



CLASSIC ELECTRODES (INDIA) LIMITED
CIN: U70100WB1997PLC085600

Our Company was originally incorporated as 'Classic Electrodes (India) Private Limited' a private limited company under the Companies Act, 1956 at Calcutta, West Bengal, pursuant to a certificate of incorporation dated September, 30, 1997, issued by the Registrar of Companies, Kolkata ("RoC"). Thereafter, name of our Company was changed from 'Classic Electrodes (India) Private Limited' to 'Classic Electrodes (India) Limited', consequent to conversion of our Company from private to public company, pursuant to a special resolution passed by the shareholders of our Company on April 18, 2009 and a fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Kolkata on June 13, 2009. Our Company's Corporate Identity Number is U70100WB1997PLC085600. For details of change in Registered office of our Company, please refer to the chapter titled "**History and Certain Corporate Matters**" on page 149 of this Draft Red Herring Prospectus.

Registered Office: 1 A, Bonfield Lane, Kolkata, West Bengal, India- 700001

Tel: +91 8336007981 **Website:** www.classicelectrodes.com

Contact Person: Ms. Bhagyashree Agarwal, Company Secretary and Compliance Officer;

E-mail id: compliance@classicelectrodes.com; **Investor Grievance Email Id:** investorrelations@classicelectrodes.com

Corporate Identity Number: U70100WB1997PLC085600

OUR PROMOTERS: MR. HANUMAN PRASAD AGARWAL, MR. SUSHIL KUMAR AGARWAL, MR. NITESH AGARWAL, MR. SUNIL KUMAR, MR. AYUSH AGARWAL, MR. NARESH KUMAR AGARWAL, M/S PANCHSHUL MERCHANTS PRIVATE LIMITED, GUNNAYAK COMMERCIAL PRIVATE LIMITED AND M/S ALL TIME SUPPLIERS PRIVATE LIMITED

ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED AUGUST 28, 2024: NOTICE TO THE INVESTORS ("THE ADDENDUM")

INITIAL PUBLIC OFFER OF UP TO 48,00,000 EQUITY SHARES OF FACE VALUE ₹ 10 EACH (THE "EQUITY SHARES") OF CLASSIC ELECTRODES (INDIA) LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹ [●] PER EQUITY SHARE) ("ISSUE PRICE"), AGGREGATING UP TO ₹ [●] LAKHS (THE "ISSUE") OF WHICH [●] EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING UPTO ₹ [●] LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN [●] EDITION OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), [●] EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND [●] EDITION OF [●], (A WIDELY CIRCULATED BENGALI DAILY NEWSPAPER, BENGALI BEING THE REGIONAL LANGUAGE OF WEST BENGAL WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE.

Potential Bidders may note the following:

- In the sections "**Cover Pages**", "**Definition and Abbreviations**", "**Summary of Offer Document**", "**Risk Factors**", "**Capital Structure**", "**Objects of the Issue**", "**Our Business**", "**Our Management**", "**Our Promoter and Promoter Group**" and "**Government and other statutory Approvals**" provided herein below as part of Addendum, modifications have been updated.

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

On behalf of Classic Electrodes (India) Limited

Sd/-

Ms. Bhagyashree Agarwal
Company Secretary & Compliance Officer

Place: Kolkata
Date: January 06, 2025

BOOK RUNNING LEAD MANAGER		REGISTRAR TO THE OFFER	
			
GYR CAPITAL ADVISORS PRIVATE LIMITED (Formerly known as Alpha Numero Services Private Limited) Address: 428, Gala Empire, Near JB Tower, Drive in Road, Thaltej, Ahmedabad -380 054, Gujarat, India. Telephone: +91 87775 64648 Fax: N.A. E-mail: info@gyrcapitaladvisors.com Website: www.gyrcapitaladvisors.com Investor grievance: investors@gyrcapitaladvisors.com Contact Person: Mr. Mohit Baid SEBI Registration Number: INM000012810 CIN :- U67200GJ2017PTC096908		LINK INTIME INDIA PRIVATE LIMITED Address: C-101, 1st Floor, 247 Park, Lal Bhadur Shastri Marg, Vikhroli (West), Mumbai 400 083 Maharashtra, India Telephone: +91 810 811 4949 E-mail id: classicelctrodes.ipo@linkintime.co.in Website: www.linkintime.co.in Investor Grievance E-mail ID: classicelctrodes.ipo@linkintime.co.in Contact Person: Shanti Gopalkrishnan SEBI Registration Number: INR000004058 CIN No: U67190MH1999PTC118368	
ISSUE PROGRAMME			
ANCHOR INVESROR BIDDING DATE: [●]		BID/OFFER OPENS ON: [●]*	
		BID/ ISSUE CLOSES ON: [●]**	

*The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.

