Name of the Director	Position in the Committee	Designation
Anurag Kumar Sachan	Chairperson	Non-Executive, Independent Director
Pradeep Khaitan	Member	Chairman and Managing Director
Pawan Khaitan	Member	Whole-time Director

The terms of reference of the Stakeholders' Relationship Committee are as follows:

1. Consider and resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, dematerialisation and re-materialisation of shares, non-receipt of balance sheet, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;

2. Review of measures taken for effective exercise of voting rights by shareholders;

3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;

4. Considering and specifically looking into various aspects of interest of shareholders, debenture holders and other security holders;

5. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

6. Review of the 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 shareholders of the Company;

7. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

8. To approve, register, refuse to register transfer or transmission of shares and other securities and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

9. To sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;

10. Allotment and listing of shares;

11. To authorise affixation of common seal of the Company;

12. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;

13. To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;

14. To dematerialise the issued shares;

15. Ensure proper and timely attendance and redressal of investor queries and grievances;

16. Carrying out any other functions contained in the Companies Act, 2013 and/or equity listing agreements (if applicable), as and when amended from time to time; and

17. To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

Corporate Social Responsibility Committee

Our Corporate Social Responsibility Committee was constituted by our Board on March 2, 2015 pursuant to a resolution passed by our Board at its meeting held on March 2, 2015 and re-constituted by our Board on April 30, 2024 pursuant to a resolution passed by our Board at its meeting held on April 30, 2024. The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act.

The members of the Corporate Social Responsibility Committee are:

Name of the Director	Position in the Committee	Designation
Ishani Ray	Chairperson	Non-Executive, Independent Director
Pradeep Khaitan	Member	Chairman and Managing Director
Ravi Khaitan	Member	Whole-time director

The terms of reference of the Corporate Social Responsibility Committee include the following:

1. To formulate and recommend to the Board of Directors, the CSR Policy, indicating the CSR activities to be undertaken as specified in Schedule VII of the Companies Act, 2013, as amended;

2. formulate and recommend an annual action plan in pursuance of its Corporate Social Responsibility Policy which shall list the projects or programmes undertaken, manner of execution of such projects, modalities of utilisation of funds, monitoring and reporting mechanism for the projects.

3. identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

4. delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

5. review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;

6. To recommend the amount of expenditure to be incurred on the CSR activities, at least two per cent. of the average net profits of the company made during the three immediately preceding financial years or where the company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy;

7. To monitor the CSR Policy and its implementation by the Company from time to time;

8. To perform such other functions or responsibilities and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act, 2013, as amended and the rules framed thereunder.

Risk Management Committee

Our Risk Management Committee was constituted by our Board on April 30, 2024 pursuant to a resolution passed by our Board at its meeting held on April 30, 2024. The Risk Management Committee is in compliance with Regulation 21 of the SEBI Listing Regulations.

The members of the Risk Management Committee are:

Name of the Director	Position in the Committee	Designation
Anurag Kumar Sachan	Chairperson	Non-Executive, Independent Director
Pradeep Khaitan	Member	Chairman and Managing Director
Pawan Khaitan	Member	Whole-time director
Ravi Khaitan	Member	Whole-time director
Rajesh Kumar Goenka	Member	Chief Financial Officer
Sunil Kumar Gupta	Member	Director (Technical & Business Development)
Ayush Khaitan	Member	Executive director (Projects)

The terms of reference of the Risk Management Committee include the following:

1. To formulate 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. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee; and

7. Any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the SEBI Listing Regulations

IPO Committee

The IPO Committee was constituted pursuant to resolution of our Board dated April 30, 2024.

The members of the IPO Committee are:

Name of the Director	Position in the Committee	Designation
Ishani Ray	Chairperson	Non-Executive, Independent Director
Rakesh Sony	Member	Non-Executive, Independent Director
Pradeep Khaitan	Member	Chairman and Managing Director

The terms of reference of the IPO Committee include the following

1. To make applications, seek clarifications, obtain approvals and seek exemptions, if necessary, from the Government of India, SEBI, the RBI, Registrar of Companies, or to any other statutory or governmental authorities in connection with the Offer as may be required and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required, and wherever necessary, incorporate such modifications / amendments as may be required in the DRHP, RHP and the Prospectus;

2. To finalise, settle, approve, adopt and file the draft red herring prospectus with the SEBI, the red herring prospectus and prospectus with the SEBI, the RoC, and other regulatory authorities (including the preliminary and final international wrap, and amending, varying, supplementing or modifying the same, or providing any notices, clarifications, reply to observations, addenda, or corrigenda thereto, together with any summaries thereof as may be considered desirable or expedient), the bid cum application forms, abridged prospectus, confirmation of allocation notes and any other document in relation to the Offer as finalised by the Company, and take all such actions in consultation with the BRLMs as may be necessary for the submission and filing of the documents mentioned above, including incorporating such alterations/corrections/modifications as may be required by the SEBI, respective stock exchanges where the Equity Shares are proposed to be listed, the RoC or any other relevant governmental and statutory authorities or otherwise under applicable laws;

3. To decide in consultation with the BRLMs on the timing, pricing and all the terms and conditions of the Offer, including the price band, Offer price, Offer size, allocation/allotment to eligible persons pursuant to the Offer, including any anchor investors and to accept any amendments, modifications, variations or alterations thereto, and/or reservation on a competitive basis, and rounding off, if any, in the event of oversubscription and in accordance with applicable laws, and/or any discount to be offered to retail individual bidders or eligible employees participating in the Offer;

4. To appoint, instruct and enter into arrangements with the BRLMs, and in consultation with BRLMs appoint, and enter into agreements with intermediaries, co-managers, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, auditors, independent chartered accountants, refund bankers to the Offer, public offer account bankers to the Offer, sponsor bank, registrar, grading agency, industry expert, legal advisors, advertising agency(ies), monitoring agency and any other agencies or persons or intermediaries to the Offer, including any successors or replacements thereof, and to negotiate and finalise and amend the terms of their appointment, including but not limited to execution of the mandate letters and/ or agreements, and to terminate agreements or arrangements with such BRLMs and intermediaries;

5. To take all actions as may be necessary or authorized, in connection with the Offer for Sale, including taking on record the approval of the Selling Shareholder(s) for offering their Equity Shares including the quantum in terms of number of Equity Shares/amount offered by the Selling Shareholder(s) in the Offer for Sale, allow revision of the Offer for Sale portion in case any of the Selling Shareholders decide to revise it, in accordance with the Applicable Laws;

6. To authorise the maintenance of a register of holders of the Equity Shares;

7. To negotiate, finalise and settle and to execute where applicable and deliver or arrange the delivery of the BRLMs' mandate or fee/ engagement letter, Offer agreement, share escrow agreement, syndicate agreement, underwriting agreement, cash escrow agreement, monitoring agency agreement, agreements with the registrar of the Offer and the advertising agency(ies) and all other documents, deeds, agreements, memorandum of understanding and other instruments, legal advisors, auditors, Stock Exchanges, BRLMs and other agencies/ intermediaries in connection with Offer and any notices, supplements, addenda and corrigenda thereto, as may be required or desirable in relation to the Offer, with the power to authorise one or more officers of the Company to negotiate, execute and deliver any or all of the these documents;

8. To open with the bankers to the Offer such accounts as may be required by the regulations issued by SEBI and operate bank accounts opened separate in terms of the escrow agreement with a scheduled bank to receive applications along with application monies, handling refunds and for the purposes set out in Section 40(3) of the Companies Act, 2013, as amended, in respect of the Offer, and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

9. To seek, if required, the consent and/or waiver of the lenders to the Company and/or lenders to the subsidiary (if applicable), industry data provider, parties with whom the Company has entered into various commercial and other agreements, all concerned governmental and regulatory authorities in India or outside India and any other consents and/or waivers that may be required in relation to the Offer;

10. To approve any corporate governance requirements that may be considered necessary by the Board or the IPO Committee or as may be required under the Applicable Laws or the uniform listing agreement to be entered into by the Company with the relevant stock exchanges, and to approve policies to be formulated under the Companies Act, 2013, as amended and the regulations prescribed by SEBI including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, (given the proposed listing of the Company);

11. To authorise and approve, the incurring of expenditure and payment of fees, commissions, brokerage, remuneration and expenses in connection with the Offer;

12. To determine and finalise, in consultation with the BRLMs, the bid opening and bid closing dates (including bid opening and bid closing dates for anchor investors), the floor price/price band for the Offer and minimum bid lot for the purpose of bidding, (including anchor investors offer price), any revision to the price band and the final Offer price after bid closure, total number of Equity Shares to be reserved for allocation to eligible investors, approve the basis of allotment and confirm allocation/allotment of the Equity Shares to various categories of persons as disclosed in the DRHP, the RHP and the Prospectus, in consultation with the BRLMs and do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including any alteration, addition or making any variation in relation to the Offer;

13. To issue receipts/allotment letters/confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorise one or more officers of the Company to sign all or any of the aforestated documents;

14. To authorise and approve notices, advertisements in such newspapers and other media as it may deem fit and proper in relation to the Offer, in consultation with the relevant intermediaries appointed for the Offer in accordance with the SEBI ICDR Regulations, Companies Act, 2013, as amended;

15. To do all such acts, deeds, matters and things and execute all such other documents, agreements, forms, certificates, undertakings, letters and instruments, as may deem necessary or desirable for such purpose, including without limitation, finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of share certificates in accordance with the relevant rules;

16. to make any alteration, addition, or variation in relation to the Offer, in consultation with the BRLMs or SEBI or such other authorities as may be required, and without prejudice to the generality of the aforesaid, deciding the exact Offer structure and the exact component of issue of Equity Shares;

17. To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) limited and such other agencies, authorities or bodies as may be required in this connection;

18. To withdraw the draft red herring prospectus, red herring prospectus and the Offer at any stage, if deemed necessary, in accordance with the SEBI ICDR Regulations and Applicable Laws and in consultation with the BRLMs;

19. To negotiate, finalise, sign, execute, deliver and complete the offer agreement, syndicate agreement, share escrow agreement, escrow and sponsor bank agreement, underwriting agreement, agreements with the registrar to the Offer and the advertising agency(ies) and all notices, offer documents (including draft red herring prospectus, red herring prospectus and prospectus) agreements, letters, applications, other documents, papers or instruments (including any amendments, changes, variations, alterations or modifications thereto) on behalf of the selling shareholder(s) (as maybe applicable), as the case may be, in relation to the Offer.

20. To make in-principle and final applications for listing of the Equity Shares in one or more recognised stock exchange(s) in India and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s);

21. To authorize and empower any director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorney, declarations, affidavits, certificates, consents and authorities as may be required from time to time in relation to the Offer and to do such acts, deeds and things as such authorised person in his/her/their absolute discretion may deem necessary or desirable in connection with the issue, offer and allotment/transfer of the Equity Shares, for and on behalf of the Company, to execute and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the Authorized Officer(s) consider necessary, appropriate or advisable, in connection with the Offer, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreement(s) with the stock exchange(s), the registrar agreement and memorandum of understanding, the depositories' agreements, the offer agreement with the BRLMs (and other entities as appropriate), the underwriting agreement, the syndicate agreement with the BRLMs and syndicate members, the stabilization agreement, the share escrow agreement, the escrow and sponsor bank agreement, confirmation of allocation notes, allotment advice, placement agents, registrar to the Offer, bankers to the Company, managers, underwriters, escrow agents, accountants, auditors, legal counsel, depositories, advertising agency(ies), syndicate members, brokers, escrow collection bankers, auditors, grading agency and all such persons or agencies as may be involved in or concerned with the Offer, if any, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Offer by the BRLMs and to do or cause to be done any and all such acts or things that the Authorized Officer(s) may deem necessary, appropriate or desirable in order to carry out the purpose and intent of the foregoing resolutions for the Offer; and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer(s) shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing.;

22. To determine the utilization of proceeds of the Fresh Issue and accept and appropriate proceeds of the Fresh Issue in accordance with the Applicable Laws;

23. To determine the price at which the Equity Shares are offered, allocated, transferred and/or allotted to investors in the Offer in accordance with applicable regulations in consultation with the BRLMs and/or any other advisors, and determine the discount, if any, proposed to be offered to eligible categories of investors;

24. To settle all questions, difficulties or doubts that may arise in regard to such issues or allotment and matters incidental thereto as it may, deem fit and to delegate such of its powers as may be deemed necessary to the officials of the Company;

25. If deemed appropriate, to invite the existing shareholders of the Company to participate in the Offer by offering for sale the Equity Shares held by them at the same price as in the Offer;

26. all actions as may be necessary in connection with the Offer, including extending the Bid/Offer period, revision of the Price Band, allow revision of the Offer for Sale portion in case any of the Selling Shareholders decide to revise it, in accordance with the Applicable Laws; and

27. To decide all matters regarding the Pre-IPO Placement if any, including the execution of the relevant documents with the investors, in consultation with the BRLMs.

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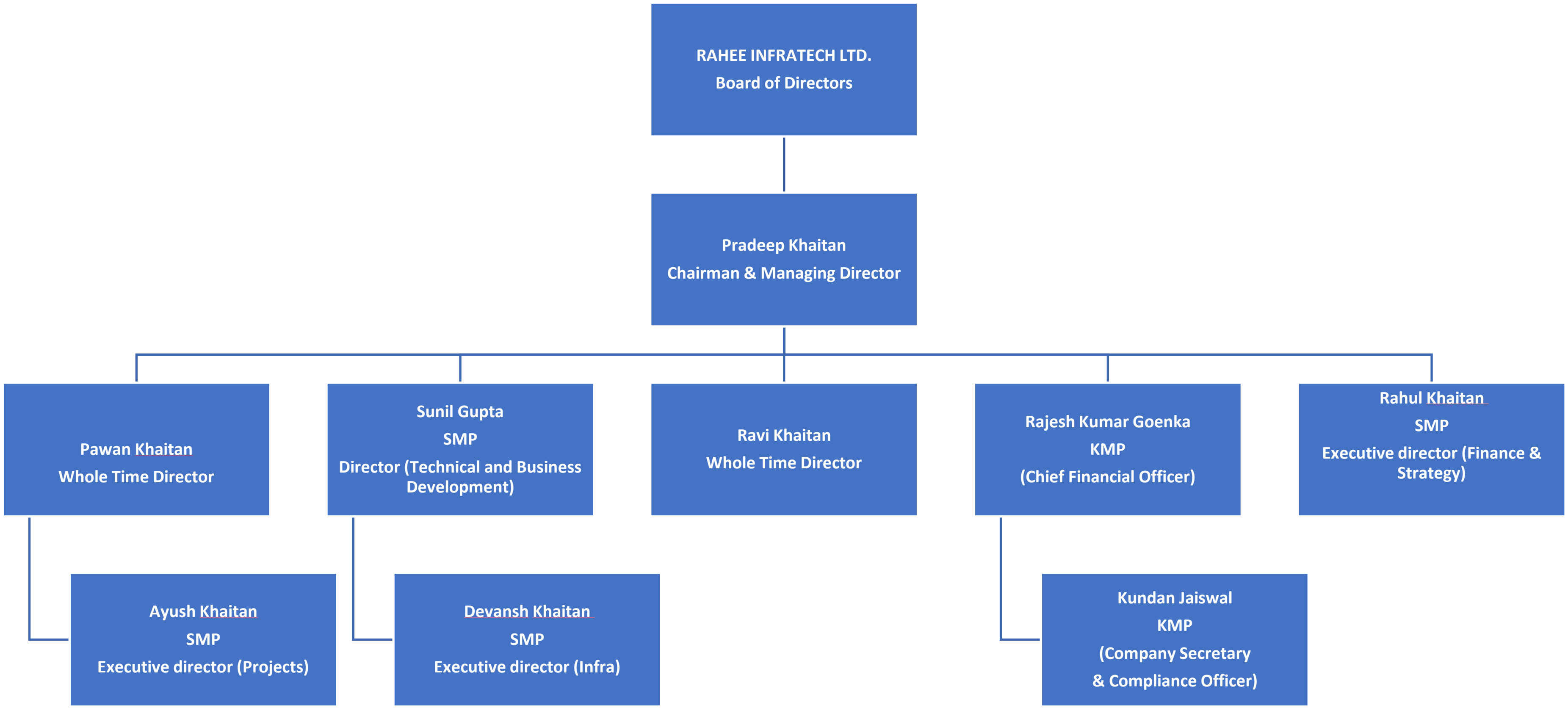
Management organization chart



Key Managerial Personnel and Senior Management Personnel

Key Managerial Personnel

In addition to Pradeep Khaitan, our Managing Director, Pawan Khaitan and Ravi Khaitan our Whole-time Directors, whose details are disclosed under '*Our Management – Brief profile of our Directors*' on page 286, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are as set out below:

Kundan Jaiswal is the Company Secretary and Compliance Officer of our Company. He has been associated with our Company as a Company Secretary from September 21, 2021. He is also a member of the Institute of Company Secretaries of India. Prior to joining our Company, he was associated with Kanchan Janga Integrated Infrastructure Development Private Limited as a senior manager – company secretary, Bengal Shristi Infrastructure Development Limited as a senior manager – company secretary and Rashmi Metaliks Limited as a company secretary. For Fiscal 2024, he was paid an aggregate compensation of ₹ 1.82 million.

Rajesh Kumar Goenka is the Chief Financial Officer of our Company. He has been associated with the Rahee group as a general manager – finance and accounts from May 13, 1985. He has passed the final examination held by the Institute of Cost and Works Accountants of India. For Fiscal 2024, he was paid an aggregate compensation of ₹ 3.88 million.

Senior Management Personnel

Other than Kundan Jaiswal, our Company Secretary and Compliance Officer and Rajesh Kumar Goenka, our Chief Financial Officer, our Key Managerial Personnel whose details are mentioned above, the details of our other Senior Management Personnel as on the date of this Draft Red Herring Prospectus are as set out below:

Rahul Khaitan is the Executive director (Finance & Strategy) of our Company. He has been designated as the Executive director (Finance & Strategy) with effect from June 1, 2024. He has a bachelor's degree in commerce (honours) from St. Xavier's college, University of Calcutta. He has been associated with our Company since February 1, 2023 as the vice president. He is associated with Rahee Track Technologies Private Limited as a director since 2009. For Fiscal 2024, he was paid an aggregate compensation of ₹3.28 million.

Ayush Khaitan is the Executive director (Projects) of our Company. He has been designated as the Executive director (Projects) with effect from June 1, 2024. He has completed the post graduate programme in family managed business offered by S.P. Jain Institute of Management and Research. He has been associated with our Company since December 1, 2010 as the general manager. For Fiscal 2024, he was paid an aggregate compensation of ₹7.20 million.

Devansh Khaitan is the Executive Director (Infra) of our Company. He has been designated as the Executive Director (Infra) with effect from June 1, 2024. He has completed the post graduate programme in family managed business offered by S.P. Jain Institute of Management and Research. He has been associated with our Company since June 1, 2011 as the general manager. For Fiscal 2024, he was paid an aggregate compensation of ₹7.20 million.

Sunil Gupta is the Director (Technical & Business Development) of our Company. He has been designated as the Director (Technical & Business Development) with effect from June 1, 2024. He has a bachelor's degree in civil engineering from Malviya Regional Engineering College. He has been associated with our Company since August 1, 2008 as the executive director. For Fiscal 2024, he was paid an aggregate compensation of ₹19.85 million.

Retirement and termination benefits

Except applicable statutory benefits, none of our Key Managerial Personnel or Senior Management Personnel would receive any benefits on their retirement or on termination of their employment with our Company.

Relationship among Key Managerial Personnel and/or Senior Management Personnel

Except as disclosed below, none of our Key Managerial Personnel or Senior Management Personnel are related to any of our Directors or other Key Managerial Personnel or Senior Management Personnel.

Sr. No.	Name of Directors/ KMP/ SMP	Relationship
1.	Ravi Khaitan, Whole-time Director and Pawan Khaitan, Whole-time Director	Brothers
2.	Pawan Khaitan, Whole-time Director and Rahul Khaitan, Executive director (Finance & Strategy)	Father - son
3.	Pawan Khaitan, Whole-time Director and Ayush Khaitan, Executive director (Projects)	Father - son
4.	Ravi Khaitan, Whole-time Director and Devansh Khaitan, Executive director (Infra)	Father - son

Arrangements and understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel or Senior Management Personnel have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Status of Key Managerial Personnel and Senior Management Personnel

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

Attrition of Key Managerial Personnel and Senior Management vis-à-vis industry

The rate of attrition of our Key Managerial Personnel and Senior Management is not high in comparison to the industry in which we operate.

Shareholding of Key Managerial Personnel and Senior Management Personnel

Except as mentioned under '*Shareholding of Directors in our Company*' on page 289 above and as disclosed below, none of our Key Managerial Personnel and Senior Management Personnel hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

Sr. No.	Name of KMP/SMP	Number of Equity Shares of face value of ₹ 2 each	Percentage shareholding (%)
1.	Rahul Khaitan	1,315,290	2.03
2.	Ayush Khaitan	178,000	0.27

Service contracts with Key Managerial Personnel and Senior Management Personnel

Our Key Managerial Personnel and Senior Management Personnel are governed by the terms of their appointment letters/ employment contracts and have not entered into any service contracts with our Company.

Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management Personnel

There is no contingent or deferred compensation payable to the Key Managerial Personnel and Senior Management Personnel, which does not form part of their remuneration.

Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management Personnel

None of our Key Managerial Personnel and Senior Management Personnel are party to any bonus or profit-sharing plan of our Company other than performance linked discretionary bonus given to certain Key Managerial Personnel. For further details, see "*Our Management – Bonus or profit-sharing plan of our Directors*" on page 289.

Interests of Key Managerial Personnel and Senior Management Personnel

Other than as disclosed in "*Our Management – Interest of our Directors*" on page 289, our Key Managerial Personnel (other than our Directors) and our Senior Management Personnel are interested in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service. Further, some of our Key Managerial Personnel and our Senior Management Personnel are interested to the extent of Equity Shares held by them, their relatives or by entities in which they are associated as a director and to the extent of benefits arising out of such shareholding.

Our Key Managerial Personnel and Senior Management have no conflict of interest with the suppliers of raw materials and third party service providers (crucial for operations of the Company).

Changes in the Key Managerial Personnel or Senior Management Personnel in last three years

Other than as disclosed in "*Our Management – Changes to our board in last three years*" on page 290, the changes in our Key Managerial Personnel and our Senior Management Personnel during the 3 years immediately preceding the date of this Draft Red Herring Prospectus, are set out below:

Name	Date of appointment/ resignation	Reason
Kundan Jaiswal	August 24, 2024	Appointed as Compliance Officer
Sunil Gupta	June 1, 2024	Redesignation as Director (Technical & Business Development)
Devansh Khaitan	June 1, 2024	Redesignation as Executive director (Infra)

Name	Date of appointment/ resignation	Reason
Ayush Khaitan	June 1, 2024	Redesignation as Executive director (Projects)
Rahul Khaitan	June 1, 2024	Redesignation as Executive director (Finance & Strategy)
Rajesh Kumar Goenka	April 30, 2024	Appointed as the Chief Financial Officer
Kundan Jaiswal	October 1, 2021	Appointment as Company Secretary
Ramawatar Malchandka	October 1, 2021	Resignation as company secretary

Payment or benefit to officers of our Company

No non-salary related amount or benefit has been paid or given within the two preceding years or intended to be paid or given to any officer of our Company, including our Directors, Key Managerial Personnel and Senior Management Personnel other than in the ordinary course of their employment.

Employee Stock Option

As on date of this Draft Red Herring Prospectus, our Company does not have an employee stock option scheme.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

Pradeep Khaitan, Pawan Khaitan, Ravi Khaitan, Mridul Commodities Private Limited, Rahee Viniyog Limited, Shalimar Fabricators Private Limited and PPR Associates are our Promoters.

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 60,068,340 Equity Shares, representing 92.57% of the paid-up Equity Share capital of our Company. For details, see "*Capital Structure – Details of Build-up, Contribution and Lock-in of Promoter's Shareholding and Lock-in of other Equity Shares*" on page 110.

Details of our Promoters

	Pradeep Khaitan, aged 61 years, is a Promoter, and is also the Chairman and Managing Director of our Company. He is a resident of 84/S/D, Block-E, New Alipore, Diamond Harbour Road, P.O. – New Alipore, Kolkata, West Bengal, India, 700 053. ***Permanent account number***: AGBPK7703R For the complete profile of Pradeep Khaitan, along with details of his educational qualifications, professional experience, position/posts held in the past and directorships held, see "*Our Management – Board of Directors*" on page 284.
	Pawan Khaitan, aged 64 years, is a Promoter, and is also the Whole-time Director of our Company. He is a resident of 84-SD, Block-E, New Alipore, Kolkata, West Bengal, India, 700 053. ***Permanent account number***: AGBPK7702Q For the complete profile of Pawan Khaitan, along with details of his educational qualifications, professional experience, position/posts held in the past and directorships held, see "*Our Management – Board of Directors*" on page 284.
	Ravi Khaitan, aged 58 years, is a Promoter, and is also the Whole-time Director of our Company. He is a resident of 84/SD, Block-E, Sivnath Sastri Sarani, New Alipore, PO – New Alipore, Kolkata, West Bengal, India, 700 053. ***Permanent account number***: AGBPK2281N For the complete profile of Ravi Khaitan, along with details of his educational qualifications, professional experience, position/posts held in the past and directorships held, see "*Our Management – Board of Directors*" on page 284.

Our Company confirms that the permanent account numbers, bank account numbers, passport numbers, Aadhaar card numbers and driving license numbers of our Promoters shall be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

Details of our Corporate Promoters

Mridul Commodities Private Limited

Corporate Information

Mridul Commodities Private Limited was incorporated as a private limited company on May 29, 1991, under the provisions of the Companies Act, 1956. Its corporate identification number is U51109WB1991PTC051874 and is registered with the Registrar of Companies, West Bengal at Kolkata. Its registered office is located at 107 Lakhinarayan Talla Road, Shalimar, Howrah, West Bengal, India, 711 103.

Nature of Business

Mridul Commodities Private Limited is a registered Non Banking Financial Institute registered under section 45A of RBI Act, 1934 and is engaged in the business to carry on any kind of commercial, financial and agency business.

Shareholding pattern

SI. No.	Shareholder's Name	Number of equity shares	Shareholding %
1.	Pawan Khaitan	1,77,158	5.78
2.	Pradeep Khaitan	8,17,297	26.67
3.	Ravi Khaitan	6,34,023	20.69
4.	Shashi Khaitan	2,07,999	6.79
5.	Nandini Khaitan	26,667	0.87
6.	Pawan Kumar Khaitan (HUF)	11,233	0.37
7.	Pradeep Kumar Khaitan (HUF)	1,400	0.05
8.	Rahul Khaitan	1,11,333	3.63
9.	PPR Associates	9,35,668	30.54
10.	Ayush Khaitan	1,26,300	4.12
11.	Prerna Agarwal	5,000	0.16
12.	Nehal Mittal	10,000	0.33
	Total	**30,64,078**	**100.00**

Board of directors

The directors of Mridul Commodities Private Limited are:

Name of the Director	Designation at Mridul Commodities Private Limited
Pradeep Khaitan	Director
Ravi Khaitan	Director
Pawan Khaitan	Director

Change in control

There has been no change in control of Mridul Commodities Private Limited in the last three years immediately preceding the date of this Draft Red Herring Prospectus.

Rahee Viniyog Limited

Corporate Information

Rahee Viniyog Limited was incorporated as a private limited company on August 8, 2008, under the provisions of the Companies Act, 1956. Its corporate identification number is U51109WB2008PLC128368 and is registered with the Registrar of Companies, West Bengal at Kolkata. Its registered office is located at 107 Lakhinarayan Talla Road, Shalimar, Howrah, West Bengal, India, 711 103.

Nature of Business

Rahee Viniyog Limited is registered as non banking financial institute under section 45IA of RBI Act, 1934 and engaged in the business of providing industrial finance and to underwrite, sub-underwrite invest in and acquire, hold, sell, buy and inter alia deal in shares, debentures, debenture stocks, bonds, units, obligations and securities issued by Government as well as those issued by municipalities or Public Authorities out of funds that the company, might borrow by issue of debentures or from bankers or otherwise howsoever in any other manner whatsoever & to manage investment pools syndicates in shares, stocks, securities, finance and real estate.

Shareholding pattern

SI. No.	Shareholder's Name	Number of equity shares	Shareholding %
1.	Pradeep Khaitan	380,800	6.86
2.	Pawan Khaitan	170,400	3.07
3.	Ravi Khaitan	660,600	11.89
4.	Rahul Khaitan	5,100	0.09
5.	Ayush Khaitan	5,100	0.09
6.	PPR Associates	552,000	9.94

SI. No.	Shareholder's Name	Number of equity shares	Shareholding %
7.	Mridul Commodities Private Limited	2,746,625	49.45
8.	Shashi Khaitan	480,000	8.64
9.	Nandini Khaitan	500,000	9.00
10.	Pradeep Kumar Khaitan (HUF)	6,000	0.11
11.	Pawan Kumar Khaitan (HUF)	6,000	0.11
12.	Ravi Kumar Khaitan (HUF)	6,000	0.11
13.	Rahul Khaitan (HUF)	18,000	0.32
14.	Ayush Khaitan (HUF)	18,000	0.32
	Total	**5,554,625**	**100.00**

Board of directors

The directors of Rahee Viniyog Limited are:

Name of the Director	Designation at Mridul Commodities Private Limited
Pradeep Khaitan	Director
Pawan Khaitan	Director
Ravi Khaitan	Director

Change in control

There has been no control of Rahee Viniyog Limited in the last three years immediately preceding the date of this Draft Red Herring Prospectus.

Shalimar Fabricators Private Limited

Corporate Information

Shalimar Fabricators Private Limited was incorporated as a private limited company on April 24, 2008, under the provisions of the Companies Act, 1956. Its corporate identification number is U27100WB2008PTC125154 and is registered with the Registrar of Companies, West Bengal at Kolkata. Its registered office is located at NH-6, Opposite Ambuja Cement, Near Dhulagarh Truck Terminal, Howrah, West Bengal, India, 711 302.

Nature of Business

Shalimar Fabricators Private Limited is engaged in the business of manufacturing, processing, welding, fabricating, assembling inter alia steel, bars, flats, hot and cold steel strips, rails, joints, channels, fasteners, electric motors and other products from steel, brass and ferrous metals of all sizes, specifications and descriptions including, hydraulic & pneumatic seals, rubber rollers, strips cords and molders.

Shareholding pattern

SI. No.	Shareholder's Name	Number of equity shares	Shareholding %
1.	Pradeep Khaitan	158,000	12.20
2.	Rahul Khaitan	58,500	4.52
3.	Ayush Khaitan	60,000	4.63
4.	Devansh Khaitan	118,500	9.15
5.	Rahee Viniyog Limited	450,000	34.75
6.	Mridul Commodities Private Limited	450,000	34.75
	Total	**1,295,000**	**100.00**

Board of directors

The directors of Shalimar Fabricators Private Limited are:

Name of the Director	Designation at Shalimar Fabricators Private Limited
Devansh Khaitan	Director
Rahul Khaitan	Director
Ayush Khaitan	Director

Change in control

There has been no change in control of Shalimar Fabricators Private Limited in the last three years immediately preceding the date of this Draft Red Herring Prospectus.

PPR Associates

Corporate Information

PPR Associates was incorporated as an association of persons on January 1, 2015. Its principal place of business is at Kemwell Manor, 5th floor, 10/D/2, Ho Chi Minh Sarani, Kolkata, 700 071.

Nature of Business

PPR Associates is engaged in the business of sale and purchase of shares, securities and investments in mutual funds, shares and debentures companies.

List of members

The members of PPR Associates are Shalimar Fabricators Private Limited, Nandini Khaitan, Shashi Khaitan, Chetna Khaitan, Prerna Agarwal, Shreya Khaitan and Devansh Khaitan.

Shareholding pattern

SI. No.	Member's Name	Shareholding % in AOP
1.	Shalimar Fabricators Private Limited	64.00
2.	Nandini Khaitan	8.00
3.	Shashi Khaitan	8.00
4.	Chetna Khaitan	8.00
5.	Prerna Agarwal	4.00
6.	Shreya Khaitan	4.00
7.	Devansh Khaitan	4.00
	Total	**100.00**

Change in control

There has been no change in control of PPR Associates in the last three years immediately preceding the date of this Draft Red Herring Prospectus.

Our Company confirms that the PAN, bank account number, company registration number of Mridul Commodities Private Limited, Rahee Viniyog Limited, Shalimar Fabricators Private Limited and PPR Associates and address of the registrar of companies where Mridul Commodities Private Limited, Rahee Viniyog Limited, Shalimar Fabricators Private Limited and PPR Associates, to the extent applicable, will be submitted to the Stock Exchanges at the time of filing of the Draft Red Herring Prospectus with them.

Other ventures of our Promoters

Other than as disclosed in "*Our Promoters and Promoter Group*" and "*Our Management*" on pages 304 and 284, respectively, our Promoters are not involved in any other ventures.

Change in the management and control of our Company

There has been no change in control of our Company in the five years preceding the date of this Draft Red Herring Prospectus. For details in relation to the shareholding of our Promoters and Promoter Group, and changes in the shareholding of our Promoters, including in the five years preceding the date of this Draft Red Herring Prospectus, see "*Capital Structure*" on page 94.

Interests of our Promoters

Our Promoters are interested in our Company to the extent: (i) that they have promoted our Company; (ii) of their direct and indirect shareholding in our Company, the shareholding of their relatives; (iii) and other distributions in respect of the Equity Shares held by our Promoters; (iv) of their directorship in our Company and our Subsidiaries; and (v) of their remuneration and employment benefits for being the directors in our Company and our Subsidiaries. For further details, see "*Capital Structure - Details of Build-up, Contribution and Lock-in of Promoters' Shareholding and Lock-in of other Equity Shares - Build-up of*

Promoters' equity shareholding in our Company" on page 110. Additionally, our Promoters may be interested in transactions entered into by our Company with them, their relatives or other entities which are controlled by our Promoters.

Our Promoters are not interested as a member of a firm or company and no sum has been paid or agreed to be paid to our Promoters or to any such firm or company in cash or shares or otherwise by any person either to induce them to become, or to qualify them as, a director, or otherwise, for services rendered by such Promoters or by such firm or company in connection with the promotion or formation of our Company.

Interest in property, land, construction of building and supply of machinery

Our Promoters do not have an interest in any property acquired by our Company during the three preceding 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.

Payment or benefits to Promoters or Promoter Group

Except as disclosed herein and as stated in "*Restated Consolidated Financial Information – Note 52*" and *"Our Management-Terms of Appointment of the Executive Directors of our Company"* on pages 364 and 287, respectively, there has been no payment or benefits by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus 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.

Companies or firms with which our Promoters have disassociated in the last three years

Except as stated below, our Promoters have not dissociated themselves from any companies or firms in the three years preceding the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Promoters	Name of the company/ firm disassociated from	Date of disassociation	Reasons for and circumstances leading to disassociation and terms of disassociation
1.	Pradeep Khaitan	Moonstone Enterprises Private Limited	June 5, 2023	Resignation due to personal reasons
2.	Pradeep Khaitan	Pandrol Welding & Equipment India Private Limited	July 13, 2023	Resignation due to personal reasons
3.	Pradeep Khaitan	Daffodil Project Private Limited	April 25, 2021	Resignation due to personal reasons
4.	Pawan Khaitan	White Stone Enterprises Private Limited	June 5, 2023	Resignation due to personal reasons
5.	Ravi Khaitan	Lansdown Enclave Private Limited	March 1, 2023	Resignation due to personal reasons

Material guarantees

As on the date of this Draft Red Herring Prospectus, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares.

Confirmations

Our Corporate Promoter, Shalimar Fabricators Private Limited, is also our supplier. Except as disclosed in "*Restated Consolidated Financial Information – Note 52*" on page, our Promoters have no conflict of interest with the suppliers of raw materials and third-party service providers (crucial for operations of the Company) and the lessors of immovable property of the Company (crucial for operations of the Company).

For further details, see "*Other Regulatory and Statutory Disclosures – Prohibition by the SEBI or other governmental authorities*" on page 444.

Promoter Group

In addition to our Promoters, 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:

Natural persons who are part of our Promoter Group

The natural persons who are part of our Promoter Group, other than our Promoters, are as follows:

Name of the Promoter	Name of member of our Promoter Group	Relationship with our Promoter
Pradeep Khaitan	Nandini Khaitan	Spouse

Name of the Promoter	Name of member of our Promoter Group	Relationship with our Promoter
	Bina Churiwal	Sister
	Anju Chhawchharia	Sister
	Neelam Todi	Sister
	Prerna Agarwal	Daughter
	Nehal Mittal	Daughter
	Shalini Lohia	Sister of Spouse
	Anushree Jain	Sister of Spouse
	Vinita Agarwal	Sister of Spouse
Ravi Khaitan	Chetna Khaitan	Spouse
	Pawan Khaitan	Brother
	Prakash Khaitan	Brother
	Manju Agrawal	Sister
	Devansh Khaitan	Son
	Uditi Khaitan	Daughter
	Jayshree Poddar	Mother of Spouse
	Ekta Rajagharia	Sister of Spouse
Pawan Khaitan	Shashi Khaitan	Spouse
	Prakash Khaitan	Brother
	Ravi Khaitan	Brother
	Manju Agrawal	Sister
	Rahul Khaitan	Son
	Ayush Khaitan	Son
	Anand Kumar Gupta	Brother of Spouse
	Vijay Gupta	Brother of Spouse
	Krishna Arya	Sister of Spouse
	Raj Vijay Dalmia	Sister of Spouse
	Sarita Agrawal	Sister of Spouse

Entities forming part of the Promoter Group

The entity forming part of our Promoter Group, are as follows:

1. RWJ Mercantile Private Limited
2. Sinter Keramos & Composites Private Limited
3. Swabhumi Tradelink Private Limited
4. White Stone Enterprises Private Limited
5. Todi Tea Company Limited
6. Shree Baijnath Properties Private Limited
7. Lagan Vanijya Private Limited
8. A B Engineering Works Private Limited
9. Rameshwari Properties Private Limited
10. Soorajmull Logistics Private Limited
11. Esteem Promoters Private Limited
12. Arya Ware Houses Private Limited
13. Arya Overseas Private Limited
14. Pradeep Kumar Khaitan (HUF)
15. Khaitan Brothers
16. Rahee Foundation

17. IP Khaitan Charitable Trust
18. Pawan Kumar Khaitan (HUF)
19. Ravi Kumar Khaitan (HUF)
20. Ayush Khaitan (HUF)
21. Rahul Khaitan (HUF)
22. Devansh Khaitan (HUF)
23. Vijay Kumar Gupta (HUF)
24. Anand Kumar Gupta (HUF)
25. Ram Kanwar Singhla (HUF)
26. Niranjan Prasad Todi (HUF)
27. Dhakalia Charitable Trust
28. SB Overseas Private Limited
29. Guruayur Properties Private Limited
30. Soorajmull Baijnath Private Limited
31. Anubhav Advisors Private Limited
32. Dhakalia Investments Limited
33. Sindhu Vaniijya Private Limited
34. Pondy Properties Private Limited

OUR GROUP COMPANIES

In terms of 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 corporate promoter(s) and subsidiaries with which there were related party transactions during the period for which Restated Consolidated Financial Information is disclosed in this Draft Red Herring Prospectus, as described under Ind AS 24, and (ii) any other companies which are considered material by our Board.

In respect of item (ii) above, our Board in its meeting held on September 14, 2024, has considered and adopted the Materiality Policy, *inter alia*, for identification of companies that shall be considered material and shall be disclosed as a group company in this Draf Red Herring Prospectus. In terms of the Materiality Policy, a company (other than the corporate promoters, subsidiaries and companies categorized under (i) above) shall be disclosed as a group company in the Offer Documents if : (i) such company is a member of the promoter group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations; and (ii) the Company has entered into one or more transactions with such company during the the most recent financial year and stub period, if any, in respect of which Restated Consolidated Financial Information are included in the Offer Documents, which cumulatively exceeds 10% of the total turnover of the Company for the last Fiscal derived from the Restated Consolidated Financial Information; and (iii) any other company as may be identified as material by the Board.

Accordingly, our Board has identified the following as group companies of our Company ("**Group Companies**"):

1. Pandrol Rahee Technologies Private Limited;

2. Pandrol Rahee Precision Industries Private Limited; and

3. RWJ Mercantile Private Limited

A. Details of our Group Companies

1. Pandrol Rahee Technologies Private Limited

*Corporate Informatio*n

The registered office of Pandrol Rahee Technologies Private Limited is situated at Kemwell Manor 5th Floor,10/D/2, Ho Chi Minh Sarani, Kolkata -700071. Pandrol Rahee Technologies Private Limited was incorporated on December 8, 2024 and is currently engaged in the business of manufacturing and assembling of rail fastening and other industrial fastener. The corporate identification number is U28991WB2004PTC100639.

2. Pandrol Rahee Precision Industries Private Limited

*Corporate Informatio*n

The registered office of Pandrol Rahee Precision Industries Private Limited is situated at 10/D/2, Ho-Chi Minh Sarani Kenwell, Manor, 5th Floor, Kolkata -700 071. Pandrol Rahee Precision Industries Private Limited was incorporated on July 12, 2021, and is currently engaged in the business as manufacturer, processor, importer, exporter and generally to deal in foundry products, steel & engineering components, plastic and rubber products connected with the establishment and maintenance of railways and other users. The corporate identification number of is U28999WB2021PTC246346.

3. RWJ Mercantile Private Limited

*Corporate Informatio*n

The registered office of RWJ Mercantile Private Limited is situated at Kemwell Manor 5th Floor 10/D/2 Ho Chin Min Sarani, Kolkata- 700071. RWJ Mercantile Private Limited was incorporated on July 12, 2021 and is currently engaged in the business of trading of railway tracks, items like flush butt, static flush butt, spares, tools, machinery and equipment, automatic and semi-automatic welding equipment and accessories/ equipment for metal cutting, plasma cutting and other items required for laying of rails at site using mobile/ static flush butt welding plant. The corporate identification number of is U51909WB2020PTC239571.

In accordance with the SEBI ICDR Regulations, 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 of our top five Group Companies (based on turnover) for the previous three Fiscals, extracted from their respective audited financial statements (as applicable) are available at the following websites:

Sl. No.	Name of the Group Companies	Website
1.	Pandrol Rahee Technologies Private Limited	https://www.rahee.com/investor
2.	Pandrol Rahee Precision Industries Private Limited	https://www.rahee.com/investor
3.	RWJ Mercantile Private Limited	https://www.rahee.com/investor

Our Company is providing a website link in relation to those Group Companies which do not possess a website of their own, to solely to comply with the requirements specified under the SEBI ICDR Regulations. The information provided on the websites above should not be relied upon or used as a basis for any investment decision.

Neither the Company, nor any of the BRLMs, nor any of their respective directors, employees, affiliates, associates, advisors, agents or representatives accept any liability whatsoever for any loss arising from any information presented or contained in the websites given above.

B. Interests of Group Companies in our Company

(a) ***In the promotion of our Company***

Our Group Companies do not have any interest in the promotion of our Company.

(b) ***In the properties acquired by our Company in the past three years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired***

Our Group Companies are not interested in the properties acquired by our Company in the three years immediately preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

(c) ***In transactions for acquisition of land, construction of building and supply of machinery***

Our Group Companies are not interested in any transactions for the acquisition of land, construction of building or supply of machinery. For details in relation to our related party transactions as per the requirements under Ind AS 24, see "*Restated Consolidated Financial Information – Note 52*" on page 364.

C. Common pursuits amongst the Group Companies with our Company

There are no common pursuits between the Group Companies and our Company.

D. Related business transactions with our Group Companies and significance on the financial performance of our Company

Other than the transactions appearing in the section titled "*Restated Consolidated Financial Information – Note 52*" on page 364, there are no other related business transactions between the Group Companies and our Company.

E. Litigations

There are no litigations involving our Group Companies which may have a material impact on our Company.

F. Business interests or other interests

There are related party transactions between the Group Companies and our Company as appearing in the section titled "*Restated Consolidated Financial Information – Note 52*" on page 364. Other than the related party transactions, our Group Companies do not have any business interest or other interest in our Company.

G. Confirmations

None of our Group Companies have its securities listed on any stock exchange. For further details, see "*Other Regulatory and Statutory Disclosures – Particulars regarding capital issues by our Company and listed Group Companies, subsidiaries or associate entities during the last three years*" on page 448.

Our Group Companies and its directors do not have any conflict of interest with the suppliers of raw materials and third party service providers (crucial for operations of the Company) and there are no conflicts of interest between our Group Companies and the lessors of immovable property of the Company (crucial for operations of the Company).

There are no material existing or anticipated transactions in relation to the utilization of the Net Proceeds with our Group Companies.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as per the requirements under the applicable Indian Accounting Standards for Fiscals 2024, 2023 and 2022 and as reported in the Restated Consolidated Financial Information, see "*Restated Consolidated Financial Information – Note 52*" on page 364.

DIVIDEND POLICY

The declaration and payment of dividend will be recommended by our Board and/or approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association, the applicable law, including the Companies Act. The dividend distribution policy of our Company was adopted and approved by our Board in its meeting held on September 14, 2024.

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividend in the foreseeable future. In terms of our Dividend Policy, our Board shall consider, *inter alia*, the following internal and external parameters while declaring or recommending dividends to our Shareholders: (i) profits earned and available for distribution during the financial year; (ii) accumulated reserves, including retained earnings; (iii) earning sstability and past dividend trends; (iv)current and projected cash balance and cash flows; (v) any other appropriate factors; (vi) business cycles; (vii) economic and market environment; (viii) inflation rate.

In addition, our ability to pay dividends may be impacted by a number of other factors, including any tax and regulatory changes in the jurisdiction in which our Company operates which significantly affects the business, and restrictive covenants contained in any agreement as may be entered with the lenders.

For further details on restrictive covenants under our loan agreements, see "*Financial Indebtedness*" beginning on page 431.

Except as disclosed below, our Company has not declared or paid any dividends during the last three Fiscals 2024, 2023 and 2022 preceding the date of this Draft Red Herring Prospectus and from April 1, 2024 until the date of this Draft Red Herring Prospectus.

Particulars	**From April 1, 2024 until the date of this DRHP**	**Fiscal 2024**	**Fiscal 2023**	**Fiscal 2022**
Face value per share (in ₹)	10#	10	10	10
Dividend paid* (in ₹ million)	-	6.49	5.19	3.89
Interim dividend per share (in ₹)	-	Nil	Nil	Nil
Final dividend per share (in ₹)	-	1.00	0.80	0.60
Rate of dividend (%)	-	10%	8%	6%
Dividend Tax (%)	-	NA	NA	NA
No. of Equity Shares	6,488,665	6,488,665	6,488,665	6,488,665
Dividend Tax (in ₹)	NA	NA	NA	NA
Mode of Payment	-	Bank Transfer	Bank Transfer	Bank Transfer

**Includes declared and paid on shares issued between the declaration date and payment date, if any.*

 # The Company has pursuant to the Board resolution and Shareholders' resolution, each dated August 24, 2024, sub-divided one equity shares having face value of ₹10 each into five Equity Shares having face value of ₹2 each. Further, our Company has pursuant to the Board and Shareholders' resolutions, both dated August 24, 2024 approved the issuance of 3,24,43,325 bonus Equity Shares at a ratio of one Equity Shares for one Equity Share held by the Shareholders.

Further, except as disclosed below, there are no dividends that have been declared but are yet to be paid out of our Company for Fiscals 2024, Fiscal 2023, Fiscal 2022, and the period from April 1, 2024 until the date of this DRHP.

Particulars	***From April 1, 2024 until the date of this DRHP***
Face value per share (in ₹)	*10#*
Dividend declared (in ₹ million)	*6.49*
Interim dividend per share (in ₹)	*Nil*
Final dividend per share (in ₹)	*1.00*
Rate of dividend (%)	*10%*
Dividend Tax (%)	*NA*
No. of Equity Shares	*64,88,665*
Dividend Tax (in ₹)	*NA*
Mode of payment	*Refer Note 1 below*

Note 1: The Board of Directors of the Company on July 26, 2024, have recommended final dividend @10% (i.e. ₹1 per share with face value of ₹10 per share) for the year ended March 31, 2024 and the same has been approved by the Shareholders in Annual General Meeting held dated September 14, 2024. The payment of the same is under process by the Company.

 # The Company has pursuant to the Board resolution and Shareholders' resolution, each dated August 24, 2024, sub-divided one equity shares having face value of ₹10 each into five Equity Shares having face value of ₹2 each. Further, our Company has pursuant to the Board and Shareholders' resolutions, both dated August 24, 2024 approved the issuance of 3,24,43,325 bonus Equity Shares at a ratio of one Equity Shares for one Equity Share held by the Shareholders.

Our Company may from time to time, pay interim dividends. Our past practices in relation to declaration of dividend and, or the amount of dividend paid is not necessarily indicative of our future dividend declaration. There is no guarantee that any dividends will be declared or paid on Equity Shares or with any frequency, in the future. For further details, see "*Risk Factors – We cannot assure payment of dividends on the Equity Shares in the future. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements*" on page 63.

SECTION V – FINANCIAL INFORMATION

RESTATED CONSOLIDATED FINANCIAL INFORMATION

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Independent Auditor’s Examination Report on the Restated Consolidated Financial Information

The Board of Directors
Rahee Infratech Ltd.
Kemwell Manor, 5th Floor,
10/D/2, Ho-Chi-Minh Sarani,
Kolkata - 700071
West Bengal, India

Dear Sirs / Madams,

1. We have examined the attached Restated Consolidated Financial Information of Rahee Infratech Limited (hereinafter referred to as “**the Company**” or “**the Issuer**”) and its subsidiaries (together referred to as the “Group”) and its associate comprising the Restated Consolidated Statement of Assets & Liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, a summary of material accounting policies, and other explanatory information which includes jointly controlled operations of the Group accounted on proportionate basis (collectively, the Restated Consolidated Financial Information) as approved by the Board of Directors of the Company at their meeting held on September 14, 2024, for the purpose of inclusion in the Draft Red Herring Prospectus (“**DRHP**”) prepared by the Company in connection with its’ proposed initial public offer of equity shares (“**IPO**”) prepared in accordance with the requirements of:

   a. Section 26 of Part I of Chapter III of the Companies Act 2013 (the “Act”); and

   b. The relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “ICDR Regulations”)

   c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).

Management’s Responsibility for the Restated Consolidated Financial Information

2. The Company’s Board of Directors are responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the DRHP to be filed with the Securities and Exchange Board of India (“**SEBI**”), BSE Limited and the National Stock Exchange of India Limited (“**Stock Exchanges**”) in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note 2.1 to the Restated Consolidated Financial Information. The responsibility of respective board of directors of companies included in the Group and it’s associate 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 of companies included in the Group and it’s associate are also responsible for identifying and ensuring that the Company / Group and its associate complies with the Act, ICDR Regulations and the Guidance Note.

Auditors’ Responsibilities

3. We have examined such Restated Consolidated Financial Information taking into consideration:

   a. the terms of reference and terms of our engagement agreed with you vide our engagement letter dated August 24, 2024 requesting us to carry out the assignment, in connection with the proposed IPO;

   b. the Guidance Note which 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 evidence 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 IPO of equity shares of the company.

Restated Consolidated Financial Information as per audited consolidated financial statements:

4. The Restated Consolidated Financial Information have been compiled by the management of the Company from the Audited Consolidated Financial Statements of the Group and its associate as at and for the years ended March 31,

2024, March 31, 2023 and March 31, 2022 prepared in accordance with Indian Accounting Standard ("Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015, as amended and other accounting principles accepted in India ("Audited Consolidated Financial Statements"), which have been approved by the Board of Directors at their meetings held on July 26, 2024, September 09, 2023 and November 25, 2022 respectively.

5. For the purpose of our examination, we have relied on Auditors' Report issued by us dated July 26, 2024, September 09, 2023 and November 25, 2022 on the Audited Consolidated Financial Statements of the Group and its associate as at and for each of the years ended March 31, 2024, March 31, 2023 and March 31, 2022, respectively, as referred in Para 4 above.

6. As indicated in our audit reports referred in paragraph 5 above:

a. we did not audit the financial statements/financial information of certain jointly controlled operations included in the standalone financial statements of the companies included in the Group whose financial statements/financial information share of total assets, net assets, total revenues, total profit/(loss) after tax and total comprehensive income included in the consolidated Ind AS financial statements, for the periods tabulated below which have been audited by the other auditors (listed in Annexure 1) and whose reports have been furnished to us by the Company's management and our opinion on the consolidated Ind AS 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 such other auditors:

Particulars	As at / for the year ended March 31, 2024	As at/ for the year ended March 31, 2023	As at/ for the year ended March 31, 2022
Number of jointly controlled operations	12	15	14
Total assets (Rs in millions)	476.53	318.93	235.62
Net assets (Rs in millions)	52.00	120.26	0.94
Total revenues (Rs in millions)	742.34	617.17	479.99
Profit /(loss) after tax (Rs in millions)	6.02	6.88	0.94
Total comprehensive income (Rs in millions)	6.04	6.88	0.94

b. we did not audit financial statements/financial information of certain subsidiaries whose share of total assets, net assets, total revenues, total profit/(loss) after tax, total comprehensive income and net cash flows included in the consolidated Ind AS financial statements, for periods tabulated below, which have been audited by other auditors (listed in Annexure 2) and whose reports have been furnished to us by the Company's management and our opinion on the consolidated Ind AS 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 auditors :

Particulars	As at / for the year ended March 31, 2024	As at/ for the year ended March 31, 2023	As at/ for the year ended March 31, 2022
Number of subsidiaries	4	4	4
Total assets (Rs in millions)	1590.28	1665.28	1463.76
Net Assets (Rs in millions)	1067.50	964.84	888.00
Total revenue (Rs in millions)	2045.15	1146.94	1837.03
Profit /(loss) after tax (Rs in millions)	102.36	54.39	203.45
Total comprehensive income (Rs in millions)	102.67	53.85	204.04
Net cash inflows / (outflows) (Rs in millions)	(60.12)	(1.45)	23.18

c. we did not audit the consolidated financial statements of 1 ("one") Associate company whose share of profit / (loss) (including other comprehensive income) included in the consolidated Ind AS financial statements, for periods tabulated below, which have been audited by other auditor (listed in Annexure 2) and whose reports have been furnished to us by the Company's management and our opinion on the consolidated Ind AS 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 auditors:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Number of Associate Company	1	1	1
Share of Profit / (Loss) after Tax (Rs in millions)	151.28	15.93	31.95
Share of Other Comprehensive Income (Rs in millions)	(0.08)	(0.04)	(0.05)

d. we did not audit financial statements/financial information of certain jointly controlled operations whose share of total assets, net assets, total revenues, total profit/(loss) after tax and total comprehensive income included in the consolidated Ind AS financial statements, for the periods tabulated below, which are unaudited (listed in Annexure 3) and have been furnished to us by the Company's management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these components, is based solely on such unaudited financial statements/unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial statements / financial information are not material to the Group:

Particulars	**As at / for the year ended March 31, 2024**	**As at/ for the year ended March 31, 2023**	**As at/ for the year ended March 31, 2022**
Number of jointly controlled operations	6*	2	1
Total assets (Rs in millions)	-	9.61	0.03
Net Assets (Rs in millions)	-	7.41	(0.18)
Total revenue (Rs in millions)	-	2.14	-
Total profit /(loss) after tax (Rs in millions)	(0.00)**	0.38	(0.18)
Total comprehensive income (Rs in millions)	(0.00)**	0.38	(0.18)

* *Dissolved during the year*

** *Less than Rs 5000/- (rounding off)*

Our opinion on the consolidated financial statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management.

e. Auditors of the one material subsidiary, M/s Rahee Track Technologies Private Limited, have examined the restated financial information and have confirmed that the restated financial information:

(i) 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, 2023 and 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2024;

(ii) do not require any adjustment for modification as there is no modification in the underlying audit reports; and

(iii) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

7. As stated in Note 60 (Part-B) to the Restated Consolidated Financial Information, our audit reports dated July 26, 2024, September 09, 2023 and November 25, 2022 on the Audited Consolidated Financial Statements of the Group and its associate as at and for each of the years ended March 31, 2024, March 31, 2023 and March 31, 2022, respectively

a) included the following Emphasis of Matter paragraphs:

i. <u>Emphasis of matter for the year ended March 31, 2024</u>: "We draw attention to Note 13.2 of the consolidated financial statement which states that there are uncertainties on recoverability of Company's share of contract assets, trade and other receivables aggregating Rs. 76.02 million (76.01 million as at 31 March 2023) in respect of one joint operations, wherein the underlying projects have been completed and as represented to us, the management of such joint operations have initiated arbitration proceedings for recovery of dues. Our opinion is not modified in respect of the above matters".

ii. <u>Emphasis of matter for the year ended March 31, 2023</u>: "We draw attention to Note 13.2 of the consolidated financial statement which states that there are uncertainties on recoverability of Company's share of contract assets, trade and other receivables aggregating Rs. 76.01 million (75.77 million as at 31 March 2022) in respect of one joint operations, wherein the underlying projects have been completed and as represented to us, the management of such joint operations have initiated arbitration proceedings for recovery of dues. Our opinion is not modified in respect of the above matters".

iii. <u>Emphasis of matter for the year ended March 31, 2022</u>: "We draw attention to Note 13.2 of the consolidated financial statement which states that there are uncertainties on recoverability of Company's share of contract assets, trade and other receivables aggregating Rs. 75.77 million (75.77 million as at 31 March 2021) in respect of one joint operations, wherein the underlying projects have been completed and as represented to us, the management of such joint operations have initiated arbitration proceedings for recovery of dues. Our opinion is not modified in respect of the above matters".

b) included the following paragraph under Report on Other Legal and Regulatory Requirements for the year ended March 31, 2024 in respect of Audit Trail:

i. Based on our examination, which included test checks, and that performed by the respective auditors of the subsidiaries and associate companies incorporated in India whose financial statements have been audited under the Act, the Holding company, subsidiaries and associate company have used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility, which have operated throughout the year for all relevant transactions recorded in the software, except;

(a) In case of Holding Company and one of the subsidiary company, the audit trail feature was not enabled throughout the year at the database level in respect of both the accounting software(s) used by them to log any direct data changes. In respect of HR One application; audit trail is present for attendance regularization and employee loan module. However, the audit trail is not present for the payroll processing, manual attendance upload, and manual fee addition modules (also, refer note 58 to the consolidated financial statements);

(b) In case of other 3 subsidiary companies and in case of all the companies included in associate company, the feature of recording audit trail (edit trail) facility in the accounting software was not enabled throughout the year for all relevant transactions recorded in the software and, accordingly, the respective auditors of the subsidiary companies were unable to comment whether the audit trail feature was tampered or not.