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

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ENTIRE OFFER DOCUMENT

Entire offer document has been updated to give grammatical changes consequent to inclusion of Mr. Ayush Agarwal, Mr. Naresh Kumar Agarwal, M/s Panchshul Merchants Private Limited and M/s Gunnayak Commercial Private Limited as promoter i.e. word “Promoters” shall represent 9 promoters i.e. Mr. Hanuman Prasad Agarwal, Mr. Sushil Kumar Agarwal, Mr. Nitesh Agarwal, Mr. Sunil Kumar, Mr. Ayush Agarwal, Mr. Naresh Kumar Agarwal, M/s Panchshul Merchants Private Limited, Gunnayak Commercial Private Limited and M/s All Time Suppliers Private Limited where ever necessary.

COVER PAGE

- a) **Names of Mr. Ayush Agarwal, Mr. Naresh Kumar Agarwal, M/s Panchshul Merchants Private Limited and M/s Gunnayak Commercial Private Limited has been included as Promoter on both cover pages.**

Below is the revised text:

MR. HANUMAN PRASAD AGARWAL, MR. SUSHIL KUMAR AGARWAL, MR. NITESH AGARWAL, MR. SUNIL KUMAR, MR. AYUSH AGARWAL, MR. NARESH KUMAR AGARWAL, M/S PANCHSHUL MERCHANTS PRIVATE LIMITED, M/S GUNNAYAK COMMERCIAL PRIVATE LIMITED AND M/S ALL TIME SUPPLIERS PRIVATE LIMITED

DEFINITIONS AND ABBREVIATIONS

- a) Definition of promoter of the company has been updated by including *Mr. Ayush Agarwal, Mr. Naresh Kumar Agarwal, M/s Panchshul Merchants Private Limited and M/s Gunnayak Commercial Private Limited* under the table titled “General and Company related terms” on page 06 of Draft Red Herring Prospectus.

Below is the revised text:

Term	Description
Our Promoters	Mr. Hanuman Prasad Agarwal, Mr. Sushil Kumar Agarwal, Mr. Nitesh Agarwal, Mr. Sunil Kumar Mittal, Mr. Ayush Agarwal, Mr. Naresh Kumar Agarwal, M/s Panchshul Merchants Private Limited, Gunnayak Commercial Private Limited and M/s All Time Suppliers Private Limited.

SUMMARY OF ISSUE DOCUMENT

Names of Mr. Ayush Agarwal, Mr. Naresh Kumar Agarwal, M/s Panchshul Merchants Private Limited, M/s Gunnayak Commercial Private Limited has been included as Promoters under the paragraph titled “Promoter” on page 25 of Draft Red Herring Prospectus.

Below is the revised text:

3. Names of the Promoters

Mr. Hanuman Prasad Agarwal, Mr. Sushil Kumar Agarwal, Mr. Nitesh Agarwal, Mr. Sunil Kumar Mittal, Mr. Ayush Agarwal, Mr. Naresh Kumar Agarwal, M/s Panchshul Merchants Private Limited, M/s Gunnayak Commercial Private Limited and M/s Alltime Suppliers Private Limited and are the Promoters of our company. For further details, please refer the section titled “Our Promoter and Promoter Group” beginning on page 170 of this DRHP.

6. Shareholding Pattern of the company has been updated under the table titled “Aggregate Pre Issue Shareholding of Promoters, Promoter Group and Public” on page 26 of Draft Red Herring Prospectus.

Below is the revised text:

Aggregate Pre Issue Shareholding of Promoters, Promoter Group and Public

Following are the details of the pre-issue shareholding of Promoters, Promoter Group and Public:

Sr. No	Name of the Shareholders	No. of Equity Shares held	% of the pre-Issue paid up Equity Share capital
Promoters			
1.	Mr. Hanuman Prasad Agarwal	6,50,000	4.93
2.	Mr. Sushil Kumar Agarwal	6,87,500	5.21
3.	Mr. Sunil Kumar Mittal	12,500	0.09
4.	Mr. Naresh Agarwal	36,250	0.27
5.	M/s Alltime Suppliers Private Limited	29,02,500	22.00
6.	M/s Panchshul Merchants Pvt Ltd	22,00,000	16.67
7.	M/s Gunnayak Commercial Pvt Ltd	20,00,000	15.16
	Total (A)	84,88,750	64.34
Promoter Group			
8.	Ms. Santosh Agarwal	5,17,500	3.92
9.	M/s Naresh Kumar Agarwal HUF	4,37,500	3.32
10.	Ms. Manju Agarwal	2,75,000	2.08
11.	M/s Sushil Kumar Agarwal HUF	1,87,500	1.42
12.	Ms. Sangeeta Agarwal	2,50,000	1.89
13.	M/s Hanuman Prasad Agarwal HUF	2,50,000	1.89
14.	Ms. Manita Mittal	2,37,500	1.80
15.	M/s Balaji Electrodes Pvt. Ltd	9,00,000	6.82
16.	M/s Mohta Agencies Pvt. Ltd	6,00,000	4.55
17.	M/s Blue Bird Dealers Pvt Ltd	7,50,000	5.68
	Total (B)	44,05,000	33.39
Public			
18.	M/s Sanjeev Binani HUF	300,000	2.27
	Total (C)	300,000	2.27
	Total (A+B+C)	1,31,93,750	100.00

Note: Mr. Nitesh Agarwal and Mr. Ayush Agarwal are the promoters of the company with NIL shareholding.

14. **Weighted Average cost of Acquisition for shares acquired by Mr. Naresh Kumar Agarwal, M/s Panchshul Merchants Private Limited, M/s Gunnayak Commercial Private Limited has been updated under the table titled “Weighted Average Price of the Equity Shares acquired by our Promoters in the last one year preceding the date of the Draft Red Herring Prospectus” and “Average Cost of Acquisition of Equity Shares for Promoters” on page 26 of Draft Red Herring Prospectus.**

Below is the revised text:

Weighted Average Price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Draft Red Herring Prospectus:

The details of the weighted average price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Draft Red Herring Prospectus is as follows:

Name of Promoter	Number of Equity Shares acquired in one year preceding the date of this Draft Red Herring Prospectus [^]	Weighted average price per Equity Share (in ₹) *
Mr. Hanuman Prasad Agarwal	3,90,000	NIL
Mr. Sunil Kumar Mittal	7,500	NIL
Mr. Sushil Kumar Agarwal	4,12,500	NIL
Mr. Naresh Kumar Agarwal	21,750	NIL
M/s Panchshul Merchants Private Limited	13,20,000	NIL
M/s Gunnayak Commercial Private Limited	20,00,000	NIL
M/s Alltime Suppliers Private Limited	29,02,500	NIL

**As certified by M/s KPMR & Associates, Chartered Accountants pursuant to their certificate dated August 20, 2024.*

Note: Mr. Nitesh Agarwal and Mr. Ayush Agarwal are the promoters of the company with NIL shareholding.

[^] Allotment pursuant to Bonus Issuance of Equity Shares

For further details, please refer section titled “**Capital Structure**” beginning on page 69 of this DRHP.

Details of price at which the Equity Shares were acquired by our Promoters in three years preceding the date of this Draft Red Herring Prospectus

The details of price at which the Equity Shares were acquired by our Promoter in three years preceding the date of this Draft Red Herring Prospectus is as follows:

Name of the acquirer/ Shareholder	Date of acquisition of securities	Nature of securities	Nature of Transaction	Nature of consideration	Number of securities acquired	Acquisition price per security (in ₹)
Mr. Hanuman Prasad Agarwal	May 08, 2024	Equity	Bonus Issue	No Consideration	3,90,000	NIL
Mr. Sunil Kumar Mittal	May 08, 2024	Equity	Bonus Issue	No Consideration	7,500	NIL
Mr. Sushil Kumar Agarwal	May 08, 2024	Equity	Bonus Issue	No Consideration	4,12,500	NIL
M/s Alltime Suppliers Private Limited	May 08, 2024	Equity	Bonus Issue	No Consideration	17,41,500	NIL
Mr. Naresh Kumar Agarwal	May 08, 2024	Equity	Bonus Issue	No Consideration	21,750	NIL
M/s Panchshul Merchants Private Limited	May 08, 2024	Equity	Bonus Issue	No Consideration	13,20,000	NIL
M/s Gunnayak Commercial Private Limited	May 08, 2024	Equity	Bonus Issue	No Consideration	12,00,000	NIL