In respect of the aforesaid databases, in the absence of audit trail for the said period, the question of our commenting on whether the audit trail was tampered with, does not arise.

As proviso 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 preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

8. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the audit reports submitted by the other auditors in respect of the aforesaid subsidiaries, associate and jointly controlled operations, we report that Restated Consolidated Financial Information:

i. 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, 2023 and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2024;

ii. does not contain any modifications requiring adjustments; and

iii. have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.

9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

10. 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 4 above except for impact in earnings per share in terms of Ind AS – 33 pursuant to sub-division of equity shares & further issue of bonus equity shares as detailed in Note 43 to the Restated Consolidated Financial Information.

11. This report should not be in any way construed as a reissuance or re-dating of any of the previous audit reports issued by us nor should this report be construed as a new opinion on any of the financial statements referred to herein.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. Our report is intended solely for the use of Board of Directors for inclusion in the Offer Documents to be filed with SEBI, the Stock Exchanges and RoC in connection with the proposed IPO. As a result, the Restated Consolidated Financial Information may not be suitable for any other purpose. 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 Singhi & Co.
Chartered Accountants
Firm Registration No: 302094E

Ankit Dhelia
Partner
Membership No: 069178
UDIN: 24069178BKFDPD3011

Place: Kolkata
Dated: September 14, 2024

Annexure - 1: Details of Jointly Controlled Operations audited by Other Auditors

Name of the Joint Operations	Holding %age	Independent Statutory Auditor	Year ended	Date of Auditor's Report's
GPT Rahee JV	43%	SN Khetan & Associates	March 31, 2022	May 11, 2022
		SN Khetan & Associates	March 31, 2023	May 16, 2023
		Agarwal Lodha & Co	March 31, 2024	April 30, 2024
Rahee Aliied Nervi JV	60%	R Kothari & Co. LLP	March 31, 2022	September 12, 2022
		R Kothari & Co. LLP	March 31, 2023	June 5, 2023
Rahee Agrawal JV	50%	R Kothari & Co. LLP	March 31, 2022	September 12, 2022
		R Kothari & Co. LLP	March 31, 2023	June 5, 2023
Rahee Triveni JV	70%	R Kothari & Co. LLP	March 31, 2022	September 12, 2022
		R Kothari & Co. LLP	March 31, 2023	June 5, 2023
Rahee Agrawal (ST) JV	50%	R Kothari & Co. LLP	March 31, 2022	September 12, 2022
		R Kothari & Co. LLP	March 31, 2023	June 5, 2023
Rahee Jhajharia E to E JV	50%	R Kothari & Co. LLP	March 31, 2022	September 12, 2022
		R Kothari & Co. LLP	March 31, 2023	August14, 2023
		R Kothari & Co. LLP	March 31, 2024	July 4, 2024
Kalindee Rahee JV	30%	A.K. Bagri & Associates	March 31, 2022	May 5, 2022
		A.K. Bagri & Associates	March 31, 2023	May 27, 2023
		A.K. Bagri & Associates	March 31, 2024	May 15, 2024
ATEPL Rahee JV	26%	Loharuka & Co.	March 31, 2022	September 12, 2022
		Baid Agarwal Singhi & Co.	March 31, 2024	July 4, 2024
Rahee PCT JV	70%	R Kothari & Co. LLP	March 31, 2022	September 12, 2022
		R Kothari & Co. LLP	March 31, 2023	June 5, 2023
Rahee Emrail JV	49%	R Kothari & Co. LLP	March 31, 2022	September 12, 2022
		R Kothari & Co. LLP	March 31, 2023	June 5, 2023
		R Kothari & Co. LLP	March 31, 2024	May 13, 2024
Texmaco Rahee JV	40%	R Kothari & Co. LLP	March 31, 2022	September 12, 2022
		R Kothari & Co. LLP	March 31, 2023	June 5, 2023
		R Kothari & Co. LLP	March 31, 2024	May 21, 2024
GR JV	49%	R Kothari & Co. LLP	March 31, 2022	September 12, 2022
		R Kothari & Co. LLP	March 31, 2023	May 6, 2023
		R Kothari & Co. LLP	March 31, 2024	April 30, 2024
RG JV (Incorporated in F.Y.22-23)	70%	R Kothari & Co. LLP	March 31, 2023	May 6, 2023
		R Kothari & Co. LLP	March 31, 2024	April 30, 2024
Rockeira Rahee JV (Incorporated in F.Y.22-23)	45%	Brahmayya & Co.	March 31, 2023	August 17, 2023
		Brahmayya & Co.	March 31, 2024	July 9, 2024
Rahee PRT Consortium (Incorporated in F.Y.23-24)	80%	R Kothari & Co. LLP	March 31, 2024	May 13, 2024
Rahee Mangalam JV		Bahedia & Associates	March 31, 2022	September 02, 2022
- Rishikesh Project	51%	Bahedia & Associates	March 31, 2023	August 23, 2023
- NGAP Project (F.Y.23-24)	70%	R Kothari & Co. LLP	March 31, 2024	July 11, 2024
Rahee GPT JV - Mahanadi (Naraj) project - Patna project - Brajnagar project	50% 49% 70%	R Kothari & Co. LLP	March 31, 2022	May 02, 2022
		R Kothari & Co. LLP	March 31, 2023	May 06, 2023
		R Kothari & Co. LLP	March 31, 2024	April 30, 2024

Annexure 2: Details of Subsidiaries & Associate Company audited by Other Auditors

Name of the Entity	Relationship (Holding %age)	Independent Statutory Auditor	Year ended	Date of Auditor's Report's
Rahee Track Technologies Pvt. Ltd	Subsidiary (53.98%)	J.B.S. & Company	March 31, 2022	September 05, 2022
		J.B.S. & Company	March 31, 2023	August 19, 2023
		J.B.S. & Company	March 31, 2024	July 15, 2024
Serpentine Weldtech Engineering Pvt. Ltd.	Subsidiary (100%)	Loharuka & Co.	March 31, 2022	September 05, 2022
		Loharuka & Co.	March 31, 2023	August 18, 2023
		Loharuka & Co.	March 31, 2024	July 16, 2024
Response Metalcrafts Pvt. Ltd.	Subsidiary (100%)	R Kothari & Co. LLP	March 31, 2022	September 05, 2022
		R Kothari & Co. LLP	March 31, 2023	August 31, 2023
		J.B.S. & Company	March 31, 2024	July 16, 2024
Rahee Steeltech Private Limited	Subsidiary (100%)	R Kothari & Co. LLP	March 31, 2022	September 05, 2022
		R Kothari & Co. LLP	March 31, 2023	September 08, 2023
		J.B.S. & Company	March 31, 2024	July 16, 2024
Pandrol Rahee Technologies Pvt. Ltd. ('PRTPL')	Associate (40.00%)	S.N. Dhawan & Co LLP	March 31, 2022	September 28, 2022
		S.N. Dhawan & Co LLP	March 31, 2023*	July 03, 2023
		S.N. Dhawan & Co LLP	March 31, 2024*	July 24, 2024

**consolidated financial statements has been considered for PRTPL for F.Y. 23-24 & F.Y. 22-23*

Annexure 3: Details of Jointly Controlled Operations certified by the management

Name of the Joint Operations	Holding %age	Remarks	Year ended
Rahee Aliied Nervi JV	60%	Dissolved on March 15, 2024	March 31, 2024
Rahee Agrawal JV	50%	Dissolved on March 15, 2024	March 31, 2024
Rahee Triveni JV	70%	Dissolved on March 15, 2024	March 31, 2024
Rahee Agrawal (ST) JV	50%	Dissolved on March 15, 2024	March 31, 2024
ATEPL Rahee JV	26%	Management certified	March 31, 2023
Rahee PCT JV	70%	Dissolved on March 15, 2024	March 31, 2024
Woodhill Rahee JV	49%	Management certified	March 31, 2022
		Management certified	March 31, 2023
		Dissolved on March 15, 2024	March 31, 2024

RAHEE INFRATECH LIMITED
CIN No-U67120WB1996PLC076870
Restated Consolidated Statement of Assets and Liabilities
(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

	Particulars	Note No.	As at 31st March, 2024		As at 31st March, 2023		As at 31st March, 2022	
	ASSETS							
1	**NON-CURRENT ASSETS**							
	Property, Plant and Equipment	5	2,180.00		1,973.88		1,944.71	
	Right of Use Assets	5A	45.88		19.85		18.02	
	Capital Work-In-Progress	5B	-		39.83		1.50	
	Intangible assets	6	2.77		2.05		0.34	
	Intangible assets under development	6A	-		-		0.62	
	Investment in Associates	7	413.28		262.08		246.20	
	Financial Assets							
	i. Other Financial assets	8	52.88		80.54		58.56	
	Non Current Tax Asset	9	6.50		48.80		23.06	
	Other non-current assets	10	5.79	2,707.10	4.22	2,431.25	16.41	2,309.42
2	**CURRENT ASSETS**							
	Inventories	11	2,266.93		1,529.98		1,208.76	
	Financial Assets							
	i. Loans	12	201.96		79.85		19.67	
	ii. Trade receivables	13	801.48		623.70		553.10	
	iii. Cash and cash equivalents	14	99.37		246.09		290.41	
	iv. Bank balances other than (iii) above	15	411.60		290.79		229.15	
	v. Other Financial assets	16	39.18		18.99		58.77	
	Contract Asset	17	1,592.55		1,019.19		416.25	
	Other current assets	18	502.28	5,915.35	473.53	4,282.12	530.47	3,306.58
	Total Assets			**8,622.45**		**6,713.37**		**5,616.00**
	EQUITY AND LIABILITIES							
1	**EQUITY**							
	Equity Share Capital	19	64.89		64.89		64.89	
	Other Equity	20	3,724.05	3,788.94	3,014.48	3,079.37	2,528.52	2,593.41
2	Non-Controlling Interest			470.31		422.03		397.49
	LIABILITIES							
3	**NON-CURRENT LIABILITIES**							
	Financial Liabilities							
	i. Borrowings	21	202.74		319.18		283.32	
	ii. Lease Liabilities	22	20.62		-		-	
	Provisions	23	14.18		9.40		3.62	
	Deferred Tax Liabilities (Net)	24	130.71	368.25	127.72	456.30	137.07	424.01
4	**CURRENT LIABILITIES**							
	Financial Liabilities							
	i. Borrowings	25	1,938.21		1,257.78		1,098.42	
	ii. Lease Liabilities	26	7.17		-		-	
	iii. Trade Payables	27						
	Total outstanding dues of micro and small enterprises		157.15		52.04		39.19	
	Total outstanding dues of creditors other than micro and small enterprises		1,480.05		1,154.66		787.60	
	iv. Other Financial Liabilities	28	209.79		147.18		137.03	
	Contract Liabilities	29	108.81		48.66		88.66	
	Other Current Liabilities	30	70.21		32.69		27.87	
	Provisions	31	4.95		8.80		1.52	
	Current Tax Liabilities	32	18.61	3,994.95	53.86	2,755.67	20.80	2,201.09
	Total Equity and Liabilities			**8,622.45**		**6,713.37**		**5,616.00**
	Basis of Accounting	2						
	Material Accounting Policies	3						
	Significant Judgement & Key Estimate	4						
	Accompanying notes form an integral part of the Restated Consolidated Financial Information							

As per our examination report of even date

For and on behalf of the Board of Directors

For Singhi & Co.
Chartered Accountants
(Firm Registration No.302049E)

(Ankit Dhelia)
Partner
(Membership No.069178)

Pradeep Khaitan
Chairman and Managing Director
DIN: 00179108

Ravi Khaitan
Whole Time Director
DIN: 00179329

Place : Kolkata
Date : September 14,2024

Rajesh Kumar Goenka
Chief Financial Officer

Kundan Jaiswal
Company Secretary

RAHEE INFRATECH LIMITED

CIN No-U67120WB1996PLC076870

Restated Consolidated Statement of Profit and Loss

(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

Particulars		Note No.	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the year ended 31st March, 2022
INCOME					
Revenue from Operations		33	9,657.37	7,858.21	5,568.38
Other Income		34	94.43	33.02	43.20
Total Income	(A)		**9,751.80**	**7,891.23**	**5,611.58**
EXPENSES					
Cost of materials consumed		35	4,757.01	3,787.10	2,406.82
Changes in Inventories of Finished goods, Work-in-Progress and Stock-in-Trade		36	(264.85)	(91.33)	(41.25)
Employee Benefits Expense		37	722.75	443.49	390.08
Finance Costs		38	255.04	184.89	145.86
Depreciation and Amortization Expense		39	162.22	139.57	118.07
Other Expenses		40	3,295.66	2,746.10	1,970.18
Total Expenses	(B)		**8,927.83**	**7,209.82**	**4,989.76**
Profit / (Loss) before Exceptional Items and Tax	(A-B)		**823.97**	**681.41**	**621.82**
Exceptional Items	(C)		-	-	-
Profit /(Loss) before Tax	(A-B-C)		**823.97**	**681.41**	**621.82**
Tax Expense:		41			
Current Tax			220.18	181.80	159.95
Tax relating to earlier years			(8.11)	1.77	12.60
Deferred Tax			1.93	(7.47)	10.26
Total Tax Expenses			**214.00**	**176.10**	**182.81**
Profit / (Loss) after Tax			**609.97**	**505.31**	**439.01**
Add: Share of Other Comprehensive Income of Associate Company (net of tax)			**151.28**	**15.93**	**31.95**
Profit /(Loss) for the year	(D)		**761.25**	**521.24**	**470.96**
Profit /(Loss) for the year attributable to:					
- Owners of the Company			**713.11**	**496.45**	**378.07**
- Non-Controlling Interest			**48.14**	**24.79**	**92.89**
Other Comprehensive Income					
Items that will not be reclassified to profit or loss					
a) Remeasurement of defined benefit plan			4.23	(7.39)	3.45
b) Income tax relating to above items			(1.06)	1.88	(0.90)
Add: Share of Other Comprehensive Income of Associate Company (net of tax)			(0.08)	(0.04)	(0.05)
Other Comprehensive Income for the Year	(E)	42	**3.09**	**(5.55)**	**2.50**
Other Comprehensive Income for the year attributable to:					
- Owners of the Company			**2.95**	**(5.30)**	**2.23**
- Non-Controlling Interest			**0.14**	**(0.25)**	**0.27**
Total Comprehensive Income for the Year	(D+E)		**764.34**	**515.69**	**473.46**
Total Comprehensive Income for the year attributable to:					
- Owners of the Company			**716.06**	**491.15**	**380.30**
- Non-Controlling Interest			**48.28**	**24.54**	**93.16**
Earnings per Equity share of par value of Rs 2 each (Restated)		43			
Basic Earnings Per Share (Rs.)			10.99	7.65	5.83
Diluted Earnings Per Share (Rs.)			10.99	7.65	5.83
Basis of Accounting		2			
Material Accounting Policy		3			
Significant Judgement & Key Estimate		4			
Accompanying notes form an integral part of the Restated Consolidated Financial Information					

As per our examination report of even date

For and on behalf of the Board of Directors

For Singhi & Co.
Chartered Accountants
(Firm Registration No.302049E)

(Ankit Dhelia)
Partner
(Membership No.069178)

Pradeep Khaitan
Chairman and Managing Director
DIN: 00179108

Ravi Khaitan
Whole Time Director
DIN: 00179329

Place : Kolkata
Date : September 14,2024

Rajesh Kumar Goenka
Chief Financial Officer

Kundan Jaiswal
Company Secretary

RAHEE INFRATECH LIMITED

CIN No-U67120WB1996PLC076870

Restated Consolidated Statement of Cash Flows

(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023		For the year ended March 31, 2022	
A. Cash Flow From Operating Activities						
Profit/(Loss) Before Tax		**823.97**		**681.41**		**621.82**
Adjustment for:						
- Depreciation & Amortization	162.22		139.57		118.07	
- Finance Cost	255.04		184.89		145.86	
- Interest Income	(28.40)		(24.43)		(24.00)	
- (Profit)/Loss on sale of PPE	(21.14)		12.45		(6.46)	
- (Gain) / Loss on Foreign Currency fluctuation / translation (Net)	(1.78)		(0.80)		(1.76)	
- Allowances for expected credit loss written back	(9.50)		(2.40)		(6.48)	
- Allowances for expected credit loss provided	1.92		7.65		-	
- Guarantee Commission	-		-		(1.38)	
- Liabilities no longer required written back	(20.25)		(0.41)		(1.43)	
- Sundry balances written off	45.49		15.77		7.94	
- Bad Debts written off	6.75		24.39		-	
- Net (gain)/loss on Derivative Instruments on fair valuation through profit and loss	0.46		3.82		2.39	
		390.81		360.50		232.75
Operating Profit before working Capital changes		**1,214.78**		**1,041.91**		**854.57**
Adjustments for:						
- Increase/(Decrease) in trade payables	430.51		379.48		116.35	
- Increase/(Decrease) in Financial Liabilities	77.98		19.56		21.60	
- Increase/(Decrease) in Other Liabilities	98.16		(35.19)		(39.45)	
- Increase/(Decrease) in Provisions (Liabilities)	5.15		5.68		(0.18)	
- Decrease/(Increase) in Inventories	(736.96)		(321.22)		(544.34)	
- Decrease/(Increase) in Trade Receivables	(173.68)		(100.99)		123.86	
- Decrease/(Increase) in Financial Assets	(30.26)		28.32		(23.89)	
- Decrease/(Increase) in Other Assets	(649.84)		(560.67)		(68.88)	
		(978.94)		(585.03)		(414.93)
Cash Generated from operations		**235.84**		**456.88**		**439.64**
Income Tax Paid (Net of Refunds)		(205.03)		(178.76)		(120.10)
Net Cash from Operating Activities		**30.81**		**278.12**		**319.54**
Cash Flow From Investing Activities						
- Purchase of Property, Plant & Equipment & Intangibles	(338.17)		(223.00)		(330.89)	
- Proceeds from sale of Property, Plant & Equipment & Intangible assets	31.26		7.55		21.90	
- Payment toward Acquisition of Right of Use Asset	(0.49)		-		-	
- Loans Granted (Net of Refund received)	(122.11)		(60.18)		13.36	
- (Investment in) / Redemption of Fixed Deposits	(83.00)		(78.35)		(13.06)	
- Interest Received	28.32		30.61		20.83	
Net Cash From Investing Activities		**(484.19)**		**(323.37)**		**(287.86)**
Cash Flow From Financing Activities						
- Proceeds from/(Repayment of) short term borrowings (net)	665.54		129.21		134.11	
- Proceeds from long term borrowings	102.86		188.94		198.42	
- Repayment of Long term borrowings	(204.41)		(122.93)		(37.07)	
- Principal Payment of Lease Liabilities	(4.56)		-		-	
- Interest Payment of Lease Liabilities	(2.06)		-		-	
- Dividend paid	(6.49)		(5.19)		(3.89)	
- Interest & Other borrowing costs paid	(243.76)		(181.15)		(145.86)	
- Derivative Instrument	(0.46)		(7.95)		-	
Net Cash From Financing Activities		**306.66**		**0.93**		**145.71**
Net increase/(decrease) in Cash and Cash equivalent		(146.72)		(44.32)		177.39
Cash & Cash equivalent at the beginning of the year		246.09		290.41		113.02
Cash & Cash equivalent at the end of the year (Refer Note 14)		**99.37**		**246.09**		**290.41**

RAHEE INFRATECH LIMITED

CIN No-U67120WB1996PLC076870

Restated Consolidated Statement of Cash Flows

1 The Cash Flow statement has been prepared under the "Indirect method" as set out in Indian Accounting Standard ("Ind AS") 7- Statement of Cash Flows.

2 Reconciliation between the opening and closig balances in the balance sheet for liabilities arising from financing activities.

Particulars	Year ended 31-Mar-2024			Year ended 31-Mar-2023			Year ended 31-Mar-2022		
	Long term Borrowings	Short term Borrowings	Interest accrued but not due	Long term Borrowings	Short term Borrowings	Interest accrued but not due	Long term Borrowings	Short term Borrowings	Interest accrued but not due
Opening Balance	462.75	1,114.21	0.82	396.74	985.00	-	235.39	852.65	-
Cash flow changes (Net)	(101.55)	665.54	-	66.01	129.21	-	161.35	134.11	-
Non cash changes									
- Forex movement	-	-	-	-	-	-	-	(1.76)	-
Interest Expenses	-	-	167.64	-	-	131.70	-	-	97.38
Interest Paid	-	-	(158.41)	-	-	(130.88)	-	-	(97.38)
Closing Balance	**361.20**	**1,779.75**	**10.05**	**462.75**	**1,114.21**	**0.82**	**396.74**	**985.00**	**-**

3 Figures relating to the previous year have been regrouped and rearranged wherever necessary.

As per our report annexed

For Singhi & Co.

Chartered Accountants

Firm's Regn No.-302049E

(Ankit Dhelia)

Partner

(Membership No.069178)

Place : Kolkata

Date : September 14,2024

For and on behalf of the Board

Pradeep Khaitan
Chairman and Managing Director
DIN: 00179108

Ravi Khaitan
Whole Time Director
DIN: 00179329

Rajesh Kumar Goenka
Chief Financial Officer

Kundan Jaiswal
Company Secretary

RAHEE INFRATECH LIMITED
CIN No-U67120WB1996PLC076870
Restated Consolidated Statement of Changes in Equity
(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

A. Equity Share Capital

Particulars	Amount
Equity Shares of Rs 10 each issued, subscribed and fully paid	
Balance as at 1st April 2021	**64.89**
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at 31st March 2022	**64.89**
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at 31st March 2023	**64.89**
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at 31st March 2024	**64.89**

B. Other Equity

Particulars	Reserves & Surplus				OCI	Total Other Equity
	Capital Reserve	Securities Premium Account	General Reserve	Retained Earnings	Remeasurement Gain / Loss on Defined Benefit Plan (Net of Tax)	
Balance as at 1st April, 2021	**36.13**	**214.91**	**83.00**	**1,818.07**	**-**	**2,152.11**
Profit for the Year	-	-	-	378.07	-	378.07
Remeasurement of defined benefit plans (Net of Taxes)	-	-	-	-	2.23	2.23
Total Comprehensive Income	**-**	**-**	**-**	**378.07**	**2.23**	**380.30**
Dividend Paid	-	-	-	(3.89)	-	(3.89)
Transfer from OCI To Retained Earnings	-	-	-	2.23	(2.23)	-
Balance as at 31st March, 2022	**36.13**	**214.91**	**83.00**	**2,194.48**	**-**	**2,528.52**
Profit for the Year	-	-	-	496.45	-	496.45
Remeasurement of defined benefit plans (Net of Taxes)	-	-	-	-	(5.30)	(5.30)
Total Comprehensive Income	**-**	**-**	**-**	**496.45**	**(5.30)**	**491.15**
Dividends Paid	-	-	-	(5.19)	-	(5.19)
Transfer from OCI To Retained Earnings	-	-	-	(5.30)	5.30	-
Balance as at 31st March, 2023	**36.13**	**214.91**	**83.00**	**2,680.44**	**-**	**3,014.48**
Profit for the year	-	-	-	713.11	-	713.11
Remeasurement of defined benefit plans (Net of Taxes)	-	-	-	-	2.95	2.95
Total Comprehensive Income	**-**	**-**	**-**	**713.11**	**2.95**	**716.06**
Dividends Paid	-	-	-	(6.49)	-	(6.49)
Transfer from OCI To Retained Earnings	-	-	-	2.95	(2.95)	-
Balance as at 31st March, 2024	**36.13**	**214.91**	**83.00**	**3,390.01**	**-**	**3,724.05**

Basis of Accounting	**2**
Material Accounting Policies	**3**
Significant Judgement & Key Estimate	**4**

Accompanying notes form an integral part of the Restated Consolidated Financial Information

As per our examination report of even date

For and on behalf of the Board of Directors

Date : 14.09.2024
Chartered Accountants
(Firm Registration No.302049E)

(Ankit Dhelia)
Partner
(Membership No.069178)

Pradeep Khaitan
Chairman and Managing Director
DIN: 00179108

Ravi Khaitan
Whole Time Director
DIN: 00179329

Place : Kolkata
Date : September 14,2024

Rajesh Kumar Goenka
Chief Financial Officer

Kundan Jaiswal
Company Secretary

1. **Corporate Information**

Rahee Infratech Limited ("the Company") is a unlisted Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The registered office of the company is located at Kemwell Manor, 5th floor, 10/D/2, Ho Chi Minh Sarani, Kolkata-700 071,West Bengal, India.

The Company is primarily engaged in providing manufacturing & construction services of spanning track substructure and superstructure, which includes turnkey bridge construction projects, supply and installation of railway tracks, design and manufacture of turnouts and track devices, rail fastening systems and sleepers.The company's railroad engineering, manufacturing and construction operations are conducted through (A) Construction Division which includes bridge works and track works; and (B) Manufacturing Division which includes manufacturing of turnouts, track devices, fastenings and sleepers.

2. Basis of Accounting

2.1 Basis of Preparation

The Restated Consolidated Financial Information comprise financial statements of Rahee Infratech Limited and its subsidiaries (collectively, 'the Group') and its associate company which includes jointly controlled operations of the Group accounted on proportionate basis.

The Restated Consolidated Financial Information comprise of Restated Consolidated Statement of Assets & Liabilities of the Company as at March 31, 2024, March 31, 2023 & March 31, 2022 and the related Restated Consolidated Statement of Profit & Loss (including Other Comprehensive Income), Restated Consolidated Changes in Equity and Restated Consolidated Statement of Cash Flows for the years ended March 31, 2024, March 31, 2023 & March 31, 2022 and accompanying notes to Restated Consolidated Financial Information (hereinafter collectively called "Restated Ind AS Summary Statement") have been prepared specifically for inclusions in the Draft Red Herring Prospectus ("DRHP") to be filed by the Company with the Securities and Exchange Board of India ("SEBI") , National Stock Exchange of India Limited & BSE Limited in connection with proposed initial public offer of equity shares of Rs.10 each of the Company (the "Offering")

The Restated Consolidated Financial Information have been prepared to comply in all material respects with the requirement of:

- Section 26 of Part I of Chapter III Companies Act, 2013 (the "Act")
- Relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("the SEBI ICDR Regulations") issued by the SEBI on September 11, 2018 as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992 and
- Guidance note on reports in Company Prospectus (Revised 2019) ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

The Restated Consolidated Financial Information has been compiled by the management from the audited consolidated financial statements of the Group and its associate as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 which were prepared in accordance with the Indian Accounting Standards 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 (referred to as "Ind AS"), which have been approved by the Board of Directors at their meetings held on July 26, 2024, September 09, 2023 and November 25, 2022 respectively.

These Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to July 26, 2024 except for impact in earnings per share in terms of Ind AS – 33 pursuant to sub-division of equity shares & further issue of bonus equity shares as detailed in Note 43 to the Restated Consolidated Financial Information.

The Restated Consolidated Financial Information:

(a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2023 & March 31, 2022 to reflect the same accounting treatment as per the accounting policy and grouping / classifications followed in the consolidated financial statements of the Company as at and for the year ended March 31, 2024, as applicable.

(b) do not require any adjustment for modification as there is no modification in the underlying audit reports.

(c) 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 Restated Consolidated Financial Information of the Group for the year ended at March 31, 2024, March 31, 2023 & March 31, 2022 and the requirements of the SEBI ICDR Regulations, if any. The resultant impact of tax due to the aforesaid adjustments, if any has been reflected in the Restated Consolidated Financial Information appropriately.

These Restated Consolidated Financial Information have been prepared in accordance with the Indian Accounting Standards as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and presentation requirements of Division II of Schedule III to the Companies Act, 2013(as amended).

These Restated Consolidated Financial Information has been approved for issue by the Company's Board of Directors in their meeting held on September 14, 2024.

2.2 Basis of Measurement

The Restated Consolidated Financial Information of the Group has been prepared on historical cost convention, except for the following assets and liabilities, which have been measured at fair value:

- Certain financial assets & liabilities (including derivative instruments)
- Defined Benefit Plans less present value of defined benefit obligations as per actuarial valuation
- Freehold Land as on the date on transition

2.3 Functional and Presentation Currency

The Restated Consolidated Financial Information are presented in Indian Rupee (INR) which is the functional currency of the Group and the currency of the primary economic environment in which the Group operates. All financial information presented in INR have been rounded off to two decimal places to the nearest millions, unless otherwise stated.

2.4 Use of Assumptions, Judgements and Estimates

The preparation of financial statements in conformity with Ind AS requires Judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Difference between the actual results and estimates are recognized in the period in which the results are known/materialised.

2.5 Basis of Consolidation

The Restated Consolidated Financial Information comprise the audited financial statements of the Company and its subsidiaries and associates. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the Restated Consolidated Financial Information from the date the Group gains control until the date the Group ceases to control the subsidiary.

Restated Consolidated Financial Information are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a subsidiary of the Holding company uses accounting policies other than those adopted in the Restated Consolidated Financial Information for like transactions and events in similar circumstances, appropriate adjustments are made to that subsidiaries financial statements in preparing the Restated Consolidated Financial Information to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31 of each year. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares additional financial information as on the same date for consolidation purpose to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation Procedure:

a. Combine like items of assets, liabilities, equity, income, expenses of the parent with those of its subsidiaries.

b. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Eliminate in full intragroup assets and liabilities, equity, income, expenses relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Restated Consolidated Financial Information. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

c. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

d. Investment in Associates: An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognised changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognised its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

If an entity's share of losses of an associate equals or exceeds its interest in the associate (which includes any long term interest that, in substance, form part of the Group's net investment in the associate), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit and loss.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognizes the loss as 'Share of profit of an associate' in the statement of profit or loss.

2.6 Presentation of Restated Consolidated Financial Information

The Restated Consolidated Statement of Assets & Liabilities and the Restated Consolidated Statement of Profit and Loss are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013 and the applicable provisions of SEBI ICDR Regulations. The Restated Consolidated Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flow" The disclosure requirements with respect to items in the Restated Consolidated Statement of Assets & Liabilities and the Restated Consolidated Statement of Profit and Loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards.

2.7 Measurement of Fair Values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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. The fair value measurement is based on the presumption 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 or the most advantageous market must be accessible by the Group. The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic 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 used 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 in the financial statements are categorized within the fair value hierarchy, described as follows, based on the input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Input other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly, and
- Level 3 - Inputs which are unobservable inputs for the asset or liability

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of Ind AS and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

2.8 Current and non-current classification

All assets and liabilities have been classified as current or non- current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013 and Ind AS 1. The Group has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

An asset is classified as current when it is:

- Expected to be realized or intended to be sold or consumed in Group's normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized 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

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in 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 Company classifies all other liabilities as non-current.
Deferred Tax Assets or Liabilities are classified as non-current assets or liabilities respectively.

2.9 Recent Accounting Pronouncement / New Standards / Amendments to Existing Standards

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. 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. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

The Group has applied the following amendments for the first time for reporting period commencing 1st April, 2023 as per the Companies (Indian Accounting Standards) Amendment Rules, 2022 issued by MCA on 31st March, 2023 :

- Ind AS 1 – Material accounting policies
- Ind AS 8 – Definition of accounting estimates
- Ind AS 103 – Annual improvement to Ind AS (2021)

Most of the above amendments listed above did not have any impact on the amounts recognised in current period and are not expected to significantly affect the future periods.

3 Summary of material accounting policies:

A summary of the material accounting policies applied in the preparation of the Restated Consolidated Financial Information are as given below. These accounting policies have been applied consistently to all the periods presented in the Restated Consolidated Financial Information.

3.1 Investment in Joint Operations:

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group has interest in certain joint operations, and accordingly, it recognises in relation to its interest in joint operations, its:

- Assets, including its share of any assets held jointly
- Liabilities, including its share of any liabilities incurred jointly
- Revenue from the sale of its share of the output arising from the joint operation
- Share of the revenue from the sale of the output by the joint operation
- Expenses, including its share of any expenses incurred jointly

Unrealised gains and losses resulting from transactions between the Group and the joint operations are eliminated to the extent of the interest in the joint operation.

3.2 Foreign Currency Transactions

Transaction in currencies other than the Group's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each balance sheet date, foreign currency monetary items are reported using the closing rate.

Non- monetary items that are measured in terms of historical cost in foreign currency are not retranslated. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement profit or loss are also recognised in OCI or statement of profit and loss, respectively).

Exchange difference that arise on settlement of monetary items or on reporting of monetary items at each Balance sheet date at the closing spot rate are recognised in profit or loss in the period in which they arise except for:

i) exchange difference on foreign currency borrowings related to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings; and

ii) exchange differences on transactions entered into in order to hedge certain foreign currency risks.

3.3 Revenue from Contract with Customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The specific recognition criteria described below are also considered before revenue is recognised.

Revenue from construction activity:
Construction revenue and costs are recognised by reference to the stage of completion of the construction activity at the balance sheet date, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs. Where the outcome of the construction cannot be estimated reliably, revenue is recognized to the extent of the construction costs incurred if it is probable that they will be recoverable. When the outcome of the contract is ascertained reliably, contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method.

The estimated outcome of a contract is considered reliable when all the following conditions are satisfied:

- The amount of revenue can be measured reliably,
- It is probable that the economic benefits associated with the contract will flow to the Group,
- The stage of completion of the contract at the end of the reporting period can be measured reliably, and
- The costs incurred or to be incurred in respect of the contract can be measured reliably

Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs. For this purpose, total estimated contract costs are ascertained on the basis of actual costs incurred and costs to be incurred for completion of contracts in progress, which is arrived at by the management based on current technical data, forecasts and estimate of expenditure to be incurred in future including contingencies, which being technical matters have been relied upon by the auditors. Overhead expenses representing indirect costs that cannot be directly aligned with the jobs are distributed over the various contracts on a pro-rata basis. Revisions in projected profit or loss arising from change in estimates are reflected in accounting period in which such revisions can be anticipated.

Variations in contract work are recognised to the extent that it is probable that they will result in revenue and are capable of reliably measured.

Revenue from the Group's entitlement to price variances on input costs subject to compliance with certain terms and conditions as per terms of contracts are recognised when no significant uncertainties exist regarding their ultimate collection.

Overhead expenses representing indirect costs that cannot be directly aligned with the jobs, are distributed over the various contracts on a pro-rata basis.

Sale of goods:
Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.

Goods and Service Tax (GST) is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Interest income:
For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in Other income in the statement of profit and loss.

Dividends:
Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Export benefits:
Export benefits are recognised on recognition of export sales.

Contract balances:
Contract assets:
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

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). Refer to accounting policies of financial assets in note 3.15.1
Financial instruments – initial recognition and subsequent measurement.

Contract liabilities:
A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

3.4 Inventories

Inventories (except scrap & by products) are valued at the lower of cost and net realisable value. Scrap/By products are valued at net realizable value. Costs are computed in the following manner :

- **Raw material & Construction Materials -** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First-in-First-out (FIFO) basis.
- **Work in progress-** Work in progress is valued at cost based on technical assessment as to the stage of completion.
- **Finished goods** – Finished goods are valued at cost or net realisable value whichever is lower.

  Cost includes cost of raw materials, cost of conversion and other costs including production overheads based on normal production capacity, incurred in bringing the inventories to their present location and condition.
- **Stores, Spares & Consumables -** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First-in-First-out (FIFO) basis.
- **Shuttering and Other Materials –** Cost of Shuttering and Other Materials are amortised over tenure of the respective project in which such materials are being utilized.

Net realisable 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.

Raw materials and other items held for use in the production of finished products 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.

3.5 Property, Plant and Equipment

3.5.1 Recognition and Measurement

- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).
- Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

3.5.2 Capital work in progress and Capital Advances

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production. Capital advances given towards purchase/ acquisition of PPE outstanding at each balance sheet date are disclosed separately as Other Non-Current Assets.

3.5.3 Subsequent Measurement

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.

3.5.4 Depreciation and Amortization

- Depreciation on Property, Plant & Equipment is provided on straight line basis at rates determined based on the useful life of the respective assets and the residual values in accordance with Schedule II of the Companies Act, 2013 or as reassessed by the Group based on the technical evaluation.

- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).

- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.5.5 Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

3.6 <u>Intangible Assets</u>

An intangible asset is recognised if, and only if:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and

- the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss.

Intangible assets are amortized on a straight-line basis over their estimated useful life of 4 years.

3.7 <u>Income Taxes</u>

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

3.7.1 Current Tax

- Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

3.7.2 Deferred tax

- Deferred Tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.

- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

- The carrying amount of deferred tax asset is reviewed at the end of each reporting period. The Group reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

- Current and Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current and Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

- Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognises MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Group reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

3.8 <u>Impairment of Non-financial assets</u>

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 asset’s or Cash Generating Unit (CGU) net selling price and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

3.9 <u>Cash and cash equivalents</u>

Cash and cash equivalents in the balance sheet comprises of cash at banks, cash in hand, cheques in hand and short - term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

3.10 <u>Employee Benefits</u>

- **Short Term Employee Benefits**

  Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees’ services up to the end of the reporting period.

- **Other Long Term Employee Benefits**

  The liabilities for leaves that are not expected to be settled wholly within twelve months from the reporting date are measured as the present value (determined by actuarial valuation using the projected unit credit method) of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period. The benefits are discounted using a rate which is determined by reference to market yields at the end of the reporting period on government bonds. Remeasurements as the result of experience adjustment and changes in actuarial assumptions are recognized in statement of profit and loss.

- **Post-Employment Benefits**

  The Company operates the following post-employment schemes

i) Defined Contribution Plan

Contribution to Provident Fund and ESI is a defined contribution plan and is paid to appropriate authorities and charged to statement of profit and loss on accrual basis. There are no other obligations other than the contribution payable to respective authorities. Company's contribution paid/payable during the year to provident fund, ESIC and other welfare fund are recognised in the statement of profit and loss.

ii) Defined Benefit Plan

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods.

The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method. The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds, where the currency and the terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income (OCI) in the period in which they occur.

The Company contributes to fund maintained with Life Insurance Corporation of India.

3.11 <u>Government Grants</u>

Government grants are recognized at their fair values when there is reasonable assurance that the grants will be received and the Group will comply with all the attached conditions.

- Government grants are recognised in the statement of profit or loss on a systematic basis over the periods in which the Group recognises the related costs for which the grants are intended to compensate. Subsidy received for interest expenses, power & fuel, and excise duty are directly adjusted with interest expense, power & fuel expenses and excise duty respectively.

- Grants related to acquisition/ construction of property, plant and equipment are recognised as deferred revenue in the Balance Sheet and transferred to the statement of profit or loss on a systematic and rational basis over the useful lives of the related asset.

3.12 <u>Borrowing Costs</u>

- Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes foreign exchange difference to the extent regarded as an adjustment to the borrowing costs.

- Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

- Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale.

- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

- Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividend on these preference shares is recognised as finance costs in the Statement of Profit and Loss.

3.13 <u>Investment In Associates</u>

The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognised changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

3.14 <u>Financial Instruments</u>

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.

3.15.1 **Financial Assets**

- **Recognition and Initial Measurement**

  All financial assets are initially recognized when the Group becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

- **Classification and Subsequent Measurement**

  For purposes of subsequent measurement, financial assets are classified in four categories:

i) Measured at Amortized Cost

A debt instrument is measured at the amortized cost if both the following conditions are met:

a. The asset is held within a business model whose objective is achieved by collecting the contractual cash flows; and
b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables, cash and bank balances, loans and other financial assets of the Group.

ii) Measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A debt instrument is measured at the FVTOCI if both the following conditions are met:

a. The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and

b. The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on re-measurements recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income.

iii) Measured at Fair Value Through Profit or Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. Equity instruments which are, held for trading are classified as at FVTPL.

iv) Equity Instruments designated at Fair Value Through Other Comprehensive Income (FVTOCI).

For equity instruments, which has not been classified as FVTPL as above, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

- **De-recognition**

The Group derecognizes a financial asset on trade date only 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 entity.

- **Impairment of Financial Assets**

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables or contract revenue receivables. The application of simplified approach does not require the Group to track changes its credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses / income' in the P&L.

For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

3.15.2 Financial Liabilities

- **Recognition and Initial Measurement**

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

- **Subsequent Measurement:**

  Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

- **Derecognition**

  A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

- **Financial Guarantee Contracts**

  Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction cost that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirement of Ind AS 109 and the amount recognized less cumulative amortization

3.15.3 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

3.16 **Earnings Per Share**

Basic Earnings per share (EPS) amounts are calculated by dividing the net profit or loss before other comprehensive income for the period attributable to equity holders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares, except where the results are anti-dilutive by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

3.17 Provisions, Contingent Liabilities and Contingent Assets

- Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

- If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks 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.

- In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Group is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

- Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

3.18 **Operating Segment**

The identification of operating segment is consistent with performance assessment and resource allocation by the chief operating decision maker. An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the other components of the Group and for which discrete financial information is available. Operating segments of the Group comprises three segments – Bridgework & Flash Butt Welding, Trackwork and Manufacturing.

All operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segments and assess their performance.

3.19 Leases

3.19.1 Group as a lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.
Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term

3.19.2 Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

(a) Right-of-use Assets (ROU Assets)

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 3.9 Impairment of non-financial assets. Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

(b) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease liability and ROU assets shall be separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(c) Short-term leases and leases of low-value asset

The Group applies the short-term lease recognition exemption to its short-term leases of Property, Plant & Equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

4 Significant Judgements and Key Sources of Estimation in Applying Accounting Policies

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances. Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

4.1. Recognition of revenue

Contract Revenue is recognized under Percentage of Completion method. When the outcome of a construction contract can be estimated reliably contract revenue and contract costs associated with the construction contracts are recognized as Revenue and Expenses respectively by reference to the stage of completion of the Contract activity which involves significant judgement.

4.2. Recognition of Deferred Tax Assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

4.3. Useful lives of depreciable/ amortisable assets

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.

4.4. Defined Benefit Obligation (DBO)

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.

4.5. Provisions and Contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.

4.6. Fair value measurement of financial Instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this 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.

4.7. Impairment of Financial Assets and allowances for Expected Credit Loss:

The Group makes allowances for expected credit loss on trade receivables, and other contract assets through appropriate estimations which requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other contract receivables and loss allowances in the period in which such estimate has been changed.

4.8. Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue are accounted for based on the cost price. Revenue, expenses, assets and liabilities which are not allocable to segments on a reasonable basis, are included under "Unallocated revenue/ expenses/assets/ liabilities".

(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

5. Property, Plant and Equipment

Particulars	Freehold Land	Factory Buildings	Non-Factory Buildings	Plant & Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Computer & Accessories	Electrical Installation	Total
Cost										
As at April 1, 2021	**838.87**	**184.14**	**7.60**	**1,159.24**	**43.55**	**138.33**	**14.19**	**24.26**	**19.69**	**2,429.87**
Additions	-	22.95	-	301.47	18.68	49.60	3.30	2.81	-	**398.81**
On Disposals/ Withdrawals	-	-	-	69.04	-	7.73	-	-	-	**76.77**
As at March 31, 2022	**838.87**	**207.09**	**7.60**	**1,391.67**	**62.23**	**180.20**	**17.49**	**27.07**	**19.69**	**2,751.91**
Additions	-	-	-	138.47	17.27	25.05	4.06	3.51	-	**188.36**
On Disposals/ Withdrawals	-	-	-	28.56	0.28	9.65	0.25	0.06	-	**38.80**
As at March 31, 2023	**838.87**	**207.09**	**7.60**	**1,501.58**	**79.22**	**195.60**	**21.30**	**30.52**	**19.69**	**2,901.47**
Additions	1.93	122.44	-	179.70	19.01	38.72	2.73	6.69	-	371.22
On Disposals/ Withdrawals	-	-	-	20.67	0.08	3.99	-	0.04	-	24.78
As at March 31, 2024	**840.80**	**329.53**	**7.60**	**1,660.61**	**98.15**	**230.33**	**24.03**	**37.17**	**19.69**	**3,247.91**
Depreciation										
As at April 1, 2021	**-**	**56.26**	**1.78**	**557.07**	**25.70**	**71.33**	**10.09**	**17.09**	**11.47**	**750.79**
Charge for the year	-	5.92	0.12	87.80	3.77	14.20	1.52	3.30	1.11	117.74
On Disposals/ Withdrawals	-	-	-	55.50	-	5.83	-	-	-	61.33
As at March 31, 2022	**-**	**62.18**	**1.90**	**589.37**	**29.47**	**79.70**	**11.61**	**20.39**	**12.58**	**807.20**
Charge for the year	-	6.41	0.12	105.05	5.07	16.48	1.66	3.38	0.99	139.16
On Disposals/ Withdrawals	-	-	-	9.57	0.12	8.80	0.19	0.09	-	18.77
As at March 31, 2023	**-**	**68.59**	**2.02**	**684.85**	**34.42**	**87.38**	**13.08**	**23.68**	**13.57**	**927.59**
Charge for the year	-	8.40	0.12	114.36	5.41	19.50	2.33	3.94	0.92	154.98
On Disposals/ Withdrawals	-	-	-	11.36	0.05	3.21	-	0.04	-	14.66
As at March 31, 2024	**-**	**76.99**	**2.14**	**787.85**	**39.78**	**103.67**	**15.41**	**27.58**	**14.49**	**1,067.91**
Net Block										
As at March 31, 2022	**838.87**	**144.91**	**5.70**	**802.30**	**32.76**	**100.50**	**5.88**	**6.68**	**7.11**	**1,944.71**
As at March 31, 2023	**838.87**	**138.50**	**5.58**	**816.73**	**44.80**	**108.22**	**8.22**	**6.84**	**6.12**	**1,973.88**
As at March 31, 2024	**840.80**	**252.54**	**5.46**	**872.76**	**58.37**	**126.66**	**8.62**	**9.59**	**5.20**	**2,180.00**

5.1. Title deeds of Immovable Properties not held in name of the group:

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason
Freehold Land	Land at Jangalpur	2.02	Rahee International Private Limited	Yes	1996-97	Certain portions of Freehold Land acquired pursuant to scheme of arrangement for which mutation is under process.

5.2. The Group has fair valued its Freehold land as on the date of transition to IND AS i.e. April 1, 2020 and has adjusted the fair valuation gain of Rs. 619.32 million (net of deffered tax of Rs. 80.80 million) to retained earnings. Such revaluation has been carried out by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017.

5.3. As permitted by para D5-D8B of Ind AS 101, the Group has elected to measure items of property, plant and equipment at its carrying value as Deemed cost at the transition date as on April 1, 2020 except for freehold land which has been fair valued as on date on transition i.e. 01.04.2020. Subsequently all the assets have been carried at their carrying value.

5.4. Refer note no. 21 & 25 for information on property, plant and equipment pledged as securities by the Group.

5.5. The amount of Contractual commitments for acquisition of property, plant and equipment is disclosed in Note 44.

5.6. The group has not revalued its property, plant and equipment during the the F.Y. 2023-24 , F.Y. 2022-23 & F.Y. 2021-22.

5A. Right of Use Assets

Particulars	Leasehold Land	Plant & Machinery	Total
Cost			
As at April 1, 2021	**-**	**-**	**-**
Add: Additions	18.05	-	18.05
Less: Disposals/ Withdrawals	-	-	-
As at March 31, 2022	**18.05**	**-**	**18.05**
Add: Additions	2.03	-	2.03
Less: Disposals/ Withdrawals	-	-	-
As at March 31, 2023	**20.08**	**-**	**20.08**
Add: Additions	13.27	20.10	33.37
Less: Disposals/ Withdrawals	1.01	-	1.01
As at March 31, 2024	**32.34**	**20.10**	**52.44**
Depreciation			
As at April 1, 2021	-	-	**-**
Add: Charge for the year	0.03	-	0.03
Less: On Disposals/ Withdrawals /Adjustments/Transfer	-	-	-
As at March 31, 2022	**0.03**	**-**	**0.03**
Add: Charge for the year	0.20	-	0.20
Less: On Disposals/ Withdrawals /Adjustments/Transfer	-	-	-
As at March 31, 2023	**0.23**	**-**	**0.23**
Add: Charge for the year	1.02	5.31	6.33
Less: On Disposals/ Withdrawals /Adjustments/Transfer	-	-	-
As at March 31, 2024	**1.25**	**5.31**	**6.56**
Net Block			
As at March 31, 2022	**18.02**	**-**	**18.02**
As at March 31, 2023	**19.85**	**-**	**19.85**
As at March 31, 2024	**31.09**	**14.79**	**45.88**

5A.1. Refer Note- 46 for disclosure on IND AS -116 "Leases".

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5B. Capital work-in-progress

Particulars	Factory Building & Shed	Plant & Machinery	Total
Cost			
As at April 1, 2021	**10.41**	**10.02**	**20.43**
Add: Additions	12.54	84.10	96.64
Less: CWIP written off	-	-	-
Less: Capitalisation	22.95	92.62	115.57
As at March 31, 2022*	**0.00**	**1.50**	**1.50**
Add: Additions	11.57	26.99	38.56
Less: CWIP written off	-	-	-
Less: Capitalisation	-	0.23	0.23
As at March 31, 2023	**11.57**	**28.26**	**39.83**
Add: Additions	-	-	-
Less: CWIP written off	-	-	-
Less: Capitalisation	11.57	28.26	39.83
As at March 31, 2024	-	-	-

* Less than Rs 10,000 in Factory Building & Shed

5B.1. Additional disclosures as per Schedule -III requirement:

Amount in CWIP for a period of	Projects in Progress			Projects temporarily suspended		
	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Less than 1 Year	-	38.55	1.50	-	-	-
1-2 Years	-	1.28	-	-	-	-
2-3 Years	-	-	-	-	-	-
More than 3 Years	-	-	-	-	-	-
Total	**-**	**39.83**	**1.50**	**-**	**-**	**-**

5B.2. All the projects in progress as on March 31, 2023 and March 31, 2022 are being executed as per schedule and is not overdue in terms of target completion time. Further, cost of these projects has not exceeded the cost as per its original plan/ budget.

(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

6. Intangible Assets

Particulars	Computer Software	Total
Cost		
As at April 1, 2021	**9.44**	**9.44**
Additions	0.10	0.10
On Disposals/ Withdrawals	-	-
As at March 31, 2022	**9.54**	**9.54**
Additions	1.92	1.92
On Disposals/ Withdrawals	5.62	5.62
As at March 31, 2023	**5.84**	**5.84**
Additions	1.63	1.63
On Disposals/ Withdrawals	-	-
As at March 31, 2024	**7.47**	**7.47**
Depreciation		
As at April 1, 2021	**8.90**	**8.90**
Charge for the year	0.30	0.30
On Disposals/ Withdrawals	-	-
As at March 31, 2022	**9.20**	**9.20**
Charge for the year	0.21	0.21
On Disposals/ Withdrawals	5.62	5.62
As at March 31, 2023	**3.79**	**3.79**
Charge for the year	0.91	0.91
On Disposals/ Withdrawals	-	-
As at March 31, 2024	**4.70**	**4.70**
Net Block		
As at March 31, 2022	**0.34**	**0.34**
As at March 31, 2023	**2.05**	**2.05**
As at March 31, 2024	**2.77**	**2.77**

6.1. The group has not revalued its Intangible Assets during the F.Y. 2023-24 , F.Y. 2022-23 & F.Y. 2021-22.

6A. INTANGIBLE ASSET UNDER DEVELOPMENT

Particulars	Computer Software	Total
Cost		
As at April 1, 2021	-	-
Additions	0.62	0.62
On Disposals/ Withdrawals	-	-
As at March 31, 2022	**0.62**	**0.62**
Date : 14.09.2024	-	-
On Disposals/ Withdrawals	0.62	0.62
As at March 31, 2023	-	-
Additions	-	-
On Disposals/ Withdrawals	-	-
As at March 31, 2024	-	-
Depreciation		
As at April 1, 2021	-	-
Charge for the year	-	-
On Disposals/ Withdrawals	-	-
As at March 31, 2022	-	-
Charge for the year	-	-
On Disposals/ Withdrawals	-	-
As at March 31, 2023	-	-
Charge for the year	-	-
On Disposals/ Withdrawals	-	-
As at March 31, 2024	-	-
Net Block		
As at March 31, 2022	**0.62**	**0.62**
As at March 31, 2023	-	-
As at March 31, 2024	-	-

6A.1. Intangible assets under development (CWIP) ageing schedule - Based on the requirements of Amended Schedule III

	Projects in Progress	Projects temporarily suspended

Amount in CWIP for a period of	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Less than 1 Year	-	-	0.62	-	-	-
1-2 Years	-	-	-	-	-	-
2-3 Years	-	-	-	-	-	-
More than 3 Years	-	-	-	-	-	-
Total	**-**	**-**	**0.62**	**-**	**-**	**-**

6A.2. All the projects in progress as on March 31, 2023 and March 31, 2022 are being executed as per schedule and is not overdue in terms of target completion time. Further, cost of these projects has not exceeded the cost as per its original plan/ budget.