** As certified by M/s KPMR & Associates, Chartered Accountants pursuant to their certificate dated August 20, 2024.*

Note: Mr. Nitesh Agarwal and Mr. Ayush Agarwal are the promoters of the company with NIL shareholding.

Weighted average cost of acquisition for all Equity Shares transacted in One year, 18 months and Three years preceding the date of this Draft Red Herring Prospectus

The weighted average price for all Equity Shares acquired by the Promoters, members of the Promoter Group, and other shareholders with rights to nominate Directors or any other rights in the last one year, 18 months and three years preceding the date of this Draft Red Herring Prospectus is as set out below:

Period	Weighted average cost of acquisition [^] (in ₹)	Cap Price is 'X' times the Weighted Average Cost of Acquisition*	Range of acquisition price: Lowest Price – Highest Price [^] (in ₹)
Last one year	NIL	[●]	[●]
Last 18 months	NIL	[●]	[●]
Last three years	NIL	[●]	[●]

* As certified by M/s KPMR & Associates, Chartered Accountants pursuant to their certificate dated August 20, 2024.

* To be updated upon finalization of price band.

15. Average cost of acquisition of Equity Shares for our Promoters

The average cost of acquisition of Equity Shares held by our Promoter set forth in the table below:

Name of Promoter	No. of Equity Shares held	Average cost of Acquisition per Equity Share (in ₹) *
Mr. Hanuman Prasad Agarwal	6,50,000	0.95
Mr. Sunil Kumar Mittal	12,500	4.00
Mr. Sushil Kumar Agarwal	6,87,500	NIL
Mr. Naresh Kumar Agarwal	36,250	3.31
M/s Alltime Suppliers Private Limited	29,02,500	1.69
M/s Panchshul Merchants Private Limited	22,00,000	10.00
M/s Gunnayak Commercial Private Limited	20,00,000	10.00

* As certified by M/s KPMR & Associates, Chartered Accountants pursuant to their certificate dated August 20, 2024.

Note: Mr. Nitesh Agarwal and Mr. Ayush Agarwal are the promoters of the company with NIL shareholding.

RISK FACTORS

1. ***Our inability to collect receivables and default in payment from our customers could result in the reduction of our profits and affect our cash flows. ' kindly provide details of any such past instances during the last 3 financial years.***

We largely sell on open credit & the payment terms are between 30 to 120 days. While we generally monitor the ability of our customers to pay these open credit arrangements and limit the credit, we extend to what we believe is reasonable based on an evaluation of each customer's financial condition and payment history, we may still experience losses because of a customer being unable to pay. As a result, while we maintain what we believe to be a reasonable allowance for doubtful receivables for potential credit losses based upon our historical trends and other available information, there is a risk that our estimates may not be accurate.

Particulars	(in Rs. Lakhs)		
	Fiscal 2024 Amt (₹ in Lakhs)	Fiscal 2023 Amt (₹ in Lakhs)	Fiscal 2022 Amt (₹ in Lakhs)
Unsecured, Considered Good			
Trade Receivable more than six months	267.13	287.48	452.98
Trade Receivable less than six months	2,835.79	2,712.19	2,001.77
Unsecured, Considered Doubtful			
Trade Receivable more than six months	318.25	287.25	287.25
Total	3,421.17	3286.92	2742.00

Any increase in our receivable turnover days will negatively affect our business. If we are unable to collect customer receivables or if the provisions for doubtful receivables are inadequate, it could have a material adverse effect on our business, results of operations and financial condition. We confirm that there has been no such instance during the last 3 financial years.