(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

7 INVESTMENT IN ASSOCIATES	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Investments in Equity Instruments (At Cost)			
(Unquoted fully paid up)			
Pandrol Rahee Technologies Pvt. Ltd (Equity shares of Rs 10 each)			
Number of shares	**11,50,088**	**11,50,088**	**11,50,088**
Cost of Investment	11.50	11.50	11.50
Add: Accumulated profit/(loss) of the associate	401.78	250.58	234.70
Total	**413.28**	**262.08**	**246.20**
Aggregate amount of quoted investment and market value	-	-	-
Aggregate amount of unquoted investment	413.28	262.08	246.20

8 Other Financial Assets (Non Current)	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good unless otherwise stated			
Security Deposit	24.25	17.10	11.83
Deposits with Banks (Maturity more than 12 months) (Held as Margin against Bank Gurantee)	25.63	63.44	46.73
Cash Seized by Income Tax Department (Refer note 45.5)	3.00	-	-
Total	**52.88**	**80.54**	**58.56**

9 Non Current Tax Asset	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Advance Tax & TDS (Net of Provisions)	6.50	48.80	23.06
Total	**6.50**	**48.80**	**23.06**

10 Other Non Current Assets	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good unless otherwise stated			
Capital Advances	3.50	2.69	15.36
Gratuity Fund (Refer Note 47)	2.29	1.53	1.05
Total	**5.79**	**4.22**	**16.41**

11 Inventories	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
(At lower of cost or net realisable value)			
Construction Materials	862.02	487.18	464.58
Raw Materials	613.18	678.83	465.98
Shuttering and Other materials	133.32	64.01	81.82
Work-In-Progress (Manufacturing)	68.66	32.52	-
Work-In-Progress (Construction)	278.97	144.98	65.66
Finished Goods	93.29	14.20	35.14
Stock in trade	0.08	0.08	0.08
Stores Spare and Consumables	186.64	93.04	80.79
Waste and Scrap	30.77	15.14	14.71
Total	**2,266.93**	**1,529.98**	**1,208.76**
Stock-in-transit included in above :			
Construction Materials	-	46.58	109.72
Stores Spare and Consumables	1.41	1.12	-

Mode of valuation

11.1 Refer note no. 3.4 of Material Accounting policies for mode of valuation of inventories.

11.2 Refer note no. 25.1 for information on inventories pledged as securities by the group.

12 Loans (Current)	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Unsecured Considered Good unless otherwise stated			
Loan given to:			
Related parties	201.96	79.85	19.67
Total	**201.96**	**79.85**	**19.67**

12.1 Loans & Advances repayable on demand

Type of Borrower	As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Promoters	-	-	-	-	-	-
Directors & KMP	-	-	-	-	-	-
Other Related Parties	201.96	100.00%	79.85	100.00%	19.67	100.00%
Subsidiary Companies	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	**201.96**	**100.00%**	**79.85**	**100.00%**	**19.67**	**100.00%**

12.2 As required under section 186(4) of the Companies Act, 2013 loan granted is for general business purpose.

13 Trade Receivables	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Trade Receivables Considered Good - Secured	-	-	-
Trade Receivables Considered Good - Unsecured	827.28	658.56	579.53
Trade Receivables - which have a significant increase in credit risk	-	-	-
Trade Receivables - credit impaired	-	-	1.62
	827.28	658.56	581.15
Less: Allowances for Credit Losses (Note 56(a))	(25.80)	(34.86)	(28.05)
Total trade receivables	**801.48**	**623.70**	**553.10**

Trade receivables Ageing Schedule- Based on the requirements of Amended Schedule III

Particulars	Outstanding from due date of payment as on 31st March, 2024						
	Not Due	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed							
Considered good	-	684.92	35.30	20.47	5.71	28.55	774.95
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Disputed							
Considered good (Refer Note 13.2)	-	-	-	-	-	52.33	52.33
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	7.09	1.70	2.05	1.43	13.53	25.80
Total	**-**	**677.83**	**33.60**	**18.42**	**4.28**	**67.35**	**801.48**

Particulars	Outstanding from due date of payment as on 31st March, 2023						
	Not Due	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed							
Considered good	-	522.19	12.31	12.63	5.68	53.42	606.23
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Disputed							
Considered good (Refer Note 13.2)	-	-	-	-	-	52.33	52.33
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	5.83	0.48	1.10	1.27	26.18	34.86
Total	**-**	**516.36**	**11.83**	**11.53**	**4.41**	**79.57**	**623.70**

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Particulars	Outstanding from due date of payment as on 31st March, 2022						
	Not Due	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed							
Considered good	-	406.19	11.32	71.28	4.03	34.38	527.20
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	1.43	0.05	0.03	0.04	0.07	1.62
Disputed							
Considered good (Refer Note 13.2)	-	-	-	-	-	52.33	52.33
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	4.61	0.40	6.96	0.46	15.62	28.05
Total	**-**	**403.01**	**10.97**	**64.35**	**3.61**	**71.16**	**553.10**

13.1 In determining the allowances for credit losses of trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

13.2 In view of the disputes with one Joint Operation's customer regarding uncertainty on recoverability of Trade Receivables and Retention Money wherein underlying projects were completed in prior years, and the management of the joint operations have initiated arbitration proceedings for recovery of aforesaid receivables. The management believes that the outcome of arbitration will be favorable to the Joint Operation on respective matters and hence no provision is considered necessary for the Group's share of Trade Receivables and Retention Money aggregating Rs.76.02 million (F.Y. 22-23 - Rs 76.01, F.Y 21-22 - Rs.75.77 million). Against these receivables, an amount of Rs. 76.06 million (F.Y. 22-23 - Rs 76.88 million, F.Y. 21-22 - Rs.76.21 million) is also lying payable under trade payables.

13.3 In case of another Joint Operation regarding receivables for a project completed in earlier years, the joint operation has received a favourable award dated 27th April, 2022 aggregating to Rs.121.89 million against which the customer being aggrieved with the judgement has preferred an appeal application under section 37 of the Arbitration and Conciliation Act, 1996. The management of the joint operations believes that the outcome of final arbitration will also be favorable to the Joint Operation. In view of the above, the group is confident of recovering it's share of unbilled revenue, trade receivables (net of ECL allowance) and other receivables aggregating to Rs. 60.57 million (March 31, 2022: Rs. 60.57 million).However the matter has been settled during the during the FY 2023-24.

13.4 Refer note no. 25.1 for information on trade receviables pledged as securities by the group.
13.5 No trade or other receivables are due from directors or other officers of the group either severally or jointly with any other person. Refer Note 52 in respect of trade receivable from related party.

14 Cash & Cash Equivalents	**As at 31st March, 2024**	**As at 31st March, 2023**	**As at 31st March, 2022**
Balances with banks			
- Current & Cash Credit Account	32.56	134.22	132.68
- Fixed Deposits (Original maturity less than 3 months)	50.00	104.59	152.59
Cash on hand	16.81	7.28	5.14
Total	**99.37**	**246.09**	**290.41**

15 Bank balance other than cash & cash equivalents	**As at 31st March, 2024**	**As at 31st March, 2023**	**As at 31st March, 2022**
Earmarked balances with banks (CSR account)	2.95	21.35	17.58
Fixed Deposits (Refer Note 15.1)	408.65	269.44	211.57
Total	**411.60**	**290.79**	**229.15**

15.1 Fixed deposits of Rs. 76.42 millions (F.Y. 22-23- Rs. 50.99 millions, F.Y. 21-22 Rs. 30.00 millions) on account of the company and Rs 11.07 million (F.Y. 22-23- Rs. 10.00 millions, F.Y. 21-22 Rs. NIL) for one of its subsidiary company are held as margin money against working capital facilities and balance deposits are held as margin against bank guarantee.

16 Other Financial Asset (Current)	**As at 31st March, 2024**	**As at 31st March, 2023**	**As at 31st March, 2022**
Unsecured Considered Good unless otherwise stated			
Security Deposit	21.52	3.00	38.21
Interest Receivable :			
On Fixed Deposits with banks	12.19	10.71	18.05
On Loan to related parties	0.43	1.83	0.67
Receivable from Joint Venture Partners	5.04	-	-
Gurantee Commission Receivable	-	2.99	1.38
Other Receivables	-	0.46	0.46
Total	**39.18**	**18.99**	**58.77**

17 Contract Asset	**As at 31st March, 2024**	**As at 31st March, 2023**	**As at 31st March, 2022**
Unsecured Considered Good unless otherwise stated			
Unbilled Revenue on Construction contract (Refer Note 17.1)	1,067.29	517.12	190.07
Retention Money (Refer Note 13.2)	538.71	513.60	236.87
Less: Allowances for Credit Losses (Refer Note 56(a))	(13.45)	(11.53)	(10.69)
	525.26	502.07	226.18
Total	**1,592.55**	**1,019.19**	**416.25**

17.1 The contract assets represents amount due from customer, primarily relate to the Group's rights to consideration for work executed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional, that is when invoice is raised on achievement of contractual milestones. This usually occurs when the Company issues an invoice to the customer. The Unbilled revenue shown above is net of unearned revenue i.e. invoice raised on customer on achivement of milestones for which revenue to be recognised over the period of time.

18 Other Current Asset	**As at 31st March, 2024**	**As at 31st March, 2023**	**As at 31st March, 2022**
Unsecured Considered Good unless otherwise stated			
Advances (Recoverable in cash or in kind or for the value to be received)			
- To Staff and Workmen	8.16	19.62	21.29
- To Vendors	76.92	112.02	162.24
- To Related Parties	1.15	58.31	-
- Others	3.76	3.96	15.40
	89.99	193.91	198.93
Less: Allowances for Credit Losses (Note 56(a))	(3.98)	(4.42)	(6.82)
	86.01	189.49	192.11
Balances with Government authorities			
- Sales Tax/VAT/ Entry Tax/ GST	358.50	242.65	311.55
- WCT Receivable	0.56	0.56	3.28
Prepaid Expenses	57.21	40.83	23.53
Total	**502.28**	**473.53**	**530.47**

19 Equity Share Capital	**As at 31st March, 2024**	**As at 31st March, 2023**	**As at 31st March, 2022**
19.1 Authorised Share Capital			
1,15,00,000 (As on 31st March 2023: 1,15,00,000 & on 31st March 2022: 1,15,00,000) Equity Shares of Rs. 10/- each	115.00	115.00	115.00
	115.00	**115.00**	**115.00**
19.2 Issued Share Capital			
64,88,665 (As on 31st March 2023: 64,88,665 & on 31st March 2022: 64,88,665) Equity shares of Rs. 10/- each	64.89	64.89	64.89
	64.89	**64.89**	**64.89**
19.3 Subscribed and Paid-up Share Capital			
64,88,665 (As on 31st March 2023: 64,88,665 & on 31st March 2022: 64,88,665) Equity shares of Rs. 10/- each fully paid-up	64.89	64.89	64.89
	64.89	**64.89**	**64.89**

19.4 Reconciliation of the number of shares at the beginning and at the end of the year
There has been no change/ movements in number of shares outstanding at the beginning and at the end of the relevant three financial year i.e. F.Y. 2023-24, F.Y. 2022-23 & F.Y. 2021-22.

19.5 Terms/ Rights attached to Equity Shares :
The Company has only one class of issued shares i.e. Equity Shares having par value of Rs. 10 per share. Each holder of Equity Shares is entitled to one vote per share and equal right for dividend.The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

19.6 The Company does not have any Ultimate Holding Company.

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19.7 Details of Equity Shareholders holding more than 5% shares of the Holding Company

Particulars	As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
Equity Shares of Rs. 10/- each fully paid	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares	% Holding
Mr. Pradeep Kumar Khaitan	4,18,432	6.45%	4,18,432	6.45%	4,18,432	6.45%
Mr. Ravi Kumar Khaitan	4,81,181	7.42%	4,81,181	7.42%	4,81,181	7.42%
M/s Mridul Commodities Pvt. Ltd.	30,92,589	47.66%	30,92,589	47.66%	30,92,589	47.66%
M/s Rahee Viniyog Ltd.	17,35,830	26.75%	17,35,830	26.75%	17,35,830	26.75%

19.8 Shares held by promoters at the end of the year

Promoter name	As at March 31, 2024			As at March 31, 2023			As at March 31, 2022		
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
Mridul Commodities Pvt. Ltd.	30,92,589	47.66%	-	30,92,589	47.66%	-	30,92,589	47.66%	-
Rahee Viniyog Limited	17,35,830	26.75%	-	17,35,830	26.75%	-	17,35,830	26.75%	-
Ravi Khaitan	4,81,181	7.42%	-	4,81,181	7.42%	-	4,81,181	7.42%	-
Pradeep Khaitan	4,18,432	6.45%	-	4,18,432	6.45%	-	4,18,432	6.45%	-
Pawan Khaitan	2,58,652	3.99%	-	2,58,652	3.99%	-	2,58,652	3.99%	-
PPR Associates	31,150	0.48%	-	31,150	0.48%	-	31,150	0.48%	-

The aforesaid list of the promoter of the company has been updated pursuant to the resolution passsed at the extra ordinary general meeting held on 24th August 2024.

19.9 No equity shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

19.10 14,68,088 (As at 2022-23: 14,68,088 & As at 2021-22: 14,68,088) fully paid up equity shares of the company held by its promoters, Mridul Commodities Pvt. Ltd. and Rahee Viniyog Ltd. has been pledged as security towards working capital facility from banks. Further as per approval received for release of shares from the Indian Bank dated 29th July, 2024 the bank has released pledged shares against additional collateral to the tune of Rs. 50.00 million exclusively to the Bank in the form of upfront Fixed Deposit of Rs. 20.00 million at the time of release of pledged shares and Recurring Deposit with 30 instalments of Rs. 1.00 million each from the month of release of pledged shares to be debited from the Open Cash Credit account.

19.11 No equity shares have been bought back by the company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.

19.12 No bonus shares have been issued during the financial year ended 31st March 2024, 31st March 2023 & 31st March 2022. (Refer note 61)

19.13 No securities convertible into equity shares have been issued by the company during the F.Y. 2023-24, F.Y 2022-23 & F.Y. 2021-22.

19.14 No calls are unpaid by any Director or Officer of the company along with its subsidiaries during the F.Y. 2023-24, F.Y 2022-23 & F.Y. 2021-22.

19.15 The company during the preceding five years has not alloted shares pursuent to contracts without payments received in cash.

		As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
20	**Other Equity**			
20.1	**Securities Premium**			
	Balance at the beginning and at the end of the year	214.91	214.91	214.91
20.2	**Capital Reserve**			
	Balance at the beginning and at the end of the year	36.13	36.13	36.13
20.3	**General Reserve**			
	Balance at the beginning and at the end of the year	83.00	83.00	83.00
20.4	**Retained Earnings**			
	Balance as at the beginning of the year	2,680.44	2,194.48	1,818.07
	Add. Profit for the year	713.11	496.45	378.07
	Add/(Less): Transfer from OCI	2.95	(5.30)	2.23
	Less. Appropriations			
	Dividend Paid (Refer Note no. 49)	6.49	5.19	3.89
	Balance as at the end of the year	**3,390.01**	**2,680.44**	**2,194.48**
20.5	**Other Comprehensive Income**			
	Remeasurement of the defined benefit plans			
	Balance at the beginning of the year	-	-	-
	Add/(Less): Change in Fair Value (Net of tax)	2.95	(5.30)	2.23
	Add/(Less): Transferred to Retained Earnings	(2.95)	5.30	(2.23)
	Balance as at the end of the year	-	-	-
	Total	**3,724.05**	**3,014.48**	**2,528.52**

Nature/ Purpose of each reserve

a) **Capital Reserve:** During amalgamation / merger / acquisition, the excess of net assets taken, over the consideration paid, if any, has been considered as capital reserve.

b) **Securities Premium:** The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. This reserve is utilised in accordance with the provisions of the Companies Act 2013.

c) **General Reserve:** The reserve arises on transfer portion of the net profit pursuant to the earlier provisions of Companies Act 1956. It also includes adjustment pursuant to the scheme of arrangement.

d) **Retained Earnings**: Retained earnings represent accumulated profits earned by the group and remaining undistributed as on date.

e) **Other Comprehensive Income (OCI)** : Other Comprehensive Income (OCI) represent the balance in equity for items to be accounted under OCI and comprises of the following:
i) Remeasurement of defined benefit obligations: The actuarial gains and losses arising on defined benefit obligations have been recognised in OCI and thereafter transferred to Retained Earnings.

				As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
21	**Borrowings (Non Current)**					
	Secured:					
	Term Loan :					
	From Banks			116.74	208.37	180.15
	Less: Current Maturities of Term Loans			(41.42)	(44.47)	(40.30)
		Sub-total	**(A)**	**75.32**	**163.90**	**139.85**
	Vehicle/ Equipment Loan :					
	From Banks			206.27	184.89	141.45
	From Financial Institutions			38.19	69.49	75.14
		Sub-total	**(B)**	**244.46**	**254.38**	**216.59**
	Less: Current Maturities of vehicle / equipment loan		**(C)**	(117.04)	(99.10)	(73.12)
	Total		**(A+B-C)**	**202.74**	**319.18**	**283.32**

21.1 Term Loan from Banks:

Loan Facility	Lending Bank	Sanction Limit (Amount in millions)	Outstanding as on 31st March 2024	Rate of Interest (%)	Term of Repayment	Nature of Security
Term Loan - GECL-2.0	Bank Of India	19.90	9.95	9.85% linked with 1% over 1 year MCLR	Total tenure of 60 months including moratorium of 12 months,repayable in 48 equally monthly installment of 0.41 millions.	Loan is secured by Second charge on existing securities of Cash Credit facilities.
Term Loan - GECL-2.0	Indian Bank	68.50	67.07	9.25% linked with 1% over 1 year MCLR	Total tenure of 60 months including moratorium of 12 months, repayable in 48 equally monthly installment of 1.43 millions.	Loan is secured by Second charge on existing securities of Cash Credit facilities
Term Loan*	Union Bank of India	96.00	-	1% over 1 year MCLR	Total tenure of 75 months including moratorium of 15 months, repayable in 60 equally monthly installment of 1.60 millions	Hypothecation of P&M & Electric equipments and Misc. fixed assets Pari-passu charge over Factory land & Building at IDA Bollaram,Sangareddy Dist,Telangana and personal guarantee of Directors and corporate guarantee of Holding company and one another Company Mridul commodities Pvt Ltd as collateral securities.
Working Capital Term loan-UGECL	Union Bank of India	50.00	7.64	7.50%	Total tenure of 48 months including moratorium of 12 months, repayable in 36 equally monthly installment of 1.56 millions	Secured by way of hypothecation of stock and Books debts , both present and future, and parri-passu charge over equitable mortage of immovable/movable fixed assets including Factory Land & building situated at Jangalpur , Howrah Dist. West Bengal and at IDA Bollaram,Sangareddy Dist. Telangana.
Working Capital Term loan-UGECL	Union Bank of India	35.00	32.08	7.50%	Total tenure of 60 months including moratorium of 24 months, repayable in 36 equally monthly installment of 0.97 millions	Secured by way of hypothecation of stock and Books debts , both present and future, and parri-passu charge over equitable mortage of immovable/movable fixed assets including Factory Land & building situated at Jangalpur , Howrah Dist. West Bengal and at IDA Bollaram,Sangareddy Dist. Telangana.

* Term Loan from Union bank of India has been fully repaid in April 2023.

21.2 Vehicle/Equipment loan from bank and financial institution

a) Interest on Vehicle/Equipment Loan from Banks ranges between 7.00% to 9.49% & Interest on Vehicle/Equipment Loan from Financial institutions ranges between 7.53% to 10.75%.

b) Vehicle/Equipment loan from bank and financial institution are secured agaist hypothecation of respective fixed assets financed by them and is secured by personal guarantee of directors.

Repayment schedule ageing for Vehicle / Equipment loan as on 31st March 2024 has been tabulated below :

Particulars	Payable in 2024-25	Payable in 2025-26	Payable in 2026-27	Payable in 2027-28	Payable in 2028-29	Total
1. Vehicle/ Equipment Loan						
-From Banks	86.81	82.92	36.22	0.27	0.05	**206.27**
-From Financial Institutions	30.24	7.23	0.72	-	-	**38.19**
Total	**117.05**	**90.15**	**36.94**	**0.27**	**0.05**	**244.46**

21.3 Borrowings from banks and financial institutions for the specific purpose- Based on the requirements of Amended Schedule III

a) The Group has used the borrowings from banks & Financial Institutions for specific purpose for which it was taken at the balance sheet date

b) The Group has not made any default in repayment of its installments of long term borrowings during the F.Y. 2023-24, F.Y 2022-23 & F.Y. 2021-22.

22 Lease Liabilities (Non Current)	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Lease Liabilities (Refer Note - 46)	20.62	-	-
Total	**20.62**	**-**	**-**

23 Provisions (Non Current)	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Provision for employee benefits			
Gratuity (Refer Note 47)	4.24	4.29	-
Leave Encashment	9.94	5.11	3.62
Total	**14.18**	**9.40**	**3.62**

24 Deferred Tax Liabilities (Net)		As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Deferred Tax Liabilities				
Arising on account of :				
Property, Plant & Equipments, ROU Assets and Intangible Assets		130.78	149.55	151.15
Others		-	-	0.69
Sub-total	(A)	**130.78**	**149.55**	**151.84**
Less: Deferred Tax Assets				
Arising on account of :				
MAT Credit Entitlement		0.07	0.09	0.04
Provision for Allowances on account of Expected Credit Loss		-	12.46	11.53
MTM Gain / (Loss) on derivative contracts		-	(0.04)	1.04
Provision for Employee Benefits		-	7.31	2.16
Others		-	2.01	-
Sub-total	(B)	**0.07**	**21.83**	**14.77**
Total	(A-B)	**130.71**	**127.72**	**137.07**

24.1 Movement in Deferred Tax Liabilities/ (Assets) during the year

Particulars	As at 31st March, 2023	Charge/ (credit) in Statement of Profit & Loss	Charge/(credit) in Other Comprehensive Income	As at 31st March, 2024
Deferred Tax Liabilities/(Assets)				
Property, Plant & Equipments, ROU Assets and Intangible Assets	149.55	(18.77)	-	130.78
MTM Gain / (Loss) on derivative contracts	0.04	(0.04)	-	-
MAT Credit Entitlement	(0.09)	0.02	-	(0.07)
Provision for Allowances on account of Expected Credit Loss	(12.46)	12.46	-	-
Provision for Employee Benefits	(7.31)	6.25	1.06	-
Others	(2.01)	2.01	-	-
Total	**127.72**	**1.93**	**1.06**	**130.71**

(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

Particulars	As at 31st March, 2022	Charge/ (credit) in Statement of Profit & Loss	Charge/(credit) in Other Comprehensive Income	As at 31st March, 2023
Deferred Tax Liabilities/(Assets)				
Property, Plant & Equipments, ROU Assets and Intangible Assets	151.15	(1.60)	-	149.55
MTM Gain / (Loss) on derivative contracts	(1.04)	1.08	-	0.04
MAT Credit Entitlement	(0.04)	(0.05)	-	(0.09)
Provision for Allowances on account of Expected Credit Loss	(11.53)	(0.93)	-	(12.46)
Provision for Employee Benefits	(2.16)	(3.27)	(1.88)	(7.31)
Others	0.69	(2.70)	-	(2.01)
Total	**137.07**	**(7.47)**	**(1.88)**	**127.72**

Particulars	As at 1st April, 2021	Charge/(credit) in Statement of Profit & Loss	Charge/(credit) in Other Comprehensive Income	As at 31st March, 2022
Deferred Tax Liabilities/(Assets)				
Property, Plant & Equipments, ROU Assets and Intangible Assets	144.74	6.41	-	151.15
MTM Gain / (Loss) on derivative contracts	(0.44)	(0.60)	-	(1.04)
MAT Credit Entitlement	(0.05)	0.01	-	(0.04)
Provision for Allowances on account of Expected Credit Loss	(15.11)	3.58	-	(11.53)
Provision for Employee Benefits	(2.98)	(0.08)	0.90	(2.16)
Others	(0.25)	0.94	-	0.69
Total	**125.91**	**10.26**	**0.90**	**137.07**

25 **Borrowings (Current)**		As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Secured:				
Cash Credit facility from Banks		1,288.76	759.26	682.08
Working Capital Loan				
From Banks in Local currency		100.00	200.05	100.00
From Banks in foreign currency		-	-	198.82
Short Term Loan				
From Financial Institution in Local currency		50.00	-	-
Sub-total	(A)	1,438.76	959.31	980.90
Unsecured:				
Loan from related parties		103.75	154.90	-
Suppliers Credit (Channel financing /factoring)		237.24	-	4.10
Sub-total	(B)	340.99	154.90	4.10
Current Maturities of Term loans from banks (Refer Note 21)	(C)	41.42	44.47	40.30
Current Maturities of Vehicle/equipment loans from Banks & Financial institution (Refer Note 21)	(D)	117.04	99.10	73.12
Total	**(A+B+C+D)**	**1,938.21**	**1,257.78**	**1,098.42**

25.1 Nature of Security

a. Cash Credit including working capital loans are Secured against Hypothecation of Stock and Books Debts, both present and future, equitable mortgage of immovable/ movable fixed assets including Factory Land & Building at Shalimar, Sankrail, Jangalpur and residential land & Building at Banjara Hills,hyderabad and lien on TDR of Rs. 76.42 million (For F.Y. 2022-23: 50.99 million & for F.Y. 2021-22: 30.00 million) , pledge of equity shares of the company held by two of the two of promoter group companies , personal guarantee of directors & their relatives and corporate guarantee of two of promoter group companies as certified in favour of Indian Bank, ICICI Bank, Axis Bank, Union Bank of India,Indusind Bank & Bank of India ranking pari- passu).

b. Cash Credit including Working Capital facility sanctioned from ICICI Bank for Rs.280.00 million (For F.Y. 2022-23: 280.00 million & for F.Y. 2021-22: 280.00 million) taken by the subsidiary company are secured by way of hypothecation of stock and books debts,both present and future,and parri-passu charge over equitable mortage of immovable/movable fixed assets including Factory Land & building situated at Jangalpur , Howrah Dist. West Bengal and at IDA Bollaram, Sangareddy Dist.Telangana,personal guarantee of Directors and corporate guarantee of Rahee Infratech Limited ("the company").

c. Cash Credit including Working Capital facility sanctioned from Union Bank of India for Rs. 180.00 millions (For F.Y. 2022-23: 180.00 million & for F.Y. 2021-22: 180.00 million) taken by the subsidiary company are secured by way of hypothecation of stock and Books debts ,and pari-passu charge over Factory Land & building situated at Jangalpur , Howrah Dist. West Bengal and at IDA Bollaram,Sangareddy Dist. Telangana ,personal guarantee of Directors and corporate guarantee of Rahee Infratech Limited ("the company") and one another promoter group company Mridul commodities Pvt Ltd and lien on Fixed Deposit of Rs 11.07 million.

d. The company has taken construction equipment loan of Rs 50.00 million (sanctioned on 31st March 2024) for the period of 4 months where principal repayment being due on 5th August 2024.The loan is based on guarantee given by Director, Mr. Ravi Khaitan. The applicable rate of interest is 11.10% p.a. payable monthly.

25.2 Interest & Repayment Schedule

(a) 'The Cash Credit facilities having interest rate varying between 10% - 11.60% p.a. and are repayable on demand.
(b) 'The Working Capital Demand Loans bears the interest rate varying between 8.80% p.a. and are repayable on demand.
(c) 'Unsecured loan from related party carries interest @ 11.00 % p.a. and are repayable on demand.

25.3 **a)**Tata Capital Financial Services Limited has approved channel finance of Rs 50.00 million and inventory funding of Rs 18 million. The funding is valid for one year from the sanction date i.e. December 8, 2024, with a tenure of each tranche being 90 days from the date of disbursement. The interest rate applicable is 11.05% P.a. payable monthly. This approval is subject to the irrevocable and unconditional personal guarantee of Mr. Pawan Khaitan, Mr. Pradeep Khaitan and Mr. Ravi Khaitan.

b) The company has entered into an agreement to facilitate payment and financing thereon of trade payables (MSME). Interest applicable is 9.40-9.60% p.a. payable monthly.

25.4 The Group has been regular in filing stock and book debt statements with the bank as per the terms of sanction of work capital facilities. For reconciliation of stock and book debt statements submitted to bank vis-à-vis the books of accounts along with reasons for differences refer note 59.

26 **Lease Liabilities (Current)**	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Lease Liabilities (Refer Note- 46)	7.17	-	-
Total	**7.17**	**-**	**-**

27 **Trade Payables**	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Total outstanding dues of micro enterprise and small enterprises	157.15	52.04	39.19
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,480.05	1,154.66	787.60
Total	**1,637.20**	**1,206.70**	**826.79**

RAHEE INFRATECH LIMITED
CIN No-U67120WB1996PLC076870
Notes to the Restated Consolidated Financial Information
(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

27.1 Trade Payables Ageing Schedule - Based on the requirements of Amended Schedule III

Particulars	Outstanding as on March 31, 2024 from date of transaction						
	Unbilled Due	Not Due	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME	-	14.88	140.08	0.67	1.51	0.01	157.15
Others	17.66	65.83	1,294.23	35.39	7.48	6.76	1,427.35
Disputed Dues - MSME	-	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	52.70	52.70
Total	17.66	80.71	1,434.31	36.06	8.99	59.47	1,637.20

Particulars	Outstanding as on March 31, 2023 from date of transaction						
	Unbilled Due	Not Due	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME	-	10.05	41.00	0.99	-	-	52.04
Others	67.05	54.53	876.95	88.08	12.90	2.45	1,101.96
Disputed Dues - MSME	-	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	52.70	52.70
Total	67.05	64.58	917.95	89.07	12.90	55.15	1,206.70

Particulars	Outstanding as on March 31, 2022 from date of transaction						
	Unbilled Due	Not Due	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME	-	28.47	10.72	-	-	-	39.19
Others	173.40	62.54	473.78	11.21	5.22	8.35	734.50
Disputed Dues - MSME	-	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	53.10	53.10
Total	173.40	91.01	484.50	11.21	5.22	61.45	826.79

28 Other Financial Liabilities (Current)	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Interest accrued and due	10.05	0.82	-
Creditors for capital expenditure	0.37	4.72	10.41
Retention money	122.12	77.47	60.11
Employee related liabilities	77.25	49.87	36.58
Other Payables			
- Payable to J.O. Partners	-	14.30	25.79
Derivative liability at fair value through profit or loss	-	-	4.14
Total	209.79	147.18	137.03

29 Contract Liabilities	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Advance from customers	108.81	48.66	88.66
Total	108.81	48.66	88.66

29.1 One of the joint operations, M/s Rahee Allied -JV based on an order dated April 26, 2022 issued by the Hon'ble High Court at Kolkata has withdrawn an amount of Rs. 39.58 million (For F.Y. 2022-23: 39.58 million & for F.Y. 2021-22: NIL) deposited with the Registrar, Original Side against submission of Bank Guarantee of an equal amount. Considering the fact that the matter is currently sub judice, the amount has been accounted as a liability under "Advance from Customers".

30 Other Liabilities (Current)	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Statutory Dues Payable	70.21	32.69	27.87
Total	70.21	32.69	27.87

31 Provisions (Current)	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Provision for employee benefits			
Gratuity (Refer Note 47)	3.79	6.19	1.25
Leave Encashment	1.16	2.61	0.27
Total	4.95	8.80	1.52

32 Current Tax Liabilities	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Provision for Income Tax (Net of Advance tax Paid)	18.61	53.86	20.80
Total	18.61	53.86	20.80

33 Revenue from Operations	For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
Revenue from Sale of Products			
Sale of Manufactured goods	2,191.99	1,574.73	2,465.95
Sale of Traded goods	27.05	17.95	1.25
Revenue from Sale of Services			
Revenue from Construction Contracts	7,231.78	6,166.88	2,943.60
Revenue from Sale of Other Services	89.82	82.36	32.87
Commission Income	116.21	15.47	121.28
Other operating revenues			
Export Incentives	0.52	0.82	3.43
Total	9,657.37	7,858.21	5,568.38

33.1 DISCLOSURE PURSUANT TO IND AS - 115 "REVENUE FROM CONTRACTS WITH CUSTOMERS"

33.1.1 Revenue from contracts with customers disaggregated based on primary geographical market, major product, type of sales, type of customers, and sales channel:

a) Revenue based on product & services	For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
Sale Of Products			
Sale of Manufactured goods	2,191.99	1,574.73	2,465.95
Sale of Traded goods	27.05	17.95	1.25
Revenue from Sale of Services			
Revenue from Construction Contracts	7,231.78	6,166.88	2,943.60
Revenue from Sale of Other Services	89.82	82.36	32.87
Commission Income	116.21	15.47	121.28
Other operating revenues			
Export Incentives	0.52	0.82	3.43
Total	9,657.37	7,858.21	5,568.38

(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

b)

Disaggregated Revenue Information:	For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
- India	9,656.85	7,820.43	5,564.95
- Outside India	0.52	37.78	3.43
Total	**9,657.37**	**7,858.21**	**5,568.38**

33.1.2

Movement of contract Asset/ liabilities during the year	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Contract Assets (Refer note 17)			
Opening Balance	**1,019.19**	**416.25**	**424.45**
Add: Revenue recognised during the year (Net)	550.17	327.05	(15.61)
Add: Adjustment from progressive billing on account of contractual retention (Net)	25.11	276.73	6.46
Add/ (Less): Impairment of contract assets(Net)	(1.92)	(0.84)	0.95
Closing Balance	**1,592.55**	**1,019.19**	**416.25**
Contract Liabilities (Refer note 29)			
Opening Balance	48.66	88.66	122.06
Add: Receipts during the year (Net)	142.03	-	-
Less: Adjusted from progressive billings (including adjustment made from opening balance Rs. 9.16 million, for the F.Y. 2022-23 Rs. 40.00 million & for F.Y. 2021-22 Rs 33.40 million)	(81.88)	(40.00)	(33.40)
Closing Balance	**108.81**	**48.66**	**88.66**

33.1.3 Out of total revenue recognized under Ind AS 115 during the year Rs. 2,425.59 million (For the FY 2022-23: Rs. 1,691.33 million & for the F.Y. 2021-22: Rs 2,624.78 million) is recognized at a point in time and Rs. 7,231.78 million (For the FY 2022-23: Rs. 6,166.88 million & for the F.Y. 2021-22: 2,943.60 million) is recognized over a period of time.

33.1.4 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price:
There is no material difference in the contract price negotiated and the revenue recognised in the statement of profit and loss for the F.Y. 2023-24, F.Y 2022-23 & F.Y. 2021-22.

33.1.5 Performance Obligation:

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) is Rs 21,969.00 million (For the F.Y 2022-23: Rs 11,527.30 million & for F.Y 2021-22: Rs 9,007.75 million), which will be recognised as revenue over the respective project durations. Generally, the project duration of contracts with customers is 3 to 4 years.

33.1.6 Contract Balances: The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Particulars	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Contract Assets (Refer note 17)	1,592.55	1,019.19	416.25
Contract Liabilities (Refer note 29)	108.81	48.66	88.66
Gross Trade Receivables (Refer note 13)	827.28	658.56	581.15
Less: Allowances for expected credit loss	(25.80)	(34.86)	(28.05)
Net Receivables	**801.48**	**623.70**	**553.10**

34 Other Income		For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
Interest income				
On Bank deposits		20.48	16.21	14.32
On Loans given		0.48	6.06	35.98
On Income Tax Refund		0.29	0.99	40.35
On Others		7.15	1.17	(66.65)
Sub-total	(A)	28.40	24.43	24.00
Others				
Gain on Foreign Currency fluctuation / translation (Net)		1.78	0.80	1.76
Profit on sale of Property, Plant & Equipment (Net)		21.14	-	6.46
Allowances for expected credit loss written back		9.50	2.40	6.48
Guarantee Commission Income		2.31	1.61	1.38
Liabilities no longer required written back*		20.25	0.41	1.43
Discount Received		3.15	0.47	-
Miscellaneous income		7.90	2.90	1.69
Sub-total	(B)	66.03	8.59	19.20
Total	(A+B)	**94.43**	**33.02**	**43.20**

* includes Nil (For F.Y. 2022-23: 17.52 million & for F.Y. 2021-22: Nil) being financial guarantee written back

35 Cost of materials consumed		For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
A. Raw Materials (Includes MS Round, MS Plate, MS Angle & Others)				
Opening stock		678.83	465.98	363.56
Add: Purchases		1,584.68	1,048.09	1,418.83
Less: Closing stock		(613.18)	(678.83)	(465.98)
		1,650.33	835.24	1,316.41
Less: Capitalized during the year		47.80	-	-
Sub-Total	(A)	1,602.53	835.24	1,316.41
B. Construction Materials (Includes steel, Cement, Aggregates, Sand and Others)				
Opening stock		487.18	464.58	138.91
Add: Purchases		3,529.32	2,974.46	1,416.08
Less: Closing stock		(862.02)	(487.18)	(464.58)
Sub-Total	(B)	3,154.48	2,951.86	1,090.41
Total	(A+B)	**4,757.01**	**3,787.10**	**2,406.82**

36 Changes in Inventories of Finished goods, Work-in-Progress and Stock-in-Trade	For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
Work-in-Progress			
Opening Inventories	177.50	65.66	46.05
Less: Closing Inventories	347.63	177.50	65.66
	(170.13)	**(111.84)**	**(19.61)**
Waste and Scrap			
Opening Inventories	15.14	14.71	13.77
Less: Closing Inventories	30.77	15.14	14.71
	(15.63)	**(0.43)**	**(0.94)**
Finished Goods			
Opening Inventories	14.20	35.14	14.21
Less: Closing Inventories	93.29	14.20	35.14
	(79.09)	**20.94**	**(20.93)**
Stock in Trade			
Opening Inventories	0.08	0.08	0.33
Less: Return	-	-	0.02
Less: Closing Inventories	0.08	0.08	0.08
	-	**-**	**0.23**
Net (Increase)/Decrease in Inventories	**(264.85)**	**(91.33)**	**(41.25)**

37 Employee Benefits Expenses	For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
Salaries, wages and bonus	657.47	383.43	341.30
Contribution to provident and other funds	31.51	22.84	17.71
Staff welfare expense	38.37	37.22	31.07
	727.35	443.49	390.08
Less: Capitalized during the year	4.60	-	-
Total	**722.75**	**443.49**	**390.08**

38 Finance Cost	For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
Interest Expenses:			
On Term loan from Banks	12.01	15.99	14.35
On Working capital facilities from Banks	119.27	88.23	72.36
On Vehicle / Equipment loan			
- From Bank	17.46	13.72	5.20
- From Financial Institutions	5.28	8.76	2.96
On Lease Liabilities	2.06	-	-

(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

On Channel financing / factoring	4.53	-	-
On Unsecured Loan from related parties	7.03	5.00	2.51
On Others	17.91	6.23	-
Other Borrowing Costs			
Processing fees	20.42	19.51	14.05
Commission on Bank Guarantee	49.07	27.45	34.43
Total	**255.04**	**184.89**	**145.86**

39 Depreciation and Amortization Expense	For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
Depreciation on Property, Plant & Equipment	154.98	139.16	117.74
Amortization on Intangible Assets	0.91	0.21	0.30
Depreciation on Right-of-Use Assets	6.33	0.20	0.03
Total	**162.22**	**139.57**	**118.07**

40 Other Expenses		For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
A. Manufacturing and Operating expenses				
Sub Contractual and Site development charges		1,385.37	1,170.25	829.21
Consumption of Stores and spares		422.87	402.34	282.96
Power and Fuel		323.24	217.62	188.38
Freight and transport		309.95	310.10	231.33
Equipment maintenance and hire charges		248.00	110.92	43.87
Fabrication Charges		20.16	23.48	55.46
Land Rent		37.69	26.80	-
Repairs to plant and equipment		26.31	29.33	36.56
Repairs to others		1.05	1.65	19.97
Rates and Taxes		77.40	77.37	28.94
Security charges		48.70	25.16	15.69
Testing and inspection charges		27.73	22.84	16.51
		2,928.47	**2,417.86**	**1,748.88**
Less: Capitalized during the year		63.46	-	-
Sub-Total	(A)	**2,865.01**	**2,417.86**	**1,748.88**
B. Selling and Administrative expenses				
Office Rent		3.61	3.57	4.96
Insurance		54.14	60.02	28.14
Professional fees		64.00	64.24	45.98
Printing & Stationery		5.45	3.36	3.21
Postage & Telephone		7.36	6.71	6.01
Brokerage & Commission		54.42	3.94	21.88
Travelling and Conveyance Expenses		96.49	49.03	31.49
Repairs to Building		5.21	5.52	-
Sales Promotion Expenses		4.06	4.82	9.52
Payment to Auditor				
- Audit Fee		2.43	2.13	2.13
- Taxation Matters		0.05	0.05	0.05
- Other Matters		0.79	0.55	0.07
Payment to Cost Auditor		0.13	0.13	-
Sundry balances written off		45.49	15.77	7.94
Bad Debts written off		6.75	24.39	-
Bank Charges		1.67	3.64	4.90
Loss on Sale/discard of Property, Plant & Equipment (net)		-	12.45	-
Net (gain)/loss on Derivative Instruments measured at FVTPL		0.46	3.82	2.39
Motor Car expenses		12.41	11.65	10.27
Allowances for expected credit loss		1.92	7.65	-
Computer and Software expenses		5.58	6.78	6.01
Corporate Social Responsibility		23.12	3.34	0.90
Other Miscellaneous Expenses		35.11	34.68	35.45
Sub-Total	(B)	**430.65**	**328.24**	**221.30**
Total	(A+B)	**3,295.66**	**2,746.10**	**1,970.18**

41 Tax Expense	For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
Current Tax	220.18	181.80	159.95
Deferred Tax	1.93	(7.47)	10.26
Income Tax relating to Earlier Years	(8.11)	1.77	12.60
Total	**214.00**	**176.10**	**182.81**

41.1 Reconciliation of estimated Income tax expense at Indian statutory Income tax rate to income tax expense reported in statement of Profit & Loss

	For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
Profit before Tax	823.97	681.41	621.82
Income Tax rate (Refer Note 41.2 below)	25.17%	25.17%	25.17%
Estimated Income Tax Expense	**207.38**	**171.50**	**156.50**
Tax effect of adjustments to reconcile expected Income tax expense to reported Income tax expense			
Tax not considered on Loss of Joint operations	1.07	0.31	0.41
Tax Considered at higher rate in Joint Operations	5.91	1.39	0.17
Expenses disallowed for tax purposes	4.46	1.70	-
Effect of change in tax rate	-	-	(5.66)
Effect of different tax rate in subsidiaries	0.50	1.95	-
Tax relating to earlier year	(8.11)	1.77	12.60
Others	2.79	(2.52)	18.79
	6.62	4.60	26.31
Income tax expense in Statement of Profit & Loss	**214.00**	**176.10**	**182.81**

41.2 The Company had opted for concessional rate of taxation as per the provisions of Section 115BAA of the Income Tax Act, 1961 in previous financial year 2021-22 pursuant to Taxation Laws (Amendment) Act, 2019. Accordingly current year tax has been calculated as per Section 115BAA of the Income Tax Act, 1961.
One of the Subsidiary Company viz., Rahee Track Technologies Pvt. Ltd. had opted for concessional rate of taxation as per the provisions of Section 115BAA of the Income Tax Act , 1961 in the F.Y 2023-24 pursuant to Taxation Laws(Amendment) Act, 2019. Accordingly current year tax has been calculated as per Section 115BAA of the Income Tax Act, 1961. However, other subsidiary companies are still under earlier tax regime.

(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

42 Other Comprehensive Income	For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans	4.23	(7.39)	3.45
Less: Tax expense on the above	(1.06)	1.88	(0.90)
Share of OCI of Associate Company	(0.08)	(0.04)	(0.05)
Total	**3.09**	**(5.55)**	**2.50**

43 Earnings per Share (Restated)	For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
Nominal Value of Equity Shares (Rs.)	2.00	2.00	2.00
Profit attributed to the Equity shareholders of the Group (Rs. In millions)	713.11	496.45	378.07
Weighted average number of equity shares (Nos.)	6,48,86,650	6,48,86,650	6,48,86,650
Basic earnings per share (Rs.)	**10.99**	**7.65**	**5.83**
Potentially Dilutive Equity Shares	-	-	-
Diluted earnings per share (Rs.)	**10.99**	**7.65**	**5.83**

43.1 Pursuant to resolutions passed by the Board at their meeting dated August 24, 2024 and the Shareholders at their extraordinary general meeting dated August 24, 2024 the Company has sub-divided its equity shares of face value of Rs10/- each to 5 Equity Shares of face value of Rs 2/- each. Further the shareholder's approved issuance of bonus shares to the existing shareholders in the ratio of 1:1 i.e. one bonus equity share for each existing equity share. Necessary formalities such as filing of relevant e-forms with Registrar of Companies, etc.is still in process as on date of approval of this Restated Consolidated Financial Information. The record date for the transactions is August 24,2024.

43.2 Ind AS 33 "Earnings per share", requires an adjustment in the calculation of basic and diluted earnings per share for all the periods presented if the number of equity or potential equity shares outstanding change as a result of bonus shares. The weighted average numbers of shares and consequently the basic and diluted earnings per share have accordingly been adjusted in the Restated Consolidated Other Financial Information.

(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

44 Capital and other commitments

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Estimated amount of contracts remaining to be executed and not provided for (net of Advance as on 31.03.2024 Rs. 3.50 million , as on 31.03.2023 Rs. 2.69 million and as on 31.03.2022 Rs 15.36 million)	16.82	18.49	3.08

45 Contingent Liabilities

45.1 Claims against the Group not acknowledged as debts :

	Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
a)	**Liabilities in respect to guarantees issued by Banks & Others**			
	1.) Inland Bank Guarantee (Indian Bank, ICICI Bank, Axis Bank, Union Bank of India & BOI)	2,312.25	1,717.71	1,528.91
	2.) Foreign Bank Guarantee (Union Bank of India, Axis Bank)	4.36	0.20	7.86
	3.) Corporate Guarantee	308.00	308.00	184.00
	(Outstanding loan balance in respect of the above guarantees -Rs. 288.98 million, As on March 31,2023 Rs. 136.25 million, As on March 31, 2022 Rs. 94.27 million))			
b)	**Claims against the Group not acknowledged as debts:-**			
	Value Added Taxes	16.30	19.90	19.90
	Central Sales Taxes	-	4.05	4.05
	Entry Taxes	0.48	0.93	0.93
	Central Excise Taxes	-	-	61.25
	Service Tax (inclusive of penalty)	102.81	-	-
	Income Tax	45.20	-	-

45.2 The Company including one of its Subsidiary Company has received an Order dated 24th May, 2023 under section 147 read with section 144B of the Income tax Act, 1961 in respect of A.Y. 2013-14 with a demand of Rs.120.03 million (including interest liability of Rs.64.64 million). The group has filed an appeal u/s 246A of the Income Tax Act, 1961 against the aforesaid order disputing the fact the additional income of Rs.163.79 million was added to taxable income without any details or particulars in the assessed order. In view of the above, the group does not envisage any liability arising out of the same.
The same has been disposed off during the year ended 31st March 2024.

45.3 The Company including one of its Subsidiary Company aggrieved order passed by Central Excise-Adj. Hyderabad in year 2014-2015 and on demand of Rs. 61.25 million under Central excise duty plus interest and penalty, has filed appeal with CESTAT-Hyderabad and an amount of Rs.4.59 million was deposited under protest toward the said demand raised by the Department. The concerned Appellate Authority has passed Order dated 10.07.2023 in favour of the group. Accordingly the Company has made application for refund for pre-deposit amount of Rs. 4.59 million lying with concerned department.
The same has been disposed off during the year ended 31st march 2024.

45.4 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

45.5 During the month of March 2024, the Income Tax Department ('the department') had conducted a search under section 132 of the Income Tax Act, 1961 ('the Act') at the Company along with its one of the subsidiary Company's registered office, corporate office, few of its manufacturing locations, residence of few of its key managerial personnel, other premises and few of its group entities. During the search proceedings, the Company along with its Subsidiary and group entities provided necessary information and responses to the department. The department has also seized cash amounting to Rs.3.00 million from the residence of key managerial personnel. Additionally, the department has taken certain documents, data backups and other information for further investigation.
Subsequently, the department issued summons to Assesses / witnesses under Section 131/137/36 of the Act on the Company, Subsidiary Company and its group companies. All such entities have complied with such notices and as on date of approval of Restated Consolidated financial information, the department has not issued any demand notice etc on the Company/Subsidiary Company / group entities.As per the Company's tax advisors, the outcome can only be determined after the assessment/re-assessment proceedings are initiated. Based on the above, no material adjustment is envisaged by the management at this stage to these Restated Consolidated Financial Information.

46 Lease

a) Lease commitments as lessee .

The Company has entered into agreements for taking certain manufacturing units & Machinery on lease and licence basis. The lease term is for a period ranging from 3 to 10 years, on fixed rental basis with escalation clauses in the lease agreements.

i) Expenses/ Income recognised in the Statement of Profit and Loss:

Particulars	For the year 1 April 2023 to 31 Mar 2024	For the year 1 April 2022 to 31 Mar 2023	For the year 1 April 2021 to 31 Mar 2022
Rent			
Expense relating to short-term leases	41.30	30.37	4.96
Expense relating to leases of low value assets	-	-	-
Finance cost			
Interest expense on lease liabilities	2.06	-	-
Depreciation			
Depreciation on right-of-use assets	6.33	0.20	0.03

ii) Contractual maturities of lease liabilities

The below table provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 31-Mar-22
Within one year	9.38	-	-
After one year but not more than five years	16.75	-	-
More than five years	9.83	-	-
Total	**35.96**	**-**	**-**

Total cash outflow for leases during the year ended 31st March 2024 is Rs. 6.62 millions (For FY 2022-23- NIL and For F.Y. 2021-22- NIL)

iii) Lease Commitments for leases not considered in measurement of lease liabilities

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 31-Mar-22
Lease Commitments for short-term leases	25.12	-	-
Lease Commitments for leases of low value assets	-	-	-
Total	**25.12**	**-**	**-**

iv) Movement in Lease Liabilities

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 31-Mar-22
Opening Balance	-	-	-
Additions/(Deletion)/Adjusrments	32.35	-	-
Add: Finance Cost accrued during the period	2.06	-	-
Less: Payment of Lease Liabilities	6.62	-	-
Closing Balance	**27.79**	-	-
Current	**7.17**	-	-
Non-Current	**20.62**	-	-
Total	**27.79**	-	-

(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

47 Employee Benefit (Defined Benefit Plan)

The Group has a Defined Benefit Gratuity plan. Every employee who has completed at least five years or more of service is entitled to Gratuity on terms as per the provisions of The Payment of Gratuity Act, 1972. Disclosure pursuant to Indian Accounting Standard (Ind AS) 19 - Employee Benefits are as under :

(A) Defined Contribution Plan :

The amount recognised as an expenses for the Defined Contribution Plans are as under :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Contribution to Provident and other funds:			
Employer's Contribution to Provident Fund & Other fund	24.58	18.15	13.39
Total	**24.58**	**18.15**	13.39

(B) Defined Benefit Plan :

Post employment and other long term employee benefits in the form of gratuity and leave encashment are considered as defined benefit obligation. The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. Under the PUC method a "projected accrued benefit" is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active members of the Plan. The "projected accrued benefit" is based on the Plan's accrual formula and upon service as of the beginning or end of the year, but using a member's final compensation, projected to the age at which the employee is assumed to leave active service. The Plan liability is the actuarial present value of the "projected accrued benefits" as of the beginning of the year for active members.

Liability for leave payable at the time of retirement has been recognized on actuarial basis.

Risk Exposure:
Defined Benefit Plans expose the Group to actuarial risks such as: Interest Rate Risk, Salary Risk and Demographic Risk.

(a) **Interest rate risk :** The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
(b) **Salary risk :** Higher than expected increases in salary will increase the defined benefit obligation.
(c) **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. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

(d) **Regulatory Risk :** Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act , 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity from Rs. 1 million to Rs. 2 million). An upward revision of maximum gratuity limit will result in gratuity plan obligation.

		Holding Company			**Subsidiary Companies**		
	Particulars	**Gratuity (Funded) 2023-24**	**Gratuity (Funded) 2022-23**	**Gratuity (Funded) 2021-22**	**Gratuity (Funded) 2023-24**	**Gratuity (Funded) 2022-23**	**Gratuity (Funded) 2021-22**
(i)	**Reconciliation of opening and closing balances of Defined Benefit obligation**						
	Defined benefit obligation at beginning of the year	33.10	24.44	23.64	12.72	11.46	11.67
	Current service cost	6.30	4.52	3.38	1.31	1.19	1.07
	Interest cost	2.42	1.74	1.63	1.00	0.87	0.80
	Past service cost - plan amendments	-	-	-	-	-	-
	Actuarial (gain)/loss - experience	(7.14)	6.30	(2.42)	0.34	(0.33)	(0.96)
	Actuarial (gain)/loss - financial assumptions	1.70	0.22	(0.12)	(0.76)	0.98	(0.17)
	Benefits paid from plan assets	(2.30)	(4.12)	(1.67)	(0.57)	(1.45)	(0.95)
	Defined benefit obligation at year end	34.08	33.10	24.44	14.04	12.72	11.46
(ii)	**Reconciliation of opening and closing balances of fair value of plan assets**						
	Fair value of plan assets at beginning of the year	22.62	23.19	19.74	14.25	12.51	12.37
	Interest Income on plan assets	1.77	1.57	1.43	1.19	0.94	0.09
	Employer's Contribution	5.58	2.10	3.62	1.47	2.35	1.29
	Return on plan assets greater/ (Less) than discount rate	(1.62)	(0.12)	0.07	(0.01)	(0.10)	(0.29)
	Benefits paid	(2.30)	(4.12)	(1.67)	(0.57)	(1.45)	(0.95)
	Fair value of plan assets at year end	26.05	22.62	23.19	16.33	14.25	12.51
(iii)	**Reconciliation of fair value of assets and obligations**						
	Fair value of plan assets as at 31st March	26.05	22.62	23.19	16.33	14.25	12.51
	Present value of obligation as at 31st March	34.08	33.10	24.44	14.04	12.72	11.46
	Net asset/(liability) recognized in Balance Sheet	(8.03)	(10.48)	(1.25)	2.29	1.53	1.05
(iv)	**Expenses recognized during the year**						
	Current service cost	6.30	4.52	3.38	1.31	1.19	1.07
	Past service cost - plan amendments	-	-	-	-	-	-
	Interest cost	2.42	1.74	1.63	1.00	0.87	0.80
	Interest income on plan assets	(1.77)	(1.57)	(1.43)	(1.19)	(0.94)	(0.09)
	Amount charged to statement of Profit & Loss	6.95	4.69	3.58	1.12	1.12	1.78
(v)	**Re-measurements recognised in Other Comprehensive Income (OCI)**						
	Actuarial (gain)/loss - experience	(7.14)	6.30	(2.42)	0.34	(0.33)	(0.96)
	Actuarial (gain)/loss - financial assumptions	1.70	0.22	(0.12)	(0.76)	0.98	(0.17)
	Return on plan assets greater/ (Less) than discount rate	1.62	0.12	(0.07)	0.01	0.10	0.29
	Amount recognised in Other Comprehensive Income (OCI)	(3.82)	6.64	(2.61)	(0.41)	0.75	(0.84)
(vi)	**Maturity Profile of Defined Benefit obligation for the year ending:**						
	March 31, 2023						
	March 31, 2024	**-**	**6.19**	**1.09**	**-**	**-**	**0.96**
	March 31, 2025	**3.79**	**2.93**	**2.82**	**1.63**	**0.55**	**0.52**
	March 31, 2026	**1.98**	**1.17**	**1.78**	**1.52**	**1.73**	**1.56**
	March 31, 2027	**1.61**	**1.45**	**2.49**	**0.57**	**1.63**	**1.32**
	March 31, 2028	**1.22**	**1.13**	**10.65**	**0.93**	**0.68**	**1.83**
	March 31, 2029 and onwards	**4.87**	**4.35**	**-**	**4.84**	**5.22**	**5.68**
(vii)	**A quantitative sensitivity analysis for significant assumption is as shown below:**						
	Effect on DBO due to 1% increase in Discount Rate	(2.58)	(2.11)	(1.78)	13.87	12.65	11.40
	Effect on DBO due to 1% decrease in Discount Rate	3.14	2.55	2.04	15.95	14.57	13.18
	Effect on DBO due to 1% increase in Salary Escalation Rate	2.93	2.49	2.12	15.87	14.57	13.17
	Effect on DBO due to 1% decrease in Salary Escalation Rate	(2.47)	(2.09)	(1.86)	13.86	12.60	11.34
	Effect on DBO due to 1% increase in Withdrawal Rate	0.25	0.28	-	-	0.07	-
	Effect on DBO due to 1% decrease in Withdrawal Rate	(0.16)	(0.21)	-	-	(0.08)	-

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

(viii) Major Categories of Plan Assets

L.I.C. Group Gratuity (Cash Accumulation Policy)-% of invested funds	100%	100%	100%	100%	100%	100%

(ix) Actuarial assumptions:

Mortality table (L.I.C.)	Indian Assured Lives Mortality (2012 - 14)	Indian Assured Lives Mortality (2012 - 14)	Indian Assured Lives Mortality (2012 - 14)	Indian Assured Lives Mortality (2012 - 14)	Indian Assured Lives Mortality (2012 - 14)	Indian Assured Lives Mortality (2012 - 14)
Discount rate (per annum)	7.10%	7.30%	7.10%	7.10%	7.40%	7.10%
Expected rate of return on plan assets (per annum)	7.10%	7.30%	7.10%	7.10%	7.40%	7.10%
Withdrawal Rate	1% to 8%	1% to 8%	1% to 8%	1% to 8%	1% to 8%	1% to 8%
Rate of escalation in salary (per annum)	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Retirement Age	58 years	58 years	58 years	58 years	58 years	58 years
Disability Rate	5% of Mortality rate	5% of Mortality rate		5% of Mortality rate	5% of Mortality rate	
Weighted Average Duration of Defined Benefit Obligation	21.64 Yrs	20.90 Yrs	19.92 Yrs	5.35 Yrs	5.04 Yrs	5.66 Yrs

\# These Sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

(x) Salary Escalation Rate :

The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

48 Balances in the accounts of certain Trade Receivables, Trade Payable, advances to suppliers, Contract Liabilities, security deposits and other advances are under confirmation / reconciliation. Adjustments, if any will be made on completion of such review / reconciliation / receipt of confirmations. However, in the opinion of the management, the Trade Receivable, trade payables, security deposits and advances are realisable / payable in the ordinary course of the business.

49 Dividends declared & paid by the Company:

Particulars	**Year ended March 31, 2024**	**Year ended March 31, 2023**	**Year ended March 31, 2022**
i.) Dividend on equity shares declared and paid during the year			
Final Dividend for the year ended 31st March, 2023 of Rs.1 per fully paid up share (31st March, 2022 - Rs. 0.80 per share,31st March, 2022 - Rs. 0.60 per share)	6.49	5.19	3.89
ii.) Proposed Dividend for the year not recognised at the end of reporting period			
Final Dividend for the year ended 31st March, 2024 of Rs. 1 per fully paid up share (31st March, 2023 - Rs. 1 per share,31st March, 2022 - Rs. 0.80 per share)	6.49	6.49	5.19

The Board of Directors at its meeting held on July 26, 2024 have proposed a final dividend of Rs. 1/- per equity share of face value of Rs. 10/- each for FY 2023-24. Proposed dividend on equity shares is subject to the approval the shareholders of the company at the annual general meeting and not recognised as liability as at the Balance Sheet date.

50 Other Regulatory Information

i) The Group does not have any benami property. Further, there are no proceedings initiated or are pending against the Group for holding any benami property under Prohibition of Benami Property Transaction Act, 1988 and rules made there under.

ii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period except for the following loans against which charges satisfaction of charges are in the process of filing with ROC:

		Loan Amount for the Year ended (Rs. In milions)				
Brief description of the charges or satisfaction	**Location of the Registrar**	**31st March 2024**	**31st March 2023**	**31st March 2022**	**The period (in days or months) by which such charge had to be registered**	**Reason for delay in registration**
Vehicle / Equipment Loan taken						
- Indian Bank	Kolkata	0.78	-	-	Not filed	The Group is generally filing charges on regular basis but some charges have been missed out due to inadvertent.
- Yes Bank	Kolkata	25.82	194.89	194.89	Not filed	
- ICICI Bank	Kolkata	28.11	203.23	203.23	Not filed	
- Kotak Mahindra Prime	Kolkata	1.54	5.64	5.64	Not filed	
Vehicle / Equipment Loan repaid in		-			Not filed	
- Allahabad BANK	Kolkata	-	5.98	5.98		For 31st March 2023-24: All NOC Received For 31st March 2022-23: All NOC Received accept Rs 0.77 million for Allahabad bank For 31st March 2022-23: NOC not received from financiers, follow-up under process.
- ICICI Bank	Kolkata	1.17	2.56	2.56	Not filed	
- Yes Bank	Kolkata	1.32	-	-	Not filed	
- HDB Financial Services	Kolkata	0.98	-	-		
- Kotak Mahindra Prime	Kolkata	0.94	-	-		
- Hinduja Leyland Finance Ltd.	Kolkata	-	18.35	18.35	Not filed	
- Mahindra & Mahindra	Kolkata	-	2.70	-	Not filed	

iii) The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

iv) The Group has not traded or invested in Crypto Currency or Virtual Currency .

v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(s) including foreign entities (intermediaries) with the understanding that the intermediaries shall:
   I. Directly or indirectly lend or invest in other persons or entities in any manner what so ever by or on behalf of the Group (Ultimate Beneficiaries); or
   II. Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

vi) The Group has not received any fund from any person(s) or entity(s), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group
   I. 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
   II. Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

vii) The Group has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961

viii) The Group has not been declared as a willful defaulter by any Bank or Financial Institution or other lender.

ix) The Group has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

x) The Group has not filed any scheme of arrangements in terms of section 230 to 237 of the Group's Act, 2013 with any Competent Authority.

xi) The Group has done an assessment to identify Core Investment Companies (CIC's) in the group as per the relevant guidelines issued by Reserve bank of India read with Core Investment Companies (Reserve Bank) Directions, 2016. Based on the same, no company has been identified as a CIC in the group.

(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

51 SEGMENT REPORTING

The company's board of directors, being the chief operating decision maker examines the company's performance on the basis of its business and has identified following reportable segments:

a. Bridgework & Flashbutt welds (FBW) - Consists of execution of construction contracts and other infrastructure activities

b Trackwork: Consists of execution of metro railways and other railway projects

c Manufacturing - Consists of manufacturing of railway track materials such as fish plates, spikes, track bolts & nuts etc, fastening system for bridges & rail clips, rail pads & steel sleepers

d Corporate - It includes Head Office and all Unallocated Income/expenses of the group

Information about Business Segment

	Particulars	For the Year ended 31st March, 2024					For the Year ended 31st March, 2023					For the Year ended 31st March, 2022				
		Bridgework & FBW	Trackwork	Manufacturing	Corporate	Total	Bridgework & FBW	Trackwork	Manufacturing	Corporate	Total	Bridgework & FBW	Trackwork	Manufacturing	Corporate	Total
1	**REVENUE**															
	Revenue from Operations (Gross)	3,601.25	3,153.56	2,784.17	118.39	9,657.37	3,351.75	2,446.76	2,040.78	18.92	7,858.21	1,524.65	1,081.83	2,807.43	154.47	5,568.38
	Intersegment Transfers	447.48	57.38	(504.86)	-	-	301.79	58.36	(360.15)	-	0.00	308.00	30.05	(338.05)	-	-
	Revenue from Operations (Net)	**4,048.73**	**3,210.94**	**2,279.31**	**118.39**	**9,657.37**	**3,653.54**	**2,505.12**	**1,680.63**	**18.92**	**7,858.21**	**1,832.65**	**1,111.88**	**2,469.38**	**154.47**	**5,568.38**
2	**RESULTS**															
	Segment Profit	337.08	365.37	285.50	91.06	1,079.01	483.04	244.03	159.12	(19.89)	866.30	64.88	269.07	415.58	18.15	767.68
	Less: Finance Cost	-	-	-	255.04	255.04	-	-	-	184.89	184.89	-	-	-	145.86	145.86
	Profit Before Taxation	**337.08**	**365.37**	**285.50**	**(163.98)**	**823.97**	**483.04**	**244.03**	**159.12**	**(204.78)**	**681.41**	**64.88**	**269.07**	**415.58**	**(127.71)**	**621.82**
	Less: Tax Expense	-	-	-	214.00	214.00	-	-	-	176.10	176.10	-	-	-	182.81	182.81
	Share of Profit/ (Loss) in Associates (Net)	-	-	-	151.28	151.28	-	-	-	15.93	15.93	-	-	-	31.95	31.95
	Profit After Taxation	**337.08**	**365.37**	**285.50**	**(226.70)**	**761.25**	**483.04**	**244.03**	**159.12**	**(364.95)**	**521.24**	**64.88**	**269.07**	**415.58**	**(278.57)**	**470.96**
3	**OTHER INFORMATION**															
a.	**ASSETS**															
	Segment Assets	3,535.05	1,032.14	2,356.25	1,699.01	8,622.45	2,143.35	942.25	2,100.02	1,527.75	6,713.37	1,403.67	745.67	1,922.68	1,543.98	5,616.00
	Total Assets	**3,535.05**	**1,032.14**	**2,356.25**	**1,699.01**	**8,622.45**	**2,143.35**	**942.25**	**2,100.02**	**1,527.75**	**6,713.37**	**1,403.67**	**745.67**	**1,922.68**	**1,543.98**	**5,616.00**
b.	**LIABILITIES**															
	Segment Liabilites	875.34	531.89	784.52	2,171.45	4,363.20	483.68	346.98	400.77	1,980.54	3,211.97	461.34	293.82	661.15	1,208.79	2,625.10
	Total Liabilities	**875.34**	**531.89**	**784.52**	**2,171.45**	**4,363.20**	**483.68**	**346.98**	**400.77**	**1,980.54**	**3,211.97**	**461.34**	**293.82**	**661.15**	**1,208.79**	**2,625.10**
c.	**Depreciation & Amortization Expense**	**39.26**	**32.19**	**72.37**	**18.40**	**162.22**	**30.36**	**28.61**	**68.09**	**12.51**	**139.57**	**36.05**	**11.25**	**58.37**	**12.40**	**118.07**
d.	**Capital Expenditure**	**70.82**	**51.97**	**183.60**	**31.78**	**338.17**	**83.06**	**97.98**	**39.19**	**8.69**	**228.92**	**86.11**	**54.14**	**179.05**	**80.47**	**399.77**

51.1 Information about major customers

Total amount of revenue from two (F.Y 2022-23: Four and F.Y 2021-22- One) major customers each exceeding 10% of total revenue of the company is Rs. 3,048.74 million (F.Y 2022-23- Rs.3,964.40 million and F.Y 2021-22- Rs 1644.20 million) mainly related to Bridgework and Trackwork segments.

51.2 Geographical segment

The group primarily operates in india and hence geographical segment is not applicable

(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

52 Related Party Disclosure pursuant to IND AS - 24

52.A. Names of related parties and related party relationship with whom there is transaction in the current year

Nature	Name
Associate Companies	Pandrol Rahee Technologies (P) Ltd (PRT)
Entity excercising significant influence over company	Mridul Commodities Pvt. Ltd. Rahee Viniyog Ltd. Shalimar Fabricators Pvt. Ltd. PPR Associates
Key Management Personnels (KMP)	Mr. Pradeep Khaitan (Managing Director) Mr. Pawan Khaitan, Executive Director Mr. Ravi Khaitan, Executive Director Mr. Dinkar Rai Joshi, Independent Director (ceased to be director w.e.f. 23.04.2024) Mrs. Anushree Jain, Non-Executive Director (ceased to be director w.e.f. 16.04.2024) Mr. Subodh Kumar Jain, Independent Director (ceased to be director w.e.f. 30.04.2022) Mr. Rajesh Kumar Bansal, Independent Director Mr. Vinod Kumar Rungta, Independent Director (ceased to be director w.e.f. 08.09.2021
Relatives of KMP	Mrs. Nandini Khaitan Mrs. Shashi Khaitan Mrs. Chetana Khaitan Mr. Rahul Khaitan Mr. Aayush Khaitan Mrs. Prerna Agarwal Mrs. Nehal Mittal Mr. Devansh Khaitan Ms. Uditi Khaitan Mrs. Harshita Khaitan Mrs. Avantika Khaitan
Enterprise where KMP along with relatives have significant influence or Control	Pandrol Rahee Precision Industries Pvt Ltd (PRPIPL) (Incorporated w.e.f. 14th July 2021) (Subsidiary of Associate company) RWJ Mercantile Pvt. Ltd. I. P. Khaitan charitable Trust Rahee Foundation Khaitan Brothers Pradeep Kumar Khaitan (HUF) Pawan Kumar Khaitan (HUF) Ravi Kumar Khaitan (HUF) Rahul Khaitan (HUF)

52.B. Summary of transactions with the related parties

Particulars	For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
Sales/Fabrication/Commission Income			
Pandrol Rahee Technologies (P) Ltd (Sale)	112.42	40.59	49.63
Shalimar Fabricators Pvt. Ltd.	5.10	2.15	1.78
Pandrol Rahee Technologies (P) Ltd (Commission)	115.62	15.52	-
Pandrol Rahee Precision Industries Pvt Ltd	0.03	1.72	-
Financial Guarantee Commission Income			
Pandrol Rahee Technologies (P) Ltd	2.31	1.61	-
Purchase/Fabrication Charges			-
Pandrol Rahee Technologies (P) Ltd	437.64	580.23	269.93
Shalimar Fabricators Pvt. Ltd.	85.10	274.25	334.53
Fixed Assets Sale			
Shalimar Fabricators Pvt. Ltd.	0.27	-	-
Fixed Assets Purchase			
Shalimar Fabricators Pvt. Ltd.	48.64	-	-
Pandrol Rahee Technologies (P) Ltd	1.54	-	-
Equipment Hire Charges			
Shalimar Fabricators Pvt. Ltd.	37.74	4.03	-
Labour Charges			
Shalimar Fabricators Pvt. Ltd.	103.62	96.63	-
Pandrol Rahee Technologies (P) Ltd	0.76	-	-
Car Hire Charges			
Shalimar Fabricators Pvt. Ltd.	5.74	-	-

Particulars	For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
Repairing Charges			
Shalimar Fabricators Pvt. Ltd.	-	0.01	-

Particulars	For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
Director Sitting Fees			
Anushree Jain	0.16	0.21	-
Rajesh Kumar Bansal	0.36	0.39	-
Dinkar Rai Joshi	0.22	0.08	-
Interest Income			
Pandrol Rahee Precision Industries Pvt Ltd	-	-	1.32
Shalimar Fabricators Pvt. Ltd.	-	0.70	0.47
Mridul Commodities (P) Ltd.	2.91	3.31	1.36
Rahee Viniyog Limited	0.43	-	1.54
RWJ Mercantile Pvt Ltd.	0.48	2.04	0.74
Staff deputation charges received			
Pandrol Rahee Precision Industries Pvt Ltd	-	1.10	0.42
Interest Payment			
Mridul Commodities (P) Ltd.	2.70	3.73	2.51
Shalimar Fabricators Pvt. Ltd.	0.87	0.08	-
Rahee Viniyog Ltd.	3.46	1.19	-
Re-imbursement of Expenses			
Avantika Khaitan	-	0.78	-
Ayush Khaitan	4.75	2.84	-
Devansh Khaitan	2.47	1.76	-
Pawan Khaitan	1.34	1.05	-
Pradeep Khaitan	0.47	0.22	-
Ravi Khaitan	0.89	1.53	-
Loan/Advances Repayment			
Mridul Commodities (P) Ltd	177.17	39.98	162.33
Shalimar Fabricators Pvt. Ltd.	-	11.11	-
Rahee Viniyog Ltd.	220.43	38.98	-
Loan/Advances Taken			
Mridul Commodities (P) Ltd	100.00	120.70	122.50
Shalimar Fabricators Pvt. Ltd.	1.50	7.18	-
Rahee Viniyog Ltd.	243.80	94.15	19.18
Loan/Advances Given			
Pandrol Rahee Precision Industries Pvt Ltd	-	-	13.22
Mridul Commodities (P) Ltd	100.00	50.00	90.00
Shalimar Fabricators Pvt. Ltd.	-	-	9.95
Rahee Viniyog (P) Ltd	100.00	-	2.75
RWJ Mercantile Pvt Ltd.	22.40	25.43	12.60
Mr. Pradeep Khaitan	-	-	0.24
Mr. Pawan Khaitan	-	-	5.21
Mr. Ravi Khaitan	-	-	3.83
Mr. Rahul Khaitan	-	-	0.50
Mr. Ayush Khaitan	-	-	0.68
Mr. Devansh Khaitan	-	-	0.08
Smt. Nandini Khaitan	-	-	0.12
Advances Given			
Khaitan Brothers	-	0.34	0.07
Loans / Advances Refund Back (Inclusive of Interest)			
Pandrol Rahee Precision Industries Pvt Ltd	-	-	13.22
RWJ Mercantile Pvt Ltd.	51.10	18.90	10.50
Mr. Pradeep Khaitan	-	-	0.10
Mr. Pawan Khaitan	-	-	5.24
Mr. Rahul Khaitan	-	-	0.50
Mrs. Chetna Khaitan	-	-	0.10
Pawan Kr Khaitan (HUF)	-	-	0.01
Khaitan Brothers	0.34	-	-
Salary (including bonus) & Commission			-
Mr. Ravi Khaitan	7.20	3.12	9.56
Mr. Pawan Khaitan	9.60	4.02	11.99
Mr. Pradeep Khaitan	2.64	-	8.00
Mr. Ayush Khaitan	7.20	3.24	3.18
Mrs. Nandini Khaitan	1.50	0.78	0.77
Mrs. Nehal Mittal	0.40	0.30	0.30
Mrs. Chetna Khaitan	0.60	0.60	0.59
Mr. Devansh Khaitan	7.20	3.24	3.18
Mrs. Avantika Khaitan	1.50	0.78	0.77
Mrs. Prerna Agarwal	0.40	0.30	0.30

Particulars	For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
Mrs. Sashi Khaitan	1.50	0.78	0.77
Ms. Uditi Khaitan	1.50	0.84	0.83
Mr. Rahul Khaitan	8.28	4.80	4.80
Mrs. Harshita Khaitan	1.50	0.78	0.77

Particulars	For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
Corporate Guarantee Given			
Pandrol Rahee Technologies (P) Ltd	-	124.00	60.00
Donations Given			
IP Khaitan Charitable Trust	-	0.05	0.10
Rahee Foundation	-	0.10	0.02
Dividend Paid			
Mr. Ravi Khaitan	0.48	0.38	0.29
Mr. Pradeep Khaitan	0.42	0.33	0.25
Mr. Pawan Khaitan	0.26	0.21	0.16
Mr. Rahul Khaitan	0.13	0.11	0.08
Mr. Ayush Khaitan	0.02	0.01	0.01
Mrs. Nandini Khaitan	0.05	0.04	0.03
Mrs. Nehal Mittal	0.02	0.02	0.01
Ms. Prerna Agarwal	-	-	-
Mrs. Sashi Khaitan	0.06	0.05	0.04
Pradeep Kr Khaitan (HUF)	0.16	0.13	0.09
Pawan Kr Khaitan (HUF)	0.02	0.01	0.01
Ravi Kr Khaitan (HUF)	0.01	0.01	-
Mridul Commodities (P) Ltd.	3.09	2.47	1.86
Rahee Viniyog Ltd.	1.74	1.39	1.04
PPR Associates	0.03	0.02	0.02

52.C Summary of Outstanding balances with the related parties

Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Trade Receivable			
Pandrol Rahee Technologies (P) Ltd	35.14	26.98	-
Pandrol Rahee Precision Industries Pvt Ltd	0.24	0.24	-
Shalimar Fabricators Pvt. Ltd.	0.94	-	
Advances to Vendor			
Shalimar Fabricators Pvt. Ltd.	-	52.90	-
Receivable against Corporate Guarantee			
Pandrol Rahee Technologies (P) Ltd	-	2.99	-
Trade Payables			
Pandrol Rahee Technologies (P) Ltd	96.19	40.65	147.44
Shalimar Fabricators Pvt. Ltd.	131.61	106.45	20.91
Loans Receivables			
Mridul Commodities (P) Ltd.	101.58	52.98	-
Rahee Viniyog Limited	100.38	-	-
RWJ Mercantile Pvt Ltd.	-	26.87	19.67
Interest Accrued			
RWJ Mercantile Pvt Ltd.	0.43	1.83	0.67
Advances Receivable			
Shalimar Fabricators Pvt. Ltd.	-	-	17.12
Khaitan Brothers	-	0.34	-
Loans / Advances Payable			-
Mridul Commodities (P) Ltd.	15.00	92.17	-
Shalimar Fabricators Pvt. Ltd.	8.90	6.49	-
Rahee Viniyog Ltd.	79.85	56.24	-
Interest Accrued on Loan taken			
Mridul Commodities (P) Ltd.	2.44	-	-
Rahee Viniyog Ltd.	3.11	-	-
Salary / Bonus Payable			
Mr. Pradeep Khaitan	0.93	-	5.33
Mr. Pawan Khaitan	1.13	0.26	0.35
Mr. Ravi Khaitan	1.11	0.18	0.21
Mr. Ayush Khaitan	1.11	0.19	-
Mr. Rahul Khaitan	2.25	0.38	-
Mr. Devansh Khaitan	0.91	0.19	-
Mrs. Avantika Khaitan	0.28	0.06	0.06
Mrs. Sashi Khaitan	0.28	0.06	0.40

Particulars	For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
Ms. Uditi Khaitan	0.26	0.06	0.11
Mrs. Chetna Khaitan	0.05	0.05	0.02

Particulars	For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
Mrs. Harshita Khaitan	0.28	-	0.06
Munia Devi Khaitan	-	-	0.71
Kundan Jaiswal	-	-	0.12
Mrs. NANDINI KHAITAN	0.28	-	-
Nehal Mittal	0.07	-	-
Prerna Agarwal	0.07	-	-

Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Outstanding Reimbursement of Expenses			
Mr. Ayush Khaitan	0.09	-	-
Outstanding Salary Advance			
Mr. Ayush Khaitan	-	-	0.71
Mr. Devansh Khaitan	1.00	-	0.57
Mrs. Harshita Khaitan	-	0.52	-
Mrs. Nandini Khaitan	-	-	0.08
Mr. Rahul Khaitan	0.15	-	0.47
Outstanding Corporate Guarantee			
Pandrol Rahee Technologies (P) Ltd	308.00	308.00	184.00
Shares Pledged by Promoter against Working capital Loan			
Mridul Commodities (P) Ltd.	67.07	68.50	-
Rahee Viniyog Ltd.	67.07	68.50	-
Outstanding Personal Guarantee/Corporate Guarantee given on behalf of the Company			
Mr. Pawan Khaitan	3,914.32	2,677.16	2,517.71
Mr. Pradeep Khaitan	3,951.88	2,744.14	2,580.20
Mr. Ravi Khaitan	3,867.42	2,633.05	2,063.24
Mr. Rahul Khaitan	340.29	295.02	656.29
Mrs. Nandini Khaitan	3,493.33	2,392.65	1,876.28
Mrs. Shashi Khaitan	3,493.33	2,392.65	1,876.28
Mridul Commodities (P) Ltd.	3,702.61	2,572.11	2,118.91
Rahee Viniyog Limited	3,702.61	2,572.11	2,118.91

52.D Key Management Personnel Compensation:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Short-term employee benefits	24.44	11.40	34.37
Post-employment benefits	-	-	-
Long-term employee benefits	-	-	-
	24.44	**11.40**	**34.37**

Does not include gratuity and compensated absences as these are provided in the books of accounts on the basis of actuarial valuation for the Company as a whole and hence Transactions with related parties are carried out in the normal course of business at arm's length prices.

52.E Related party transactions with Subsidiaries eliminated during the period/year while preparing the Restated Consolidated Financial Information

Names of related parties and related party relationship with whom there is transaction in the current year

Nature	Name
Subsidiaries	Rahee Track Technologies (P) Ltd (RTT) Serpentine Weldtech Engineering (P) Ltd Rahee Steeltech Private Limited Response Metalcraft P. Ltd.

Summary of transactions with the related parties

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Sales/Fabrication/Commission Income			
Rahee Track Technologies (P) Ltd	287.55	76.79	389.76
Rahee Steeltech Private Limited	1.82	-	-
Financial Guarantee Commission Income	-	-	-
Rahee Track Technologies (P) Ltd	7.65	7.49	-

Particulars	For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
Purchase/Fabrication Charges			
Rahee Track Technologies (P) Ltd	7.61	0.06	0.53
Rahee Steeltech Private Limited	2.14	-	-
		-	
Car Hire Charges			
Rahee Track Technologies (P) Ltd	0.18	-	-

Particulars	For the Year ended 31st March 2024	For the Year ended 31st March 2023	For the Year ended 31st March 2022
Equipment hire charges			
Rahee Track Technologies (P) Ltd	0.20	-	-
Interest Income	-	-	-
Serpentine Weldtech Engg (P) Ltd	0.04	1.62	2.20
Response Metalcraft (P) Ltd	0.10	0.08	0.07
Rahee Steeltech Private Limited	2.16	2.70	0.16
Loan/Advances Given			
Serpentine Weldtech Engg (P) Ltd	1.90	2.39	3.36
Response Metalcraft (P) Ltd	0.03	0.01	0.02
Rahee Steeltech Private Limited	4.30	6.40	21.03
Loans / Advances Refund Back (Inclusive of Interest)			
Serpentine Weldtech Engg (P) Ltd	1.90	25.63	-
Rahee Steeltech Private Limited	0.02	12.45	-
Response Metalcraft (P) Ltd	0.94	-	-
Corporate Guarantee Released			
Rahee Track Technologies (P) Ltd	234.20	147.00	-
Commission Paid			
Serpentine Weldtech Engg (P) Ltd	-	3.41	5.47
Investment made			
Serpentine Weldtech Engg (P) Ltd	-	23.00	-
Interest Payment			
Rahee Steeltech (P) Ltd	-	10.56	-
Corporate Gurantee Given			
Rahee Track Technologies (P) Ltd	-	-	150.00

Summary of Outstanding balances with the related parties

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Trade Receivable			
Rahee Steeltech Private Limited	2.15	-	26.61
Advances from Customers			
Rahee Track Technologies (P) Ltd	9.53	5.41	-
Receivable against Corporate Guarantee			
Rahee Track Technologies (P) Ltd	-	6.74	-
Trade Payables			
Serpentine Weldtech Engg (P) Ltd	-	1.02	-
Rahee Track Technologies (P) Ltd	0.45	-	-
Rahee Steeltech Private Limited	2.53	-	-
Investment			
Serpentine Weldtech Engg (P) Ltd	24.00	24.00	-
Response Metalcraft (P) Ltd	0.10	0.10	-
Rahee Steeltech Private Limited	10.00	10.00	-
Rahee Track Technologies (P) Ltd	93.40	93.40	-
Loans Receivables			
Response Metalcraft (P) Ltd	-	0.77	0.76
Rahee Steeltech Private Limited	21.85	15.14	21.05
Serpentine Weldtech Engg (P) Ltd	-	-	19.81
Interest Accrued			
Response Metalcraft (P) Ltd	0.09	0.14	0.06
Serpentine Weldtech Engg (P) Ltd	0.04	-	1.98
Rahee Steeltech Private Limited	1.95	2.43	0.14
Outstanding Corporate Guarantee			
Rahee Track Technologies (P) Ltd	765.00	999.20	1,146.20

(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

53 A. Share in Joint operations

Name of the Joint Operations	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Rahee GPT JV			
- Mahanadi(Naraj) Projects	50%	50%	50%
- Patna Projects	49%	49%	49%
- Brajrajnagar Projects	70%	70%	70%
GPT Rahee JV	43%	43%	43%
Rahee Aliied Nervi JV (Refer Note 53.1)	-	60%	60%
Rahee Agrawal JV (Refer Note 53.1)	-	50%	50%
Rahee Triveni JV (Refer Note 53.1)	-	70%	70%
Rahee Agrawal (ST) JV (Refer Note 53.1)	-	50%	50%
Rahee Jhajharia E to E JV	50%	50%	50%
Kalindee Rahee JV	30%	30%	30%
ATEPL Rahee JV	26%	26%	26%
Rahee PCT JV (Refer Note 53.1)	-	70%	70%
Rahee Emrail JV	49%	49%	49%
Texmaco Rahee JV	40%	40%	40%
Rahee Manglam JV			
- Rishikesh Projects	51%	51%	51%
- NGAP Projects	70%	-	-
Woodhill Rahee JV (Refer Note 53.1)	-	49%	49%
GR JV	49%	49%	49%
RG JV	70%	70%	-
Rockeira Rahee JV	45%	45%	-
Rahee PRT Consortium	80%	-	-

B. Summary of Financial Statement of Joint Operations :

Name of the Joint Venture	Financial year	Company's Share in				
		Assets	Liabilities	Income	Expenses including Tax	Profit after Tax
Rahee GPT JV	2023-24	14.05	14.05	-	0.01	(0.01)
	2022-23	17.02	17.02	-	0.02	(0.02)
	2021-22	3.54	3.54	-	0.09	(0.09)
GPT Rahee JV	2023-24	9.40	9.40	-	3.82	(3.82)
	2022-23	76.76	76.76	-	0.67	(0.67)
	2021-22	(0.77)	(0.77)	-	0.77	(0.77)
Texmaco rahee JV	2023-24	5.62	5.62	0.76	0.77	(0.01)
	2022-23	14.96	14.96	18.49	18.50	(0.01)
	2021-22	17.82	17.82	98.16	98.17	(0.01)
Woodhill Rahee JV (Refer Note 53.1)	2023-24	-	-	-	-	-
	2022-23	5.92	5.92	-	-	-
	2021-22	0.03	0.03	-	0.18	(0.18)
Rahee Aliied Nervi JV (Refer Note 53.1)	2023-24	-	-	-	-	-
	2022-23	2.05	2.05	-	0.01	(0.01)
	2021-22	0.03	0.03	-	0.01	(0.01)
Rahee Agrawal JV (Refer Note 53.1)	2023-24	-	-	-	-	-
	2022-23	3.79	3.79	-	0.01	(0.01)
	2021-22	2.51	2.51	-	0.01	(0.01)
Rahee Triveni JV (Refer Note 53.1)	2023-24	-	-	-	-	-
	2022-23	8.08	8.08	7.15	6.60	0.55
	2021-22	6.93	6.93	-	0.01	(0.01)
Rahee Agrawal (ST) JV (Refer Note 53.1)	2023-24	-	-	-	-	-
	2022-23	2.71	2.71	-	0.01	(0.01)
	2021-22	5.72	5.72	2.24	2.14	0.10
	2023-24	86.23	86.23	-	0.01	(0.01)

Rahee Jhajharia E to E JV	2022-23	88.71	88.71	-	0.50	(0.50)
	2021-22	89.35	89.35	-	0.38	(0.38)
Kalindee Rahee JV	2023-24	21.98	21.98	28.41	28.06	0.34
	2022-23	21.59	21.59	31.14	29.69	1.45
	2021-22	26.26	26.26	40.19	39.86	0.33

ATEPL Rahee JV	2023-24	0.01	0.01	0.02	0.02	-
	2022-23	3.69	3.69	2.14	1.75	0.38
	2021-22	0.25	0.25	0.65	0.48	0.17
Rahee Manglam JV	2023-24	139.88	139.88	207.73	208.51	(0.78)
	2022-23	13.84	13.84	200.35	199.98	0.37
	2021-22	44.56	44.56	293.80	293.93	(0.12)
Rahee Emrail JV	2023-24	13.27	13.27	0.67	0.67	-
	2022-23	13.37	13.37	0.01	0.01	-
	2021-22	13.54	13.54	3.56	3.57	-
Rahee PCT JV (Refer Note 53.1)	2023-24	-	-	-	-	-
	2022-23	2.33	2.33	-	0.01	(0.01)
	2021-22	2.01	2.01	-	0.02	(0.02)
RG JV	2023-24	51.00	51.00	318.54	309.77	8.77
	2022-23	9.62	9.62	68.62	66.13	2.49
	2021-22	-	-	-	-	-
Rockeira Rahee JV	2023-24	11.57	11.57	127.70	127.69	0.01
	2022-23	28.89	28.89	215.86	215.88	(0.02)
	2021-22	-	-	-	-	-
GR JV	2023-24	13.32	13.32	50.59	49.04	1.55
	2022-23	15.19	15.19	75.55	72.28	3.26
	2021-22	23.87	23.87	41.38	39.62	1.77
Rahee PRT Consortium	2023-24	97.68	97.68	7.93	7.95	(0.02)
	2022-23	-	-	-	-	-
	2021-22	-	-	-	-	-
Total	**2023-24**	**464.01**	**464.01**	**742.35**	**736.32**	**6.02**
	2022-23	**328.52**	**328.52**	**619.31**	**612.05**	**7.24**
	2021-22	**235.65**	**235.65**	**479.98**	**479.24**	**0.77**

53.1 Joint Operations are dissolved during the F.Y 2023-24

(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

54 CAPITAL MANAGEMENT

For the purpose of managing capital, Capital includes issued equity share capital and reserves attributable to the equity share holders.
The objective of the Group's capital management are to:
- Safeguard their ability to continue as going concern so that they can continue to provide benefits to their shareholders.
- Maximise the wealth of the shareholder.
- Maintain optimum capital structure to reduce the cost of the capital.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and requirement of financial covenants. In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. The Group includes within net debt, loans and borrowings, less cash and cash equivalents & other bank balances.

Gearing Ratio is as follows

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Net Debt	1,629.98	1,040.08	862.18
Total Equity	3,788.94	3,079.37	2,593.41
Gearing Ratio	**0.30**	**0.25**	**0.25**

54.1 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 loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any loans and borrowing during the years ended March 31, 2024, March 31, 2023 and March 31, 2022.

54.2 No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024, March 31, 2023 and March 31, 2022.

55 FAIR VALUE MEASUREMENT

71.52

A. FAIR VALUE MEASUREMENT

The following table shows the carrying amount and fair values of financial assets and liabilities by category:

Particulars	March 31, 2024		March 31, 2023		March 31, 2022	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets (Non Current)						
i) Other Financial Assets	-	52.88	-	80.54	-	58.56
Total (a)	**-**	**52.88**	**-**	**80.54**	**-**	**58.56**
Financial Assets (Current)						
i) Loans	-	201.96	-	79.85	-	19.67
i) Trade Receivables	-	801.48	-	623.70	-	553.10
iii) Cash and Cash Equivalents	-	99.37	-	246.09	-	290.41
iv) Other bank balances	-	411.60	-	290.79	-	229.15
v. Other Financial assets	-	39.18	-	18.99	-	58.77
Total (b)	**-**	**1,553.59**	**-**	**1,259.42**	**-**	**1,151.10**
Total Financial Assets (a+b)	**-**	**1,606.47**	**-**	**1,339.96**	**-**	**1,209.66**

No financial instruments have been measured at Fair value through Other Comphrehensive Income and hence no disclosure has been given.

Particulars	March 31, 2024		March 31, 2023		March 31, 2022	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Liabilities (Non Current)						
i) Borrowings	-	202.74	-	319.18	-	283.32
ii) Lease Liabilities	-	20.62	-	-	-	-
Total (a)	**-**	**223.36**	**-**	**319.18**	**-**	**283.32**
Financial Liabilities (Current)						
i) Borrowings	-	1,938.21	-	1,257.78	-	1,098.42
ii) Lease Liabilities	-	7.17	-	-	-	-
iii) Trade Payables	-	1,637.20	-	1,206.70	-	826.79
iv) Other Financial Liabilities	-	209.79	-	147.18	4.14	132.89
Total (b)	**-**	**3,792.37**	**-**	**2,611.66**	**4.14**	**2,058.10**
Total Financial Assets (a+b)	**-**	**4,015.73**	**-**	**2,930.84**	**4.14**	**2,341.42**

B. FAIR VALUE OF FINANCIAL ASSETS & LIABILITIES

The following is the comparison by class of the carrying amounts and fair value of the Group's financial instruments that are measured at amortized cost:

Particulars	March 31, 2024		March 31, 2023		March 31, 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets						
Loans	201.96	201.96	79.85	79.85	19.67	19.67
Trade Receivables	801.48	801.48	623.70	623.7	553.10	553.1
Cash and Cash Equivalents	99.37	99.37	246.09	246.09	290.41	290.41
Other bank balances	411.6	411.6	290.79	290.79	229.15	229.15
Other Financial Assets	92.06	92.06	99.53	99.53	117.33	117.33
Total Financial Assets	**1,606.47**	**1,606.47**	**1,339.96**	**1,339.96**	**1,209.66**	**1,209.66**
Financial Liabilities						
Borrowings	2,140.95	2,140.95	1,576.96	1,576.96	1,381.74	1,381.74
Lease Liabilities	27.79	27.79	-	-	-	-
Trade Payables	1,637.20	1,637.20	1,206.70	1,206.70	826.79	826.79
Other Financial Liabilities	209.79	209.79	147.18	147.18	132.89	132.89
Total Financial Liabilities	**4,015.73**	**4,015.73**	**2,930.84**	**2,930.84**	**2,341.42**	**2,341.42**

(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

The management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short term borrowings, and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments. The management has assessed that the fair value of floating rate instruments approximates their carrying value.

C. FAIR VALUE HIERARCHY

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price including within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant input being the discount rate that reflects the credit risk of counterparty. This is the case with listed instruments where market is not liquid and for unlisted instruments.

D. FINANCIAL ASSETS AND LAIBILITIES MEASURED AT AMORTISED COST FOR WHICH FAIR VALUE ARE DISCLOSED:

(a) The Group has measured its Financial Assets and Financial Liabilities at Amortised Cost.

(b) There are no transfer between levels during the F.Y year ended 31st March 2024, 31st March 2023 & 31st March 2022.

(c) The carrying amount of trade receivables, trade payables, cash and cash equivalents, loans, borrowings and other current financial assets and liabilities approximated fair values largely due to the short term maturities.

(d) The fair value of the financial assets and liabilities is 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 fair values of the investments in mutual funds are derived from quoted market prices in active markets.

56 Financial risk management objectives and policies

The Group's activities expose it to the following risks:

a) Credit risk
b) Liquidity risk
c) Market risk

a) Credit Risk

Credit risk is the risk that counter party will not meet its obligations under a financial instruments 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 and financial institutions, investments, foreign exchange transactions and other financial instruments.

i) Trade receivables

Credit risk refers to risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises primarily from financial assets such as trade receivables, bank balances, loans, and other financial assets.

At each reporting date, the Group measures loss allowance for certain class of financial assets based on historical trend, industry practices and the business environment in which the Group operates.

The Group recognises in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date in accordance with Ind AS 109. In determination of the allowances for credit losses on trade receivables, the Group has used a practical expedience by computing the expected credit losses based on ageing matrix, which has taken into account historical credit loss experience and adjusted for forward looking information.

Reconciliation of loss allowance provision	**Trade Receivables**	**Retention Money**	**Advances to Vendors**	**Total**
Doubtful allowance on 1 April 2021	35.65	11.64	4.75	52.04
Changes in loss allowance (net)	(7.60)	(0.95)	2.07	(6.48)
Doubtful allowance on 31 March 2022	**28.05**	**10.69**	**6.82**	**45.56**
Changes in loss allowance (net)	6.81	0.84	(2.40)	5.25
Doubtful allowance on 31 March 2023	**34.86**	**11.53**	**4.42**	**50.81**
Changes in loss allowance (net)	(9.06)	1.92	(0.44)	(7.58)
Doubtful allowance on 31 March 2024	**25.80**	**13.45**	**3.98**	**43.23**

Credit risk is limited as the Group generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investments in liquid mutual fund units. Counterparty credit limits are reviewed by the Group periodically and the limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

b) Liquidity risk

It is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Typically the Group ensures that it has sufficient cash on demand to meet expected short term operational expenses. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans/internal accruals.The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

Particulars	Less than 1 Year	1 year to 3 years	More than 3 years	Total
As at 31 March 2024				
Borrowings	1,938.21	202.61	0.13	2,140.95
Trade payables	1,637.20	-	-	1,637.20
Other Financial Liabilities				
Interest accrued and due	10.05	-	-	10.05
Creditors for capital expenditure	0.37	-	-	0.37
Retention money	122.12	-	-	122.12
Employee related Liabilities	77.25	-	-	77.25
Liability for expenses	-	-	-	-
Payable to Joint Venture Partners	-	-	-	-
Derivative liability at fair value through profit or loss	-	-	-	-
Lease Liabilities	7.17	10.24	10.38	27.79
Total	**3,792.37**	**212.85**	**10.51**	**4,015.73**
As at 31 March 2023				
Borrowings	1,257.78	318.77	0.41	1,576.96
Trade payables	1,206.70	-	-	1,206.70
Other Financial Liabilities				
Interest accrued and due	0.82	-	-	0.82
Creditors for capital expenditure	4.72	-	-	4.72
Retention money	77.47	-	-	77.47
Employee related Liabilities	49.87	-	-	49.87
Payable to J.O. Partners	14.30	-	-	14.30
Derivative liability at fair value through profit or loss	-	-	-	-
Lease Liabilities	-	-	-	-
Total	**2,611.66**	**318.77**	**0.41**	**2,930.84**
As at 31 March 2022				
Borrowings	1,098.42	277.77	5.55	1,381.74
Trade payables	826.79	-	-	826.79
Other Financial Liabilities				
Interest accrued and due	10.41	-	-	10.41
Creditors for capital expenditure	60.11	-	-	60.11
Retention money	36.58	-	-	36.58
Employee related Liabilities	25.79	-	-	25.79
Payable to J.O. Partners	4.14	-	-	4.14
Derivative liability at fair value through profit or loss	-	-	-	-
Lease Liabilities	-	-	-	-
Total	**2,062.24**	**277.77**	**5.55**	**2,345.56**

c) **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. Market risk comprises three type of risks: Foreign Exchange Risk and Interest Rate Risk.

1) Commodity Price Risk

Company is affected by the price volatility of certain commodities, primarily, Steel, Cement & other construction materials. Its operating activities require the on-going purchase of these materials. The company has arrangement to pass-through the increase/decrease in price of input materials through price variance clause in majority of the contract.

2) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rate relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency). Further, the Group has foreign currency risk on funds borrowed in foreign currency for its business. The Group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Certain transactions of the Group act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies, for the remaining exposers to foreign exchange risks, the Group adopts a policy of selective hedging based on risk perception of management using derivative, whenever required, to mitigate or eliminate the risks.

i) Unhedged Foreign Currency Exposure

The Group’s exposure to foreign currency risk at the end of the reporting period are as given below.

Particulars	As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Foreign Currency	INR Value	Foreign Currency	INR Value	Foreign Currency	INR Value
Financial Asset						
Trade Receivable in USD	0.11	9.08	0.15	12.49	0.06	4.71
Financial Liabilities						
Trade Payable in USD	0.03	2.14	-	-	-	-
Trade Payable in Euro	0.11	9.83	0.07	6.39	-	-
Net Exposure in Foreign Currency (Payable)/Receivables		**6.94**		**12.49**		**4.71**
Net Exposure in Foreign Currency (Payable)/Receivables		**(9.83)**		**(6.39)**		**-**

ii) Impact of increase/ decrease in the exchange rates on the Group's equity and statement of profit and loss for the year is given below:

Particulars	As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Increase /(decrease) in		Increase /(decrease) in		Increase /(decrease) in	
	Profit Before Tax	Other Equity	Profit Before Tax	Other Equity	Profit Before Tax	Other Equity
USD						
Increase in USD- INR Exchange rate by 5 %	0.35	0.26	0.62	0.47	0.24	0.18
Decrease in USD- INR Exchange rate by 5 %	(0.35)	(0.26)	(0.62)	(0.47)	(0.24)	(0.18)
Euro						
Increase in Euro- INR Exchange rate by 5 %	(0.49)	(0.37)	-	-	-	-
Decrease in Euro- INR Exchange rate by 5 %	0.49	0.37	-	-	-	-

(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

iii) Derivative Financial Instruments

Outstanding position and fair value of derivative financial instruments (Non designated at cash flow hedge) is given below:

Particulars	As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Foreign Currency	INR Value	Foreign Currency	INR Value	Foreign Currency	INR Value
Forward Contract to buy	-	-	-	-	2.62	198.82
Forward Contract to sell	-	-	-	-	-	-
Net Exposure in Foreign Currency Payable	**-**	**-**	**-**	**-**	**2.62**	**198.82**

3) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group does not have borrowings and hence, is not exposed to any significant interest rate risk.

i) Exposure to interest rate risk

Particulars	31st March 2024	31st March 2023	31st March 2022
Fixed Rate Instruments			
Financial Assets	686.24	517.32	430.56
Financial Liabilities	380.71	214.91	80.24
Variable Rate Instruments			
Financial Assets	-	-	-
Financial Liabilities	1,760.24	1,362.05	1,301.50

ii) Sensitivity Analysis

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates. This analysis assumes the borrowings outstanding at the reporting date would be outstanding for the entire reproting period and all other variables remain constant.

Particulars	Sensitivity Analysis	31st March 2024		31st March 2023		31st March 2022	
		Impact on		Impact on		Impact on	
		Profit before tax	Other Equity	Profit before tax	Other Equity	Profit before tax	Other Equity
Interest Rate Increase by	1%	(17.60)	(13.17)	(13.62)	(10.19)	(13.02)	(9.74)
Interest Rate Decrease by	1%	17.60	13.17	13.62	10.19	13.02	9.74

57 Additional information pursuant to the guidance note on division II - Ind AS Schedule III to the Companies Act 2013:

A. For the Year ended and as on 31st March, 2024

Name of the entity in the group	Net Assets, i.e total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated net Profit/(Loss)	Amount	As % of consolidated net OCI	Amount	As % of consolidated net TCI	Amount
(a) Parent:								
Rahee Infratech Limited	68.71%	2,926.43	66.58%	506.85	92.56%	2.86	66.69%	509.71
(b) Subsidiaries:								
Indian subsidiaries:								
Rahee Track Technologies Private Limited	24.64%	1,049.31	13.74%	104.62	10.03%	0.31	13.73%	104.93
Serpentine Weldtech Engineering Private Limited	0.20%	8.73	-0.15%	(1.17)	-	-	-0.15%	(1.17)
Response Metalcrafts Private Limited	0.00%	0.02	0.02%	0.16	-	-	0.02%	0.16
Rahee Steeltech Private Limited	0.22%	9.44	-0.16%	(1.25)	-	-	-0.16%	(1.25)
(c) Associates:								
Pandrol Rahee Technologies Private Limited	9.70%	413.28	19.87%	151.28	-2.59%	(0.08)	19.78%	151.20
Minority interest in all subsidiaries	11.05%	470.31	6.32%	48.14	4.53%	0.14	6.31%	48.28
Consolidation adjustment	-14.52%	(618.27)	-6.22%	(47.38)	-4.53%	(0.14)	-6.22%	(47.52)
Total	**100.00%**	**4,259.25**	**100.00%**	**761.25**	**100.00%**	**3.09**	**100.00%**	**764.34**

B. For the Year ended and as on 31st March, 2023

Name of the entity in the group	Net Assets, i.e total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated net Profit/(Loss)	Amount	As % of consolidated net OCI	Amount	As % of consolidated net TCI	Amount
(a) Parent:								
Rahee Infratech Limited	69.21%	2,423.27	85.23%	444.24	89.55%	(4.97)	85.18%	439.27
(b) Subsidiaries:								
Indian subsidiaries:								
Rahee Track Technologies Private Limited	26.97%	944.38	10.33%	53.85	9.73%	(0.54)	10.34%	53.31
Serpentine Weldtech Engineering Private Limited	0.28%	9.91	-0.01%	(0.06)	-	-	-0.01%	(0.06)
Response Metalcrafts Private Limited	0.00%	(0.14)	-0.03%	(0.14)	-	-	-0.03%	(0.14)
Rahee Steeltech Private Limited	0.31%	10.69	0.14%	0.74	-	-	0.14%	0.74
(c) Associates:								
Pandrol Rahee Technologies Private Limited	7.48%	262.08	3.06%	15.93	0.72%	(0.04)	3.08%	15.89
Minority interest in all subsidiaries	12.05%	422.03	4.75%	24.79	4.44%	(0.25)	4.76%	24.54
Consolidation adjustment	-16.30%	(570.82)	-3.47%	(18.11)	-4.44%	0.25	-3.46%	(17.86)
Total	**100.00%**	**3,501.40**	**100.00%**	**521.24**	**100.00%**	**-5.55**	**100.00%**	**515.69**

C. For the Year ended and as on 31st March, 2022

Date : 14.09.2024	Net Assets, i.e total assets		Share in profit or (loss)		Share in other comprehensive		Share in total	
	As % of consolidated net assets	Amount	As % of consolidated net Profit/(Loss)	Amount	As % of consolidated net OCI	Amount	As % of consolidated net TCI	Amount
(a) Parent:								
Rahee Infratech Limited	56.81%	1,989.13	46.62%	243.01	-35.32%	1.96	47.50%	244.97
(b) Subsidiaries:								
Indian subsidiaries:								
Rahee Track Technologies Private Limited	25.45%	891.07	38.73%	201.87	-10.63%	0.59	39.26%	202.46
Serpentine Weldtech Engineering Private Limited	-0.37%	(13.03)	0.32%	1.67	-	-	0.32%	1.67
Response Metalcrafts Private Limited	0.00%	0.01	-0.01%	(0.04)	-	-	-0.01%	(0.04)
Rahee Steeltech Private Limited	0.28%	9.95	-0.01%	(0.05)	-	-	-0.01%	(0.05)
(c) Associates:								
Pandrol Rahee Technologies Private Limited	7.03%	246.20	6.13%	31.95	0.91%	(0.05)	6.19%	31.90

Minority interest in all subsidiaries	11.35%	397.49	17.82%	92.89	-4.92%	0.27	18.07%	93.16
Consolidation adjustment	-0.55%	(529.92)	-9.60%	(100.34)	149.96%	(0.27)	-11.32%	(100.61)
Total	**100.00%**	**2,990.90**	**100.00%**	**470.96**	**100.00%**	**2.50**	**100.00%**	**473.46**

(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

58 Ratio Analysis and its elements

Ratio	Numerator	Value	Denominator	Value	F.Y.2023-24	F.Y.2022-23	Variance (in %)	Remarks
Current ratio	Current Assets	5,915.35	Current Liabilities	3,994.95	1.48	1.55	-4.52%	NA
Debt-equity ratio	Total Debt	2,140.95	Shareholder's Equity	3,788.94	0.57	0.51	11.76%	NA
Debt service coverage ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of PPE, balance written off etc..	1,079.47	Debt service = Interest & Lease Payments + Principal Repayments	454.79	2.37	2.90	-18.28%	NA
Inventory turnover ratio	Revenue from Operations	9,657.37	Average inventory =(Opening + Closing balance / 2)	1,898.45	5.09	5.74	-11.32%	NA
Trade receivables turnover ratio	Revenue from Operations	9,657.37	Average trade debtors including contract assets = (Opening + Closing balance / 2)	1,200.49	8.04	7.21	11.51%	NA
Trade payables turnover ratio	Expenses = Total Expenses - (Finance cost + Depreciation + Employee Benefits+Other non cash expenses)	7,733.20	Average Trade Payables (Opening + Closing balance / 2)	1,421.95	5.44	6.27	-13.24%	NA
Net capital turnover ratio	Revenue from Operations	9,657.37	Working Capital =Working capital shall be calculated as current assets minus current liabilities.	1,920.40	5.03	5.15	-2.33%	NA
Net profit ratio	Net Profit after Tax (excluding profit of share of Associate)	609.97	Total Income	9,751.80	6.25%	6.40%	-2.32%	NA
Return on equity ratio	Net Profit after Tax (attributable to owners of the company including share of profit of associate)	713.11	Average Shareholder's Equity	3,434.16	20.77%	17.50%	18.64%	NA
Return on capital employed	Earning before interest and taxes (excluding share of profit of Associate)	1,079.01	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	5,405.15	19.96%	20.98%	-4.86%	NA

Ratio	Numerator	Value	Denominator	Value	F.Y.2022-23	F.Y. 2021-22	Variance (in %)	Remarks
Current ratio	Current Assets	4,282.12	Current Liabilities	2,755.67	1.55	1.50	3.33%	NA
Debt-equity ratio	Total Debt	1,576.96	Shareholder's Equity	3,079.37	0.51	0.53	-3.77%	NA
Debt service coverage ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of PPE, balance written off etc..	882.38	Debt service = Interest & Lease Payments + Principal Repayments	304.08	2.90	3.89	-25.45%	Interest & Loan payment has increased at higer rate during the year as compared to previous year
Inventory turnover ratio	Revenue from Operations	7,858.21	Average inventory =(Opening + Closing balance / 2)	1,369.37	5.74	5.95	-3.53%	NA
Trade receivables turnover ratio	Revenue from Operations	7,858.21	Average trade debtors including contract assets = (Opening + Closing balance / 2)	1,090.40	7.21	5.03	43.34%	Trade receivables has increased considerably as compared to increase in Revenue from operation.
Trade payables turnover ratio	Expenses = Total Expenses - (Finance cost + Depreciation + Employee Benefits+Other non cash expenses)	6,377.79	Average Trade Payables (Opening + Closing balance / 2)	1,016.74	6.27	4.59	36.60%	Cost of goods sold has increased at an higher rate as compared to the increase in trade payable during the year.
Net capital turnover ratio	Revenue from Operations	7,858.21	Working Capital =Working capital shall be calculated as current assets minus current liabilities.	1,526.45	5.15	5.04	2.18%	NA
Net profit ratio	Net Profit after Tax (excluding profit of share of Associate)	505.31	Total Income	7,891.23	6.40%	7.82%	-18.15%	NA
Return on equity ratio	Net Profit after Tax (attributable to owners of the company including share of profit of associate)	496.45	Average Shareholder's Equity	2,836.39	17.50%	15.72%	11.35%	NA
Return on capital employed	Earning before interest and taxes (excluding share of profit of Associate)	866.30	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	4,128.60	20.98%	22.21%	-5.52%	NA

59 Borrowings secured against current assets - Based on the requirements of Amended Schedule III

The Group has been regular in filing stock and book debt statements with the bank as per the terms of sanction of work capital facilities. Reconciliation of stock and book debt statements submitted to bank vis-à-vis