Macroeconomic conditions could also result in financial difficulties, including insolvency or bankruptcy, for our customers, and as a result could cause customers to delay payments to us, request modifications to their payment arrangements, that could increase our receivables or affect our working capital requirements, or default on their payment obligations to us. An increase in bad debts or in defaults by our customer, may compel us to utilize greater amounts of our operating working capital and result in increased interest costs, thereby adversely affecting our results of operations and cash flows.

2. ***We do not have long-term agreements with our suppliers for raw materials and any inability to procure the desired quality, quantity of our raw materials in a timely manner and at reasonable costs, or at all, may have a negative impact on our business, results of operations, financial condition and cash flows.***

Our raw material purchases are concentrated among a select group of suppliers, with our top 10 suppliers accounting for a significant portion of our total raw material purchases, as reflected in our restated standalone financial statements.

Top 10 Suppliers of the company for the Fiscal 2024, 2023 and 2022

Particulars*	(Amount ₹ in Lakhs)					
	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount	% of Total Purchase	Amount	% of Total Purchase	Amount	% of Total Purchase
Supplier 1	4657.49	27.06	4866.06	35.15	5447.56	42.90
Supplier 2	2824.30	16.41	2325.87	16.80	1443.55	11.37
Supplier 3	2125.68	12.35	1302.97	9.41	1195.29	9.41
Supplier 4	1364.78	7.93	990.96	7.16	677.56	5.34
Supplier 5	886.52	5.15	705.19	5.09	555.59	4.38
Supplier 6	726.75	4.22	621.33	4.49	503.81	3.97
Supplier 7	467.62	2.72	562.95	4.07	421.76	3.32
Supplier 8	395.50	2.30	529.09	3.82	387.33	3.05
Supplier 9	345.23	2.01	488.34	3.53	335.16	2.64

Supplier 10	164.33	0.95	207.49	1.50	298.79	2.35
Total	13,958.22	81.11	12,600.26	96.91	11,266.41	88.72

*Supplier Count is given in place of Supplier's Names as supplier party names are confidential, this table represents top 10 suppliers as a percentage of total purchases for Fiscal 2024, 2023 and 2022 respectively.

Further, some of our suppliers are our related parties and have been disclosed in “**Annexure XXXVI – Related Party Transactions**” in the chapter titled “**Restated Financial Statements**” on page 181 of this Draft Red Herring Prospectus. Our ability to remain competitive, maintain costs and profitability depend, in part, on our ability to source and maintain a stable and sufficient supply of raw materials at acceptable prices. Our major raw materials include metals including iron and steel, nickel, titanium wires and titanium oxide, quartz, chemicals such as Carbonates, Sodium, Hydrogen Bicarbonate etc. in electrodes manufacturing, among many others. For further information, see “**Our Business – Procurement of Raw Materials**” on page 133 of this Draft Red Herring Prospectus. We depend on external suppliers for all the raw materials required and typically purchase raw materials on a purchase order basis and place such orders with them in advance based on our requirements. As a result, the success of our business is significantly dependent on maintaining good relationships with our raw material suppliers. The absence of long-term supply contracts subjects us to risks such as price volatility caused by various factors viz. commodity market fluctuations, currency fluctuations, climatic and environmental conditions, transportation cost, changes in domestic as well as international government policies, regulatory changes and trade sanctions. Some part of our raw materials are also imported from Australia during the previous two fiscal years out of three. As a result, we continue to remain susceptible to the risks arising out of foreign exchange rate fluctuations as well as import duties, which could result in a decline in our operating margins. If we cannot fully offset the increase in raw material prices with increase in the prices for our products, we will experience lower profit margins, which in turn may have a material adverse effect on our results of operations, financial condition and ultimately lead to a liquidity crunch. In the absence of such contracts, we are also exposed to the risk of unavailability of raw materials in desired quantities and qualities, in a timely manner.