A. As given by Holding Company

Month ended	Name of banks	Particulars of Securities Provided	Amount as per books of accounts	Amount as reported in monthly statement	Differences	Reasons for differences
March 2024	Indian Bank, ICICI Bank, Axis Bank, Bank of India,Union Bank of India	Inventories	1,775.09	1,776.20	(1.11)	N.A
		Contract Assets	1,571.13	1,263.86	307.27	Retention Money receivable for a period exceeding 12 months have not been considred in Stock Statement.
		Trade Receivables	482.08	485.76	(3.68)	N.A
		Advances from Customers	213.48	163.63	49.85	N.A
		Trade Payables & Retention	1,277.61	1,352.94	(75.33)	N.A
		Advances to Vendors	60.82	78.68	(17.86)	Advances to Vendor outstanding for a period more than 12 months have been reviewed and adjusted post submission of Stock statement.
December 2023		Inventories	1,337.10	1,355.51	(18.41)	N.A
		Contract Assets	1,092.84	1,092.84	-	N.A
		Trade Receivables	512.25	496.88	15.37	N.A
		Advances from Customers	171.14	171.14	-	N.A
		Trade Payables & Retention	1,221.90	1,238.27	(16.37)	N.A
		Advances to Vendors	139.23	139.23	-	N.A
September 2023		Inventories	1,082.40	1,075.84	6.56	N.A
		Contract Assets	967.75	967.75	-	N.A
		Trade Receivables	357.28	386.97	(29.69)	N.A
		Trade Payables & Retention	866.74	861.77	4.97	N.A
		Advances to Vendors	144.00	142.57	1.43	N.A
June 2023		Inventories	1,137.78	1,112.25	25.53	N.A
		Contract Assets	537.73	537.73	-	N.A
		Trade Receivables	378.95	402.91	(23.96)	N.A
		Trade Payables & Retention	815.34	788.82	26.52	N.A
		Advances to Vendors	141.69	141.85	(0.16)	N.A
March 2023		Inventories & Contract Assets	1,384.33	1,072.78	311.55	Trade Payable has been incresed due to subsquent booking of Invoices and providing liabilities for expenses and corresponding increase in Unbilled Revenue and Inventories on Balance Sheet date.
		Trade Receivables	437.16	467.24	(30.08)	
		Trade Payables	898.53	735.75	162.78	
		Advances to Vendors	101.40	150.10	(48.70)	
December 2022		Inventories & Contract Assets	1,171.15	1,144.17	26.98	Trade Payables & Advances to vendors : Trade payables & Advances in respect of Raw Materials / Construction Materials have only been considered for submission of stock statements. The stock statements does not include amount payable or advance given to Sub contractors and other Vendors related to expenses / consumables, etc.
		Trade Receivables	395.73	404.21	(8.48)	
		Trade Payables	237.02	233.53	3.49	
		Advances to Vendors	149.35	-	149.35	

September 2022		Inventories & Contract Assets	1,361.35	1,173.39	187.96	Trade Payables & Advances to vendors : Trade payables & Advances in respect of Raw Materials / Construction Materials have only been considered for submission of stock statements. The stock statements does not include amount payable or advance given to Sub contractors and other Vendors related to expenses / consumables, etc.
		Trade Receivables	439.08	412.20	26.89	
		Trade Payables	308.70	298.18	10.52	
		Advances to Vendors	173.70	20.93	152.77	
June 2022		Inventories & Contract Assets	1,310.61	1,214.49	96.12	Trade Payables & Advances to vendors : Trade payables & Advances in respect of Raw Materials / Construction Materials have only been considered for submission of stock statements. The stock statements does not include amount payable or advance given to Sub contractors and other Vendors related to expenses / consumables, etc.
		Trade Receivables	403.45	410.49	(7.04)	
		Trade Payables	380.06	183.92	196.14	
		Advances to Vendors	128.70	8.17	120.53	
March 2022	Indian Bank, ICICI Bank, Axis Bank, Bank of India,	Inventories & Contract Assets	786.14	1,032.32	(246.18)	**i) Inventories & Contract Assets**: Details for year ended March 2022 was submitted on provisional quantity as consumption number from all sites were not fully noted and on value was done basis "Last In price) method" where prices was generated by ERP system and that was under implementation phase. This resulted in difference from final audited figures. The minor difference in first 3) quarters, the difference is arising due to time lag between accounts and stock statement date. **ii) Trade Receivables :**Impact of elimination of transactions with Joint Operations and other IND AS adjustments not considered in Stock Statement submitted to banks. **iii) Trade Payables & Advances to vendors :**Trade payables & Advances in respect of Raw Materials / Construction Materials have only been considered for submission of stock statements. The stock statements does not include amount payable or advance given to Sub contractors and other Vendors related to expenses / consumables, etc.
		Trade Receivables	471.94	499.77	(27.83)	
		Trade Payables	740.28	266.83	473.45	
		Advances to Vendors	165.92	35.67	130.25	
December 2021		Inventories & Contract Assets	868.25	883.34	(15.09)	
		Trade Receivables	323.42	337.64	(14.22)	
		Trade Payables	335.53	106.66	228.87	
		Advances to Vendors	361.35	213.05	148.30	
September 2021		Inventories & Contract Assets	813.49	795.95	17.54	
		Trade Receivables	405.76	435.18	(29.42)	
		Trade Payables	353.91	47.33	306.58	
		Advances to Vendors	387.76	-	387.76	
June 2021		Inventories & Contract Assets	877.05	859.01	18.04	
		Trade Receivables	312.69	345.37	(32.68)	
		Trade Payables	334.04	51.90	282.14	
		Advances to Vendors	295.02	51.17	243.85	

B. As given by Subsidiary Companies

Month ended	Name of banks	Particulars of Securities Provided	Amount as per books of accounts	Amount as reported in monthly statement	Differences	Reasons for differences
March 2024	ICICI Bank, Union Bank of India	Inventory	413.03	413.20	(0.17)	Purchase accounted for pending GRN and change in WIP
		Trade Receivable	292.51	295.42	(2.91)	ECL Provision was not taken in Book Debt Statement.
		Advance to Vendors	24.39	22.83	1.56	The stock statement does not include advance given to vendors
		Trade Payable	88.04	64.46	23.58	The stock statement does not include vendors related to
December 2023		Inventory	388.81	388.36	0.45	Purchase accounted for pending GRN and change in WIP
		Trade Receivable	160.81	161.66	(0.85)	ECL Provision was not taken in Book Debt Statement.
		Advance to Vendors	234.05	209.99	24.06	The stock statement does not include advance given to vendors related to expenses and capital goods.
		Trade Payable	105.81	60.16	45.65	The stock statement does not include vendors related to
September 2023		Inventory	421.27	424.19	(2.92)	Purchase accounted for pending GRN and change in WIP
		Trade Receivable	239.66	240.90	(1.24)	ECL Provision was not taken in Book Debt Statement.
		Advance to Vendors	98.57	97.13	1.44	The stock statement does not include advance given to vendors related to expenses and capital goods.
		Trade Payable	51.18	36.44	14.74	The stock statement does not include vendors related to expenses.
June 2023		Inventory	441.64	441.09	0.55	Purchase accounted for pending GRN and change in WIP
		Trade Receivable	311.62	309.68	1.94	ECL Provision was not taken in Book Debt Statement.
		Advance to Vendors	78.80	75.72	3.08	The stock statement does not include advance given to vendors related to expenses and capital goods.
		Trade Payable	88.72	75.36	13.36	The stock statement does not include vendors related to expenses.
March 2023		Inventory	614.80	596.14	18.66	Purchase accounted for pending GRN and change in WIP
		Trade Receivable	125.39	126.80	(1.41)	Price Varation bill not shown in Book Debt Report
		Advance to Vendors	62.74	59.51	3.23	Not required
		Trade Payable	213.25	201.84	11.41	Purchase accounted for pending GRN
December 2022		Inventory	546.21	540.27	5.94	Purchase accounted for pending GRN
		Trade Receivable	33.09	27.55	5.54	Price Varation bill not shown in Book Debt Report
		Advance to Vendors	42.64	42.64	-	Not required
		Trade Payable	136.31	123.20	13.11	Purchase accounted for pending GRN
September 2022		Inventory	423.75	423.44	0.31	Purchase accounted for pending GRN
		Trade Receivable	82.66	80.04	2.62	Price Varation bill not shown in Book Debt Report
		Advance to Vendors	72.12	72.12	-	Not required
		Trade Payable	85.49	85.11	0.38	Purchase accounted for pending GRN
June 2022		Inventory	302.38	280.73	21.65	Purchase accounted for pending GRN and change in WIP
		Trade Receivable	170.43	168.38	2.05	ECL Provision was not taken in Book Debt Statement.
		Advance to Vendors	40.75	40.75	-	The stock statement does not include advance given to vendors related to expenses.
		Trade Payable	30.42	12.05	18.37	Purchase accounted for pending GRN

March 2022	Indian Bank, ICICI Bank, Axis Bank, Bank of India,	Inventory	420.49	404.10	16.39	Cost allocation to Investory for freight inward Purchase accounted for pending GRN
		Book Debts	152.99	135.64	17.35	Unbilled Revenue Provison for Dobutful debts Exchange difference on overseas receivable
		Creditors foor goods	73.71	71.42	2.29	Purchase accounted for pending GRN
December 2021		Inventory	284.08	283.69	0.39	Purchase accounted for pending GRN
		Book Debts	191.59	191.59	-	Not Required
		Creditors foor goods	41.15	40.88	0.27	Purchase accounted for pending GRN
September 2021		Inventory	175.20	174.42	0.78	Purchase accounted for pending GRN
		Book Debts	285.16	285.16	-	Not Required
		Creditors foor goods	35.31	34.56	0.75	Purchase accounted for pending GRN
June 2021		Inventory	287.60	286.93	0.67	Purchase accounted for pending GRN
		Book Debts	158.73	158.73	-	Not Required
		Creditors foor goods	44.22	43.46	0.76	Purchase accounted for pending GRN

* Does not include company share of Joint Operations.

(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

60 Part A - Reconciliation between audited equity and restated equity

Reconciliation between audited equity and restated equity

Particulars	**As at 31st March, 2024**	**As at 31st March, 2023**	**As at 31st March, 2022**
a) Total equity (as per audited financial statements)	3,788.94	3,079.37	2,593.41
b) Adjustments made in Restated Consolidated Financial Information	-	-	-
Total Equity as per restated consolidated statement of assets and liabilities (a+b)	**3,788.94**	**3,079.37**	**2,593.41**

Reconciliation between audited profit & restated profit

Particulars	**For the Year ended 31st March 2024**	**For the Year ended 31st March 2023**	**For the Year ended 31st March 2022**
a) Total Profit after tax (including share of associate) (as per audited financial statements)	761.25	521.24	470.96
b) Adjustments made in Restated Consolidated Financial Information	-	-	-
Total profit as per restated consolidated statement of profit & loss (a+b)	**761.25**	**521.24**	**470.96**

Part B - Non adjusting events

a) Audit qualifications for the respective years, which do not require any adjustments in the restated consolidated financial information are as follows:

There are no audit qualification in auditor's report for the year ended 31st March, 2024 and financial year ended 31st March, 2023 and 31st March, 2022.

1) Emphasis of matters not requiring adjustments to restated consolidated financial information:
Emphasis of matter for the period ended March 31, 2024
We draw attention to Note 13.2 of the consolidated financial statement which states that there are uncertainties on recoverability of Company's share of contract assets, trade and other receivables aggregating Rs. 76.02 million (76.01 million as at 31 March 2023) in respect of one joint operations, wherein the underlying projects have been completed and as represented to us, the management of such joint operations have initiated arbitration proceedings for recovery of dues.Our opinion is not modified in respect of this matter.

2) Emphasis of matter for the period ended March 31, 2023
We draw attention to Note 13.2 of the consolidated financial statement which states that there are uncertainties on recoverability of Company's share of contract assets, trade and other receivables aggregating Rs. 76.01 million (Rs 75.77 million as at 31 March 2022) in respect of one joint operations, wherein the underlying projects have been completed and as represented to us, the management of such joint operations have initiated arbitration proceedings for recovery of dues. Our opinion is not modified in respect of this matter.

3) Emphasis of matter for the period ended March 31, 2022
We draw attention to Note 13.2 of the consolidated financial statement which states that there are uncertainties on recoverability of Company's share of contract assets, trade and other receivables aggregating Rs. 75.77 million (Rs 75.77 millon as at 31 March 2021) in respect of one joint operations, wherein the underlying projects have been completed and as represented to us, the management of such joint operations have initiated arbitration proceedings for recovery of dues.Our opinion is not modified in respect of this matter.

Part C - Material re-grouping
Appropriate re-groupings have been made in the Restated Consolidated Statement of assets and liabilities, profit and loss and cash flows, wherever required, in accordance with Schedule III of Companies Act, 2013 (Revised as per MCA notification dated March 24, 2021), requirements of Ind AS 1 and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended.

61 i) The company and one of its subsidiary have used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility, which have operated throughout the year for all relevant transactions recorded in the software, except -
(a) the audit trail feature was not enabled throughout the year at the database level in respect of both the accounting software(s) (i.e. Microsoft Dynamics NAV & HR One) to log any direct data changes .
(b) in respect of HR One application; audit trail is present for attendance regularization and employee loan module. However, the audit trail is not present for the payroll processing, manual attendance upload, and manual fee addition modules.
ii) In case of other 3 subsidiary companies and in case of all the companies included in associate company, the feature of recording audit trail (edit trail) facility in the accounting software was not enabled throughout the year for all relevant transactions recorded in the software and, accordingly, the respective auditors of the subsidiary companies were unable to comment whether the audit trail feature was tempered or not.

62 (i) The Board of Directors of one of the subsidiary Company ("M/s. Rahee Track Technologies Private Limited") vide its meeting held dated 13th May 2024 had proposed to buy-back of 12,25,000 equity shares of Rs. 10/- each fully paid up at a premium of Rs. 37/- per equity share. The buy-back of 11,89,158 equity shares has been completed as on the date of approval of the Restated Consolidated Financial Information, post which the shareholding of Rahee Infratech Limited has increased from 53.98% to 100.00%.

(ii) The Board of Directors at its meeting held on August 24, 2024 has approved the acquisition, by way of slump sale, of the 'Railway Component Business' of promoter entity M/s. Shalimar Fabricators Private Limited (SFPL) for a purchase consideration of Rs. 160.00 millions. The Company has entered into a Business Transfer Agreement dated September 13, 2024 with the SFPL in respect of the above transaction.

(All amounts are in millions of Indian Rupees except share data or unless otherwise stated)

63 The shareholders of the Company at the Extra ordinary General Meeting held on August 24, 2024 have passed the following resolutions:

a) Pursuant to resolutions passed by the Board at their meeting dated August 24, 2024, the Company has sub-divided its equity shares of face value of Rs.10 each to Equity Shares of face value of Rs. 2 each. Accordingly, 64,88,665 shares of Rs.10 each has been converted into 3,24,43,325 equity shares of face value of Rs. 2 each.

(b) Further, the shareholder's also approved issuance of bonus shares to the existing shareholders in the ratio of 1:1 i.e. one bonus equity share for each existing equity share. Subsequently, the Board of Directors at their meeting held on September 14, 2024 have alloted 3,24,43,325 bonus equity shares to the shareholders of the Company by capitalizing the sum of Rs.64.89 million from and out of Securities Premium Reserve of the Company. Necessary formalities such as filing of relevant e-forms with Registrar of Companies, etc.is still in process as on date of approval of this Restated Consolidated Financial Information.

(c) The Board of Directors at its meeting held on August 24, 2024 have recommended further increase in Authorized Capital of the Company from Rs.115.00 million to Rs.170.00 million comprising of 8,50,00,000 no. of Equity Share of face value of Rs.2 each ranking pari passu with the existing shares of the Company.

The accompanying notes are an integral part of the Restated Consolidated Financial Information

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As per our report of even date

For and on behalf of the Board of Directors

For Singhi & Co.
Chartered Accountants
(Firm Registration No.302049E)

(Ankit Dhelia)	**Pradeep Khaitan**	**Ravi Khaitan**
Partner	**Chairman and Managing Director**	**Whole Time Director**
(Membership No.069178)	**DIN: 00179108**	**DIN: 00179329**
Place : Kolkata	**Rajesh Kumar Goenka**	**Kundan Jaiswal**
Date : September 14,2024	**Chief Financial Officer**	**Company Secretary**

OTHER FINANCIAL INFORMATION

The audited standalone financial statements of our Company and our Material Subsidiary, Rahee Track Technologies Private Limited, for the Fiscals ended March 31, 2024, March 31, 2023, and March 31, 2022, together with all the annexures, schedules and notes thereto (collectively, the "**Standalone Financial Statements**") are available at https://www.rahee.com/investor.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Standalone Financial Statements and the reports thereon do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Standalone Financial Statements and the reports thereon should not be considered as part of information that any investor should consider in order to subscribe for or purchase any securities of our Company, its Subsidiaries or any entity in which it or its shareholders have significant influence (collectively, the "**Group**") and should not be relied upon or used as a basis for any investment decision. Due caution is advised when accessing and placing reliance on any historic or other information available in the public domain. None of the Group or any of its advisors, nor any of the BRLMs or the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Standalone Financial Statements, or the opinions expressed therein.

The details of accounting ratios derived from our Restated Consolidated Financial Information required to be disclosed under the SEBI ICDR Regulations are set out below:

(in ₹, except share data)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Earnings per Equity Share			
- Basic Earning per share (in ₹)	10.99	7.65	5.83
- Diluted Earning per share (in ₹)	10.99	7.65	5.83
RoNW (in %)	22.76%	20.48%	19.51%
NAV per Equity Share (in ₹)	48.29	37.36	29.87
EBITDA (in ₹ million)	1,241.23	1,005.87	885.75

Notes:

1. *Pursuant to a resolution of the Board of Directors and the Shareholders at their extra-ordinary general meeting both held on August 24, 2024:*
   - *each equity share of the Company of face value of ₹ 10 each was sub-divided into 5 equity shares of face value of ₹ 2 each. Accordingly, 64,88,665 shares of ₹10 each has been converted into 32,443,325 equity shares of face value of ₹2 each.*
   - *issue of bonus equity shares were approved to the existing shareholders in the ratio of 1:1 i.e. one bonus equity share for each existing equity share. Accordingly, the Board of Directors at their meeting held on September 14, 2024 have allotted 32,443,325 bonus equity shares to the shareholders of the Company by capitalizing the sum of ₹ 64.89 million from and out of securities premium reserve of the Company.*

   All per share data has been calculated after giving effect to such sub-division and bonus issue in accordance with principles of Ind AS 33.

   (i) Basic EPS and Diluted EPS for all the year are considered post the spilt in the face value of equity shares and issue of Bonus Equity Shares in accordance with Ind AS 33 – Earning Per Share notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

   (ii) Basic EPS and Diluted EPS = Restated profit for the year attributable to equity shareholders of the Company divided by total weighted average number of equity shares outstanding at the end of the year.

2. *Return on Net Worth = Profit after Tax (attributable to owners of the company including share of profit of associate) divided by Net Worth.*

   "Net worth" means the aggregate value of paid-up share capital and other equity created out of the profits, 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, derived from the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

3. *Net Assets Value per equity share (₹): NAV is calculated by dividing net asset by number of equity shares outstanding at the end of the year adjusted for the split in the face value of the equity shares and issue of Bonus Equity Shares.*

4. *EBITDA – Earnings before Interest, Tax, Depreciation and Amortization*

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

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. Prospective investors should read "Forward-Looking Statements" beginning on page 20 for a discussion of the risks and uncertainties related to those statements along with "Risk Factors", "Industry Overview", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 36, 155, 316 and 390, 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.

Our Company's financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular fiscal year are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscal 2024, Fiscal 2023 and Fiscal 2022, 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 316. Please also refer to "Definitions and Abbreviations" on page 1 for certain terms used in this section. The Restated Consolidated Financial Information is based on our audited financial statements and is restated in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations. Our audited financial statements are prepared in accordance with Indian Accounting Standards, which differs in certain material respects with IFRS and U.S. GAAP. For details, see "Risk Factors – Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as US GAAP and IFRS which may affect investors' assessments of our Company's financial condition" on page 70.

Unless the context otherwise requires, in this section, references to "we", "us", "our" "our Company" or "the Company" refers to Rahee Infratech Limited and its Subsidiaries on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Industry Research on Indian Railways Infrastructure" dated September 2024 (the "**CARE Report**", and the date of the CARE Report, the "**Report Date**") 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 an engagement letter entered into with our Company dated June 6, 2024. 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 is available on the website of our Company at www.rahee.com/investor from the date of the 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. For more information and risks in relation to commissioned reports, see "Risk Factors – Certain sections of this Draft Red Herring Prospectus contain information from the CARE Report which we commissioned and purchased and any reliance on such information for making an investment decision in the Offer is subject to inherent risks" on page 64. Also see, "Certain Conventions, Presentation of Financial, Industry and Market Data – Industry and Market Data" on page 18.*

OVERVIEW

We are an integrated railway civil engineering, manufacturing and construction company in India with a 31.69% CAGR growth in revenue from Fiscal 2022 to Fiscal 2024. We are focused on providing manufacturing and construction services including the design, supply, construction and installation of tracks, turnkey bridge construction projects including both substructure and superstructure and the design, manufacture and supply of turnouts and track devices, rail fastening systems and sleepers. We obtained a patent for improved switch expansion joint design duly head hardened imparting increased life potential which was licensed to the Indian Railways for mass usage in 2008 and which replaced the conventional design across Indian Railways (*Source: CARE Report*). We are an RDSO approved supplier of turnouts and special track devices to the Indian Railways. We are a manufacturer and supplier of advanced rail fastening systems to the Indian Railways which are used in Metro Rail and High Speed Rails (HSR) in India (*Source: CARE Report*) and have patented Zero Restraint Fastening System for steel sleepers on bridges in 2002 which was licensed to the Indian Railways for mass usage across Indian Railways (*Source: CARE Report*). Pandrol Rahee Technologies Private Limited, our Associate, is a licensed Indian manufacturing company offering specialised rail fastening systems for HSR in India. We are an EPC contractor of ballastless tracks for Mainline Tracks in India for the Indian Railways as well as for Metro Rail projects.

We have been awarded as the "Company of the year (Construction)" by Outlook Business and "Excellence in Rail Infra Development" by the UrbanInfra Group. For details, see "*History and Certain Corporate Matters – Key awards, accreditations, certifications and recognitions received by our Company*" on page 271.

The table below sets out our capabilities and industry opportunities in HSR, Semi-HSR, Mainline Tracks and Metro Rail:

Segment	Capabilities	Opportunities*
High Speed Rail	Manufacturing of advanced fastening systems, track components and constructing ballastless tracks, bridges and viaducts supply of products and services.	The budget for National High-Speed Rail Corporation Limited is ₹210 billion for Fiscal 25. As per the National Rail Plan, capital investments in rail track infrastructure is estimated to be approximately ₹24 trillion till CY2051 of which 62% is for High Speed Rail.
Semi-High Speed Rail	Manufacturing of advanced fastening, track components and turnout systems and construction of ballastless tracks, bridges and viaducts for Semi-HSR.	The Government of India has undertaken various initiatives under the 'Make in India' campaign including Semi-High Speed trains. Vande Bharat Express trains are indigenously manufactured Semi-high Speed trains operated by the Indian Railways. In the Union budget 2022-23, it was announced that 400 Vande Bharat Express trains will be introduced over the next three years. The projected investment in Semi-High Speed Railways is expected to increase from ₹327 billion in CY2024 to ₹596 billion in CY2030.
Mainline Track	Manufacturing of advanced fastening, track components and turnout systems and construction of ballastless tracks, bridges and viaducts for Mainline Tracks.	The projected investment in Mainline Tracks is expected to increase from ₹470 billion in CY2024 to ₹696 billion in CY2030. 1,309 railway stations in India have been identified for development and all upgraded stations are expected to have only ballastless tracks.
Metro Rail	Manufacturing of advanced fastening systems and construction of ballastless tracks and viaducts for Metro Rail.	The projected investment in Metro Rail is expected to increase from ₹210 billion from CY2024 to ₹319 billion in CY2030. Operational metro lines are expected to double over the next 4-5 years resulting in an increase in domestic demand for Metro Rail rolling stock.

* *Source: CARE Report*

We have entered into strategic collaborations with established multi-national companies which have diverse experience in the rail industry. In 2004, we entered into an agreement with Pandrol, a part of the Delachaux Group, headquartered in France, which is a global player in rail fastening systems and has provided services in more than 100 countries and 400 railways across the world (*Source: CARE Report*), to introduce advanced fastening systems to Indian railways and Metro Rails by forming Pandrol Rahee Technologies Private Limited (the "**Pandrol Rahee**"). Our Company holds 40% equity shares of Pandrol Rahee. Pandrol Rahee manufactures high speed and semi-High Speed Rail fastening systems, metro rail fastening systems, modern fastening systems, noise and vibration solutions and other specialized devices and services to support rail modernization.

Our railway civil engineering, manufacturing and construction operations are conducted through our Construction Division which includes bridge works and track works, and our Manufacturing Division which includes manufacturing of turnouts, track devices, fastenings and sleepers.

Construction Division

Bridge Works

We undertake turnkey bridge construction including super structure (which includes design, fabrication, supply and assembly of pre stressed concrete products, reinforced cement concrete and erection of steel) and substructure work (including pile, well, box type and open foundation). We carry out construction of both plate and triangulated truss girder bridges for large spans. The turnkey bridge projects which we have executed include concrete bridges, steel bridges, composite bridges, rail-cum-road bridges and we are in the process of executing viaducts projects. We are approved by the Indian Railways/RDSO for the manufacture and supply of steel bridge girders for railway bridges. As of July 31, 2024, we have commissioned 105 major railway bridges in India including for the under construction Khurda Road-Bolangir Project in Odisha, India which is over 5 kms in length.

As part of our bridge works, we have undertaken landmark projects including, cantilever erection at 100 metres pier height and have launched spans weighing more than 1,000 MT without ground support at the Jiribam-Imphal Rail Link Project in Manipur, India; constructed a 125 metres long monolithic span and 7.5 metres wide motorable road bridge in connection with the Char Dham Yatra Rail Link between Rishikesh and Karnaprayag in Uttarakhand, India; and (iii) a 4.5 kms long rail cum road bridge, with a span of 123 metres at the Ganga Bridge, near Patna in Bihar, India.

To facilitate the production at various project sites, our Company has established two well equipped steel fabrication facilities, in Howrah, West Bengal and Dhenkanal, Odisha. These facilities are manned by experienced and qualified manpower and are approved by RDSO. As on July 31, 2024, we have a 12 member design and engineering team and a dedicated quality assurance team consisting of 60 individuals. Our steel components are subjected to testing at our in-house testing facilities.

Track Works

We are an integrated solution provider for design, supply and installation of tracks for railway track infrastructure projects which includes ballasted track, ballastless track, embedded track and railway sidings and yards. We have carried out track works in the following segments:

- Mainline Track

  We undertake construction of both ballasted and ballastless tracks in the Mainline Track segment. We are currently constructing ballastless tracks in Jammu and Kashmir, Manipur, West Bengal and Sikkim. We have constructed ballastless tracks on the Mainline network which supports train running speeds up to 160 kmph. We also construct ballastless tracks in track laying projects in tunnels. We undertook track construction for the longest rail tunnel in India (12.77 kms in length) (*Source: CARE Report*) where we constructed 62 kms of ballastless track in tunnels for the Udhampur-Srinagar-Baramulla rail link in Jammu & Kashmir, India.

- Station Platform Tracks

  We undertake construction of ballastless tracks for station platforms. We are currently constructing ballastless track for station platforms under the Amrit Bharat Scheme for station redevelopment projects of Indian Railways. Our current projects include Adra, Bishnupur, Purulia and Bankura stations in West Bengal.

- Metro Rail

  We have constructed ballastless tracks for Delhi Metro, Kolkata Metro and Nagpur Metro. We are currently executing metro railway track construction projects at Mumbai Metro and Surat Metro. We installed precast ballastless track in India for the Delhi Metro Rail Corporation and East-West Metro in Kolkata under the Hooghly River, which is India's first under water transportation tunnel. (*Source: CARE Report*) Through our Construction Division, as of August 31, 2024, we have constructed 258.9 kms of ballastless track for Metro Rails and main lines in India with construction of 191.84 kms of ballastless track in progress (*Source: CARE Report*). As per the CARE Report, as of July 31, 2024, our Company has constructed more than 185 kms of ballastless and ballasted tracks for Metro Rail in India which constitutes more than 19.5% of the total operational metro network of 945 kms in India (*Source: CARE Report*), with construction of 140 kms of ballastless track in progress for Metro Rail in India, which constitutes to about 20% of the about 600+ km under-construction metro network in India.

Set out below is our revenue from operations from our Construction Division in Fiscal 2024, Fiscal 2023 and Fiscal 2022 together with such revenue contribution as a percentage of revenue from operations:

Division	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)
Construction Division	7,231.78	74.88%	6,166.88	78.48%	2,943.60	52.86%

Manufacturing Division

We have four Manufacturing Facilities located in Howrah, West Bengal and Sangareddy District, Telangana and two steel fabrication sites located in Howrah, West Bengal and Dhenkanal. Odisha Pandrol Rahee has a fastenings manufacturing facility located in Hyderabad, Telangana, India and a castings facility in Barjora, West Bengal, India. Our manufacturing infrastructure is complemented by our stringent quality, safety standards and processes which are evidenced by RDSO certifications and ISO 14001:2015 and ISO 45001:2018 certifications. Set out below is the cumulative installed capacity and capacity utilization of our Manufacturing Facilities in Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Facility	Nature of the Products Manufactured	Fiscal 2024			Fiscal 2023			Fiscal 2022		
		Installed Capacity (MTPA)	Actual Production (MTPA)	Capacity Utilization (%)	Installed Capacity (MTPA)	Actual Production (MTPA)	Capacity Utilization (%)	Installed Capacity (MTPA)	Actual Production (MTPA)	Capacity Utilization (%)
Howrah, West Bengal Fastening and Steel Sleeper Unit	Railway track and construction material	6,400	5,760	90.00%	6,400	3,781	59.08%	6,400	4,401	68.77%
Howrah, West Bengal Fastening,	Railway track and	3,500	457	13.06%	3,500	635	18.15%	3,500	980	28.00%

Facility	Nature of the Products Manufactured	Fiscal 2024			Fiscal 2023			Fiscal 2022		
		Installed Capacity (MTPA)	Actual Production (MTPA)	Capacity Utilization (%)	Installed Capacity (MTPA)	Actual Production (MTPA)	Capacity Utilization (%)	Installed Capacity (MTPA)	Actual Production (MTPA)	Capacity Utilization (%)
Bolt and Rail Pad Unit	construction material									
Howrah, West Bengal Fastening, Bolt and Rail Pad Unit	Rubber and allied products	1,000	295	29.54%	1,000	303	30.31%	1,000	449	44.90%
Howrah, West Bengal Fabrication Unit	Fabrication	8,500	7,735	91.00%	8,500	7,390	86.94%	8,500	5,140	60.47%
Dhenkanal, Odisha Fabrication Unit#	Fabrication	42,000	-	0.00%	-	-	0.00%	-	-	0.00%
Howrah, West Bengal Track and Turnout Devices Unit	Railway track and construction material	8,250	3,192	38.69%	8,250	1,722	20.87%	8,250	4,298	52.09%
Sangareddy District, Telangana Track and Turnout Devices Unit	Railway track and construction material	3,850	1,424	36.99%	3,850	1,539	39.97%	3,850	3,450	89.61%

* *As certified by Biswadeep Chatterjee, Chartered Engineer, by certificate dated September 21, 2024.*

\# *Production from Dhenkanal, Odisha Fabrication Unit was started in the month of April 2024*

Notes:

(i) *The information relating to the installed capacity of the manufacturing facilities as of the dates included above are based on various assumptions and estimates that have been taken into account for calculation of the installed capacity. The assumptions and estimates include the standard capacity calculation practice of Railway Track products manufacturing and after examining the calculations and explanations provided by the Company and the reactor capacities and other ancillary equipment installed at the facilities. The assumptions and estimates taken into account include the number of working days in a year as 288 days to 312 days , which varies from unit to unit. The installed capacity of the manufacturing facilities as of 31st March 2024 have been provided on an annualized basis.*

(ii) *The information relating to the actual production at the manufacturing facilities as of the dates included above are based on the examination of the internal production records provided by the Company, explanations provided by the Company, the period during which the manufacturing facilities operate in a year, expected operations, availability of raw materials, downtime resulting from schedule maintenance activities, unscheduled break down , as well as operating efficiencies.*

(iii) *Capacity utilisation has been calculated on the basis of actual production during the relevant financial year divided by the aggregate installed capacity of the relevant manufacturing facility as the date of end of relevant financial year.*

(iv) *The Dhenkanal Odisha Fabrication Unit was commission in April 2024. As a result, there was no production in the financial year 2024, 2023 and 2022.*

We design and manufacture turnout and track devices which include turnout systems, rail expansion joints, complete layouts and turnout components such as crossing and switch devices for railway tracks, for high speed, heavy haul, urban and commuting railways. Our turnout and track devices are installed on railway tracks in India, Malaysia, Bangladesh, Sri Lanka, Australia and Mozambique. We also manufacture a wide variety of rail fastening systems to suite the specific requirements of our customers including elastic fasteners, rigid fastenings, track bolts and nuts, fish plates and bolts, high tensile fasteners, rail screws and rail pads. We also manufacture H-beam steel sleeper for bridges, steel channel sleeper for bridges and steel sleepers for standard track. We designed, supplied and installed more than 2,400 sets of H-beam sleepers with fastening systems at the world's highest steel arch rail bridge at Chenab in Jammu & Kashmir, India (*Source: CARE Report*).

Set out below is our revenue from operations from our Manufacturing Division in Fiscal 2024, Fiscal 2023 and Fiscal 2022 together with such revenue contribution as a percentage of revenue from operations:

Division	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)
Manufacturing Division	2,191.99	22.70%	1,574.73	20.04%	2,465.95	44.28%

As of July 31, 2024, we have 16 bridge projects and 12 track projects which are under execution across 18 states in India. Our order book as of March 31, 2024 was ₹22,962.70 million. The table below sets out our bid to win ratio for Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Fiscal	Bids submitted		Bids closed*		Bids lost		Bids won		Bids for which results are awaited		Bid to win ratio#	
	Number of bids	Value (in ₹ millions)	Number of bids	Value (in ₹ millions)	Number of bids	Value (in ₹ millions)	Number of bids	Value (in ₹ millions)	Number of bids	Value (in ₹ millions)	Number of bids	(in value (%))
2024	46	48,300.00	39	45,505.00	24	31,625.00	15	13,880.00	7	2,795	38.46%	30.50%
2023	22	33,850.00	22	33,850.00	15	25,880.00	7	7,970.00	-	-	31.82%	23.55%
2022	15	55,420.00	15	55,420.00	10	47,450.00	5	7,970.00	-	-	33.33%	14.38%

* *Bids closed = number of bids submitted – bids for which results are awaited + bids submitted in previous fiscal that were opened in the current Fiscal.*

\# *Bid to win ratio is (Bids won/ Bids closed)*100.*

Over the years of our operations we have developed strong relationships with our customers including Rail Vikas Nigam Limited, IRCON International Limited, Konkan Railway Corporation Limited and Texmaco Rail & Engineering Limited and have customers across our markets through our performance, technical competence and relationships with several customers for several years. We have been supplying turnouts and special track devices to the Indian Railways for several years. As per the CARE Report, we have experience of more than 60 years in manufacturing rail fastening systems. Our Company has 76 years of experience in the manufacture of track products.

We are dedicated to integrating environmental, social and governance best practices into our business and ensuring a sustainable and responsible approach to our operations. We have strong health, safety and governance systems in place which are maintained through internal audits. We have various certifications and accreditations including ISO 9001:2015 management system certificates, ISO 14001:2015 environmental management system and ISO 45001:2018 health and safety management system.

We have a management team with extensive industry experience. Our Individual Promoters, have a cumulative experience of more than 100 years in the railway infrastructure sector. Our Board of Directors includes a combination of management executives and Directors who bring in significant business and management expertise. Our CFO, Rajesh Goenka and our Director, Technical and Business Development, Sunil Gupta have been associated with our Company for 39 and 15 years, respectively. As of July 31, 2024, we have 1,716 employees, which includes 125 engineers. We believe that the combination of our experienced Board of Directors, our dynamic management team and our skilled employees positions us well to capitalize on future growth opportunities.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATION

The results of our operations and our financial conditions are affected by numerous factors and uncertainties, many of which may be beyond our control, including as discussed in "*Our Business*" and "*Risk Factors",* beginning on pages 232 and 36. Set forth below is a discussion of certain factors that we believe may be expected to have a significant effect on our financial condition and results of operations:

Dependency on projects awarded by government authorities and government policies

Our business and revenues are substantially dependent on railway infrastructure projects including bridge works and track works undertaken or awarded by government authorities and other entities related to the government such as zonal railways and public sector undertakings. Set out below is our revenue contribution from contracts awarded to us by the government and government-controlled entities in Fiscal 2024, Fiscal 2023 and Fiscal 2022, together with such revenue contribution as a percentage of our total revenue from operations for the same period:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)
Government authorities and entities related to the government	7,466.01	77.31%	5,300.95	67.46%	4,093.06	73.51%

We expect such contracts to continue to account for a high percentage of our revenue from operations in the future. Any adverse change in the policies adopted by the central government regarding award of its projects such as pre-qualification criteria could adversely affect our ability to bid for and/ or win such projects.

Further, the projects in which central and state governments participate may be subject to delays, extensive internal processes, policy changes, and changes due to local, national and internal political forces, insufficiency of government funds or changes in budget allocations of governments or other entities. Since government entities are responsible for awarding contracts and are parties to the development and operation of certain of our projects, our business is directly and significantly dependent on their support and co-operation. Any withdrawal of support or adverse changes in their policies may lead to our agreements being restructured or renegotiated and could, though not monetarily quantifiable at this time, materially and adversely affect our financing, capital expenditure, revenues, development or operations relating to our existing projects as well as our ability to participate in competitive bidding or negotiations for our future projects. This in turn could materially and adversely affect our results of operations and financial condition.

Ability to effectively execute and expand our order book

Our order book as of March 31, 2024 was ₹22,962.70 million. Our revenue may be materially impacted if the time taken or amount payable for completion of any ongoing order of our Company exceeds the contractual estimate. The growth of our order book is a cumulative indication of the revenues that we expect to recognise in future periods with respect to our existing contracts. We cannot assure you that the income anticipated in our order book will be realised or if realised, will be realised on time or result in profits. While none of our orders have been cancelled or terminated in its entirety prematurely in the last three Fiscals. there can be no assurance that the orders will not be cancelled or terminated prematurely in the future, and our Company will receive any applicable termination payments in time or at all or that the amount paid will be adequate to enable our Company to recover its investments in respect of the prematurely cancelled order. In such events, we may have to bear the actual costs for such production incurred by us which may exceed the agreed work as a result of which, our future earnings may be lower from the amount of the order book and if any of the forgoing risks materialize, our cash flow position, revenues and earnings may be adversely affected.

The completion of our orders involves various execution risks which may make us unable to complete our orders within the scheduled time including order delays, modifications in the scope or cancellations may occur from time to time, due to delay in payments by our customers or due to our own defaults, incidents of force majeure, cash flows problems, regulatory delays and any other factor beyond our control. In view of the above, orders can remain in our order book for extended periods of time because of the nature of the order and the timing of the services required by our customers. Delays in the completion of an order may lead to delay in payments from our customers.

As we expand our order book, the modified terms of payment for new projects may necessitate higher working capital requirements and therefore impact our financial performance.

Raw material cost and reliance on limited suppliers

The primary raw material which we utilize at our Manufacturing Facilities is structural steel, plates, rounds, rails and cement for construction site. We are exposed to the price risks associated with purchasing our raw materials consumed. Further, in cases where the holding period of the raw material exceeds the average holding period, we may be required to have additional working capital coverage, for the purposes of maintaining such raw materials which may increase our raw material cost. Although we aim to accommodate such excessive cost in our subsequent/future orders, there can be no assurance that we shall be successful in passing such costs to our customers in the subsequent orders in part, or in full, or at all. Further, any increase in the price of raw materials consumption, which our Company is unable to pass on the impact of, would have a material adverse effect on our Company's business and financial position. While our Company maintains a higher inventory of raw materials than required, our business and financial position may be impacted by an increase in the price of raw materials.

The table below sets out the cost of raw materials incurred together with such cost as a percentage of our total expenses in Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	In ₹ million	As a percentage of total expenses (%)	In ₹ million	As a percentage of total expenses (%)	In ₹ million	As a percentage of total expenses (%)
Cost of raw material consumed	4,757.01	53.28%	3,787.10	52.53%	2,406.82	48.24%

We are reliant on a limited number of suppliers for the supply of raw materials for our operations. The table below sets out the raw materials which we have obtained from our largest supplier, top 5 suppliers and top 10 suppliers together with such supply as a percentage of our total raw materials supply in Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Raw materials sourced (in ₹ million)	% of total raw materials sourced (%)	Raw materials sourced (in ₹ million)	% of total raw materials sourced (%)	Raw materials sourced (in ₹ million)	% of total raw materials sourced (%)
Largest supplier of raw materials	1,523.57	29.79%	1,698.85	42.23%	662.09	23.35%
Top 5 suppliers of raw materials	3,071.19	60.05%	2,850.98	70.88%	1,544.81	54.49%
Top 10 suppliers of raw materials*	3,600.21	70.40%	3,224.93	80.17%	1,787.85	63.07%

* *While more than 50% of our raw materials originates from our top 10 suppliers, names of the suppliers have not been included in the above table as consents for disclosure of certain supplier names were not available*

If one or more of our suppliers ceases supply to our Company for reasons including due to commercial disagreements, insolvency of the supplier or supply chain issues, we may be unable to source our raw materials from alternative suppliers on similar commercial terms or within a reasonable timeframe, which may have an impact on our results of operations.

Relationships with reputed global rail technology players

We entered into an agreement with Pandrol, a part of the Delachaux Group, headquartered in France, which is a global player in rail fastening systems and has provided services in more than 100 countries and 400 railways across the world (*Source: CARE Report*), in 2004, to bring advanced elastic fastening systems to India by forming Pandrol Rahee. Our Company holds 40% of the equity shares of Pandrol Rahee. Pandrol Rahee offers High Speed Rail fastening systems, mainline ballastless track systems, metro rail fastening sytems, mainline ballasted fastening systems, noise and vibration solutions and other specialized devices and services to support rail modernization.

Our subsidiary, Rahee Track Technologies Private Limited has entered into a technical collaboration with Tracktec in 2022 for specialized turnouts and track device solutions. Through our collaboration with Tracktec we have the capability of providing high speed turnouts, semi-high speed turnouts, heavy haul turnouts with heavy axle, metro railway and ballastless track turnout solutions and specialized swing nose crossings for rail and metro.

The following table shows our share of total profit from Pandrol Rahee, our Associate and such profit as a percentage of our net profit after tax for Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Profit from our Pandrol Rahee, our Associate (₹ in million)	151.28	15.93	31.95
Percentage of net profit after tax post share of profit in Pandrol Rahee, our Associate (%)	19.87%	3.06%	6.78%

If these entities fail to perform its obligations as per the requirements of the contract, it could result in breach of the terms of the contract. Failure to effectively protect ourselves against risks for any of these reasons could expose us to costs and potentially lead to material losses, which could adversely affect our business, results of operations and financial condition. Further, if Pandrol Limited were to terminate the agreement entered into with our Company, it may have an adverse impact on our financial condition and results from operations.

Significant revenue from some customers

We derive a significant part of our revenue from some customers. The table set forth below provides the revenue contribution and revenue contribution as a percentage of our total revenue from contracts with customers of our largest customer, our top 10 customers and our top 20 customers, for Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Customers	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	As a percentage of revenue from operations (%)
Largest customer	4,504.71	46.65%	1,989.25	25.31%	1,788.59	32.12%
Top 10 customers*	8,478.72	87.80%	6,971.86	88.72%	5,035.28	90.43%
Top 20 customers	8,692.63	90.01%	7,272.78	92.55%	5,264.27	94.54%

* *While more than 50% of our revenue from operations originates from our top 10 customers, names of the customers have not been included in the above table as consents for disclosure of certain customer names were not available.*

We expect that we will continue to be reliant on our major customers for the foreseeable future. Accordingly, any failure to retain these customers and/or negotiate and execute contracts with such customers on terms that are commercially viable, could adversely affect our business, financial condition and results of operations. In addition, any defaults or delays in payments by a major customer or insolvency or financial distress of any major customer may have an adverse effect on business, financial condition and results of operations. Our reliance on a select group of customers may also constrain our ability to negotiate our arrangements, which may have an impact on our profit margins and financial performance.

We typically rely on purchase orders issued by our customers under our manufacturing division, to govern the volume and other terms of our sales of products and services. Many of the purchase orders we receive from our customers specify a price per unit and delivery schedule. Any cancellation or termination by our customers or delay or reduction in their orders or instances where anticipated orders fail to materialize can result in mismatch between our inventories of raw materials and of manufactured products, thereby increasing our costs relating to maintaining our inventory and reduction of our margins. Should such an amendment or cancellation take place, it may adversely impact our production schedules and inventories, and therefore adversely affect our profitability and liquidity. Further, we may not find any customers or purchasers for the surplus or excess capacity, in which case we would be forced to incur a loss.

Capacity utilization of our manufacturing facilities

Set out below is the cumulative installed capacity and capacity utilization of our Manufacturing Facilities in Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Facility	Nature of the Products Manufactured	Fiscal 2024			Fiscal 2023			Fiscal 2022		
		Installed Capacity (MTPA)	Actual Production (MTPA)	Capacity Utilization (%)	Installed Capacity (MTPA)	Actual Production (MTPA)	Capacity Utilization (%)	Installed Capacity (MTPA)	Actual Production (MTPA)	Capacity Utilization (%)
Howrah, West Bengal Fastening and Steel Sleeper Unit	Railway track and construction material	6,400	5,760	90.00%	6,400	3,781	59.08%	6,400	4,401	68.77%
Howrah, West Bengal Fastening, Bolt and Rail Pad Unit	Railway track and construction material	3,500	457	13.06%	3,500	635	18.15%	3,500	980	28.00%
Howrah, West Bengal Fastening, Bolt and Rail Pad Unit	Rubber and allied products	1,000	295	29.54%	1,000	303	30.31%	1,000	449	44.90%
Howrah, West Bengal Fabrication Unit	Fabrication	8,500	7,735	91.00%	8,500	7,390	86.94%	8,500	5,140	60.47%
Dhenkanal, Odisha Fabrication Unit#	Fabrication	42,000	-	0.00%	-	-	0.00%	-	-	0.00%
Howrah, West Bengal Track and Turnout Devices Unit	Railway track and construction material	8,250	3,192	38.69%	8,250	1,722	20.87%	8,250	4,298	52.09%
Sangareddy District, Telangana Track and Turnout Devices Unit	Railway track and construction material	3,850	1,424	36.99%	3,850	1,539	39.97%	3,850	3,450	89.61%

* *As certified by Biswadeep Chatterjee, Chartered Engineer, by certificate dated September 21, 2024.*

\# *Production from Dhenkanal, Odisha Fabrication Unit was started in the month of April 2024*

Notes:

(i) The information relating to the installed capacity of the manufacturing facilities as of the dates included above are based on various assumptions and estimates that have been taken into account for calculation of the installed capacity. The assumptions and estimates include the standard capacity calculation practice of Railway Track products manufacturing and after examining the calculations and explanations provided by the Company and the reactor capacities and other ancillary equipment installed at the facilities. The assumptions and estimates taken into account include the number of working days in a year as 288 days to 312 days , which varies from unit to unit. The installed capacity of the manufacturing facilities as of 31st March 2024 have been provided on an annualized basis.

(ii) The information relating to the actual production at the manufacturing facilities as of the dates included above are based on the examination of the internal production records provided by the Company, explanations provided by the Company, the period during which the manufacturing facilities operate in a year, expected operations, availability of raw materials, downtime resulting from schedule maintenance activities, unscheduled break down , as well as operating efficiencies.

(iii) Capacity utilisation has been calculated on the basis of actual production during the relevant financial year divided by the aggregate installed capacity of the relevant manufacturing facility as the date of end of relevant financial year.

(iv) The Dhenkanal Odisha Fabrication Unit was commission in April 2024. As a result, there was no production in the financial year 2024, 2023 and 2022.

Underutilisation of our manufacturing capacities over extended periods, or significant underutilisation in the short-term, could materially and adversely impact our business, growth prospects and future financial performance. Our revenues and, consequently, our profits are dependent on, inter alia, our ability to optimise and maximise our capacity utilisation which has helped us meet the demands of our customers and deliver our products and services in an efficient, reliable and timely manner

SIGNIFICANT ACCOUNTING POLICIES

Set forth below is a summary of our most significant accounting policies adopted in preparation of the Restated Consolidated Financial Information.

1. Corporate Information

Rahee Infratech Limited ("the Company") is a unlisted Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The registered office of the company is located at Kemwell Manor, 5th floor, 10/D/2, Ho Chi Minh Sarani, Kolkata-700 071,West Bengal, India.

The Company is primarily engaged in providing manufacturing & construction services of spanning track substructure and superstructure, which includes turnkey bridge construction projects, supply and installation of railway tracks, design and manufacture of turnouts and track devices, rail fastening systems and sleepers. The company's railroad engineering, manufacturing and construction operations are conducted through (A) Construction Division which includes bridge works and track works; and (B) Manufacturing Division which includes manufacturing of turnouts, track devices, fastenings and sleepers.

2. Basis of Accounting

2.1 Basis of Preparation

The Restated Consolidated Financial Information comprise financial statements of Rahee Infratech Limited and its subsidiaries (collectively, 'the Group') and its associate company which includes jointly controlled operations of the Group accounted on proportionate basis.

The Restated Consolidated Financial Information comprise of Restated Consolidated Statement of Assets & Liabilities of the Company as at March 31, 2024, March 31, 2023 & March 31, 2022 and the related Restated Consolidated Statement of Profit & Loss (including Other Comprehensive Income), Restated Consolidated Changes in Equity and Restated Consolidated Statement of Cash Flows for the years ended March 31, 2024, March 31, 2023 & March 31, 2022 and accompanying notes to Restated Consolidated Financial Information (hereinafter collectively called "Restated Ind AS Summary Statement") have been prepared specifically for inclusions in the Draft Red Herring Prospectus ("DRHP") to be filed by the Company with the Securities and Exchange Board of India ("SEBI") , National Stock Exchange of India Limited & BSE Limited in connection with proposed initial public offer of equity shares of Rs.10 each of the Company (the "Offering")

The Restated Consolidated Financial Information have been prepared to comply in all material respects with the requirement of:

- Section 26 of Part I of Chapter III Companies Act, 2013 (the "Act")
- Relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("the SEBI ICDR Regulations") issued by the SEBI on September 11, 2018 as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992 and
- Guidance note on reports in Company Prospectus (Revised 2019) ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

The Restated Consolidated Financial Information has been compiled by the management from the audited consolidated financial statements of the Group and its associate as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 which were prepared in accordance with the Indian Accounting Standards 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 (referred to as "Ind AS"), which have been approved by the Board of Directors at their meetings held on July 26, 2024, September 09, 2023 and November 25, 2022 respectively.

These Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to July 26, 2024 except for impact in earnings per share in terms of Ind AS – 33 pursuant to sub-division of equity shares & further issue of bonus equity shares as detailed in Note 43 to the Restated Consolidated Financial Information.

The Restated Consolidated Financial Information:

(a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2023 & March 31, 2022 to reflect the same accounting treatment as per the accounting policy and grouping / classifications followed in the consolidated financial statements of the Company as at and for the year ended March 31, 2024, as applicable.

(b) do not require any adjustment for modification as there is no modification in the underlying audit reports.

(c) 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 Restated Consolidated Financial Information of the Group for the year ended at March 31, 2024, March 31, 2023 & March 31, 2022 and the requirements of the SEBI ICDR Regulations, if any. The resultant impact of tax due to the aforesaid adjustments, if any has been reflected in the Restated Consolidated Financial Information appropriately.

These Restated Consolidated Financial Information have been prepared in accordance with the Indian Accounting Standards as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and presentation requirements of Division II of Schedule III to the Companies Act, 2013(as amended).

These Restated Consolidated Financial Information has been approved for issue by the Company's Board of Directors in their meeting held on September 14, 2024.

2.2 **Basis of Measurement**

The Restated Consolidated Financial Information of the Group has been prepared on historical cost convention, except for the following assets and liabilities, which have been measured at fair value:

- Certain financial assets & liabilities (including derivative instruments)
- Defined Benefit Plans less present value of defined benefit obligations as per actuarial valuation
- Freehold Land as on the date on transition

2.3 **Functional and Presentation Currency**

The Restated Consolidated Financial Information are presented in Indian Rupee (INR) which is the functional currency of the Group and the currency of the primary economic environment in which the Group operates. All financial information presented in INR have been rounded off to two decimal places to the nearest millions, unless otherwise stated.

2.4 **Use of Assumptions, Judgements and Estimates**

The preparation of financial statements in conformity with Ind AS requires Judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Difference between the actual results and estimates are recognized in the period in which the results are known/materialised.

2.5 **Basis of Consolidation**

The Restated Consolidated Financial Information comprise the audited financial statements of the Company and its subsidiaries and associates. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the Restated Consolidated Financial Information from the date the Group gains control until the date the Group ceases to control the subsidiary.

Restated Consolidated Financial Information are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a subsidiary of the Holding company uses accounting policies other than those adopted in the Restated Consolidated Financial Information for like transactions and events in similar circumstances, appropriate adjustments are made to that subsidiaries financial statements in preparing the Restated Consolidated Financial Information to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31 of each year. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares additional financial information as on the same date for consolidation purpose to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation Procedure:

a. Combine like items of assets, liabilities, equity, income, expenses of the parent with those of its subsidiaries.

b. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Eliminate in full intragroup assets and liabilities, equity, income, expenses relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Restated Consolidated Financial Information. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

c. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

d. Investment in Associates: An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognised changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognised its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

If an entity's share of losses of an associate equals or exceeds its interest in the associate (which includes any long term interest that, in substance, form part of the Group's net investment in the associate), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit and loss.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognizes the loss as 'Share of profit of an associate' in the statement of profit or loss.

2.6 **Presentation of Restated Consolidated Financial Information**

The Restated Consolidated Statement of Assets & Liabilities and the Restated Consolidated Statement of Profit and Loss are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013 and the applicable provisions of SEBI ICDR Regulations. The Restated Consolidated Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flow" The disclosure requirements with respect to items in the Restated Consolidated Statement of Assets & Liabilities and the Restated Consolidated Statement of Profit and Loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards.

2.7 **Measurement of Fair Values**

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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. The fair value measurement is based on the presumption 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 or the most advantageous market must be accessible by the Group. The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic 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 used 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 in the financial statements are categorized within the fair value hierarchy, described as follows, based on the input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Input other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly, and
- Level 3 - Inputs which are unobservable inputs for the asset or liability

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of Ind AS and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

2.8 **Current and non-current classification**

All assets and liabilities have been classified as current or non- current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013 and Ind AS 1. The Group has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

An asset is classified as current when it is:

- Expected to be realized or intended to be sold or consumed in Group’s normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized 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

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in 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 Company classifies all other liabilities as non-current.

Deferred Tax Assets or Liabilities are classified as non-current assets or liabilities respectively.

2.9 Recent Accounting Pronouncement / New Standards / Amendments to Existing Standards

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. 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. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

The Group has applied the following amendments for the first time for reporting period commencing 1st April, 2023 as per the Companies (Indian Accounting Standards) Amendment Rules, 2022 issued by MCA on 31st March, 2023 :

- Ind AS 1 – Material accounting policies
- Ind AS 8 – Definition of accounting estimates
- Ind AS 103 – Annual improvement to Ind AS (2021)

Most of the above amendments listed above did not have any impact on the amounts recognised in current period and are not expected to significantly affect the future periods.

3 Summary of material accounting policies:

A summary of the material accounting policies applied in the preparation of the Restated Consolidated Financial Information are as given below. These accounting policies have been applied consistently to all the periods presented in the Restated Consolidated Financial Information.

3.1 Investment in Joint Operations:

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group has interest in certain joint operations, and accordingly, it recognises in relation to its interest in joint operations, its:

- Assets, including its share of any assets held jointly

- Liabilities, including its share of any liabilities incurred jointly
- Revenue from the sale of its share of the output arising from the joint operation
- Share of the revenue from the sale of the output by the joint operation
- Expenses, including its share of any expenses incurred jointly

Unrealised gains and losses resulting from transactions between the Group and the joint operations are eliminated to the extent of the interest in the joint operation.

3.2 Foreign Currency Transactions

Transaction in currencies other than the Group's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each balance sheet date, foreign currency monetary items are reported using the closing rate.

Non- monetary items that are measured in terms of historical cost in foreign currency are not retranslated. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement profit or loss are also recognised in OCI or statement of profit and loss, respectively).

Exchange difference that arise on settlement of monetary items or on reporting of monetary items at each Balance sheet date at the closing spot rate are recognised in profit or loss in the period in which they arise except for:

i) exchange difference on foreign currency borrowings related to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings; and

ii) exchange differences on transactions entered into in order to hedge certain foreign currency risks.

3.3 Revenue from Contract with Customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The specific recognition criteria described below are also considered before revenue is recognised.

Revenue from construction activity:

Construction revenue and costs are recognised by reference to the stage of completion of the construction activity at the balance sheet date, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs. Where the outcome of the construction cannot be estimated reliably, revenue is recognized to the extent of the construction costs incurred if it is probable that they will be recoverable. When the outcome of the contract is ascertained reliably, contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method.

The estimated outcome of a contract is considered reliable when all the following conditions are satisfied:

- The amount of revenue can be measured reliably,
- It is probable that the economic benefits associated with the contract will flow to the Group,
- The stage of completion of the contract at the end of the reporting period can be measured reliably, and
- The costs incurred or to be incurred in respect of the contract can be measured reliably

Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs. For this purpose, total estimated contract costs are ascertained on the basis of actual costs incurred and costs to be incurred for completion of contracts in progress, which is arrived at by the management based on current technical data, forecasts and estimate of expenditure to be incurred in future including contingencies, which being technical matters have been relied upon by the auditors. Overhead expenses representing indirect costs that cannot be directly aligned with the jobs are distributed over the various contracts on a pro-rata basis. Revisions in projected profit or loss arising from change in estimates are reflected in accounting period in which such revisions can be anticipated.

Variations in contract work are recognised to the extent that it is probable that they will result in revenue and are capable of reliably measured.

Revenue from the Group's entitlement to price variances on input costs subject to compliance with certain terms and conditions as per terms of contracts are recognised when no significant uncertainties exist regarding their ultimate collection.

Overhead expenses representing indirect costs that cannot be directly aligned with the jobs, are distributed over the various contracts on a pro-rata basis.

Sale of goods:

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.

Goods and Service Tax (GST) is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Interest income:

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in Other income in the statement of profit and loss.

Dividends:

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Export benefits:

Export benefits are recognised on recognition of export sales.

Contract balances:

Contract assets:

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

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). Refer to accounting policies of financial assets in note 3.15.1

Financial instruments – initial recognition and subsequent measurement.

Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

3.4 Inventories

Inventories (except scrap & by products) are valued at the lower of cost and net realisable value. Scrap/By products are valued at net realizable value. Costs are computed in the following manner :

- **Raw material & Construction Materials -** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First-in-First-out (FIFO) basis.

- **Work in progress-** Work in progress is valued at cost based on technical assessment as to the stage of completion.

- **Finished goods** – Finished goods are valued at cost or net realisable value whichever is lower.

  Cost includes cost of raw materials, cost of conversion and other costs including production overheads based on normal production capacity, incurred in bringing the inventories to their present location and condition.

- **Stores, Spares & Consumables -** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First-in-First-out (FIFO) basis.

- **Shuttering and Other Materials –** Cost of Shuttering and Other Materials are amortised over tenure of the respective project in which such materials are being utilized.

Net realisable 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.

Raw materials and other items held for use in the production of finished products 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.

3.5 Property, Plant and Equipment

3.5.1 Recognition and Measurement

- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).

- Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.

- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

3.5.2 Capital work in progress and Capital Advances

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production. Capital advances given towards purchase/ acquisition of PPE outstanding at each balance sheet date are disclosed separately as Other Non-Current Assets.

3.5.3 Subsequent Measurement

- Subsequent costs are included in the asset’s carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.

3.5.4 Depreciation and Amortization

- Depreciation on Property, Plant & Equipment is provided on straight line basis at rates determined based on the useful life of the respective assets and the residual values in accordance with Schedule II of the Companies Act, 2013 or as reassessed by the Group based on the technical evaluation.

- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).

- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.5.5 Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

3.6 Intangible Assets

An intangible asset is recognised if, and only if:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and

- the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss.

Intangible assets are amortized on a straight-line basis over their estimated useful life of 4 years.

3.7 Income Taxes

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

3.7.1 Current Tax

- Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

3.7.2 Deferred tax

- Deferred Tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.

- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

- The carrying amount of deferred tax asset is reviewed at the end of each reporting period. The Group reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

- Current and Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current and Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

- Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognises MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

3.8 <u>Impairment of Non-financial assets</u>

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 asset's or Cash Generating Unit (CGU) net selling price and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

3.9 <u>Cash and cash equivalents</u>

Cash and cash equivalents in the balance sheet comprises of cash at banks, cash in hand, cheques in hand and short - term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

3.10 <u>Employee Benefits</u>

- **Short Term Employee Benefits**

  Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

- **Other Long Term Employee Benefits**

  The liabilities for leaves that are not expected to be settled wholly within twelve months from the reporting date are measured as the present value (determined by actuarial valuation using the projected unit credit method) of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period. The benefits are discounted using a rate which is determined by reference to market yields at the end of the reporting period on government bonds. Remeasurements as the result of experience adjustment and changes in actuarial assumptions are recognized in statement of profit and loss.

- **Post-Employment Benefits**

The Company operates the following post-employment schemes

i) Defined Contribution Plan

Contribution to Provident Fund and ESI is a defined contribution plan and is paid to appropriate authorities and charged to statement of profit and loss on accrual basis. There are no other obligations other than the contribution payable to respective authorities. Company's contribution paid/payable during the year to provident fund, ESIC and other welfare fund are recognised in the statement of profit and loss.

ii) Defined Benefit Plan

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods.

The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method. The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds, where the currency and the terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income (OCI) in the period in which they occur.

The Company contributes to fund maintained with Life Insurance Corporation of India.

3.11 <u>Government Grants</u>

Government grants are recognized at their fair values when there is reasonable assurance that the grants will be received and the Group will comply with all the attached conditions.

- Government grants are recognised in the statement of profit or loss on a systematic basis over the periods in which the Group recognises the related costs for which the grants are intended to compensate. Subsidy received for interest expenses, power & fuel, and excise duty are directly adjusted with interest expense, power & fuel expenses and excise duty respectively.

- Grants related to acquisition/ construction of property, plant and equipment are recognised as deferred revenue in the Balance Sheet and transferred to the statement of profit or loss on a systematic and rational basis over the useful lives of the related asset.

3.12 <u>Borrowing Costs</u>

- Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes foreign exchange difference to the extent regarded as an adjustment to the borrowing costs.

- Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

- Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale.

- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

- Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividend on these preference shares is recognised as finance costs in the Statement of Profit and Loss.

3.13 Investment In Associates

The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognised changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

3.14 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.

3.14.1 Financial Assets

- **Recognition and Initial Measurement**

  All financial assets are initially recognized when the Group becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

- **Classification and Subsequent Measurement**

  For purposes of subsequent measurement, financial assets are classified in four categories:

  i) Measured at Amortized Cost

  A debt instrument is measured at the amortized cost if both the following conditions are met:

  a. The asset is held within a business model whose objective is achieved by collecting the contractual cash flows; and

  b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables, cash and bank balances, loans and other financial assets of the Group.

  ii) Measured at Fair Value Through Other Comprehensive Income (FVTOCI)

  A debt instrument is measured at the FVTOCI if both the following conditions are met:

  a. The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and

  b. The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on re-measurements recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income.

iii) Measured at Fair Value Through Profit or Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. Equity instruments which are, held for trading are classified as at FVTPL.

iv) Equity Instruments designated at Fair Value Through Other Comprehensive Income (FVTOCI).

For equity instruments, which has not been classified as FVTPL as above, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

- **De-recognition**

  The Group derecognizes a financial asset on trade date only 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 entity.

- **Impairment of Financial Assets**

  The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables or contract revenue receivables. The application of simplified approach does not require the Group to track changes its credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

  ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses / income' in the P&L.

  For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

3.14.2 Financial Liabilities

- **Recognition and Initial Measurement**

  Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

- **Subsequent Measurement:**

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

- **Derecognition**

  A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

- **Financial Guarantee Contracts**

  Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction cost that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirement of Ind AS 109 and the amount recognized less cumulative amortization

3.14.3 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

3.15 Earnings Per Share

Basic Earnings per share (EPS) amounts are calculated by dividing the net profit or loss before other comprehensive income for the period attributable to equity holders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares, except where the results are anti-dilutive by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

3.16 Provisions, Contingent Liabilities and Contingent Assets

- Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

- If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks 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.

- In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Group is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

- Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

3.17 <u>Operating Segment</u>

The identification of operating segment is consistent with performance assessment and resource allocation by the chief operating decision maker. An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the other components of the Group and for which discrete financial information is available. Operating segments of the Group comprises three segments – Bridgework & Flash Butt Welding, Trackwork and Manufacturing.

All operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segments and assess their performance.

3.18 <u>Leases</u>

3.18.1 <u>Group as a lessor</u>

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term

3.18.2 <u>Group as a lessee</u>

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

(a) Right-of-use Assets (ROU Assets)

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 3.9 Impairment of non-financial assets. Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

(b) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;

- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease liability and ROU assets shall be separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(c) Short-term leases and leases of low-value asset

The Group applies the short-term lease recognition exemption to its short-term leases of Property, Plant & Equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

4 Significant Judgements and Key Sources of Estimation in Applying Accounting Policies

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances. Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

4.1. Recognition of revenue

Contract Revenue is recognized under Percentage of Completion method. When the outcome of a construction contract can be estimated reliably contract revenue and contract costs associated with the construction contracts are recognized as Revenue and Expenses respectively by reference to the stage of completion of the Contract activity which involves significant judgement.

4.2. Recognition of Deferred Tax Assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

4.3. Useful lives of depreciable/ amortisable assets

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.

4.4. Defined Benefit Obligation (DBO)

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.

4.5. Provisions and Contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, ‘Provisions, Contingent Liabilities and Contingent Assets’. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.

4.6. Fair value measurement of financial Instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this 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.

4.7. Impairment of Financial Assets and allowances for Expected Credit Loss:

The Group makes allowances for expected credit loss on trade receivables, and other contract assets through appropriate estimations which requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other contract receivables and loss allowances in the period in which such estimate has been changed.

4.8. Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue are accounted for based on the cost price. Revenue, expenses, assets and liabilities which are not allocable to segments on a reasonable basis, are included under “Unallocated revenue/ expenses/assets/ liabilities”.

KEY COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS

Set forth below are the key components of our statement of profit and loss from our continuing operations:

Total Income

Our total income comprises (i) revenue from operations; and (ii) other income.

Revenue from Operations

Revenue from operations comprises construction contract revenue, revenue from sale of products and other operating income . Construction contract revenue comprises revenue earned from construction of bridges and tracks and flash butt welding. Sales of products comprises of railway products such as turnouts, joints, fastening systems and sleepers.

Other Income

Other income includes revenue from sale of scraps, interest income on bank deposits, loans and income tax refunds, guarantee commission income, liability no longer required and other miscellaneous income.

Total Expenses

Our expenses primarily comprise cost of materials consumed, changes in inventories of finished goods, work-in-progress and stock-in-trade, employee benefits expense, finance costs, depreciation and amortization expenses and other expense.

Cost of materials consumed

Cost of material related to manufacturing items includes to raw materials such as MS Round, MS Plate, MS Angle and others, construction materials, such as steel, cement and others.

Changes in inventories of finished goods, work-in-progress and stock-in-trade

Changes in inventories of finished goods, work-in-progress and stock-in-trade denotes the difference between the opening and closing balance of work in progress, finished goods and stock-in-trade.

Employee benefits expense

Employees benefits expenses consists of salaries, wages, bonus, contribution to provident and other funds and staff welfare expenses.

Finance cost

Finance cost consists of interest on working capital loan, equipment loan and other term loan, bank guarantee commission, letter of credit charges and processing fees.

Depreciation and amortization expense

Depreciation and amortization expenses includes deprecation on tangible assets and right-of-use assets, and amortization on intangible assets. Tangible assets comprise of factory building, plant & machinery, electrical installation, office equipment and motor vehicles. Intangible assets comprise of computer software.

Other Expenses

Other expenses include selling and administrative expenses in the form of rent, insurance, travelling, professional and consultancy expenses, and manufacturing and operating expenses.

Total tax expenses

Total Tax expense consists of current tax, tax relating to earlier years and deferred tax.

RESULTS OF OPERATIONS

The following tables set forth our selected financial data from our restated consolidated statement of profit and loss for Fiscal 2024, Fiscal 2023 and Fiscal 2022, the components of which are also expressed as a percentage of total income for such years:

Particulars	**For the year ended March 31**					
	2024		**2023**		**2022**	
	In ₹ million	**As a percentage of total income**	**In ₹ million**	**As a percentage of total income**	**In ₹ million**	**As a percentage of total income**
Revenue from operations	9,657.37	99.03%	7,858.21	99.58%	5,568.38	99.23%
Other income	94.43	0.97%	33.02	0.42%	43.20	0.77%
Total income (A)	9,751.80	100.00%	7,891.23	100.00%	5,611.58	100.00%
Cost of materials consumed	4,757.01	48.78%	3,787.10	47.99%	2,406.82	42.89%
Changes in inventories of Finished goods, Work-in-Progress and Stock-in-Trade	(264.85)	(2.72)%	(91.33)	(1.16)%	(41.25)	(0.74)%
Employee benefits expense	722.75	7.41%	443.49	5.62%	390.08	6.95%
Finance costs	255.04	2.62%	184.89	2.34%	145.86	2.60%
Depreciation and amortisation expense	162.22	1.66%	139.57	1.77%	118.07	2.10%
Other expenses	3,295.66	33.80%	2,746.10	34.80%	1,970.18	35.11%
Total expenses (B)	8,927.83	91.55%	7,209.82	91.36%	4,989.76	88.92%
Profit/ (Loss) before tax	823.97	8.45%	681.41	8.64%	621.82	11.08%
Current tax	220.18	2.26%	181.80	2.30%	159.95	2.85%
Tax relating to earlier years	(8.11)	(0.08)%	1.77	0.02%	12.60	0.22%
Deferred tax	1.93	0.02%	(7.47)	(0.09)%	10.26	0.18%
Total tax expenses	214	2.19%	176.10	2.23%	182.81	3.26%
V. Profit / (loss) for the year (excluding profit of the share of our Associate**)**	609.97	6.25%	505.31	6.40%	439.01	7.82%
Share of Profit/ (Loss) in Associates (Net)	151.28	1.55%	15.93	0.20%	31.95	0.57%
Profit/ loss for the year (including profit of the share of our Associate)	761.25	7.81%	521.24	6.61%	470.96	8.39%

FISCAL 2024 COMPARED TO FISCAL 2023

Total Income

Total income increased by 23.58% from ₹ 7,891.23 million in Fiscal 2023 to ₹ 9,751.80 million in Fiscal 2024 primarily due to increase in revenue from operations.

Revenue from operations

Revenue from operations increased by 22.90% from ₹ 7,858.21 million in Fiscal 2023 to ₹ 9,657.37 million in Fiscal 2024 primarily due to increase in construction contract revenue to ₹7,231.78 million for Fiscal 2024 from ₹6,166.88 million for the Fiscal 2023 and increase in sale of manufactured products from ₹ 1,574.73 million in Fiscal 2023 to ₹ 2,191.99 million in Fiscal 2024 mainly due to an increase in business in both bridges and track related work projects.

Other income

Other income increased by 185.98% from ₹ 33.02 million in Fiscal 2023 to ₹ 94.43 million in Fiscal 2024 primarily due to profit on sale of property, plant and equipment of ₹21.14 million in Fiscal 2024, liabilities no longer required written back of ₹ 20.25 million in Fiscal 2024 from ₹ 0.41 million in Fiscal 2023, interest income of ₹ 28.40 million in Fiscal 2024 from ₹ 24.43 million in Fiscal 2023

Total Expenses

Total expenses increased by 23.83% from ₹ 7,209.82 million in Fiscal 2023 to ₹ 8,927.83 million in Fiscal 2024 primarily due to increase in the cost of material consumed from ₹ 3,787.10 million in Fiscal 2023 to ₹4,757.01 million in Fiscal 2024, increase in employee benefit expenses from ₹ 443.49 million in Fiscal 2023 to ₹722.75 million in Fiscal 2024 and increase in other expenses from ₹ 2,746.10 million in Fiscal 2023 to ₹3,295.66 million in Fiscal 2024

Cost of materials consumed

Cost of materials consumed increased by 25.61% from ₹ 3,787.10 million in Fiscal 2023 to ₹ 4,757.01 million in Fiscal 2024 primarily due to increase in business of construction activities in execution of projects and due to an overall increase in the business of the Company.

Change in inventories of Finished goods, Work-in-Progress and Stock-in-Trade

Inventories of Finished goods, Work-in-Progress and Stock-in-Trade increased by 189.99% from ₹ 91.33 million in Fiscal 2023 to ₹ 264.85 million in Fiscal 2024 primarily due to increase in closing balance of work in progress, which was mainly due in increase in construction activities

Employee benefits expense

Employee benefits expenses increased by 62.97% from ₹ 443.49 million in Fiscal 2023 to ₹ 722.75 million in Fiscal 2024 primarily due an increase in the salaries, wages and bonus from ₹ 383.43 million in Fiscal 2023 to ₹657.47 million in Fiscal 2024 due to in annual increment as well as increase in head count.

Finance costs

Finance costs increased by 37.94% from ₹ 184.89 million in Fiscal 2023 to ₹ 255.04 million in Fiscal 2024 primarily due to an increase in interest expense on working capital facilities from banks from ₹ 88.23 million in Fiscal 2023 to ₹119.27 million in Fiscal 2024, and increase in commission on bank guarantee from ₹27.45 million in Fiscal 2023 to ₹49.07 million in Fiscal 2024.

Depreciation and amortisation expense

Depreciation and amortisation expense increased by 16.23% from ₹ 139.57 million in Fiscal 2023 to ₹ 162.22 million in Fiscal 2024 primarily due to an increase in depreciation on property, plant and equipment from ₹ 139.16 million in Fiscal 2023 to ₹154.98 million in Fiscal 2024.

Other expenses

Other expenses increased by 20.01% from ₹ 2,746.10 million in Fiscal 2023 to ₹ 3,295.66 million in Fiscal 2024 primarily due to increases in (i) sub contract and site development charges to ₹1,385.37 million in Fiscal 2024 from ₹1,170.25 million in Fiscal 2023 (ii) Power and fuel expenses to ₹323.24 million in Fiscal 2024 from ₹217.62 million in Fiscal 2023 (iii) Equipment maintenance and hire charges to ₹248.00 million in Fiscal 2024 from ₹110.92 million in Fiscal 2023 (iii) consumption of stores and spares to ₹422.87 million in Fiscal 2024 from ₹402.34 million in Fiscal 2023 (iv) Travelling and conveyancing expenses to ₹96.49 million in Fiscal 2024 from ₹49.03 million in Fiscal 2023 due to increase in travel driven by growth in number of project sites, (v) Security expenses to ₹48.70 million in Fiscal 2024 from ₹25.16 million in Fiscal 2023, (vi) Brokerage and commission to ₹54.42 million in Fiscal 2024 from ₹3.94 million in Fiscal 2023.

Profit before tax

Our profit before tax increased by 20.92% from ₹ 681.41 million in Fiscal 2023 to ₹ 823.97 million in Fiscal 2024 primarily due to increase in revenue from operations primarily due to increase in construction activities and increase in revenue from sale of manufactured goods.

Total Tax Expense

Total tax expense (current and deferred) increased by 21.52% from ₹ 176.10 million in Fiscal 2023 to ₹ 214.00 million in Fiscal 2024 primarily due to an increase in current tax to 220.18 million in Fiscal 2024 from 181.80 million in Fiscal 2023.

- Current tax expense increased by 21.11% from ₹ 181.80 million in Fiscal 2023 to ₹ 220.18 million in Fiscal 2024 primarily due to increase in profit before tax from ₹681.41 million in Fiscal 2023 to ₹ 823.97 million in Fiscal 2024;

- Tax relating to earlier years decreased by 558.19% from ₹ 1.77 million in Fiscal 2023 to ₹ (8.11) million in Fiscal 2024 primarily due to income tax refund amount received of earlier years; and

- Deferred tax increased by 125.84% from ₹ (7.47) million in Fiscal 2023 to ₹ 1.93 million in Fiscal 2024 primarily due to additions in property, plant and equipment in Fiscal 2024.

Profit for the year (including profit of the share of our Associate)

Profit for the year increased by 46.05% from ₹ 521.24 million in Fiscal 2023 to ₹ 761.25 million in Fiscal 2024 primarily due to an increase in revenue from operations primarily due to increase in construction activities and increase in share of profit in our Associate from ₹15.93 million in Fiscal 2023 to ₹151.28 million in Fiscal 2024.

FISCAL 2023 COMPARED TO FISCAL 2022

Total Income

Total income increased by 40.62% from ₹ 5,611.58 million in Fiscal 2022 to ₹ 7,891.23 million in Fiscal 2023 primarily due to an increase in revenue from operations

Revenue from operations

Revenues from operations increased by 41.12% from ₹ 5,568.38 million in Fiscal 2022 to ₹ 7,858.21 million in Fiscal 2023 primarily due to increase in construction contract revenue to ₹6,166.88 million in Fiscal 2023 from ₹2,943.60 million in Fiscal 2022 mainly due to increase to increase in business in both bridges and track related work projects.

Other income

Other income decreased by 23.56% from ₹ 43.20 million in Fiscal 2022 to ₹ 33.02 million in Fiscal 2023 Primarily due to decrease in revenue from sale of scraps and lower allowances for expected credit loss written back.

Expenses

Total expenses increased by 44.49% from ₹ 4,989.76 million in Fiscal 2022 to ₹ 7,209.82 million in Fiscal 2023 primarily due to an increase in the cost of material consumed from ₹ 2,406.82 million in Fiscal 2022 to ₹ 3,787.10 million in Fiscal 2023, increase in employee benefit expenses from ₹ 390.08 million in Fiscal 2022 to ₹ 443.49 million in Fiscal 2023, increase in other expenses from ₹ 1,970.18 million in Fiscal 2022 to ₹ 2,746.10 million in Fiscal 2023.

Cost of materials consumed

Cost of materials consumed increased by 57.35% from ₹ 2,406.82 million in Fiscal 2022 to ₹ 3,787.10 million in Fiscal 2023 primarily due to an increase in business of construction activities in execution of projects.

Changes in inventories of Finished goods, Work-in-Progress and Stock-in-Trade

Inventories of Finished goods, Work-in-Progress and Stock-in-Trade increased by 121.41% from ₹ 41.25 million in Fiscal 2022 to ₹ 91.33 million in Fiscal 2023 primarily due to increase in closing balance of work in progress mainly due to an increase in construction activities.

Employee benefits expense

Employee benefits expense increased by 13.69% from ₹ 390.08 million in Fiscal 2022 to ₹ 443.49 million in Fiscal 2023 primarily due to increase in salaries, wages and bonus from ₹341.30 million in Fiscal 2022 to ₹383.43 million in Fiscal 2023.

Finance costs

Finance costs increased by 26.76% from ₹ 145.86 million in Fiscal 2022 to ₹ 184.89 million in Fiscal 2023 primarily due to an increase in interest expense on working capital facilities from Banks from ₹ 72.36 million in Fiscal 2022 to ₹ 88.23 million in Fiscal 2023 and an increase in interest expense on vehicle/ equipment loan from ₹ 8.16 million in Fiscal 2022 to ₹22.48 million in Fiscal 2023.

Depreciation and amortisation expense

Depreciation and amortisation expense increased by 18.21% from ₹ 118.07 million in Fiscal 2022 to ₹ 139.57 million in Fiscal 2023 primarily due to an increase in depreciation on property, plant and equipment from ₹ 117.74 million in Fiscal 2022 to ₹ 139.16 million in Fiscal 2023.

Other expenses

Other expenses increased by 39.38% from ₹ 1,970.18 million in Fiscal 2022 to ₹ 2,746.10 million in Fiscal 2023 primarily due to increase in (i) sub contractual and site development charges from ₹829.21 million in Fiscal 2022 to ₹1,170.25 in Fiscal 2023, (ii) consumption of stores and spares from ₹282.96 million in Fiscal 2022 to ₹402.34 million in Fiscal 2023 (iii) Power and fuel from ₹188.38 million in Fiscal 2022 to ₹217.62 million in Fiscal 2023 (iv) Freight and transport from ₹231.33 million in Fiscal 2022 to ₹310.11 million in Fiscal 2023, (v) Equipment maintenance and hire charges from ₹43.87 million in Fiscal 2022 to ₹110.92 million in Fiscal 2023, (vi) Rates and taxes from ₹28.94 million in Fiscal 2022 to ₹77.37 million in Fiscal 2023, (vi) Security charges from ₹15.69 million in Fiscal 2022 to ₹25.16 million in Fiscal 2023, (vii) Insurance from ₹28.14 million in Fiscal 2022 to ₹60.02 million in Fiscal 2023, (viii) Professional fees from ₹45.98 million in Fiscal 2022 to ₹64.24 million in Fiscal 2023 and (ix) Travelling and conveyance from ₹31.49 million in Fiscal 2022 to ₹49.03 million in Fiscal 2023.

Profit before tax

Our profit before tax increased by 9.58% from ₹ 621.82 million in Fiscal 2022 to ₹ 681.41million in Fiscal 2023 primarily due to an increase in revenue from construction activities.

Tax Expense

Total tax expense (current and deferred) decreased by 3.67% from ₹ 182.81 million in Fiscal 2022 to ₹ 176.10 million in Fiscal 2023 primarily due to a reduction in deferred tax:

- Current tax expense increased by 13.66% from ₹ 159.95 million in Fiscal 2022 to ₹ 181.80 million in Fiscal 2023 primarily due to higher profit before taxes driven by increase in revenue from construction activities;

- Deferred Tax decreased by 172.81% from ₹ 10.26 million in Fiscal 2022 to (₹ 7.47) million in Fiscal 2023 primarily due to reversal of deferred tax liability created on account of Ind-AS adjustment; and

- Tax relating to earlier years decreased by 85.95% from ₹ 12.60 million in Fiscal 2022 to ₹ 1.77 million in Fiscal 2023 primarily due to income tax provision created for earlier year in Fiscal 2022.

Profit for the year (including profit of the share of our Associate)

Profit for the year increased by 10.68% from ₹ 470.96 million in Fiscal 2022 to ₹ 521.24 million in Fiscal 2023 primarily due to increase in revenue from operations mainly due to an increase in construction activities.

LIQUIDITY AND CAPITAL RESOURCES

Capital Requirements

Our principal capital requirements are for meeting cost of construction, material cost, employee benefits expenses and construction equipment. Our principal source of funding has been and is expected to continue to be cash generated from our operations, working capital facilities and equipment term loan. For the Fiscal 2024, Fiscal 2023 and Fiscal 2022, we met our funding requirements, including satisfaction of debt obligations, capital expenditure, investments, other working capital requirements and other cash outlays, principally with funds generated from operations, optimization of operating working capital with the balance met from external borrowings.

Liquidity

Our liquidity requirements arise principally from our operating activities, repayment of borrowings and debt service obligations. Historically, our principal sources of funding have included cash from operations, short-term and long-term borrowings from financial institutions, cash and cash equivalents.

Cash

Our anticipated cash flows are dependent on various factors that are beyond our control. See "*Risk Factors*" beginning on page 36. The following table sets forth certain information relating to our cash flows in the Fiscal 2024, 2023 and 2022:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
	(in ₹ million)		
Net cash flows from operating activities	30.81	278.12	319.54
Net cash flows used in investing activities	(484.19)	(323.37)	(287.86)
Net cash flows from/ (used) in financing activities	306.66	0.93	145.71
Net increase/ (decrease) in cash and cash equivalents	(146.72)	(44.32)	177.39
Cash and cash equivalents at the end of the year end	99.37	246.09	290.41

Cash Flows from Operating Activities

Fiscal 2024

We generated ₹ 30.81 million net cash from operating activities during Fiscal 2024. Profit before tax for Fiscal 2024 was ₹ 823.97 million. Adjustments to reconcile profit before tax to operating profit before working capital changes primarily consisted of depreciation and amortization of ₹ 162.22 million and finance cost of ₹ 255.04 million. This was partially offset by interest income of ₹ 28.4 million, profit on sale of property, plant and equipment of ₹21.14 million and liabilities no longer required written back of ₹20.25 million.

Our adjustments for working capital changes for Fiscal 2024 primarily consisted of increase in trade payables of ₹ 430.51 million, increase in financial liabilities of ₹ 77.98 million, increase in other liabilities of ₹ 98.16 million, increase in inventory of ₹ 736.96 million, increase in trade receivables of ₹ 173.68 million and increase in other assets of ₹ 649.84 million

Cash generated from operations in Fiscal 2024 amounted to ₹ 235.84 million. This was offset by income tax of ₹ 205.03 million.

Fiscal 2023

We generated ₹ 278.12 million net cash from operating activities during Fiscal 2023. Profit before tax for Fiscal 2023 was ₹ 681.41 million. Adjustments to reconcile profit before tax to operating profit before working capital changes primarily consisted of depreciation and amortization of ₹ 139.57 million and finance cost of ₹ 184.89 million. This was partially offset by Interest income of ₹ 24.43 million.

Our adjustments for working capital changes for Fiscal 2023 primarily consisted of increase in trade payables of ₹ 379.48 million, increase in finance liabilities of ₹ 19.56 million, decrease in other liabilities of ₹ 35.19 million, increase in inventory of 321.22 million, increase in trade receivables of ₹ 100.99 million and increase in other assets of ₹ 560.67 million

Cash generated from operations in Fiscal 2023 amounted to ₹ 456.88 million. This was offset by income tax of ₹ 178.76 million.

Fiscal 2022

We generated ₹ 319.54 million net cash from operating activities during Fiscal 2022. Profit before tax for Fiscal 2022 was ₹ 621.82 million. Adjustments to reconcile profit before tax to operating profit before working capital changes primarily consisted of depreciation and amortisation of ₹ 118.07 million and finance cost of ₹ 145.86 million. This was partially offset by interest income of ₹ 24.00 million.

Our adjustments for working capital changes for Fiscal 2022 primarily consisted of increase in trade payables of ₹ 116.35 million, increase in finance liabilities of ₹ 21.60 million, decrease in other liabilities of ₹ 39.45 million, increase in inventory of ₹544.34 million, decrease in trade receivables of ₹123.86 million and increase in other assets of ₹ 68.88 million

Cash generated from operations in Fiscal 2022 amounted to ₹ 439.64 million. This was offset by income tax of ₹120.10 million

Cash Flow used in Investing Activities

Fiscal 2024

Net cash used in investing activities was ₹ 484.19 million in Fiscal 2024, primarily on account of purchase of property, plant and equipment and intangibles of ₹338.17 million, loans granted of ₹ 122.11 million and investment in fixed deposits of ₹83.00 million . This was partially offset by proceeds from sale of property plant and equipment and intangible assets of ₹ 31.26 million and interest received of ₹ 28.32 million.

Fiscal 2023

Net cash used in investing activities was ₹ 323.37 million in Fiscal 2023, primarily on account of purchase of property, plant and equipment and intangibles of ₹223.00 million, loans granted of ₹ 60.18 million and investment in fixed deposits of ₹ 78.35 million. This was partially offset by sale of property plant and equipment and intangible assets of ₹ 7.55 million and interest received of ₹ 30.61 million.

Fiscal 2022

Net cash used in investing activities was ₹ 287.86 million in Fiscal 2022, primarily on account of purchase of property, plant and equipment and intangibles of ₹330.89 million and investment in fixed deposits of ₹ 13.06 million. This was partially offset by sale of property plant and equipment and intangible assets of ₹ 21.90 million and interest received of ₹ 20.83 million

Cash Flow from/used in Financing Activities

Fiscal 2024

Net cash from financing activities was ₹ 306.66 million in Fiscal 2024, primarily on account of proceeds from Short term borrowings of ₹ 665.54 million and long term borrowing of ₹ 102.86 million This was partially offset by interest and other borrowings cost paid of ₹243.76 million and repayment of long term borrowing of ₹ 204.41 million.

Fiscal 2023

Net cash from financing activities was ₹ 0.93 million in Fiscal 2023, primarily on account of proceeds from short term borrowings of ₹ 129.21 million and long term borrowing of ₹ 188.94 million This was partially offset by interest and other borrowings cost paid of ₹ 181.15 million and repayment of long term borrowing of ₹ 122.93 million.

Fiscal 2022

Net cash from financing activities was ₹ 145.71 million in Fiscal 2022, primarily on account of proceeds from short term borrowings of ₹ 134.11 million and long term borrowing of ₹ 198.42 million. This was partially offset by interest and other borrowings cost paid of ₹ 145.86 million and repayment of long term borrowing of ₹ 37.07 million.

FINANCIAL INDEBTEDNESS

As of March 31, 2024 we had total borrowings of ₹ 2,140.95 million. Our total borrowing to equity ratio was 0.57 as of March 31, 2024. For further information on our indebtedness, see "*Financial Indebtedness*" on page 431.

The following table sets forth certain information relating to our outstanding indebtedness as of March 31, 2024, March 31, 2023 and March 31, 2022:

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
Cash Credit facility from Banks	1,288.76	759.26	682.08
Working capital loan from bank	100.00	200.05	298.82
Short term loan from financial institution	50.00	-	-
Term Loan from Bank and Financial institution	116.74	208.37	180.15
Vehicle and equipment loan from banks and financial institutions	244.46	254.38	216.59
Unsecured Loan	340.99	154.90	4.10
Total	**2,140.95**	**1,576.96**	**1,381.74**

Repayment schedule of non-current borrowing:

(*in ₹ million*)

Particulars	Payable in Fiscal 25	Payable in Fiscal 26	Payable in Fiscal 27	Payable in Fiscal 28	Payable in Fiscal 29	Total
Vehicle / Equipment Loan						

Particulars	Payable in Fiscal 25	Payable in Fiscal 26	Payable in Fiscal 27	Payable in Fiscal 28	Payable in Fiscal 29	Total
From Banks	86.81	82.92	36.22	0.27	0.05	206.27
From Financial Institutions	30.24	7.23	0.72	-	-	38.19
Total	117.05	90.15	36.94	0.27	0.05	244.46

CONTINGENT LIABILITIES AND OFF-BALANCE SHEET ARRANGEMENTS

As of March 31, 2024 our contingent liabilities as per Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets, that have not been provided for, were as follows:

(*in ₹ million*)

Particulars	As of March 31, 2024
Liabilities in respect to guarantees issued by Banks & Others	
1.) Inland Bank Guarantee (Indian Bank, ICICI Bank, Axis Bank, Union Bank of India & BOI)	2,312.25
2.) Foreign Bank Guarantee (Union Bank of India, Axis Bank)	4.36
3.) Corporate Guarantee	308.00
(Outstanding loan balance in respect of the above guarantees - ₹288.98 million)	
Claims against the Group not acknowledged as debts	
Value Added Taxes	16.30
Entry Taxes	0.48
Service Tax (inclusive of penalty)	102.81
Income Tax	45.20

During the month of March 2024, the Income Tax Department ('the department') had conducted a search under section 132 of the Income Tax Act, 1961 ('the Act') at the Company along with its one of the subsidiary Company's registered office, corporate office, few of its manufacturing locations, residence of few of its key managerial personnel, other premises and few of its group entities. During the search proceedings, the Company along with its Subsidiary and group entities provided necessary information and responses to the department. The department has also seized cash amounting to Rs.3.00 million from the residence of key managerial personnel. Additionally, the department has taken certain documents, data backups and other information for further investigation. Subsequently, the department issued summons to assesees / witnesses under Section 131/137/36 of the Act on the Company, Subsidiary Company and its group companies. All such entities have complied with such notices and as on date of approval of Restated Consolidated financial information, the department has not issued any demand notice etc on the Company / Subsidiary Company/ group entities. As per the company's tax advisors, the outcome can only be determined after the assessment/re-assessment proceedings are initiated. Based on the above, no material adjustment is envisaged by the management at this stage to these Restated Consolidated Financial Information.
*The Code on Social Security, 2020 ('**Code**') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.*

For further information on our contingent liabilities as at March 31, 2024, March 31, 2023, March 31, 2022 as per Ind AS 37, see "*Financial Information*" on page 316.

Except as disclosed elsewhere in this Draft Red Herring Prospectus, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The following table sets forth certain information relating to future payments due under known contractual commitments as of March 31, 2024, March 31, 2023 and March 31, 2022 aggregated by type of contractual obligation:

(*in ₹ million*)

Particulars	<less than 1 year	Total
Year ended 31 March 2024		
Advance from Customers	108.81	108.81
	108.81	**108.81**
Year ended 31 March 2023		
Advance from Customers	48.66	48.66
	48.66	**48.66**
Year ended 31 March 2022		
Advance from Customers	88.66	88.66
	88.66	**88.66**

CAPITAL EXPENDITURES

In the Fiscal 2024, Fiscal 2023 and Fiscal 2022, our capital expenditure towards additions to property, plant and equipment were ₹ 371.22 million, ₹ 188.36 million and ₹ 398.81 million respectively.

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include sales, purchase, equipment hire charges and labour charges. For further information relating to our related party transactions, see "*Related Party Transactions*" on page 313.

AUDITOR'S OBSERVATIONS

Except as disclosed below, there are no reservations, qualifications and adverse remarks and emphasis of matter or any adverse remarks by the Statutory Auditors of the Company in the Restated Consolidated Financial Information and the audited financial statements of our Company for Fiscal 2024, Fiscal 2023 and Fiscal 2022:

I. <u>For the year ended March 31, 2024</u>

1. **Emphasis of Matter:** *''We draw attention to Note 13.2 of the consolidated financial statement which states that there are uncertainties on recoverability of Company's share of contract assets, trade and other receivables aggregating Rs. 76.02 million (76.01 million as at 31 March 2023) in respect of one joint operations, wherein the underlying projects have been completed and as represented to us, the management of such joint operations have initiated arbitration proceedings for recovery of dues."*

2. **Report on Other Legal and Regulatory Requirements (Audit Trail)**

   i. *"Based on our examination, which included test checks, and that performed by the respective auditors of the subsidiaries and associate companies incorporated in India whose financial statements have been audited under the Act, the Holding company, subsidiaries and associate company have used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility, which have operated throughout the year for all relevant transactions recorded in the software, except;*

   - *In case of Holding Company and one of the subsidiary company, the audit trail feature was not enabled throughout the year at the database level in respect of both the accounting software(s) used by them to log any direct data changes. In respect of HR One application; audit trail is present for attendance regularization and employee loan module. However, the audit trail is not present for the payroll processing, manual attendance upload, and manual fee addition modules (also, refer note 58 to the consolidated financial statements).*

   - *In case of other 3 subsidiary companies and in case of all the companies included in associate company, the feature of recording audit trail (edit trail) facility in the accounting software was not enabled throughout the year for all relevant transactions recorded in the software and, accordingly, the respective auditors of the subsidiary companies were unable to comment whether the audit trail feature was tampered or not.*

   As proviso 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 preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024."

3. **Companies Auditor's Reports Order, 2020**

   <u>"Rahee Infratech Limited ("Holding Company"):</u>

   - *Clause i(c): The title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company except in case of immovable property where certain portions of Freehold Land situated at Jangalpur aggregating to Rs 2.02 million where the title deed and mutation are not held in the name of the company pursuant to scheme of arrangement for which mutation is under process.*

   - *Clause ii(b): The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Discrepancies have been noted in the quarterly returns or statements filed by the Company with such banks or financial institutions with the books of accounts, the reason for which have been disclosed vide note – 25.5 to the standalone financial statements.*

   - *Clause iii(c): In the case of loans granted during the year, the schedule of repayment of principal and payment of interest has not been stipulated. Since these loans are repayable on demand, we are* *unable to make a specific comment on the regularity of repayment of principal and payment of interest in respect of such loan.*

- *Clause iii(d): The records of the Company, as loans granted and interest payable thereon are repayable on demand, we are unable to make the specific comment on amount overdue for more than 90 days.*

- *Clause iii(e): The loans granted are repayable on demand and accordingly, we are unable to make a specific comment on the renewal or extension or fresh loans granted to settle the overdues of existing loans given to the same parties.*

- *Clause iii(f): The Company has granted loans, either repayable on demand or without specifying any terms or period of repayment to four (4) parties. The aggregate amount of loans granted to related parties aggregated to Rs 30.02 million as defined in clause (76) of section 2 of the Companies Act, 2013 and their closing balances are Rs 21.85 million.*

- *Clause vii(a): The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Customs Duty, Goods and Service tax, Cess and other statutory dues with the appropriate authorities except few cases of delay which were noticed in deposit of Provident Fund and Employee's State Insurance. According to the information and explanations given to us and the records of the Company examined by us, no undisputed statutory dues as above were outstanding as at March 31, 2024 for a period of more than six months from the date they became payable.*

- *Clause vii(b): The dues of goods and services tax, provident fund, employees' state insurance, sales tax, income tax, customs duty, excise duty, value added tax, and other statutory dues which have not been deposited on account of any dispute and the forum where the dispute is pending as on March 31, 2024 is related to Income tax (for the A.Y 2022-23) aggregating to Rs 34.74 million.*

Rahee Track Technologies Pvt. Ltd. ("Subsidiary Company") audited by J.B.S & Co Chartered Accountants (Independent Auditor's Report dated July 15, 2024):

- *Clause ii(b): The company has been sanctioned working capital limit in excess of five crore rupees, in aggregate from banks or financial institutions on the basis of security of current assets. Discrepancies have been noticed in the quarterly returns and statements filed by the company to banks or financial institutions with the books of accounts, the reason of which has been disclosed vide note no. 23.3 to the financial statements.*

Response Metalcrafts Pvt. Ltd. ("Subsidiary Company") audited by R Kothari & Co. LLP (Independent Auditors Report dated July 16, 2024)

- *Clause ix(d): According to the information and explanations given and based on examination of the records of the Auditor's of subsidiary company, the subsidiary company has taken short term loans or other borrowings from holding company during the year which have been utilized for long term purposes.*

Rahee Steeltech Pvt. Ltd. ("Subsidiary Company") audited by J.B.S & Co Chartered Accountants (Independent Auditors Report dated July 16, 2024):

- *Clause xvii: Based upon the audit procedures performed and the information and explanations given by the management, the Company has incurred cash loss of Rs. 1.02 million during the current financial year. However, the company did not incur any cash loss during the immediately preceding financial year.*

Pandrol Rahee Technologies Private Ltd. ("Associate Company") audited by S.N. Dhawan & Co. LLP (Independent Auditors Report dated July 24, 2024)

- *Clause iii(b): The terms and conditions of loans granted by the Company to its subsidiary, are prejudicial to the Company's interest on account of the fact that the loans have been granted are interest free. However, in our opinion and according to the information and explanations given to us the investments made and the terms and conditions of grant of all advances in the nature of loans are not prima facie, prejudicial to the Company's interest.*

- *Clause vii(a): In our opinion and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.*

- *Clause vii(b): According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute except for few cases of service tax (from FY 2010-11 to FY 2015-16) , Income Tax for A.Y. 2017-18 & 2018-19 aggregating to Rs 0.3 million, 0.23 million & 0.46 million respectively."*

II. <u>For the year ended March 31, 2023</u>

1. **Emphasis of Matter:** *''We draw attention to Note 13.2 of the consolidated financial statement which states that there are uncertainties on recoverability of Company's share of contract assets, trade and other receivables aggregating Rs. 76.01 million (Rs 75.77 million as at 31 March 2022) in respect of one joint operations, wherein the underlying projects have been completed and as represented to us, the management of such joint operations have initiated arbitration proceedings for recovery of dues. Our opinion is not modified in respect of this matter."*

2. **Companies Auditor's Reports Order, 2020**

<u>"Rahee Infratech Limited ("Holding Company")</u>

- ***Clause i(c):*** *The title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company except in case of immovable property where certain portions of Freehold Land situated at Jangalpur aggregating to Rs 2.02 million where the title deed and mutation are not held in the name of the company pursuant to scheme of arrangement for which mutation is under process.*

- ***Clause ii(b):*** *The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Discrepancies have been noted in the quarterly returns or statements filed by the Company with such banks or financial institutions with the books of accounts, the reason for which have been disclosed vide note – 25.3 to the standalone financial statements.*

- ***Clause iii(c):*** *In the case of loans granted during the year, the schedule of repayment of principal and payment of interest has not been stipulated. Since these loans are repayable on demand, we are unable to make a specific comment on the regularity of repayment of principal and payment of interest in respect of such loan.*

- ***Clause iii(d):*** *The records of the Company, as loans granted and interest payable thereon are repayable on demand, we are unable to make the specific comment on amount overdue for more than 90 days.*

- ***Clause iii(e):*** *The loans granted are repayable on demand and accordingly, we are unable to make a specific comment on the renewal or extension or fresh loans granted to settle the overdues of existing loans given to the same parties.*

- ***Clause iii(f):*** *The Company has granted loans, either repayable on demand or without specifying any terms or period of repayment to four (4) parties. The aggregate amount of loans granted to related parties aggregated to Rs 34.24 million as defined in clause (76) of section 2 of the Companies Act, 2013 and their closing balances are Rs 42.78 million.*

- ***Clause vii(a):*** *The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Customs Duty, Goods and Service tax, Cess and other statutory dues with the appropriate authorities except few cases of delay which were noticed in deposit of tax deducted at source, professional tax, provident fund, employee's State Insurance and Goods & Service Tax. According to the information and explanations given to us and* *the records of the Company examined by us, no undisputed statutory dues as above were outstanding as at March 31, 2023 for a period of more than six months from the date they became payable.*

- ***Clause viii(b):*** *The dues of goods and services tax, provident fund, employees' state insurance, sales tax, income tax, customs duty, excise duty, value added tax, and other statutory dues which have not been deposited on account of any dispute are Value Added Tax, Central Sales Tax, Entry Tax, Value added tax & Income tax amounting to Rs 16.31 million, Rs 4.05 million, Rs 0.93 million, Rs. 3.59 million & Rs 120.03 million respectively.*

Rahee Track Technologies Pvt. Ltd. ("Subsidiary Company") audited by J.B.S & Co Chartered Accountants (Independent Auditors Report dated August 19, 2023):

- ***Clause ii(b):*** *The company has been sanctioned working capital limit in excess of five crore rupees, in aggregate from banks or financial institutions on the basis of security of current assets. Discrepancies have been noticed in the quarterly returns and statements filed by the company to banks or financial institutions with the books of accounts, the reason of which has been disclosed vide note no. 23.3 to the financial statements.*

- ***Clause iii(e):*** *Loan granted by the company to Mridul Commodities Pvt. Ltd amounting to Rs 52.98 million (including Interest) has fallen due during the year and has been extended.*

- ***Clause xx(b):*** *In respect of ongoing projects, the company has transferred unspent amount to a special account, within a period of thirty days from the end of the financial year in compliance with 135(6) of the said Act, except in respect of few cases amounting to Rs 8.02 million out of which Rs. 4.52 million has been transferred to special account within 30 days from the end of the Financial Year, but Rs. 3.50 million was deposited after the due date.*

Response Metalcrafts Pvt. Ltd. ("Subsidiary Company") audited by R Kothari & Co LLP (Independent Auditors Report dated August 31, 2023)

- ***Clause ix(d):*** *According to the information and explanations given and based on examination of the records of the Auditor's of subsidiary company, the subsidiary company has taken short term loans or other borrowings from holding company during the year which have been utilized for loan term purposes.*

- ***Clause xvii:*** *The company has incurred cash loss of Rs 0.14 million during the current financial year and has not incurred any cash loss during the immediately preceding financial year.*

Pandrol Rahee Technologies Private Ltd. ("Associate Company") audited by S.N. Dhawan & Co. LLP (Independent Auditors Report dated July 3, 2023)

- ***Clause iii(b):*** *The terms and conditions of loans granted by the Company to its subsidiary, are prejudicial to the Company's interest on account of the fact that the loans have been granted are interest free. However, in our opinion and according to the information and explanations given to us the investments made and the terms and conditions of grant of all advances in the nature of loans are not prima facie, prejudicial to the Company's interest.*

- ***Clause vii(a):*** *In our opinion and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.*

- ***Clause vii(b):*** *According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute except for few cases of service tax (from FY 2010-11 to FY 2015-16) , Income Tax for A.Y. 2017-18 & 2018-19 aggregating to Rs 0.3 million, 0.23 million & 0.46 million respectively.*

- ***Clause xx(b):*** *In respect of ongoing projects, the company has transferred unspent amount to a special account, within a period of thirty days from the end of the financial year in compliance with 135(6) of the said Act, except in respect of few cases amounting to Rs 4.39 million out of which Rs*

3.29 million has been transferred to special account within 30 days from the end of the Financial Year, but Rs. 1.10 million was deposited after the due date."

III. <u>For the year ended March 31, 2022</u>

1. **Emphasis of Matter:** *''We draw attention to Note 13.2 of the consolidated financial statement which states that there are uncertainties on recoverability of Company's share of contract assets, trade and other receivables aggregating Rs. 75.77 million (Rs 75.77 million as at 31 March 2021) in respect of one joint operations, wherein the underlying projects have been completed and as represented to us, the management of such joint operations have initiated arbitration proceedings for recovery of dues. Our opinion is not modified in respect of this matter."*

2. **Companies Auditor's Report Order, 2020**

<u>"Rahee Infratech Limited ("Holding Company")</u>

- ***Clause i(c):*** *The title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company except in case of immovable property where certain portions of Freehold Land situated at Jangalpur aggregating to Rs 16.43 million where the title deed and mutation are not held in the name of the company pursuant to scheme of arrangement for which mutation is under process.*

- ***Clause ii(b):*** *The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Discrepancies have been noted in the quarterly returns or statements filed by the Company with such banks or financial institutions with the books of accounts, the reason for which have been disclosed vide note – 25.3 to the standalone financial statements.*

- ***Clause iii(c):*** *In the case of loans granted during the year, the schedule of repayment of principal and payment of interest has not been stipulated. Since these loans are repayable on demand, we are unable to make a specific comment on the regularity of repayment of principal and payment of interest in respect of such loan.*

- ***Clause iii(d):*** *The records of the Company, as loans granted and interest payable thereon are repayable on demand, we are unable to make the specific comment on amount overdue for more than 90 days.*

- ***Clause iii(e):*** *The loans granted are repayable on demand and accordingly, we are unable to make a specific comment on the renewal or extension or fresh loans granted to settle the overdues of existing loans given to the same parties.*

- ***Clause iii(f):*** *The Company has granted loans, either repayable on demand or without specifying any terms or period of repayment to four (4) parties. The aggregate amount of loans granted to related parties aggregated to Rs 63.26 million as defined in clause (76) of section 2 of the Companies Act, 2013 and their closing balances are Rs 61.28 million.*

- ***Clause vii(a):*** *The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Customs Duty, Goods and Service tax, Cess and other statutory dues with the appropriate authorities except few cases of delay which were noticed in deposit of Provident Fund and Employee's State Insurance. According to the information and explanations given to us and the records of the Company examined by us, no undisputed statutory dues as above were outstanding as at March 31, 2024 for a period of more than six months from the date they became payable.*

- ***Clause vii(b):*** *The dues of goods and services tax, provident fund, employees' state insurance, sales tax, income tax, customs duty, excise duty, value added tax, and other statutory dues which have not been deposited on account of any dispute and the forum where the dispute is pending as on March 31, 2024 is related to Income tax (for the A.Y 2022-23) aggregating to Rs 34.74 million.*

<u>Rahee Track Technologies Pvt. Ltd. ("Subsidiary Company") audited by J.B.S & Co Chartered Accountants (Independent Auditors Report dated September 5, 2022):</u>

- ***Clause vii(b):*** *The company has not deposited statutory dues referred in sub-clause (a) above, as on March 31,2022 on account of dispute of Excise duty (F.Y. 2014-15) amounting to Rs 61.25 million.*

- ***Clause xi(c):*** *The company does not have a Vigil Mechanism and or Whistle – Blower policy established as per the provisions of section 177(9) of the Companies Act 2013 read with rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014 establishment of Vigil Mechanism or a Whistle- Blower Policy under SEBI LODR Regulation is not applicable to the company.*

Response Metalcrafts Pvt. Ltd. ("Subsidiary Company") audited by R Kothari & Co. LLP (Independent Auditors Report dated September 5, 2022):

- ***Clause xvii:*** *The company has incurred cash loss of Rs 0.04 million during the current financial year and has not incurred any cash loss during the immediately preceding financial year.*

Pandrol Rahee Technologies Private Ltd. ("Associate Company") auditited by S.N. Dhawan & Co. LLP (Independent Auditors Report dated September 28, 2022)

- ***Clause iii(b):*** *The terms and conditions of loans granted by the Company to its subsidiary, are prejudicial to the Company's interest on account of the fact that the loans have been granted are interest free. However, in our opinion and according to the information and explanations given to us the investments made and the terms and conditions of grant of all advances in the nature of loans are not prima facie, prejudicial to the Company's interest.*

- ***Clause iii(c):*** *In respect of loans, advances in nature of loan granted during the year, the schedule of repayment of principal and payment of interest has not been stipulated. Since these loans are repayable on demand, we are unable to make a specific comment on the regularity of repayment of principal and payment of interest in respect of such loan.*

- ***Clause iii(f):*** *The Company has granted loans, either repayable on demand or without specifying any terms or period of repayment to four (4) parties. The aggregate amount of loans granted to related parties aggregated to Rs 74.68 million as defined in clause (76) of section 2 of the Companies Act, 2013.*

- ***Clause vii(a):*** *In our opinion and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.*

- ***Clause xx(b):*** *In respect of ongoing projects, the company has transferred unspent amount to a special account, within a period of thirty days from the end of the financial year in compliance with 135(6) of the said Act, except in respect of few cases amounting to Rs 2.79 million out of which Rs. 1.69 million has been transferred to special account within 30 days from the end of the Financial Year, but Rs. 1.10 million was deposited after the due date.*

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risks that are related to the normal course of our operations such as interest rate, liquidity risk, foreign exchange risk and reputational risk, which may affect economic growth in India and the value of our financial liabilities, our cash flows and our results of operations.

Credit Risk

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including deposits with banks and financial institutions, investments, foreign exchange transactions and other financial instruments. The customer credit risk is managed subject to the Company's established policy, procedure and controls relating to customer credit risk management. In most of the cases, the Company normally allow credit period of 15 days-30 days, which varies from customer to customer.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly to close to its fair value. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, the Company ensures that it has sufficient cash on demand to meet expected short term operational expenses. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans/ internal accruals.

Market Risk

We are exposed to various types of market risks during the normal course of business. Market risk is the risk that fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of foreign exchange risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. We are exposed to the price risks associated with purchasing our raw materials consumed. Further, in cases where the holding period of the raw material exceeds the average holding period, we may be required to have additional working capital coverage, for the purposes of maintaining such raw materials which may increase our raw material cost. Although we aim to accommodate such excessive cost in our subsequent/future orders, there can be no assurance that we shall be successful in passing such costs to our customers in the subsequent orders in part, or in full, or at all.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Borrowings availed by the Company are subject to interest on fixed rates as these are taken only for the purpose to finance the business and inducting new fleet and such borrowings are repayable on demand. Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, domestic and international economic and political conditions, inflation and other factors. For further information, see "*Financial Indebtedness*" on page 431.

Inflation Risk

In recent years, India has experienced relatively high rates of inflation. While we believe inflation has not had any material impact on our business and results of operations, inflation generally impacts the overall economy and business environment and hence could affect us.

Significant Economic Change Risk

Any slowdown or perceived slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business. Any downturn in the macroeconomic environment in India could also adversely affect our business, financial condition, results of operations and prospects.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

KNOWN TRENDS OR UNCERTAINTIES

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in "*Management's Discussion and Analysis of Financial Condition and Results of Operations - Significant Factors Affecting our Results of Operations*" and the uncertainties described in "*Risk Factors*" on pages 390 and 36, respectively. To our knowledge, except as discussed in this Draft Red Herring Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

FUTURE RELATIONSHIP BETWEEN COST AND INCOME

Other than as described in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 36, 232 and 390 respectively, to our knowledge, there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

NEW PRODUCTS OR BUSINESS SEGMENTS

Except as set out in this Draft Red Herring Prospectus in the sections "*Our Business*" on page 232, we have not announced and do not expect to announce in the near future any new products or business segments.

COMPETITIVE CONDITIONS

We operate in a competitive environment and expect to continue to compete with existing and potential competitors. See "*Risk Factors*", "*Industry Overview*" and "*Our Business*" on pages 36, 151 and 232, respectively, for further details on competitive conditions that we face across our various business segments.

SIGNIFICANT DEPENDENCE ON SINGLE OR FEW CUSTOMERS

For dependency on a few customers, see "*Risk Factors- We derive a significant part of our revenue from some customers. If one or more of such customers choose not to source their requirements from us or to terminate our contracts or purchase orders, our business, cash flows, financial condition and results of operations may be adversely affected*"

SEASONALITY/ CYCLICALITY OF BUSINESS

Our business is not seasonal in nature.

MATERIAL DEVELOPMENTS AFTER MARCH 31, 2024 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

Except as disclosed below and elsewhere in this Draft Red Herring Prospectus, there have been no significant developments after March 31, 2024, 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:

i. The Company has pursuant to the Board resolution and Shareholders' resolution, each dated August 24, 2024, sub-divided one equity shares having face value of ₹10 each into five Equity Shares having face value of ₹2 each.

ii. The Company has pursuant to the Board and Shareholders' resolutions, both dated August 24, 2024 approved the issuance of 3,24,43,325 bonus Equity Shares at a ratio of one Equity Shares for one Equity Share held by our Shareholders.

iii. The Board of Directors of one of the subsidiary, Rahee Track Technologies Private Limited, pursuant to its meeting held on 13th May 2024 had proposed the buy-back of up to 12,25,000 equity shares of Rs. 10/- each fully paid up at a premium of Rs. 37/- per equity share. The buy-back of 11,89,158 equity shares of Rs 10/- each fully paid up has been completed as on the date of this DRHP, post which the shareholding of Rahee Infratech Limited has increased from 53.98% to 100.00%.

iv. The Board of Directors at its meeting held on August 24, 2024 has approved the acquisition, by way of slump sale, of the "Railway Component Business" of our Corporate Promoter, M/s. Shalimar Fabricators Private Limited for a purchase consideration of ₹160.00 million to be financed from own sources/ internal accruals. The Company has entered into a Business Transfer Agreement dated September 13, 2024 with Shalimar Fabricators Private Limited in respect of the above transaction. The Company has obtained a certificate dated September 30, 2024 from Singhi & Co., Chartered Accountants in connection with the acquisition as required under the SEBI ICDR Regulations. The aforementioned acquisition does not have an impact on the Turnover, Net Worth or Profit before tax at the consolidated level and is not expected to be material.

CAPITALISATION STATEMENT

The following table sets out our Company's capitalization as at March 31, 2024, as derived from our Restated Consolidated Financial Information. This table should be read in conjunction with the sections titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Financial Information*" and "*Risk Factors*" beginning on pages 390, 316 and 36, respectively.

(in ₹ million)

Particulars	Pre-Offer as at March 31, 2024	As adjusted for the Offer#
Total equity		
Equity Share Capital**	64.89	[●]
Other Equity**	3,724.05	[●]
Total Equity (A)	**3,788.94**	[●]
Total borrowings		
Current borrowings	1,779.75	[●]
Non-current borrowings (including current maturities)**	361.20	[●]
Total Borrowings (B)	**2,140.95**	[●]
Total (A+B)	**5,929.89**	[●]
Non-current borrowings (including current maturities) / Total Equity	**0.10**	[●]
Total borrowings/ Total equity	**0.57**	[●]

\# *Post-Offer capitalisation will be determined after finalization of the Offer Price.*

** *These terms shall carry the meaning as per Schedule III of the Companies Act, 2013 (as amended).*

Note: The Company has pursuant to the Board resolution and Shareholders' resolution, each dated August 24, 2024, sub-divided one equity shares having face value of ₹10 each into five Equity Shares having face value of ₹2 each. Further, our Company has pursuant to the Board and Shareholders' resolutions, both dated August 24, 2024 approved the issuance of 32,443,325 bonus Equity Shares at a ratio of one Equity Shares for one Equity Share held by our Shareholders.

FINANCIAL INDEBTEDNESS

Our Company and its Subsidiaries avail credit facilities in the ordinary course of business. For details regarding the borrowing powers of our Board, see "*Our Management - Borrowing Powers of our Board*" on page 287.

Set out below is a brief summary of the aggregate borrowings by our Company and its Subsidiaries as of March 31, 2024 on a consolidated basis:

(in ₹ million)

Category of borrowing	Sanctioned amount as of March 31, 2024	Outstanding amount as of March 31, 2024
<u>Secured</u>		
Fund Based		
Working capital demand loan/cash credit/OD facility from Banks	1,780.00	1,388.76
Term Loans from Banks	173.40	116.74
Vehicle and equipment finance (from banks and financial institutions)	431.68	244.46
Construction Equipment Short-term Loan from Financial Institution	50.00	50.00
Total fund based (A)	**2,435.08**	**1,799.96**
Non-fund Based		
Bank Guarantees	3,315.00	2,316.61
Letter of credit		363.02
Derivative limit	15.00	-
Total Non-fund based (B)	**3,330.00**	**2,679.63**
Total Secured (C) = (A+B)	**5,765.08**	**4,479.59**
<u>Unsecured</u>		
Fund Based		
Loan from related parties	209.25	103.75
Channel financing / Suppliers Credit	300.00	237.24
Total fund based (D)	**509.25**	**340.99**
Derivative limit	39.00	-
Total Non-fund based (E)	**39.00**	**-**
Total Unsecured (F) = (D+E)	**548.25**	**340.99**
Total (C+F)	**6,313.33**	**4,820.58**

* *As certified by Singhi & Co., Chartered Accountants, pursuant to their certificate dated September 30, 2024.*

Principal terms of the facilities sanctioned to our Company:

1. ***Interest Rate***: The terms of certain facilities mentioned below, availed by the company, specify the interest rate of the loans provided by the banks/financial institution.

   a) The interest rate for cash credit and working capital demand loan facility varies from 8.80% to 11.60% per annum.

   b) The interest rate for Term loan facility (GECL 2.0 & UGECL) varies from 7.50% to 9.85% per annum (linked to 1-year MCLR).

   c) The interest rate for Short-term construction equipment loan facility from financial institution is 11.10% per annum.

   d) The interest rate for vehicle and equipment loans from banks varies from 7.00% to 9.49% per annum, while for loans from financial institutions, it ranges from 7.53% to 10.75% per annum.

   e) The interest rate for loans from related parties is 11.00% per annum.

   f) The interest rate for channel financing & supplier's credit varies from 9.40% to 11.05% per annum.

2. ***Tenor:*** The terms of certain facilities mentioned below, availed by the company, specify the tenor of the loans provided by the banks/financial institution.

   a) Cash credit facilities are typically repayable on demand, while the remaining installments for working capital demand loans vary from 3 months to 20 months.

b) The total tenor of Term Loan facility is 48 to 60 months (including moratorium of 12 months) and remaining tenor for Term loan facility varies from 4 months to 33 months.

c) The original tenor for vehicle and equipment loans is typically ranges from 36 to 60 months. The remaining tenor for vehicle and equipment loans from banks ranges from 1 day to 50 months, while for loans from financial institutions, it ranges from 10 months to 32 months.

d) Loan from related party is repayable as per the mutual agreement between the parties i.e. repayable on demand and or any other conditions stated in the agreements.

e) Original tenor of channel financing is 12 months, with tenure of each tranche being 90 days from date of disbursement.

f) Short-term construction equipment loan facility from financial institution is valid for a period of 4 months and is principal amount is repayable on August 5, 2024.

3. ***Security:*** The facilities sanctioned are typically secured by way of hypothecation on our current assets and mortgage on specified properties of our Company, and personal guarantees of our Promoters. The nature of securities described herein is indicative and there may be additional requirements for creation of security under the various borrowing arrangements entered into by our Company.

4. ***Pre-payment:*** Certain facilities allow for pre-payment of the outstanding amount by serving prior notice to the lender. Pre-payment may be subject to pre-payment penalties as may be prescribed.

5. ***Penal Interest:*** The terms of certain facilities availed by our Company prescribe various penalties for default in the repayment obligations of the Company, delay in creation of the stipulated security or in case of events of default.

6. ***Re-payment:*** Our Company may repay all amounts of the facilities on the due dates for payment. Certain of our loans are repayable on demand.

7. ***Events of Default:*** Borrowing arrangements entered into by our Company contain standard events of default, including, *inter alia*:

a) any person acting singularly or with any other person either directly or indirectly acquires control of the Borrower or of any other person who controls our Company without prior approval of the lender;

b) default in payment of any monies in respect of the facilities on the due dates;

c) breach in security creation timelines and non-compliance on any loan covenants;

d) winding up, insolvency/ bankruptcy or dissolution; and

e) commencement of or existence of any legal proceedings/ investigations that may have a material adverse change/ effect.

This is an indicative list and there may be additional terms that may amount to an event of default under the borrowing arrangements entered into by our Company.

8. ***Consequences of occurrence of events of default:*** In terms of our borrowing arrangements, the following, *inter alia*, are the consequences of occurrence of events of default, whereby the lenders may:

a) declare the securities created, to be enforceable in terms of the transaction documents;

b) appoint, chartered accountants, cost accountants, forensic experts, or other consultants for carrying out concurrent or special audit or examination of our Company; and

c) exercise such other remedies as may be permitted or available to the lenders under law, including RBI guidelines.

This is an indicative list and there may be additional terms that may require the consent of the relevant lender, the breach of which may amount to an event of default under various borrowing arrangements entered into by our Company, and the same may lead to consequences other than those stated above.

9. ***Restrictive Covenants:*** The facilities sanctioned to our Company contain certain restrictive covenants, which require prior written consent of the lender or prior intimation to be made to the lender, including:

a) any changes in capital structure;

b) implement any scheme of expansion/ diversification/ modernisation other than incurring routine capital expenditure;

c) amend or modify any of our constitutional documents, which have a material adverse effect;

d) material change in the shareholding pattern; and

e) change in the directors or management set-up of our Company.

This is an indicative list and there may be such other additional terms under the borrowing arrangements entered into by our Company. We are also required to keep our lenders informed of any event likely to have a substantial effect on our business.

For the purposes of the Offer, our Company has obtained the necessary consents from our lenders as required under the relevant borrowing arrangements for undertaking activities relating to the Offer, such as, *inter alia,* effecting changes to our capital structure. For further details, see "*Risk Factors – We have substantial indebtedness which requires significant cash flows to service and limits our ability to operate freely. Any breach of terms under our financial arrangements or our inability to comply with repayment and other covenants in the financing agreements could adversely affect our business, financial condition, cash flows and credit rating*" on page 50.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as disclosed in this section, there are no outstanding (i) criminal proceedings including matters which are at first information report stage, where no/ some cognizance has been taken by any court, involving our Company, its Subsidiaries, its Directors or Promoters; (ii) actions by any regulatory authorities and statutory authorities (including any notices by such authorities) and any findings/observations of any of the inspections by SEBI or any other regulatory authority and all penalties and show cause against our Company, its Subsidiaries, its Directors or Promoters; (iii) outstanding claims related to direct and indirect taxes, giving the number of cases and total amount. Provided that if the amount involved in any such claims exceeds the materiality threshold, such matter(s) have been disclosed on an individual basis; and (iv) other pending litigations (including civil litigation or arbitration proceedings) involving our Company, Directors, Promoters or Subsidiaries (other than proceedings covered under (i) to (iii) above) as determined to be material by our Board pursuant to the policy on materiality (“**Materiality Policy**”) approved by the Board of Directors, in each case involving our Company, Subsidiaries, Promoters and Directors (“**Relevant Parties**”).*

Further, except disclosed in this section, there are (i) no disciplinary actions including penalty imposed by the SEBI or the stock exchanges against our Promoters in the last five Fiscals preceding this Draft Red Herring Prospectus including any outstanding action.

For the purpose of identification of material litigation in (iv) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigation in relation to the Relevant Parties to be disclosed in this Draft Red Herring Prospectus pursuant to the Board resolution dated September 14, 2024:

a) Monetary threshold: pending civil cases involving the Relevant Parties which involves an amount of more than ₹ 7.61 million, being 1 % of the profit after tax of the Company for the last Fiscal, as per the Restated Consolidated Financial Information shall be considered material and included in this Draft Red Herring Prospectus;

b) Subjective threshold: under this test, such pending matters which are not quantifiable or do not exceed the monetary threshold, involving the Relevant Parties, whose outcome, in the opinion of the Board, would materially and adversely affect the Company’s business, prospects, performance, operations, financial position, reputation or cash flows or the decision in such a proceeding is likely to affect the decision in similar proceedings, such that the cumulative amount involved in such proceedings exceeds the threshold, even though the amount involved in an individual proceeding does not exceed the threshold, would be considered as material for the Company.

c) Additional threshold: there are any findings or observations arising out of any of the inspections by the Securities and Exchange Board of India or by any other regulator in or outside India, which are outstanding

*Pre-litigation notices received by the Relevant Parties from third parties (excluding those notices issued by governmental, statutory, regulatory, judicial, quasi-judicial, taxation authorities, first information reports (“**FIRs**”) (including FIRs where no cognizance has been taken by court), police complaints or notices threatening criminal action) shall, in any event, not be considered as litigation and evaluated for materiality, until such time that Relevant Parties or group companies are impleaded as defendants in litigation proceedings before any judicial/arbitral forum or unless decided otherwise by the Board of Directors of our Company.*

*For identification of material creditors, creditors of the Company (except banks and financial institutions from whom our Company has availed financing facilities) to whom an amount having a monetary value which exceeds 5% of the total trade payables of our Company as of the end of the most recent period covered in the Restated Consolidated Financial Information of the Company is outstanding, shall be considered as ‘material’. Accordingly, creditors of our Company to whom our Company owes an amount exceeding ₹ 81.86 million are considered material (“**Material Creditor**”), including the consolidated number of creditors and the aggregate amount involved.*

I. Litigation involving our Company

A. Litigation filed by our Company

<u>Material civil litigation</u>

1. Our Company has filed a writ petition in 2019 against Rashtriya Ispat Nigam Limited and others (“**Respondents**”) before the High Court of Andhra Pradesh, at Amravati, for issuing a writ of mandamus directing the Respondents to reinstate the price published in relation to their tenders for certain periods between 2015-2016. The matter is currently pending.

2. Our Company (“**Claimant**”) has initiated arbitration proceedings by way of their application filed on April 25, 2024 against Hindustan Engineering & Industries Limited (“**Respondent**”) in relation to supply of the

second installment of goods as per the three purchase orders agreed upon between the parties. Our Company has claimed an amount of ₹12.97 million, interest and specific performance as per the proceedings. Our Company had filed a petition dated April 25, 2024 under section 17 of the Arbitration and Conciliation Act, 1996, for mandatory injunction which has been disposed of by way of an order dated September 4, 2024. The matter is currently pending.

Criminal proceedings

1. Our Company has lodged a complaint dated August 4, 2022 in relation to certain materials that have been stolen in relation to the ongoing work for construction of the metro railway corridor from New Garia to the airport. Subsequently, an FIR dated August 4, 2022 has been lodged at the Eco Park, police station, under section 379 of the Indian Penal Code, 1860. The matter is currently pending.

Material tax litigation

1. The Senior Joint Commissioner, Commercial Taxes, Central Audit Unit – I, by way of the audit report dated July 3, 2017, raised a demand of ₹ 14.99 million against our Company. Thereafter, our Company filed an appeal before the Additional Commissioner, Commercial Taxes, West Bengal ("**Additional Commissioner**"), and paid 15% of the tax in dispute but was issued show cause notice dated September 14, 2017 by the Additional Commissioner for non-payment of remaining dues. Our Company has filed an application dated October 30, 2017 before the West Bengal Taxation Tribunal, Kolkata, challenging section 84 of the VAT Act, 2003 read with rule 138(2)(b)(ia) of the VAT Rules, 2005, for being arbitrary, unreasonable and unconstitutional. The matter is currently pending.

2. Our Company has filed an appeal dated October 13, 2016, before the Commissioner of Service Tax, Service Tax – II, Commissionerate Kolkata, against the order dated June 28, 2016 for demand of ₹ 57.20 million, penalty of ₹ 57.20 million and interest in relation to service tax for the periods 2009-10 and 2013-14. The matter is currently pending.

B. Litigation filed against our Company

Material civil litigation

1. TP Central Odisha Distribution Limited (*in its erstwhile name, Central Electricity Supply Utility of Odisha*) ("**Appellant**") has filed an appeal dated October 29, 2021 against the Government of India, Ministry of India and our Company ("**Respondents**") before the Supreme Court of India (the "**Supreme Court**"), challenging the validity of the final order dated May 16, 2019 passed by the National Green Tribunal Principal Bench, New Delhi ("**NGT**"), (the "**Final Order**"). As per the Final Order, the Appellant was held liable for taking inadequate precautions in relation to the sagging electricity lines which led to the electrocution of seven elephants and therefore was required to deposit ₹ 50.00 million on account of negligence. The Appellant has filed the appeal before the Supreme Court to determine the suo moto jurisdiction of the NGT and therefore set aside the impugned Final Order. Our Company was responsible for erecting the electric supply line, which were subsequently maintained by the Appellant, and has therefore been impleaded as a Respondent. The matter is currently pending.

2. Mada Rao ("**Complainant**") filed an application dated January 29, 2014 ("**Application**") under section 33C(2) of the Industrial Disputes Act, 1947 (the "**Industrial Disputes Act**"), against our Company (*in its erstwhile factory name, Shalimar Iron Works Private Limited*) before the Second Labour Court at West Bengal, Kolkata, in relation to the computation of monetary benefits. As per the award dated March 26, 2013, passed by the First Labour Court, Kolkata, the Complainant was entitled to getting benefits under section 25(H) of the Industrial Disputes Act and reemployment. Thereafter, the Complainant refused to join our Company alleging violation of principle of natural justice and filed the Application claiming ₹ 4.03 million as compensation for his services. The matter is currently pending.

3. A title suit for partition, declaration and permanent injunction dated September 22, 2014 was filed by Joydev Santra ("**Plaintiff**") before the court of the Civil Judge, Howrah against our Company and others ("**Respondents**") in relation to the land located at Mouza-Panchpara. The Plaintiff has claimed ownership of a portion of the undivided land valued at ₹0.03 million. The land was sold to our Company by way of a sale deed dated July 8, 2013, and thereafter, we have expanded our manufacturing facility by setting up a shed on this land. The matter is currently pending.

Criminal proceedings

1. Supriya Dhancholia ("**Complainant**") filed a complaint and an FIR dated May 8, 2022 lodged at the New Town, police station, under sections 279 and 304A of the Indian Penal Code, 1860 against Chandan Das, the

driver of the vehicle and an employee of our Company. Thereafter, our Company filed a petition for release of the seized vehicle, being the owner of such vehicle and as per the order of the Chief Judicial Magistrate, Barasat, dated June 7, 2022, the seized vehicle has been returned. Subsequently, the Complainant has filed a claim for compensation under section 166 of the Motor Vehicles Act, 1988, involving our Company and the insurance company. The matter is currently pending.

Actions by regulatory and statutory authorities

1. The employees of our Company were served summons under section 131 of the Income Tax Act, 1961, dated March 14, 2024 from the DDIT (Inv.), Kolkata. Thereafter, a search was conducted at the Registered Office of our Company by the authorised representative and certain documents were seized. The matter is currently pending. For further details, see "*Restated Consolidated Financial Information – Note 45*" on page 360.

Inspections by SEBI or any other regulator

As on the date of this Draft Red Herring Prospectus, there are no findings or observations arising out of any of the inspections by the SEBI or by any other regulator in or outside India, which are outstanding.

Material tax litigation

1. Our Company has received an intimation order under section 143(1) of the Income Tax Act, 1961, dated June 26, 2023 ("**Order**") in relation to assessment year 2022-2023 as per which a net amount of ₹ 34.79 million is payable by the Company. Subsequently, our Company has filed an appeal dated June 30, 2023 before the Joint Commissioner (Appeals) challenging the Order. The matter is currently pending.

II. Litigation involving our Subsidiaries

A. Litigation filed by our Subsidiaries

Material civil litigation

As on the date of this Draft Red Herring Prospectus, there are no material civil litigations filed by our Subsidiaries.

Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no criminal litigations filed by our Subsidiaries.

Material tax litigation

As on the date of this Draft Red Herring Prospectus, there are no material tax litigations filed by our Subsidiaries.

B. Litigation filed against our Subsidiaries

Material civil litigation

As on the date of this Draft Red Herring Prospectus, there are no material civil litigations filed against our Subsidiaries.

Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no criminal litigations filed against our Subsidiaries.

Actions by regulatory and statutory authorities

1. The employees of our Subsidiaries, Rahee Track Technologies Private Limited and Rahee Steeltech Private Limited, were served summons under section 131 of the Income Tax Act, 1961, dated March 14, 2024 from the DDIT (Inv.), Kolkata. Thereafter, a search was conducted at the registered office of our Subsidiaries by the authorised representative and certain documents were seized. The matter is currently pending. For further details, see "*Restated Consolidated Financial Information – Note 45*" on page 360.

Material tax litigation

As on the date of this Draft Red Herring Prospectus, there are no outstanding material tax litigations against our Subsidiaries.

III. Litigation involving our Directors

A. Litigation filed by our Directors

Material civil litigation

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigations filed by our Directors.

Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations filed by our Directors.

Material tax litigation

As on the date of this Draft Red Herring Prospectus, there are no outstanding material tax litigations filed by our Directors.

B. Litigation filed against our Directors

Material civil litigation

1. Bhabani Santra ("**Complainant**") has filed a complaint case bearing no. 545/2016 against Ravi Khaitan and others ("**Defendants**") alleging before the Judicial Magistrate, 6th Court, Howrah that the Defendants have illegal possession of a land, which belonged to the family of the Complainant. The matter is currently pending.

2. Regional office of Employee Provident Fund Organization, West Bengal had issued a complaint against Pawan Khaitan and Ravi Khaitan, in the capacity of Directors and Promoters of the Company, alleging that they had deducted a sum of ₹ 85,856 from the salary/wages of their employees as Employees Share of Provident Fund Contribution for the period of May 2013 to September 2013 and failed to deposit the same with the statutory fund. Subsequently, an FIR was filed against our Promoters and Directors, Pawan Khaitan and Ravi Khaitan, under section 406/409 of IPC and a case was initiated before the Ld C.M.M, Bankshall Court. Thereafter, Pawan Khaitan and Ravi Khaitan filed a criminal revision application before the Hon'ble High Court of Calcutta. As per the order dated February 13, 2023, the Hon'ble High Court of Calcutta dismissed the criminal revision application. Presently, the matter is transferred to 4th M.M Bankshall court. The matter is currently pending.

3. Regional office of Employee Provident Fund Organization, West Bengal had recorded/filed a complaint against Pawan Khaitan and Ravi Khaitan, in the capacity of Directors and Promoters of the Company (hereinafter collectively referred to as "**the Accused**") alleging that the Directors had deducted a sum of ₹ 2,98,211/- from the salary/wages of their employees as Employees Share of Provident Fund Contribution for the period of May 2013 to August 2013 and failed to deposit the same with the statutory fund. Subsequently, an FIR was filed against the accused under section 406/409 of IPC and a case was initiated before the Ld C.J.M, Howrah Court ("**Hon'ble Court**"). Thereafter, the Accused filed a criminal revision application before the Hon'ble High Court of Calcutta. As per the order dated June 29, 2016, Hon'ble High Court of Calcutta disposed the criminal revision application. Subsequently, the Accused filed Criminal Misc case application u/s 438 CRPC before the Hon'ble Sessions Judge, Howrah praying for anticipatory bail for the pending warrant of arrest against them, before the C.J.M, Howrah Court. The Hon'ble Sessions Judge, Howrah granted anticipatory bail vide order dated September 28, 2022. Subsequently, the Accused surrendered before Ld C.J.M and were granted bail. Presently, the matter is transferred to 1st A.D.J, Howrah Court and is pending for adjudication. The matter is currently pending.

Criminal proceedings

1. Complaints have been filed against our Directors, Pawan Khaitan and Ravi Khaitan, in relation to payment of statutory dues. For further details, see "*Outstanding Litigations and Material Developments – Litigation involving our Directors – Litigation filed against our Directors – Material civil litigation*" on page 437.

Actions by regulatory and statutory authorities

1. Our Executive Directors, Pradeep Khaitan, Pawan Khaitan and Ravi Khaitan, were served summons under section 131 of the Income Tax Act, 1961, dated March 14, 2024 from the DDIT (Inv.), Kolkata. Thereafter, a search was conducted at their residence by the authorised representative and certain documents and cash amounting to ₹3.00 million were seized. The matter is currently pending. For further details, see "*Restated Consolidated Financial Information – Note 45*" on page 360.

Material tax litigation

As on the date of this Draft Red Herring Prospectus, there are no outstanding material tax litigations filed against our Directors.

IV. Litigation involving our Promoters

A. Litigation filed by our Promoters

Material civil litigation

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigations filed by our Promoters.

Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations filed by our Promoters.

Material tax litigation

As on the date of this Draft Red Herring Prospectus, there are no outstanding material tax litigations filed by our Promoters.

B. Litigation filed against our Promoters

Material civil litigation

1. An application under section 45 of the Insolvency and Bankruptcy Code, 2016 ("**Code**"), read with regulation 35A of the Insolvency Resolution Process for Corporate Persons was filed by Tikmani Steel Trading Company ("**Operational Creditor**") and Rachna Anchalia, Resolution Professional of Imperial Tubes Private Limited ("**Applicant**") against Imperial Tubes Private Limited ("**Corporate Debtor**"), Shalimar Fabricators Private Limited ("**Respondent 5**") and others before the Hon'ble National Company Law Tribunal, Kolkata Bench, Kolkata ("**Hon'ble Court**"). As per an order dated August 22, 2022, the Hon'ble Court, admitted the application filed under Section 9 of the Code by the Operational Creditor for initiating Corporate Insolvency Resolution Process against the Corporate Debtor and a moratorium under Section 14 of the Code was declared. The Applicant has alleged that sales between Corporate Debtor and Respondent No 5 was made at an undervalued rate and therefore prayed to declare the said transaction as undervalued, void and prayed for reverse of the said transaction. Subsequently, Respondent 5 has filed a reply to the application and a rejoinder was filed by the Applicant on November 23, 2023. The matter was last heard on March 20, 2024 and the Hon'ble Court directed that all the applications should be heard together. The matter is currently pending.

2. Complaints have been filed against our Promoters, Pawan Khaitan and Ravi Khaitan, in relation to payment of statutory dues. For further details, see "*Outstanding Litigations and Material Developments – Litigation involving our Directors – Litigation filed against our Directors – Material civil litigation*" on page 437.

3. Shalimar Fabricators Private Limited had filed the necessary returns under the VAT Act, 2003 ("VAT Act") for the period 2010-11 and claimed an input tax credit. The sales tax officer prepared an audit report and initiated suo-moto proceedings under section 88 of the VAT Act and issued a revised notice dated November 27, 2019 reducing the refund amount for quarter ended June, 2017. Being aggrieved by the revised notice, Shalimar Fabricators Private Limited filed an appeal before the Joint Commissioner of Sales Tax. Joint Commissioner of Sales Tax confirmed the revised notice raised by sales tax officer. Being aggrieved Shalimar Fabricators Private Limited filed a writ petition before the High Court of Calcutta to withdraw the notice dated November 27, 2019 and to pass an order to refund the entire amount. The matter is presently pending before High Court of Calcutta.

Criminal proceedings

1. Complaints have been filed against our Promoters, Pawan Khaitan and Ravi Khaitan, in relation to payment of statutory dues. For further details, see "*Outstanding Litigations and Material Developments – Litigation involving our Directors – Litigation filed against our Directors – Material civil litigation*" on page 437.

Actions by regulatory and statutory authorities

1. Our Promoters, Pradeep Khaitan, Pawan Khaitan, Ravi Khaitan, Mridul Commodities Private Limited, Rahee Viniyog Limited and Shalimar Fabricators Private Limited, were served summons under section 131 of the Income Tax Act, 1961, dated March 14, 2024 from the DDIT (Inv.), Kolkata. Thereafter, a search was conducted at their residence and registered offices, respectively by the authorised representative and certain documents were seized. The matter is currently pending. For further details, see "*Restated Consolidated Financial Information – Note 45*" and "*Outstanding Litigation and Material Developments – Litigation involving our Directors – Litigation filed against our Directors – Actions by regulatory and statutory authorities*" on pages 360 and 437, respectively.

Material tax litigation

As on the date of this Draft Red Herring Prospectus, there are no outstanding material tax litigations filed against our Promoters.

Disciplinary actions including penalty imposed by the SEBI or Stock Exchanges against our Promoters in the last five Fiscals

As on the date of this Draft Red Herring Prospectus, there are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against our Promoters in the last five Fiscals against our Promoters.

V. Tax proceedings involving our Company, Subsidiaries, Promoters and Directors

Details of outstanding tax proceedings involving our Company, Subsidiaries, Promoters and Directors as of the date of this Draft Red Herring Prospectus are disclosed below:

Nature of proceedings	Number of proceedings	Amount involved* (in ₹ million)
Direct Tax		
Company	2	35.38
Promoters	16	20.39
Directors (excluding the Promoters)	Nil	Nil
Subsidiaries	Nil	Nil
Indirect Tax		
Company	6	119.59
Promoters	Nil	Nil
Directors (excluding the Promoters)	Nil	Nil
Subsidiaries	Nil	Nil

* *to the extent quantifiable*

VI. Litigation involving our Group Companies

As on the date of this Draft Red Herring Prospectus, there are no pending litigation proceedings involving our Group Companies which will have a material impact on our Company.

VII. Outstanding dues to creditors

In terms of the Materiality Policy, the creditors to whom the amount due by our Company exceeds 5% of the total trade payables (i.e., 5% of ₹1,637.20 million which is ₹ 81.86 million) of our Company as per the Restated Consolidated Financial Information have been considered as Material Creditors of our Company for the purposes of disclosure in this Draft Red Herring Prospectus. Details of outstanding dues owed to Material Creditors, MSME creditors and other creditors of our Company based on such determination, as on March 31, 2024, are disclosed below:

Type of creditors*	Number of creditors	Amount outstanding (*in ₹ million*)
Dues to micro, small and medium enterprises	273	157.15
Dues to a Material Creditor(s)	5	668.50
Dues to other creditors	1,444	811.55
Total	**1,722**	**1,637.20**

* *As certified by Singhi & Co., Chartered Accountants, by way of their certificate dated September 30, 2024.*

The details pertaining to outstanding dues to the Material Creditors, along with names and amounts involved for each such Material Creditor are available on the website of our Company at https://www.rahee.com/investor**.**

It is clarified that such details available on our Company's website do not form a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any source of information including our Company's website, www.rahee.com, would be doing so at their own risk.

VIII. Material Developments since the last balance sheet date

Except as disclosed in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 390, there have been no material developments, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, which materially and adversely affect, or are likely to affect, our operations or our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Our business requires various approvals, consents, licenses, registrations, and permits issued by relevant governmental, statutory, and regulatory authorities of the respective jurisdictions under various rules and regulations. We have set out below an indicative list of material consents, licenses, permissions, registrations, and approvals from the Government of India, various governmental agencies and other statutory and/or regulatory authorities obtained by our Company and its Material Subsidiary which are considered necessary for the purpose of undertaking our business activities and other than as stated below, no further material approvals from any regulatory or statutory authority are required to undertake the Offer or continue such business and operations. Unless otherwise stated, these material approvals are valid as of the date of this Draft Red Herring Prospectus. In addition, certain of our material approvals may have expired or may expire in the ordinary course of business, from time to time and our Company and its Material Subsidiary have either already made an application to the appropriate authorities for renewal of such material approvals or is in the process of making such renewal applications. In relation to the business activities and operations of our Company and its Material Subsidiary, we have disclosed below the material approvals applied for but not received.

We have also set forth below (i) material approvals that have expired and for which renewal applications have been made (ii) material approvals applied for by our Company and its Material Subsidiary but not received; and (iii) material approvals required but yet to be obtained or applied for by our Company and its Material Subsidiary. For further details in connection with the regulatory and legal framework within which we operate, see the section titled "Key Regulations and Policies in India" on page 265. For details of corporate and other approvals in relation to the Offer, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 444 and for incorporation details of our Company, see "History and Certain Corporate Matters" on page 269.

Material approvals in relation to our Company and Material Subsidiary

We are required to obtain consents, licenses, registrations, permissions and approvals for carrying out our present business activities which include, obtaining applicable approvals for electric connection under Electricity Act, 2003, fire safety license, registration under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, registration as an employer under the West Bengal State Tax on Profession, Trade, Calling and Employment Act, 1979 issued by the Profession Tax Department, certificate of enlistment by the local municipal corporations, permission to store petroleum, consent to operate from the relevant state pollution control boards under the provisions of the Air (Prevention and Control of Pollution) Act 1981 and the Water (Prevention and Control of Pollution Act) ,1974, certificate of verification issued by the Legal Metrology Act, 2009 and the Legal Metrology (Enforcement) Rules, 2011, license to work a factory under the Factories Act, 1948, registrations issued by Research Designs and Standards Organisation, certificates of registration issued under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952, as amended, certificates of registration issued under the Employees' State Insurance Act, 1948, as amended, certificates of stability and other approvals prescribed under applicable local laws, etc. The requirement for such approvals for a particular project undertaken by us may vary based on factors such as the legal requirement in the state in which the project is being undertaken, the size of the projects undertaken and the type of project. Further, as the obligation to obtain such approvals arises at various stages in our projects and related assets, applications are filed, and the necessary approvals are obtained at the appropriate stage.

We have obtained necessary consents, licenses, registrations, permissions and approvals from the governmental and regulatory authorities that are required for carrying on our present business. In the event, that any of the approvals and licenses that are required for our business operations expire in the ordinary course of business, we apply for their renewal from time to time. Additionally, some of these consents, licenses, registrations, permissions and approvals from the governmental and regulatory authorities that are required for carrying on our present business are obtained by the concessioning authorities or entities, the terms and conditions of which, we are required to comply with.

I. Material approvals in relation to our Company

A. Incorporation details of our Company

(i) Certificate of incorporation dated January 30, 1996, issued by the RoC under the name of 'Ramchander Heeralall Limited'.

(ii) Fresh certificate of incorporation dated August 3, 1998, issued by the RoC, consequent upon change in name from 'Ramchander Heeralall Limited' to 'Rahee Industries Limited'.

(iii) Fresh certificate of incorporation dated August 3, 2010, issued by the RoC, consequent upon change in name from 'Rahee Industries Limited' to 'Rahee Infratech Limited'.

(iv) The corporate identity number ("**CIN**") of our Company is U67120WB1996PLC076870.

B. ***Tax related approvals obtained by our Company***

(i) The permanent account number of our Company is AABCR2809Q.

(ii) The tax deduction account number of our Company is CALR03441E.

(iii) The import export code for our Company is 0288001052.

(iv) Goods and services tax registrations under the Central Goods and Service Tax Act, 2017 and the relevant state legislations, in relation to certain of regional offices for our business operations in the states and union territories of Andhra Pradesh, Assam, Bihar, New Delhi, Jharkhand, Maharashtra, Manipur, Mizoram, Madhya Pradesh, Nagaland, Odisha Rajasthan, Sikkim, Tamil Nadu, Telangana, Tripura, Uttar Pradesh, Uttarakhand and West Bengal.

C. ***Material approvals obtained in relation to the business and operations of our Company***

(i) Certificate of enlistment issued by the Kolkata Municipal Corporation, bearing registration number 0102 8102 6034, issued on May 4, 2024.

(ii) LEI Code issued by Legal Entity Identifier India Limited bearing reference number 335800H3BBFZQCE8S427, issued on May 6, 2024.

(iii) Registration cum membership certificate issued by the Federation of Indian Export Organisations, bearing registration number ER/115/2018-2018, issued on October 19, 2023.

II. ***Material approvals of our Material Subsidiary***

A. ***Incorporation details of our Material Subsidiary***

(i) Certificate of incorporation of dated February 15, 2002 issued by the RoC under the name of 'Shalimar Fastenings Private Limited'.

(ii) Fresh certificate of incorporation dated July 7, 2005 issued by the RoC, consequent upon change in name from 'Shalimar Fastenings Private Limited' to 'Rahee Track Technologies Private Limited'.

B. ***Tax related approvals obtained by our Material Subsidiary***

(i) The permanent account number of our Material Subsidiary is AAGCS1931D.

(ii) The tax deduction account number of our Material Subsidiary is CALS09550C.

(iii) The import export code for our Material Subsidiary is 0205026036.

(iv) Goods and services tax registrations under the Central Goods and Service Tax Act, 2017 and the relevant state legislations, in relation to certain of regional offices for our business operations in the states of Telangana and West Bengal.

C. ***Material approvals obtained in relation to the business and operations of our Material Subsidiary***

(i) UDYAM registration certificate, issued by Ministry of Micro Small and Medium Enterprises, bearing registration number UDYAM-WB-08-0001470, issued on September 26, 2020.

(ii) Registration issued under the provisions of Foreign Trade Policy, bearing registration number ER/20/2020-2021, issued by the Federation of Indian Export Organisations, issued on March 27, 2024.

(iii) LEI Code issued by Legal Entity Identifier India Limited bearing reference number 335800JZGWLRHRK3GX27, issued on May 6, 2024, valid up to March 27, 2025.

III. ***Material approvals that have expired and for which renewal applications have been made:***

Except as stated below, there are no material approvals that have expired and for which renewal applications have been made as on the date of this Draft Red Herring Prospectus, except as disclosed below:

Company

(i) Application for renewal of the fire license for Howrah, West Bengal Fastening and Steel Sleeper Unit dated September 11, 2024.

(ii) Application for renewal of the fire license for Howrah, West Bengal Fastening, Bolt and Rail Pad Unit dated September 12, 2024.

Material Subsidiary

Nil

IV. Material approvals required and applied for but not received by our Company and its Material Subsidiary

Except as stated below, there are no material approvals that have been applied for but not received by our Company and Material Subsidiary as on the date of this Draft Red Herring Prospectus, except as disclosed below:

Company

(i) Application for fire safety certificate for Dhenkanal, Odisha Fabrication Unit dated October 30, 2023.

(ii) Application for registration under the West Bengal Shops and Establishments Act, 1963, for the Registered Office dated September 20, 2024.

Material Subsidiary

Nil

V. Material approvals required but yet to be obtained or applied for by our Company and its Material Subsidiary

There are no material approvals required but yet to be obtained or applied for by our Company and its Material Subsidiary as on the date of this Draft Red Herring Prospectus.

For further details, please see "Risk Factors –We are required to comply with various government regulations, including obtaining licences, permits, approvals and consents under certain environmental laws, which are critical for operating our Manufacturing Facilities. If we fail to obtain, maintain or renew our statutory and regulatory licences, permits and approvals required to operate our business, results of operations and cash flows may be adversely affected." on page 51.

VI. Intellectual Property

As on the date of this Draft Red Herring Prospectus, the Company has the following intellectual property registered:

A. *Patent:*

Sr. No	Name of the IPR registration/ license	Issuing Authority	Status	Patent Number	Date of application	Date of Expiry
1.	"An Improved Fastening System for Railway Crossings"	Controller General of Patents, Design and Trade Marks	Granted	265311	January 29, 2007*	January 29, 2027

**The date of grant of the patent was February 2, 2015.*

B. *Trademarks:*

Sr. No.	Name of the IPR registration/ license	Issuing Authority	Whether registered/ applied for/ unregistered	Trademark Number	Date of registration/ application	Class	Date of Expiry
1.	RAHEE	Registrar of Trade Marks, Mumbai	Registered	1759197	December 2, 2018	99*	December 2, 2028
2.	RAHEE	Registrar of Trade Marks, Mumbai	Registered	4106807	March 4, 2019	99*	March 4, 2029
3.	RAHEE (Wordmark)	Registrar of Trade Marks, Mumbai	Opposed	5086508	August 13, 2021	99*	-

* *Multiclass applications*

For risks associated with intellectual property, see, "*Risk Factors – We may not be able to adequately protect our intellectual property or may unintentionally infringe upon the intellectual property rights of others which could substantially harm our business.*" on page 53.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Fresh Issue and Offer for Sale has been authorised by our Board pursuant to its resolution dated September 28, 2024 and by our Shareholders pursuant to their resolution dated September 28, 2024. Our Board has approved this Draft Red Herring Prospectus pursuant to its resolution dated September 28, 2024. For further details, see "*The Offer*" on page 83.

Our Board has taken on record the participation of the Selling Shareholders in the Offer for Sale pursuant to a resolution dated September 28, 2024.

The Selling Shareholders have confirmed and approved their participation in the Offer for Sale in relation to the Offered Shares. For further details, see "*The Offer*" on page 83.

Our Company has received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by the SEBI or other governmental authorities

Our Company, Promoters, members of the Promoter Group, Directors, the Selling Shareholders are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoters and Directors are associated with as promoters or directors have been debarred from accessing capital markets under any order or direction passed by the SEBI or any other authorities.

Our Company, Promoters, members of the Promoter Group or Directors have not been declared as Wilful Defaulters or Fraudulent Borrowers. Our Promoters or Directors have not been declared as Fugitive Economic Offenders.

Our Corporate Promoters, Mridul Commodities Private Limited and Rahee Viniyog Limited, are non-banking financial companies engaged in providing financial services and are registered with RBI. For further details, see "*Our Promoters and Promoter Group*" on page 304.

Directors associated with the securities market

None of our Directors are associated with the securities market in any manner.

There have been no actions initiated by SEBI against the Directors of our Company in the five years preceding the date of this Draft Red Herring Prospectus.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, Promoters, each of the Selling Shareholders and members of the Promoter Group (to the extent applicable to them) are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as of the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the 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 and consolidated basis, in each of the preceding three full financial years, i.e., as at and for Fiscal 2024, Fiscal 2023 and Fiscal 2022, 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 and consolidated basis, during the preceding three full financial years, i.e., Fiscal 2024, Fiscal 2023 and Fiscal 2022, with operating profit in each of these preceding three financial years;

- Our Company has a Net Worth of at least ₹10 million, calculated on a restated and consolidated basis in each of the preceding three full financial years, i.e., Fiscal 2024, Fiscal 2023 and Fiscal 2022; and

- Our Company has not changed its name in the last one year.

Our Company's net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets, restated pre-tax operating profit and Net Worth derived from the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus as at, and for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 are set out below:

(in ₹ million unless stated otherwise)

S. No.	Particulars	As at		
		March 31, 2024	March 31, 2023	March 31, 2022
A.	Restated Net tangible assets(1)	4,238.39	3,479.50	2,971.92
B.	Restated Monetary assets(2)	99.37	246.09	290.41
C.	Monetary assets as a % of net tangible assets (%), as restated	2.34%	7.07%	9.77%
D.	Pre-Tax operating profit, as restated (3)	984.58	833.28	724.48
E.	Net Worth(4), as restated	3,133.49	2,423.92	1,937.96

(1) *"Net tangible assets" means the sum of all net assets of the Company as per the Restated Consolidated Financial Information excluding Intangible Assets (as per IND AS- 38) and Right of Use Assets (as per IND AS- 116) reduced by Total Liabilities (excluding lease liabilities) of the Company, as defined under the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015).*

(2) *"Monetary assets" are defined as amount of 'Cash and Cash equivalents' as per the Restated Consolidated Financial Information, (excluding Fixed deposits with banks not considered as cash and cash equivalent).*

(3) *"Average Pre-Tax Operating Profit" means restated profit before tax excluding other income, finance costs and exceptional items.*

(4) *"Net worth" means the aggregate value of paid-up share capital and other equity created out of the profits, 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, derived from the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*

Our Company is in compliance with the conditions specified in Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as of the date of this Draft Red Herring Prospectus.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

The Selling Shareholders confirm that the Equity Shares offered as part of the Offer for Sale have been held in compliance with Regulation 8 of the SEBI ICDR Regulations.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN 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 OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, BEING IIFL SCEURITIES LIMITED AND EQUIRUS CAPITAL PRIVATE LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS AND THE SELLING SHAREHOLDERS ARE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY THEM IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO THEMSELVES FOR THE RESPECTIVE PORTION OF THE EQUITY SHARES BEING OFFERED BY THEM IN THE OFFER FOR SALE, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPECTIVE RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 30, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, OR FROM THE REQUIREMENT

OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS, 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 of the Red Herring Prospectus and the Prospectus, as applicable, with the RoC in terms of the Companies Act.

Disclaimer from our Company, the Selling Shareholders, our Directors and the BRLMs

Our Company, our Directors and the BRLMs accept no responsibility for statements made in relation to our Company or the Offer other than those confirmed by them in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance. The Selling Shareholders accept no responsibility for any statements made other than those specifically made by the Selling Shareholders in relation to themselves and the Offered Shares. Except when specifically directed in this Draft Red Herring Prospectus, anyone placing reliance on any other source of information, including our Company's website, www.rahee.com, any website of any member of the Promoter Group or affiliates of our Company, would be doing so at their own risk.

The Book Running Lead Managers accept no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided in the Underwriting Agreement.

All information, to the extent required in relation to the Offer, shall be made available by our Company, the Selling Shareholders (to the extent that the information required pertains to them and their respective Offered Shares) and the BRLMs to the public and investors at large and no selective or additional information would be made available by our Company, the Selling Shareholders and the BRLMs 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, the Selling Shareholders, the BRLMs, the Underwriters and their respective directors, 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, the Selling Shareholders, the BRLMs, the Underwriters 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.

The BRLMs and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, its Subsidiaries, the Selling Shareholders, and their respective directors and officers, affiliates, 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, its Subsidiaries, the Selling Shareholders, and their respective group companies, directors, officers, affiliates, associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

The Offer is being made in India to persons resident in India, including Indian nationals 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 shares, domestic Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Systemically Important NBFCs registered with the RBI or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, insurance companies registered with the IRDAI, permitted provident funds and pension funds, National Investment Fund, insurance funds set up and managed by the army, navy and air force of the Union of India, insurance funds set up and managed by the Department of Posts, Government of India and to NBFC-SI, Eligible FPIs, AIFs, FVCIs, Eligible NRIs and other eligible foreign investors, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, state industrial development corporations and registered multinational and bilateral development financial institutions.

This Draft Red Herring Prospectus shall not constitute an offer to sell or an invitation to subscribe to or purchase Equity Shares offered hereby in any jurisdiction including India. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform themselves about, and to observe, any such restrictions. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus.

The Equity Shares have not been and will not be registered, listed, or otherwise qualified in any other jurisdiction outside India.

Bidders are advised to ensure that any Bid from them should not exceed investment limits or the maximum number of Equity Shares that could be held by them under applicable law.

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai, India, only.

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 has been filed with the SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered, directly or indirectly, and this 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 hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company, our Subsidiaries, the Selling Shareholders, our Promoters, members of our Promoter Group since the date of this Draft Red Herring Prospectus or that the information contained herein is correct as at any time subsequent to this date.

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.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States. Accordingly, the Equity Shares are being offered and sold outside of the United States in offshore transactions as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where such offers and sales are made.

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.

Until the expiry of 40 days after the commencement of this Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in this Offer) may violate the registration requirements of the U.S. Securities Act.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off – shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer Clause of the BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the BSE. The disclaimer clause as intimated by the 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 filing with the RoC.

Disclaimer Clause of the NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the NSE. The disclaimer clause as intimated by the 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 filing with the RoC.

Listing

The Equity Shares issued 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 permission to deal in and for an official quotation of the Equity Shares being issued and sold in the Offer. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants 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 such time prescribed by the SEBI. If our Company does not allot Equity Shares pursuant to the Offer within such timeline as prescribed by the 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 or such other rate prescribed by SEBI.

The Selling Shareholders undertake to provide such reasonable assistance as may be requested by our Company, in relation to the Offered Shares to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within such time prescribed by SEBI. Any expense incurred by our Company on behalf of the Selling Shareholders with regard to interest on such refunds will be reimbursed by the Selling Shareholders in proportion to their respective Offered Shares.

Consents

Consents in writing of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, the legal counsel to the Company as to Indian Law, legal counsel to the BRLMs as to Indian Law, CARE, the Bankers to our Company, the BRLMs, the Registrar to the Offer, Statutory Auditor, practicing company secretary, independent chartered accountant, independent chartered engineer, the Syndicate Members, the Escrow Collection Bank(s), the Refund Bank(s), the Public Offer Account Bank(s), the Sponsor Bank(s) and the Monitoring Agency to act in their respective capacities, have been obtained/will be obtained prior to filing of the Red Herring Prospectus with the RoC and filed (as applicable) along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents that have been obtained have not been withdrawn as of the date of this Draft Red Herring Prospectus.

Experts

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

Our Company has received written consent dated September 30, 2024 from Singhi & Co., to include their name as required under section 26 (1) 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 their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated September 14, 2024 on our Restated Consolidated Financial Information; and (ii) their report dated September 28, 2024 on the statement of special tax benefits available to our Company, Material Subsidiary and Shareholders, included in this 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 30, 2024 from the independent practicing company secretary, Shubham Ranjan Sinha, to be named as an "expert" under Section 2(38) and other applicable provisions of the Companies Act, 2013 in its capacity as practicing company secretary and in respect of their certificate dated September 30, 2024 issued in connection with inter alia the share capital buildup and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under U.S. Securities Act.

Our Company has received written consent dated September 21, 2024 from Biswadeep Chatterjee, independent chartered engineer, to be named as an "expert" under Section 2(38) and other applicable provisions of the Companies Act, 2013 to the extent and in his capacity as a chartered engineer and in respect of his certificate dated September 21, 2024 in relation to the Company's manufacturing capacities and capacity utilization at all of its manufacturing facilities and the details derived from such certificate and included in this Draft Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under U.S. Securities Act.

Our Company has received written consent dated September 29, 2024 from J B S & Company, chartered accountants, to include their name as required under section 26 (1) 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 their capacity as our independent chartered accountants, and in respect of the various certifications issued by them in their capacity as an independent chartered accountant to our Company 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.

Particulars regarding capital issues by our Company and listed Group Companies, subsidiaries or associate entities during the last three years

Other than as disclosed in the section '*Capital Structure*' on page 94, our Company has not made any capital issues during the three years preceding the date of this Draft Red Herring Prospectus.

As on the date of this Draft Red Herring Prospectus, our Company does not have any listed Subsidiaries or Group Companies or associates.

Commission and brokerage paid on previous issues of the Equity Shares 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.

Details of Public or Rights Issues by our Company during the last five years

Our Company has not made public issues or undertaken any rights issue during the last five years.

Performance vis-à-vis Objects

Our Company has not undertaken any public issues or rights issue in the five years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis Objects – Details of Public or Rights Issues by listed subsidiaries of our Company

Our Company does not have any listed Subsidiaries.

Price Information of Past Issues Handled by the BRLMs (during the current Fiscal and two Fiscals preceding the current Fiscal)

1. IIFL Securities Limited

(i) Price information of past public issues (during the current Fiscal and the two Fiscals immediately preceding the current Financial Year) handled by IIFL Securities Limited:

Sr. No.	Issue Name	Issue Size (in Rs. Mn)	Issue Price (Rs.)	Designated Stock Exchange as disclosed in the red herring prospectus filed	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	Medi Assist Healthcare Services Limited	11,715.77	418.00	BSE	January 23, 2024	465.00	+22.32%,[+3.20%]	+15.66%,[+3.86%]	+33.86%,[+14.54%]
2	R K Swamy Limited	4,235.60	288.00	BSE	March 12, 2024	252.00	-1.30%,[+1.86%]	-6.70%,[+4.11%]	-17.57%[+10.20%]
3	Bharti Hexacom Limited	42,750.00	570.00	BSE	April 12, 2024	755.20	+58.25%,[-2.13%]	+85.03%,[+7.65%]	N.A.
4	JNK India Limited	6,494.74	415.00	NSE	April 30, 2024	621.00	+54.47%,[+0.44%]	+81.75%,[+9.87%]	N.A.
5	Go Digit General Insurance Limited	26,146.46	272.00	NSE	May 23, 2024	286.00	+22.83%,[+2.32%]	+30.79%,[+7.54%]	N.A.
6	Awfis Space Solutions Limited	5,989.25	383.00(1)	NSE	May 30, 2024	435.00	+34.36%,[+6.77%]	+100.18%,[+11.25%]	N.A.
7	Ceigall India Limited	12,526.63	401.00(2)	NSE	August 8, 2024	419.00	-4.89%[+3.05%]	N.A.	N.A.
8	Unicommerce eSolutions Limited	2,765.72	108.00	NSE	August 13, 2024	235.00	+109.98% [+3.23%]	N.A.	N.A.
9	Ecos (India) Mobility & Hospitality Limited	6012.00	334.00	NSE	September 4, 2024	390.00	N.A.	N.A.	N.A.
10	Bajaj Housing Finance Limited	65,600.00	70.00	NSE	September 16, 2024	150.00	N.A.	N.A.	N.A.

Source: www.nseindia.com; www.bseindia.com, as applicable

(1) A discount of Rs. 36 per equity share was offered to eligible employees bidding in the employee reservation portion.

(2) A discount of Rs. 38 per equity share was offered to eligible employees bidding in the employee reservation portion.

Note: Benchmark Index taken as NIFTY 50 or S&P BSE SENSEX, as applicable. Price of the designated stock exchange as disclosed by the respective issuer at the time of the issue has been considered for all of the above calculations. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th /90th / 180th calendar day *from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the Issue Price in case of the Issuer. NA means Not Applicable. The above past price information is only restricted to past 10 initial public offers.*

(ii) Summary statement of price information of past public issues (during the current Fiscal and the two Fiscals immediately preceding the current Financial Year):

Financial Year	Total No. of IPO's	Total Funds Raised (in Rs. Mn)	No. of IPOs trading at discount – 30th calendar days from listing			No. of IPOs trading at premium – 30th calendar days from listing			No. of IPOs trading at discount – 180th calendar days from listing			No. of IPOs trading at premium – 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2022-23	12	1,06,650.92	-	-	4	-	4	4	-	-	3	1	4	4
2023-24	15	1,54,777.80	-	-	4	3	4	4	-	-	1	5	4	5
2024-25	8	1,68,284.80	-	-	1	3	1	1	-	-	-	-	-	-

Source: www.nseindia.com; www.bseindia.com, as applicable

Note: Data for number of IPOs trading at premium/discount taken at closing price of the designated stock exchange as disclosed by the respective issuer at the time of the issue has been considered on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered.

NA means Not Applicable.

2. Equirus Capital Private Limited

1. Price information of past issues handled by Equirus Capital Private Limited (during the current Fiscal and two Fiscals preceding the current financial year):

Sr. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	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.	TVS Supply Chain Solutions Limited$	8,800.00	197.00	August 23, 2023	207.05	+8.71% [+1.53%]	+6.57% [+1.29%].	-7.46% [+13.35%]
2.	Zaggle Prepaid Ocean Services Limited$	5,633.77	164.00	September 22, 2023	164.00	+30.95% [-0.67%]	+34.39% [+7.50%].	+87.71% [+10.89%].
3.	Protean eGov Technologies Limited#	4,899.51	792.00[2]	November 13, 2023	792.00	+45.21% [+7.11%]	+73.18% [+10.26%]	+45.85% [+11.91%]
4.	Fedbank Financial Services Limited$	10,922.64	140.00[3]	November 30, 2023	138.00	-2.75% [+7.94%]	-12.39% [+10.26%]	-13.43% [+13.90%]
5.	Happy Forgings Limited$	10,085.93	850.00	December 27, 2023	1,000.00	+14.06% [-1.40%]	+4.44% [+2.04%]	+42.78% [+8.53%]
6.	Jyoti CNC Automation Limited$	10,000.00	331.00[4]	January 16, 2024	370.00	+78.07% [-0.87%]	+135.94% [+2.21%]	+265.79% [+11.21%]
7.	Capital Small Finance Bank Limited#	5,230.70	468.00	February 14, 2024	435.00	-25.25% [+1.77%]	-26.09% [+1.33%]	-31.44% [+10.98%]
8.	Dee Development Engineers Limited$	4,180.15	203.00[5]	June 26, 2024	339.00	+81.16% [+2.25%]	+47.44% [+8.67%]	N.A.

Sr. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	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
9.	Ecos (India) Mobility & Hospitality Limited$	6,012.00	334.00	September 04, 2024	390.00	N.A.	N.A.	N.A.
10.	Kross Limited$	5,000.00	240.00	September 16, 2024	240.00	N.A.	N.A.	N.A.

Source*: www.bseindia.com and www.nseindia.com for price information and prospectus/basis of allotment for issue details.*

Notes:

1. *A discount of ₹25 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion of Netweb Technologies India Limited IPO*
2. *A discount of ₹75 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion of Protean eGov Technologies Limited IPO*
3. *A discount of ₹10 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion of Fedbank Financial Services Limited IPO*
4. *A discount of ₹15 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion of Jyoti CNC Automation Limited IPO*
5. *A discount of ₹19 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion of Dee Development Engineers Limited IPO*
6. *Price on Designated Stock Exchange of the respective Issuer is considered for all of the above calculations.*
7. *In the event any day falls on a holiday, the price/index of the immediately preceding trading day has been considered.*
8. *N.A. (Not Applicable) – Period not completed.*

\# *The S&P BSE SENSEX is considered as the Benchmark Index*

$ *The S&P CNX NIFTY is considered as the Benchmark Index*

2. Summary statement of price information of past public issues handled by Equirus Capital Private Limited:

Financial Year	Total no. of IPOs	Total funds raised (₹ million)	Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date			Nos. of IPOs trading at discount as on 180th calendar day from listing date			Nos. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2024-2025*	3	15,192.15	-	-	-	1	-	-	-	-	-	-	-	-
2023-2024	8	61,882.55	-	1	1	2	2	2	-	1	2	3	2	-
2022-2023	5	28,975.05	-	1	1	-	1	2	-	1	1	1	2	-

* *The information is as on the date of this Offer Document.*

The information for each of the financial years is based on issues listed during such financial year.

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in the SEBI circular dated January 10, 2012, bearing reference number CIR/MIRSD/1/2012, please see the websites of the BRLMs indicated in the table below:

S. No.	Name of the BRLM	Website
1.	IIFL Securities Limited	www.iiflcap.com
2.	Equirus Capital Private Limited	www.equirus.com

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange as of the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for the 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 on the Stock Exchanges, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

In terms of SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, SEBI circular 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, read with the SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022 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 SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 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. In the event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the BRLMs shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount for the period of such delay. Further, in terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Separately, pursuant to the circular (No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M) dated March 16, 2021 issued by the SEBI, 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 Bid 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

Scenario	Compensation amount	Compensation period
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 finalisation of the Basis of Allotment till the date of actual unblock

All grievances (other than from 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 DP ID, Client ID, PAN, UPI ID, 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 Acknowledgement Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

All Offer-related grievances of the Anchor Investors may be addressed to the Book Running Lead Managers, 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 Managers where the Bid cum Application Form was submitted by the Anchor Investor.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Bank(s) for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Book Running Lead Managers 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 applicable SEBI ICDR Regulations. Investors can contact our Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Our Company, the Book Running Lead Managers 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 applicable SEBI ICDR Regulations.

Disposal of Investor Grievances by Our Company

Our Company shall, post the filing of this Draft Red Herring Prospectus, apply for the authentication on the SCORES in terms of the SEBI circular no. CIR/OIAE/1/2014 dated December 18, 2014, the SEBI circular no. SEBI/HO/OIAE/IGRD/CIR/P/2019/86 dated August 2, 2019, the SEBI circular no. SEBI/HO/OIAE/IGRD/CIR/P/2021/642 dated October 14, 2021 and the SEBI circular no. SEBI/HO/OIAE/IGRD/P/CIR/2022/0150 dated November 7, 2022, issued by SEBI in relation to redressal of investor grievances through SCORES.

Our Company has also constituted a Stakeholders' Relationship Committee to review and redress shareholder and investor grievances. See "*Our Management – Committees of the Board – Stakeholders' Relationship Committee*" on page 294.

Our Company has appointed Kundan Jaiswal as the Company Secretary and Compliance Officer for the Offer, and he may be contacted in case of any pre-Offer or post-Offer related problems. For details, see "*General Information*" on page 85.

Our Company has not received any investor grievances during the three years preceding the date of this Draft Red Herring Prospectus and there are no investor complaints pending as of the date of this Draft Red Herring Prospectus.

The Selling Shareholders have authorised the Company Secretary and Compliance Officer of our Company, and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale.

Our Company estimates that the average time required by it or the Registrar to the Offer or the relevant Designated Intermediary for the redressal of routine investor grievances shall be three 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.

Disposal of investor grievances by listed Group Companies and listed Subsidiaries

As of the date of this Draft Red Herring Prospectus, we do not have listed Subsidiaries or Group Companies.

Exemption from complying with any provisions of securities laws granted by the SEBI

Our Company has not applied for any exemption from complying with any provisions of securities laws from SEBI.

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 Selling Shareholders. The fees and expenses relating to the Offer shall be borne by each of our Company and the Selling Shareholders in the manner agreed to among our Company and the Selling Shareholders and in accordance with applicable law. For details in relation to Offer expenses, see "*Objects of the Offer*" on page 122.

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 486.

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 314 and 486, respectively.

Face value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹2 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 and Employee Discount, if any, will be decided by our Company, in consultation with the BRLMs and shall be published in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and all editions of [●], a Bengali daily newspaper (Bengali being the regional language of West Bengal, where our Registered 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 BRLMs, 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 486.

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 August 3, 2024 among our Company, NSDL and the Registrar to the Offer; and
- Tripartite agreement dated August 27, 2024 among our Company, CDSL and the Registrar to the Offer.

Employee Discount

Employee discount, if any, will be offered to Eligible Employees bidding in the Employee Reservation Portion respectively. Eligible Employees bidding in the Employee Reservation Portion respectively at a price within the Price Band can make payment based on, Bid Amount net of Employee Discount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, less Employee Discount, at the time of making a Bid.

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 466.

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 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 BRLMs, 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 BRLMs, 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 BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The BRLMs 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 circular dated March 16, 2021, as amended pursuant to SEBI circulars dated June 2, 2021, April 20, 2022 and June 21, 2023, 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 Selling Shareholders or the BRLMs.

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 BRLMs, 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 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 BRLMs 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 BRLMs 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 ₹500,000)	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 ₹500,000	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:

i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

ii. 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 and Eligible Employees under the Employee Reservation Portion after taking into account the total number of Bids received and as reported by the Book Running Lead Managers 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 BRLMs 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 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 BRLMs, 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 BRLMs, 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 BRLMs 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 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 master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023. Subject to applicable law, the 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 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 Selling Shareholders and offered for sale in the Offer for Sale will be Allotted (in proportion to the Offered Shares being offered by the 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 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 94, 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 486, 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 BRLMs, 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 BRLMs, 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 BRLMs, 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 BRLMs, 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 ₹2 each for cash at a price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating up to ₹[●] million comprising a Fresh Issue of up to [●] Equity Shares by our Company aggregating up to ₹4,200.00 million and an Offer for Sale of up to 2,780,857 Equity Shares aggregating up to ₹[●] million by the Selling Shareholders.

The Offer includes a reservation of up [●] Equity Shares, aggregating up to ₹[●] million, for subscription by Eligible Employees. The Employee Reservation Portion shall not exceed 5.00% of our post-Offer paid-up equity share capital. The Offer less than the Employee Reservation Portion is the Net Offer.

Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

The Offer and Net 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	Employee Reservation Portion(5)
Number of Equity Shares available for Allotment/ allocation (2)	Not more than [●] Equity Shares of face value ₹ 2 each	Not less than [●] Equity Shares of face value ₹ 2 each available for allocation or Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares of face value ₹ 2 each available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders	Up to [●] Equity Shares
Percentage of Offer size available for Allotment/ allocation	Not more than 50% of the Net 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 Net Offer or the Offer less allocation to QIBs and Retail Individual Bidders will be available for allocation, out of which: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹200,000 and up to ₹1,000,000; and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹1,000,000 provided that the unsubscribed portion in either of the sub-	Not less than 35% of the Net Offer or Offer less allocation to QIBs and Non-Institutional Bidders will be available for allocation	The Employee Reservation Portion shall constitute [●]% of our post-offer paid-up Equity Share capital

Particulars	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders	Employee Reservation Portion[5]
		categories specified above may be allocated to applicants in the other sub-category of Non-Institutional Bidders		
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) [●] Equity Shares of face value ₹ 2 each shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) up to [●] Equity Shares of face value ₹ 2 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 BRLMs, may allocate up to 60% of the QIB Portion (of up to [●] Equity Shares of face value ₹ 2 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	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 466.	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 466.	Proportionate; unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹200,000 (net of Employee Discount, if any). In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees Bidding in the Employee Reservation Portion for a value exceeding ₹200,000 subject to total Allotment to an Eligible Employee not exceeding ₹500,000 (net of Employee Discount, if any).
Minimum Bid	Such number of Equity Shares so that the Bid Amount exceeds ₹200,000 and in multiples of [●] Equity Shares of face value ₹ 2 each	For Non-Institutional Bidders applying under (i) one-third of the Non-Institutional Portion such number of Equity Shares of face value of ₹ 2 each in multiples of [●] Equity Shares of face value of ₹ 2 each such that the Bid Amount exceeds ₹ 200,000 For Non-Institutional Bidders applying under (ii) two-thirds of the Non-	[●] Equity Shares of face value ₹ 2 each	[●] Equity Shares of face value ₹ 2 each

Particulars	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders	Employee Reservation Portion[5]
		Institutional Bidders such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹ 2 each such that		
Maximum Bid	Such number of Equity Shares of face value ₹ 2 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	For Non-Institutional Bidders applying under (i) one-third of the Non-Institutional Portion (with application size of more than ₹200,000 and up to ₹1,000,000) such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹ 2 each such that the Bid Amount does not exceeds ₹ 1,000,000 For Non-Institutional Bidders applying under (ii) two-third of the Non-Institutional Portion (with application size of more than ₹1,000,000) such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹2 each not exceeding the size of the Offer, (excluding the QIB Portion) subject to limits applicable to the Bidder	Such number of Equity Shares of face value ₹ 2 each in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000	Such number of Equity Shares and in multiples of [●] Equity Shares of face value ₹ 2 each, so that the maximum Bid Amount by each Eligible Employee in this portion does not exceed ₹500,000 (less Employee Discount, if any)
Mode of Allotment	Compulsorily in dematerialised form			
Bid Lot	[●] Equity Shares of face value ₹ 2 each and in multiples of [●] Equity Shares of face value ₹ 2 each thereafter			
Allotment Lot	A minimum of [●] Equity Shares of face value ₹ 2 each and thereafter in multiples of one Equity Share of face value ₹ 2 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 ₹ 2 each			
Who can apply[3] [4]	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, Mutual Funds registered with SEBI, FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹250	Resident Indian individuals, Eligible NRIs, HUFs (in the name of karta), companies, corporate bodies, scientific institutions, societies, trusts and FPIs who are individuals, corporate bodies and family offices	Resident Indian individuals, Eligible NRIs and HUFs (in the name of karta)	Eligible Employees

Particulars	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders	Employee Reservation Portion[5]
	million, pension fund with minimum corpus of ₹250 million National Investment Fund set up by the Government, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs.			
Mode of Bidding	Only through the ASBA process (except for Anchor Investors).	Only through the ASBA process (including UPI Mechanism for Bids up to ₹0.50 million).	Only through the ASBA process (including the UPI Mechanism).	ASBA only (including the UPI Mechanism)
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 BRLMs, 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 461.*

(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 Net 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 Net Offer shall be available for allocation to Non-Institutional Bidders and not less than 35% of the Net 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 BRLMs 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 455.*

(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 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 472 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.

(5) The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital. Unless the Employee Reservation Portion is under-subscribed, the value of allocation to an Eligible Employee Bidding in the Employee Reservation Portion shall not exceed ₹200,000 (net of Employee Discount, if any). In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000 (net of Employee Discount, if any). The unsubscribed portion, if any, in the Employee Reservation Portion (after such allocation up to ₹500,000), shall be added to the Net Offer. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. Our Company, in consultation with the BRLMs, may offer a discount of up to ₹ [●] of the Offer Price to Eligible Employees Bidding in the Employee Reservation Portion, subject to necessary approvals as may be required, and which shall be announced at least two Working Days prior to the Bid / Offer Opening Date.

The Bids by FPIs with certain structures as described under "*Offer Procedure — Bids by FPIs*" on page 472 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares of ₹ 2 each Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Eligible Employees Bidding in the Employee Reservation Portion at a price within the Price Band can make payment based on Bid Amount, at the time of making a Bid. Eligible Employees Bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, at the time of making a Bid.

Bidders will be required to confirm and will be deemed to have represented to our Company, the 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 BRLMs 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 455.

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 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 BRLMs. 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, 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 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 and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 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, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 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, 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 managers 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 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 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 Net Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLMs, 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 Net 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 ₹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 Net 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. The Offer includes a reservation of up to [●] Equity Shares, aggregating up to ₹ [●] million, for subscription by Eligible Employees. The Employee Reservation Portion shall not exceed 5.00% of our post-Offer paid-up equity share capital subject to valid Bids being received at or above the Offer Price.

Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

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 BRLMs 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, 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 (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 BRLMs.

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 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 BRLMs.

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.

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	[●]
Eligible Employees bidding in the employee Reservation Portion	[●]

* *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 BRLMs.*

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 BRLMs 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.

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 ₹500,000 and NII & QIB bids above ₹200,000, 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 BRLMs 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 BRLMs, the Syndicate Members and persons related to Promoters/the members of the Promoter Group/the BRLMs

The BRLMs 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 BRLMs 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 BRLMs 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 BRLMs nor any associate of the BRLMs can apply in the Offer under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associate of the BRLMs;

(ii) insurance companies promoted by entities which are associate of the BRLMs;

(iii) AIFs sponsored by the entities which are associate of the BRLMs; or

(iv) FPIs (other than individuals, corporate bodies and family offices) sponsored by the entities which are associate of the BRLMs.

Further, an Anchor Investor shall be deemed to be an associate of the BRLMs, 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 BRLMs.

Further, except for the sale of Equity Shares by the 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 BRLMs, 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 485.

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 Selling Shareholders or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by Eligible Employees

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹500,000. The Allotment in the Employee Reservation Portion will be on a proportionate basis. Eligible Employees under the Employee Reservation Portion may Bid at Cut-off Price provided that the Bid does not exceed ₹500,000.

However, Allotments to Eligible Employees in excess of ₹200,000 shall be considered on a proportionate basis, in the event of undersubscription in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000. Subsequent undersubscription, if any, in the Employee Reservation Portion shall be added back to the Net Offer. Eligible Employees Bidding in the Employee Reservation Portion may Bid at the Cut-off Price.

Bids under Employee Reservation Portion by Eligible Employees shall be:

(a) Made only in the prescribed Bid cum Application Form or Revision Form (i.e., [●] colour form).

(b) The Bidder should be an Eligible Employee as defined. In case of joint bids, the first Bidder shall be an Eligible Employee.

(c) Only Eligible Employees would be eligible to apply in this Offer under the Employee Reservation Portion.

(d) Only those Bids, which are received at or above the Offer Price would be considered for Allotment under this category.

(e) The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee subject to a maximum Bid Amount of ₹500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid amounting up to ₹200,000 (net of Employee Discount, if any). In the event of any under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees, who have bid in excess of ₹200,000 (net of Employee Discount, if any), provided however that the maximum Bid in this category by an Eligible Employee cannot exceed ₹500,000 (net of Employee Discount, if any).

(f) Eligible Employees can apply at Cut-off Price.

(g) If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.

(h) Bids by Eligible Employees in the Employee Reservation Portion and in the Net Offer portion shall not be treated as multiple Bids. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

(i) Eligible Employees should mention their employee number at the relevant place in the Bid cum Application Form or Revision Form.

(j) Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Offer.

In case of under-subscription in the Net Offer, spill over to the extent of under-subscription shall be permitted from the Employee Reservation Portion. If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis.

Please note that any individuals who are directors, employees or promoters of (a) the Lead Manager, Registrar to the Offer, or the Syndicate Members, or of the (b) 'associate companies' (as defined in the Companies Act, 2013, as amended) and 'group companies' of such Lead Manager, Registrar to the Offer or Syndicate Members are not eligible to bid in the Employee Reservation Portion.

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 BRLMs, 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 BRLMs, 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 BRLMs, 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 BRLMs, 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 BRLMs, 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 BRLMs 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 BRLMs, 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 BRLMs, 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 BRLMs.

(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 BRLMs 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 BRLMs 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) BRLMs nor any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the and BRLMs) 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.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs 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.

For further details, please read the General Information Document.

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 Selling Shareholders and/or the BRLMs 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 ₹500,000, 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. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;

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 BRLMs;

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 ₹200,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount exceeding ₹200,000 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 Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

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 ₹200,000 (for Bids by Retail Individual Bidders) and ₹500,000 for Bids by Eligible Employees Bidding in the Employee Reservation Portion (net of Employee Discount);;

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 and Eligible Employees Bidding in the Employee Reservation Portion (subject to the Bid Amount being up to ₹200,000), 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 ₹200,000), 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 ₹500,000;

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 85.

For helpline details of the BRLMs pursuant to SEBI master circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024, see '*General Information*' on page 85.

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 ₹200,000;

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 circular dated March 16, 2021 read with SEBI circular dated June 21, 2023 and SEBI circulars dated June 2, 2021 and April 20, 2022 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 BRLMs 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 ₹ 200,000 and up to ₹ 1,000,000, and (ii) two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with a Bid size of more than ₹ 1,000,000, 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 BRLMs, 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 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 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, all editions of [●], a Hindi national daily newspaper, , all editions of [●], a Bengali daily newspaper (Bengali being the regional language of West Bengal, where our Registered 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 Managers 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, all editions of [●], a Hindi national daily newspaper and all editions of [●], a Bengali daily newspaper (Bengali being the regional language of West Bengal, where our Registered Office is located), each with wide circulation.

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Company, the 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, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. 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 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 BRLMs 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 Selling Shareholders

The 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 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 Managers 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 Selling Shareholder;

(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 Managers 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 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. For further details, see "*Key Regulations and Policies*" on page 265.

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 471 and 472.

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 466.

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 Selling Shareholders and the BRLMs 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 TERMS OF THE ARTICLES OF ASSOCIATION INTERPRETATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below. Except as disclosed below, there are no other material provisions of the Articles of Association that 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.

PRELIMINERY

1. Subject as hereinafter provided the Regulations contained in Table 'F' in the Schedule I to the Companies Act, 2013 shall apply to the Company.

INTERPRETATION

I. (1) "Act" means the Companies Act, 2013, and any statutory modification thereof.

(2) "Company" means **RAHEE INFRATECH LIMITED**

(1) In these Articles:-

(a) "**Accounting Standard**" means the standards of accounting or any addendum thereto for companies or class of companies referred to in section 133.

(b) "**Articles**" means the articles of association of the Company as originally framed or as altered from time to time or applied in pursuance of any previous company law or of this Act;

(c) "**Associate Company**", in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.

Explanation - For the purposes of this clause, "significant influence" means control of at least twenty percent of total share capital, or of business decisions under an agreement;

(d) "**Auditing Standards**" means the standards of auditing or any addendum thereto for companies or class of companies referred to in sub-section (10) of section 143;

(e) "**Authorised Capital**" or "**Nominal Capital**" means such capital as is authorised by the memorandum of a company to be the maximum amount of share capital of the Company;

(f) '**Board** of **Directors' or 'Board'**, means the collective body of the Directors of the Company for which the necessary registrations has been done with Ministry of Corporate Affairs / Registrar of Companies as per the relevant provisions of the Act.

(g) "**Books of account**" includes records maintained in respect of—

i) all sums of money received and expended by a company and matters in relation to which the receipts and expenditure take place;

ii) all sales and purchases of goods and services by the company;

iii) the assets and liabilities of the company; and

iv) the items of cost as may be prescribed under section 148 in the case of a company which belongs to any class of companies specified under that section.

(h) "**Company Limited by Shares**" means a company having the liability of its members limited by the memorandum to the amount, if any, unpaid on the shares respectively held by them.

(i) "**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 who is appointed by a company to perform the functions of a company secretary under this Act;

(j) “**Director**” means a director appointed to the Board of the Company;

(k) **“Debenture**” includes debenture stock, bonds or any other instrument of a Company evidencing a debt, whether constituting a charge on the assets of the Company or not;

(l) “**Depository**” means a Company formed and registered under the Act and which has been granted a certificate of registration by SEBI under the Securities & Exchange Board of India Act, 1992;

(m) “**Dividend**” includes any interim dividend;

(n) “**The Directors**” means the Directors appointed to the Board of the Company;

(o) “**Financial Statement**” in relation to a company, includes—

i) a balance sheet as at the end of the financial year;

ii) a profit and loss account, or in the case of a company carrying on any activity not for profit, an income and expenditure account for the financial year;

iii) cash flow statement for the financial year;

iv) a statement of changes in equity, if applicable; and

v) any explanatory note annexed to, or forming part of, any document referred to in sub-clause (i) to sub-clause

vi) Provided that the financial statement, with respect to One Person Company, small company and dormant company, may not include the cash flow statement;

(p) “**Financial Year**”, in relation to any company or body corporate, means the period ending on the 31st day of March every year, and where it has been incorporated on or after the 1st day of January of a year, the period ending on the 31st day of March of the following year, in respect whereof financial statement of the company or body corporate is made up:

(q) “**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 unrealised 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 recognised 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;

(r) “**Holding Company**”, in relation to one or more other companies, means a company of which such companies are subsidiary companies;

(s) “**Independent Director**” means an independent director referred to in sub-section (5) of section 149;

(t) “**Interested Director**” means a director who is in any way, whether by himself or through any of his relatives or firm, body corporate or other association of individuals in which he or any of his relatives is a partner, director or a member, interested in a contract or arrangement, or proposed contract or arrangement, entered into or to be entered into by or on behalf of a company;

(u) “**Key Managerial Personnel**”, in relation to a company, means—

i) the Chief Executive Officer or the managing director or the manager;

ii) the Company Secretary;

iii) the Whole-Time Director;

iv) the Chief Financial Officer; and

v) such other officer as may be prescribed;

(v) "**Managing Director**" means a director who, by virtue of the articles of a 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.

(w) "**Member**", in relation to a company, means—

i) the subscriber to the memorandum of the company who shall be deemed to have agreed to become member of the company, and on its registration, shall be entered as member in its register of members;

ii) 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;

iii) every person holding shares of the company and whose name is entered as a beneficial owner in the records of a depository;

(x) "**Officer who is in default**", for the purpose of any provision in this Act which enacts that an officer of the company who is in default shall be liable to any penalty or punishment by way of imprisonment, fine or otherwise, means any of the following officers of a company, namely:—

i) Whole-Time Director;

ii) Key Managerial Personnel;

iii) where there is no key managerial personnel, such director or directors as specified by the Board in this behalf and who has or have given his or their consent in writing to the Board to such specification, or all the directors, if no director is so specified;

iv) any person who, under the immediate authority of the Board or any key managerial personnel, is charged with any responsibility including maintenance, filing or distribution of accounts or records, authorises, actively participates in, knowingly permits, or knowingly fails to take active steps to prevent, any default;

v) any person in accordance with whose advice, directions or instructions the Board of Directors of the company is accustomed to act, other than a person who gives advice to the Board in a professional capacity;

vi) every director, in respect of a contravention of any of the provisions of this Act, who is aware of such contravention by virtue of the receipt by him of any proceedings of the Board or participation in such proceedings without objecting to the same, or where such contravention had taken place with his consent or connivance;

vii) in respect of the issue or transfer of any shares of a company, the share transfer agents, registrars and merchant bankers to the issue or transfer;

(y) "**Promoter**" means a person—

a) who has been named as such in a prospectus or is identified by the company in the annual return referred to in section 92; or

b) who has control over the affairs of the company, directly or indirectly whether as a shareholder, director or otherwise; or

c) in accordance with whose advice, directions or instructions the Board of Directors of the company is accustomed to act: Provided that nothing in sub-clause (c) shall apply to a person who is acting merely in a professional capacity;

(z) "**Related Party**", with reference to a company, means—

i) a director or his relative;

ii) a key managerial personnel or his relative;

iii) a firm, in which a director, manager or his relative is a partner;

iv) a private company in which a director or manager is a member or director;

v) a public company in which a director or manager is a director or holds along with his relatives, more than two per cent. of its paid-up share capital;

vi) anybody corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager; any person on

whose advice, directions or instructions a director or manager is accustomed to act:

vii) Provided that nothing in sub-clauses vi) and vii) shall apply to the advice, directions or instructions given in a professional capacity;

viii) any company which is— (A) a holding, subsidiary or an associate company of such company; or (B) a subsidiary of a holding company to which it is also a subsidiary;

ix) such other person as may be prescribed;

(aa) ‘‘**Relative**’’, with reference to any person, means any one who is related to another, if—

i) they are members of a Hindu Undivided Family;

ii) they are husband and wife; or

iii) one person is related to the other in such manner as may be prescribed

(bb) "**Subsidiary Company**" or "**Subsidiary**", in relation to any other company (that is to say the holding company), means a company in which the holding company—

i) controls the composition of the Board of Directors; or

ii) exercises or controls more than one-half of the total share capital either at its own or together with one or more of its subsidiary companies:

Provided that such class or classes of holding companies as may be prescribed shall not have layers of subsidiaries beyond such numbers as may be prescribed.

(3) Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.

(4) Unless the context otherwise requires words or expressions contained in these Articles shall be the same meaning as in the Act, or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

SHARE CAPITAL AND VARIATION OF RIGHTS

II.1. (A) The Authorised Share Capital of the Company shall be such amounts and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital in accordance with the Company's regulations and legislative provisions for the time being in force in that behalf with the powers to divide the share capital, whether original increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such a manner as may for the time being be provided by the Regulations of the Company and allowed by law.

(B) Subject to the provisions of the Act and these Articles, the shares in the capital of the Company 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 may issue and allot shares in the capital of the Company 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 be so allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid up shares. Provided that option or right to call shares shall not be given to any person or persons without the sanction of the Company in the general meeting.

(C) The Company in general meeting may decide to issue fully paid up bonus share to the member if so recommended by the Board of Directors.

2. (A) The certificate to share registered in the name of two or more person shall be delivered to first named person in the register and this shall be a sufficient delivery to all such holders.

i) Unless the shares have been issued in dematerialized form, every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission, sub-division, consolidation or renewal of shares or within such other period as the conditions of issue shall be provided,—

a) One or more certificates in marketable lots for all his shares of each class or denomination registered in his name without payment of any charges; or

b) Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid -up thereon.

iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof 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 as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such certificate shall be issued in the manner prescribed under Section 46 of the Act and the rules framed thereunder. Particulars of every share certificate issued shall be entered in the register of members against the name of the person, to whom it has been issued, indicating the date of issue. Provided that notwithstanding what is stated above, the Board shall comply with such rules or regulations or requirements of any stock exchange or the rules made under the Act or rules made under the Securities Contracts (Regulation) Act,1956 or any other act, or rules applicable thereof in this behalf.

4. (A) 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.

(B) Subject to the applicable provisions of the Act and other Applicable Laws, any debentures, debenture-stock or other securities may be issued at a premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at a general meeting, appointment of nominee directors, etc. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in a general meeting by special resolution.

5) i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made there under.

ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid share or partly in one way and partly in other.

6) i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

8) The Company shall have power to issue preference shares which may be converted into equity shares or carry right to redemption. The issue and redemption of preference shares shall be dealt in accordance with the provisions of Section 55 of the Act.

LIEN

(9) (i) The company shall have a first and paramount lien—

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

(iii) 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. The fully paid up shares shall be free from all lien and that in case of partly paid shares, the Company's lien shall be restricted to money called or payable at a fixed time in respect of such shares.

10) The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof. The purchaser 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.

12) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. 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 person entitled to the shares at the date of the sale.

CALLS ON SHARES

13) (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) 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.

(iii) A call may be revoked or postponed at the discretion of the Board.

14) A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

15) The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16) (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17) Any sum which 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 regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. In case of non-payment of such sum, all the relevant provisions of these regulations 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.

18) (i) The Board—

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve percent per annum, as may be agreed upon between the Board and the member paying the sum in advance. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends subsequently declared or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.

(ii) The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities, including debentures, of the Company, to the extent applicable.

TRANSFER OF SHARES

19) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20) The Board may, subject to the right of appeal conferred by section 58 decline to register the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or any transfer of shares on which the company has a lien.

21) The Board may decline to recognise any instrument of transfer unless—

(a) the instrument of transfer shall be in writing and the form shall be duly executed by or on behalf of both the transferor and transferee as prescribed in rules made under sub-section (1) of section 56 of the Act;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

22) (1) On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, 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.

(2) Any member desiring to sell any of his shares must notify the Board of Directors of the number of shares, the fair value and the name of the proposed transferee and the Board must offer to the other share holders the shares offered at the fair value and if the offer is accepted, the shares shall be transferred to the acceptor and if the shares or any of them, are not so accepted within one month from the date of notice to the Board the members proposing transfers shall, at any time within three months afterwards, be at liberty, to sell and transfer the shares to any persons at the same or at higher price.

(3) In case of any dispute, regarding the fair value of the share it shall be decided and fixed by the Company's Auditor whose decision shall be final. No transfer of shares shall be made or registered without the previous sanction of the Directors, expect when the transfer is made by any member of the Company to another member or to a member's wife or child or children or his heirs and the Directors may decline to give such sanction without assigning any reason subject to Section 58 and 59 of the Act.

(4) Subject to Section 58 and 59 of the Act, these articles and other applicable provisions of the Act or any other law for the time being in force, the Directors with sufficient cause, may refuse to register the transfer of, by operation of law of the right to, any shares or interest of any person. The Company shall, within thirty days from the date on which the instrument of transfer, was delivered to the Company, send a notice of refusal to the transferee and transferor, giving reasons for such refusal. Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares.

(5) At the death of any members his or her shares be recognized as the property of his or her heirs upon production of reasonable evidence as may required by the Board of Directors.

(6) The instrument of transfer must be accompanied by the certificates of shares.

(7) There shall be a common form of transfer in accordance with the Act and rules and as per the requirement of the stock exchanges.

TRANSMISSION OF SHARES

23) (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.

Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either— to be registered himself as holder of the share; or to make such transfer of the share as the deceased or insolvent member could have made. 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.

25) (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26) (A) A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would been titled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

27) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

FORFEITURE OF SHARES

28) If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

29) The notice aforesaid shall—

(a) 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

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

30) If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

31) (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

32) (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) 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.

33) A duly verified declaration in writing that the declared is a director, the manager or the secretary, of the company, and that a share in the company has 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 share. 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 favour of the person to whom the share is sold or disposed of. The transferee shall thereupon be registered as the holder of the share. 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.

34) 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.

ALTERATION OF CAPITAL

35) The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

36) Subject to the provisions of section 61, the company may, by ordinary resolution,-

(a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

37) Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) Such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

38) The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law,—

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

CAPITALIZATION OF PROFITS

39) (i) The company in general meeting may, upon the recommendation of the Board, resolve—

(a) 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, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(iii) (a) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(b) 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;

(c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);

(d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(e) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

40) (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) 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 (b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions; and

(b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

BUY-BACK OF SHARES

41) Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETINGS

42) All general meetings other than annual general meeting shall be called extraordinary general meeting.

43) The Board may, whenever it thinks fit, call an extraordinary general meeting. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

44) (A) The quorum for a General Meeting shall be in accordance with the provisions of the Act and no business shall be transacted at any General Meeting unless the quorum be present at the time when the meeting proceeds to business.

(B) A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 113 of Companies Act, 2013.

(C) No business shall be discussed at any General Meeting except the election of a Chairperson whilst the Chair is vacant. If a poll is demanded on the election of the Chairperson it shall be taken forthwith in accordance with the provisions of the Act and these Articles and the Chairperson so elected on the show of hands will exercise all the powers of the Chairperson under the Act and these Articles. If some other person is elected Chairperson as a result of the poll, he shall be the Chairperson for the rest of the meeting.

45) The Chairperson/Co-Chairperson of the Board shall be entitled to take the Chair at every General Meeting. If there be no Chairperson or if at any meeting he shall not be present within fifteen (15) minutes after the time appointed for holding such meeting or is unwilling to act, the Directors present may choose a Chairperson and in default of their doing so, the members present shall choose one of the Directors to be the Chairperson and if no Director present be willing to take the Chair, the members present, shall by poll or electronically, choose one of their members to be the Chairperson of the Meeting.

46) (A) Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.

(B) In case of an equality of votes, whether on a show of hands or on a poll, the Chairperson/Co-Chairperson of the meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a casting vote or second vote in addition to his own vote or votes to which he may be entitled as a member.

(C) Subject to the provisions of the Act and other applicable laws in force for the time being, the Company may from time to time pass any resolution by means of postal ballot, instead of transacting the business in General Meeting of the Company and if such resolution is assented to by a requisite majority of the Members by means of postal ballot, it shall be deemed to have been duly passed at a General Meeting.

(D) The Company shall cause minutes of all proceedings of every General Meeting and every resolution passed by postal ballot to be kept in accordance with the provisions of the Act, by making, within thirty (30) days of the conclusion of such meeting, entries thereof in books kept for that purpose with their pages consecutively numbered.

Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting shall be dated and signed by the Chairperson of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairperson within that period, by a Director duly authorised by the Board for the purpose.

In no case the minutes of the proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise. Any such minutes kept as aforesaid shall be evidence of the proceedings recorded therein.

(E) There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting –

(a) is, or could reasonably be regarded, as defamatory of any person; or

(b) is irrelevant or immaterial to the proceedings; or

(c) is detrimental to the interests of the Company.

47) 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 the aforesaid clause.

48) The books containing the aforesaid minutes shall

a) be kept at the Registered Office, and

b) be kept open during business hours to the inspection of any member without charge subject to such reasonable restrictions as the Board may impose from time to time.

Any member shall be entitled to be furnished within seven (7) working days after he has made a request in that behalf to the Company with a copy of the minutes on payment of such amount as may be fixed by the Board.

ADJOURNMENT OF MEETING

49) (i) 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.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) 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.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

50) Subject to any rights or restrictions for the time being attached to any class or classes of shares—

(a) on a show of hands, every member present in person shall have one vote; and

(b) 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.

51) A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

52) (i) 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.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

53) 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.

54) Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.

55) No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

56) (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

57) The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized 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, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

58) An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

59) 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.

BOARD OF DIRECTORS

60) (A) The number of Directors shall not be less than three and not more than fifteen.

(B) The following shall be the First Directors of the Company.

1. RAVI KUMAR KHAITAN

2. PRADEEP KUMAR KHAITAN

3. SAVITRI DEVI KHAITAN

61) (A) (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) The remuneration payable(whether by way of monthly amount, commission etc) to the directors, including any managing or whole-time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act by an resolution, as prescribed in the Act, passed by the Company in general meeting.

(B) Any Director who performs extra services or to make any special exertions for any of the purposes of the Company then subject to the provisions of the Act, the Board may remunerate such Director either by a fixed sum or by a percentage of profits or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled to monthly payment, be deemed to accrue from day-to-day.

(C) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(i) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(ii) in connection with the business of the company.

(D) Until otherwise determined by the Company in General Meeting a Director shall not be required to hold any shares in the capital of the Company as his qualification shares.

62) The Board may pay all expenses incurred in getting up and registering the company.

63) The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.

64) 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.

65) 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.

66) (A) (i) Subject to the provisions of section 149, 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 the articles.

(ii) 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.

(iii) The Board shall have power to appoint a person, not being a person holding any alternate directorship for any other director in the company, to act as an alternate director for a director during his absence for a period of not less than three months from India.

(iv) Such person shall not hold office for a period longer than that permissible to the director in whose place he has been appointed and shall vacate the office if and when the director in whose place he has been appointed returns to India.

(vi) If the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may be filled by the Board of Directors at a meeting of the Board.

(vii) The director so appointed shall hold office only upto the date which the director in whose place he is appointed would have held office if it had not been vacated.

(B) At the Annual General Meeting of the company in every year, one third of the retiring directors for the time being as are liable to retire by rotation, or if their number is neither three nor a multiple of three then, the number nearest to one-third, shall retire from office. The directors to retire at such annual general meeting shall be the directors who shall have been longest in office since their last appointment, but as between persons who became directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.

(C) A retiring Director shall be eligible for re-election and shall act as a director throughout the meeting at which he retires.

(D) The quorum for the transaction, of the business of the Board meeting shall be as provided in section 174 of the Act.

PROCEEDINGS OF THE BOARD

67) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

68) 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, if any, shall have a second or casting vote.

69) The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

70) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. 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 members to be Chairperson of the meeting.

71) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

72) A committee may elect a Chairperson of its meetings. 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 members present may choose one of their members to be Chairperson of the meeting.

73) (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

74) 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, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

75) Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

76) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

77) Subject to the provisions of the Act,—

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

78) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

COMMON SEAL

79) a) The Board may provide for the Seal of the Company to be affixed on such document as may be decided by Board or as required under any law. The Seal shall be kept in the safe custody of such officer of the Company as the Board may decide.

b) The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of director(s) or the secretary or such other person as the Board may appoint for the purpose; and the director(s) or the secretary or other person aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

DIVIDENDS AND RESERVE

80) The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

81) Subject to the provisions of section 123, 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.

82) (i) 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, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

83) (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) 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.

84) 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.

85) (i) Any dividend, interest or other monies payable in cash in respect of shares maybe paid by 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.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

86) 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.

87) 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.

88) No dividend shall bear interest against the company.

ACCOUNTS

89) (i) The Board shall, from time to time, determine whether and to what extent and at what, times and places and under what conditions or regulation the accounts and books of the Company or any of them shall be open to the inspection of members (not being Director).

(ii) No members (not being Director) shall have any right of inspecting any accounts or books of account of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.

WINDING UP

90) (i) 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 applicable Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) 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.

(iii) 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.

INDEMNITY

91) Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

FURTHER ISSUE OF SHARES

92) Where at any time the Board or the Company, as the case may be, propose to increase the subscribed capital by the issue of further shares then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder:

(A) (i) to the persons who at the date of the offer are holders of the Equity Shares of the Company, in proportion as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions mentioned in sub-clause (ii) to (iv) below;

(ii) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days (or such lesser number of days as may be prescribed under the Act or the rules made thereunder, or other applicable law) and not exceeding thirty days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined.

Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue;

(iii) 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 favour of any other person and the notice referred to in sub-clause (ii) shall contain a statement of this right;

(iv) After the expiry of time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that the person declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the members and the Company;

(B) to employees under any scheme of employees' stock option subject to special resolution passed by the shareholders of the Company and subject to the rules and such other conditions, as may be prescribed under applicable law; or

(C) to any person(s), if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) above either for cash or for a consideration other than cash, if the price of such shares is determined subject to compliance with such conditions as may be prescribed under the Act and the rules made thereunder;

Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company having an option to convert such debentures or loans into shares in the Company or to subscribe for shares of the Company:

Provided that the terms of issue of such debentures or loans containing such an option have been approved before the issue of such debentures or the raising of such loans by a special resolution passed by the shareholders of the Company in a general meeting. Notwithstanding anything contained in 92 (C) hereof, where any debentures have been issued, or loan has been obtained from any government by the Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to National Company Law Tribunal which shall after hearing the Company and the government pass such order as it deems fit. A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the rules made thereunder.

UNPAID OR UNCLAIMED DIVIDEND

93) (i) If the Company has declared a dividend but which has not been paid or claimed or the dividend warrant in respect thereof has not been posted or sent within thirty days from the date of declaration, transfer the total amount of dividend, which remained unpaid or unclaimed within seven days from the date of expiry of the said period of thirty days to a special account to be opened by the Company in that behalf in any scheduled bank or private sector bank.

(ii) Any money so transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investors Education and Protection Fund.

(iii) No unpaid or unclaimed dividend shall be forfeited by the Board before the claim becomes barred by applicable law.

JOINT HOLDERS OF SHARE

94) (i) Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint holder with benefit of survivorship subject to the provisions following and to the other provisions of these Articles relating to joint holders.

(a) The company shall not be bound to register more than three persons as the joint holders of share.

(b) The joint holders of shares shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such share.

(c) On the death of any one of such joint holders the survivor or survivors shall be the only person or persons recognized by the Company as having any title to or interest in such share but the Board may require such evidence of death as may deem fit.

(d) Only the person whose name stands first in the Register at one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share and to the payment of dividend in respect thereof.

POWER OF THE BOARD

95) The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board:

(a) to make calls on Shareholders in respect of money unpaid on their shares;

(b) to authorise buy-back of securities under Section 68 of the Act;

(c) to issue securities, including debentures, whether in or outside India;

(d) to borrow money(ies);

(e) to invest the funds of the Company;

(f) to grant loans or give guarantee or provide security in respect of loans;

(g) any other matter which may be prescribed under the Act, Companies (Meetings of Board and its Powers) Rules, 2014 to be exercised by the Board only by resolutions passed at the meeting of the Board.

The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above. In respect of dealings between the company and its bankers the exercise by the company of the powers specified in clause (d) shall mean the arrangement made by the company with its bankers for the borrowing of money by way of overdraft or cash credit or otherwise and not the actual day to day operation on overdraft, cash credit or other accounts by means of which the arrangement so made is actually availed of.

The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the restrictions on the powers of the Board under section 180 of the Act.

BORROWING POWERS

96) a) Subject to the provisions of the Act and the Rules, the Board of directors may, from time to time at its discretion by a resolution passed at a Meeting of the Board, accept deposits from Members, either in advance or calls or otherwise, and generally raise or borrow or secure the payment of any sum or sum of moneys for the purpose of the Company not exceeding the aggregate of the Paid-up capital of the Company and its reserves.

b) Power of the Board to borrow Provided, however, where the moneys to be borrowed together with moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of paid-up capital and free reserves as defined under the Act, the Directors shall not borrow such monies without the consent of the Company in general meeting by way of resolution prescribed under the Act.

MANAGING/JOINT MANAGING/WHOLETIME DIRECTORS

97) (A) Subject to the provisions of the Act,—A managing director, joint managing director, whole time director, may be appointed by the Board as key managerial personnel for such term, at such remuneration and upon such conditions as it may think fit; and any managing director, joint managing director, whole time director so appointed may be removed by means of a resolution of the Board;

(B) Subject to the provisions of the Act and other applicable laws, an individual who is Managing Director or Joint Managing Director or Whole time Director of the Company may be appointed or re-appointed as Chairperson of the Company at the same time.

(C) A director may be appointed as managing director, joint managing director, whole time director.

SECRECY

98) Subject to the provisions of law of land and the act, every manager, auditor trustee, member of a committee, officer servant, agent accountant or other persons employed in the business of the company shall, if so required by the Board of Directors before entering upon his duties, sign, declaration, pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and the state of account 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 court of law and except so far as may be necessary in order to comply with any of the provisions in these presents.

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 which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, will be attached to the copy of the Red Herring Prospectus which will be filed with the RoC, and will also be available at the following weblink: https://www.rahee.com/investor. Physical copies of the above- mentioned documents referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

Material contracts to the Offer

1. Offer Agreement dated September 30, 2024 entered into among our Company, the Selling Shareholders and the BRLMs.

2. Registrar Agreement dated September 30, 2024 entered into among our Company, the Selling Shareholders and the Registrar to the Offer.

3. Monitoring Agency Agreement dated [●] entered into between our Company and the Monitoring Agency.

4. Cash Escrow and Sponsor Bank(s) Agreement dated [●] entered into among our Company, the Selling Shareholders, the BRLMs, the Syndicate Members, the Bankers to the Offer, and the Registrar to the Offer.

5. Share Escrow Agreement dated [●] entered into among our Company, the Selling Shareholders, and the Share Escrow Agent.

6. Syndicate Agreement dated [●] entered into among our Company, the Selling Shareholders, the BRLMs, the Registrar to the Offer and the Syndicate Members.

7. Underwriting Agreement dated [●] entered into among our Company, the Selling Shareholders and the Underwriters.

Material Documents

1. Certified copies of the Memorandum of Association and the Articles of Association, as amended until date.

2. Original certificate of incorporation dated January 30, 1996, issued by RoC.

3. Certificate for commencement of business dared January 30, 1996, issued by RoC.

4. Fresh certificates of incorporation dated August 3, 1998 and August 3, 2010 issued by RoC.

5. Resolution dated September 28, 2024 passed by the Board authorising the Offer and other related matters.

6. Resolution dated September 28, 2024 passed by the Shareholders authorising the Fresh Issue and other related matters.

7. Resolution dated September 28, 2024 passed by the Board taking on record the participation of the Selling Shareholders in the Offer for Sale and other matters.

8. Resolution dated September 30, 2024 passed by the Board approving this Draft Red Herring Prospectus and certain other related matters.

9. Resolution dated September 29, 2024, passed by the Audit Committee approving the KPIs.

10. Resolution dated September 29, 2024, passed by the Board of Directors of our Company approving the Objects of the Offer.

11. Consent letters of the Selling Shareholders for participation in the Offer for Sale, as detailed in "*The Offer*" on page 83.

12. Report titled "*Industry Research Report on Indian Railway Infrastructure*" dated September 2024 issued by CARE.

13. Consent letter dated September 27, 2024 issued by CARE, with respect to the CARE Report.

14. Joint venture agreement between our Company and Pandrol Limited dated March 2, 2004, as amended by the addendum no. 1 dated April 12, 2005 and addendum no. 2 dated September 4, 2008.

15. Scheme of amalgamation of Punit Elastomers Private Limited into our Company, along with a valuation report dated March 31, 2016, issued by J B S & Company, Chartered Accountants.

16. Business Transfer Agreement dated September 13, 2024 entered into between Shalimar Fabricators Private Limited and our Company, along with a valuation report dated September 19, 2024 issued by Bhavesh M Rathod, Chartered Accountants.

17. The examination report dated September 14, 2024 of the Statutory Auditors on the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus.

18. Written consent dated September 30, 2024 from Singhi & Co., to include their name as required under section 26 (1) 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 their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated September 14, 2024 on our Restated Consolidated Financial Information; and (ii) their report dated September 28, 2024 on the statement of special tax benefits available to our Company, Material Subsidiary and Shareholders, in this 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.

19. Written consent dated September 30, 2024 from the independent practicing company secretary, Shubham Kumar Sinha, to be named as an "expert" under Section 2(38) and other applicable provisions of the Companies Act, 2013 in its capacity as practicing company secretary and in respect of their certificate dated September 30 issued in connection with *inter alia* the share capital buildup and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

20. Written consent from Biswadeep Chatterjee dated September 21, 2024, independent chartered engineer, to include his name as an "expert" under Section 2(38) and other applicable provisions of the Companies Act, 2013 to the extent and in his capacity as a chartered engineer and in respect of his certificate dated September 21, 2024 in relation to the Company's manufacturing capacities and capacity utilization at all of its manufacturing facilities and the details derived from such certificate and included in this Draft Red Herring Prospectus.

21. Written consent dated September 29, 2024 from J B S & Company, chartered accountants, to include their name as required under section 26 (1) 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 their capacity as our independent chartered accountants, and in respect of the various certifications various certifications issued by them in their capacity as an independent chartered accountant to our Company and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

22. Consents of the BRLMs, the Registrar to the Offer, the Syndicate Members, Bankers to the Company, Escrow Collection Bank(s), Public Offer Account Bank(s), Refund Bank(s) and Sponsor Bank(s), Monitoring Agency, the legal counsel to the Offer, our Directors and the Company Secretary and Compliance Officer, to act in their respective capacities.

23. Report on the statement of special tax benefits available to our Company, Material Subsidiary and Shareholders, dated September 28 issued by the Statutory Auditors.

24. Copies of annual reports of our Company for Fiscal 2024, Fiscal 2023 and Fiscal 2022.

25. Tripartite agreement dated August 3, 2024, among our Company, NSDL and the Registrar to the Offer.

26. Tripartite agreement dated August 27, 2024, among our Company, CDSL and the Registrar to the Offer.

27. Certificates dated September 30, 2024 and September 30, 2024 from Singhi & Co., Chartered Accountants, and J B S & Company, Chartered Accountants, respectively, with respect to our key performance indicators.

28. Due diligence certificate to SEBI from the BRLMs dated September 30, 2024.

29. Undertaking dated [●] submitted by the BRLMs to the SEBI in connection with disclosure of the Pre-IPO Placement by way of a public advertisement and in the Price Band advertisement.

30. Undertaking dated [●] submitted by the BRLMs to the SEBI in relation to utilization of the proceeds of the Pre-IPO Placement.

31. Certificate dated September 30, 2024, obtained from Singhi & Co., Chartered Accountants, with respect to (i) details of price at which specified securities were acquired in the last three years preceding the date of this Draft Red Herring

Prospectus by our Promoters, the Promoter Group, the Selling Shareholder or Shareholder(s) with rights to nominate Director(s) or other special rights; (ii) weighted average cost of acquisition of all shares transacted in the last eighteen months, one year and three years preceding the date of this Draft Red Herring Prospectus; (iii) average cost of acquisition of Equity Shares for our Promoters and Selling Shareholders; and (iv) weighted average price at which the Equity Shares were acquired by our Promoters and Selling Shareholders in the last one year preceding the date of this Draft Red Herring Prospectus.

32. Certificate dated September 30, 2024, obtained from Singhi & Co., Chartered Accountants, with respect to the outstanding dues to creditors and micro, small and medium enterprises.

33. Certificate dated September 30, 2024, obtained from Singhi & Co., Chartered Accountants, with respect to our financial indebtedness.

34. Certificate dated September 29, 2024 obtained from J B S & Company, Chartered Accountants, with respect to our working capital requirements.

35. Certificate dated September 30, 2024 obtained from Singhi & Co., Chartered Accountants, with respect to the non-material acquisition post last audited balance sheet date, i.e., March 31, 2024 of M/s. Shalimar Fabricators Private Limited.

36. In-principle listing approvals dated [●] and [●] from BSE and NSE, respectively.

37. 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, without reference to the Shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Pradeep Khaitan
(*Chairman and Managing Director)*

Place: Kolkata

Date: September 30, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Pawan Khaitan
(*Whole-time Director)*

Place: USA

Date: September 30, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Ravi Khaitan
(*Whole-time Director)*

Place: Kolkata

Date: September 30, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Anurag Kumar Sachan
(*Non-Executive, Independent Director)*

Place: Gurgaon

Date: September 30, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Rakesh Sony
(*Non-Executive, Independent Director)*

Place: Mumbai

Date: September 30, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Ishani Ray
(*Non-Executive, Independent Director)*

Place: Kolkata

Date: September 30, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Rajesh Kumar Bansal
(*Non-Executive, Independent Director)*

Place: Faridabad

Date: September 30, 2024

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

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Rajesh Kumar Goenka

Place: Kolkata

Date: September 30, 2024

DECLARATION

I, Pradeep Khaitan, in my capacity as a Selling Shareholder, hereby confirm, certify and declare that all statements, disclosures, and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or specifically in relation to myself as a Selling Shareholder and portion of the Equity Shares being offered by me in the Offer for Sale, are true and correct. I assume no responsibility, as a Selling Shareholder, for any other statements, disclosures or undertakings including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or person(s) in this Draft Red Herring Prospectus.

SIGNED BY Pradeep Khaitan

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Place: Kolkata

Date: September 30, 2024

DECLARATION

I, Pawan Khaitan, in my capacity as a Selling Shareholder, hereby confirm, certify and declare that all statements, disclosures, and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or specifically in relation to myself as a Selling Shareholder and portion of the Equity Shares being offered by me in the Offer for Sale, are true and correct. I assume no responsibility, as a Selling Shareholder, for any other statements, disclosures or undertakings including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or person(s) in this Draft Red Herring Prospectus.

SIGNED BY Pawan Khaitan

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Place: USA

Date: September 30, 2024

DECLARATION

I, Ravi Khaitan, in my capacity as a Selling Shareholder, hereby confirm, certify and declare that all statements, disclosures, and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or specifically in relation to myself as a Selling Shareholder and portion of the Equity Shares being offered by me in the Offer for Sale, are true and correct. I assume no responsibility, as a Selling Shareholder, for any other statements, disclosures or undertakings including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or person(s) in this Draft Red Herring Prospectus.

SIGNED BY Ravi Khaitan

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Place: Kolkata

Date: September 30, 2024

DECLARATION

I, Nandini Khaitan, in my capacity as a Selling Shareholder, hereby confirm, certify and declare that all statements, disclosures, and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or specifically in relation to myself as a Selling Shareholder and portion of the Equity Shares being offered by me in the Offer for Sale, are true and correct. I assume no responsibility, as a Selling Shareholder, for any other statements, disclosures or undertakings including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or person(s) in this Draft Red Herring Prospectus.

SIGNED BY Nandini Khaitan

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Place: Kolkata

Date: September 30, 2024

DECLARATION

I, Shashi Khaitan, in my capacity as a Selling Shareholder, hereby confirm, certify and declare that all statements, disclosures, and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or specifically in relation to myself as a Selling Shareholder and portion of the Equity Shares being offered by me in the Offer for Sale, are true and correct. I assume no responsibility, as a Selling Shareholder, for any other statements, disclosures or undertakings including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or person(s) in this Draft Red Herring Prospectus.

SIGNED BY Shashi Khaitan

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Place: USA

Date: September 30, 2024