There can be no assurance that in future we will be able to procure the required quantities and quality of raw materials commensurate with our requirements. There can also be no assurance that a particular supplier will continue to supply us with raw materials in the future. Any delay in supplying finished products to customers in accordance with the terms and conditions of the purchase orders, such as delivery within a specified time, as a result of delayed raw material supply, could result in the customer refusing to accept our products, which may have an adverse effect on our business and reputation. Further, we do not enter into agreements with suppliers which could have an adverse effect on our ability to source raw materials in a commercially viable and timely manner as well as the commitments to our customers, which may impact our business and profitability. Further, as we generally receive purchase orders for the supply of our products to customers, we rely on historical trends and other indicators to purchase the required quantities of raw materials. We, therefore, run the risk of purchasing more raw materials than necessary, which could expose us to risks associated with prolonged storage of some of these materials, and materially affect our results of operations. In addition, if all or a significant number of our suppliers for any particular raw material are unable or unwilling to meet our requirements or if our estimates fall short of the demand, we could suffer shortages or significant cost increases. Continued supply disruptions could exert pressure on our costs, and we cannot assure you that all or part of any increased costs can be passed along to our customers in a timely manner or at all, which could negatively affect our business, overall profitability and financial performance.

3. **Relevant copies of educational qualifications and Experience proof of some of our Directors, Promoters and Senior Management Personnel are not traceable.**

Relevant copies of the educational qualifications and experience letters of some of our Directors, Promoters and SMP are not traceable. Experience Letters of our director Ms. Sheetal Agarwal and SMP Mr. Pradip Kumar Agarwal are not traceable. Educational qualification proof of our directors and promoters Mr. Hanuman Prasad Agarwal, Mr. Sunil Kumar Mittal and Mr. Sushil Kumar Agarwal and Senior Management Personnel Mr. Pradip Kumar Agarwal are not traceable. The director and SMPs have respectively mailed to incumbent companies where they had worked in the past to obtain the experience letters and have also applied to educational institutions for copy of degree certificates but are still awaiting response from the third parties. The information included in the section are based on the affidavits obtained from such Directors, Promoters and Senior Management Personnel. Consequently, we or the Book Running Lead Manager cannot assure you that such information in relation to the particular Directors, Promoters, Key Managerial Personnel or Senior Management Personnel are true and correct and you should not place undue reliance on the experience and qualification of our management included in this Red Herring Prospectus.

4. *Any non-compliance or delays in GST Return Filings may expose us to penalties from the regulators.*

As a Company, we are required to file GST returns with the respective authorities. However, there are certain inadvertent delays in filing of GST returns in the past for which the Company have paid the penalties amounting to Rs. 68,317/- (Sixty-Eight Thousand Three Hundred and Seventeen only) for the FY 2025, 2024, 2023 and 2022 respectively and taken the steps to improve the internal system for payment of GST to mitigate the technical difficulties. However, we cannot assure that we will not be subject to any legal proceeding or regulatory actions, including monetary penalties by statutory authorities on account of any inadvertent discrepancies in our GST filling in future, which may adversely affect our reputation and goodwill of the company.

5. *Any non-compliance or delays in EPF Return Filings may expose us to penalties from the regulators.*

As a Company, we are required to file EPF returns with the respective authorities. However, there are certain inadvertent delays in filing of EPF returns in the past for which the Company has received penalties amounting to Rs. 10,404/- (Ten thousand four hundred and four only) for the FY 2025, 2024, 2023 and 2022 respectively and taken the steps to improve the internal system for payment of EPF to mitigate the technical difficulties. However, we cannot assure that we will not be subject to any legal proceeding or regulatory actions, including monetary penalties by statutory authorities on account of any inadvertent discrepancies in our EPF filling in future, which may adversely affect our reputation and goodwill of the company.

6. *A significant portion of our revenues are derived from a certain geographical region and any adverse developments affecting such region could have an adverse effect on our business, cash flows, results of operation and financial condition.*

A significant portion of our revenue from operations is derived from our services offered to customers in West Bengal. For Fiscals ended 2024, 2023 and 2022 our revenue generated from operations in West Bengal was ₹ 14,137.63 Lakhs, ₹ 10,505.06 Lakhs and ₹ 8,646.83 Lakhs respectively, which represented 72.94%, 69.63%, and 64.61% of our revenue from operations for such periods respectively. Any decrease in revenue from West Bengal, including due to increased competition or supply, or reduction in demand, or our inability to extend or renew subsisting contracts at commercially viable terms, may have an adverse effect on our business, cash flows, results of operation and financial condition. Further, any significant disruption, including due to social, political or economic factors or natural calamities or civil disruptions, impacting this geographical region may adversely affect our business. Additionally, changes in the policies of the state or local governments of this region may require us to change our business strategy. We cannot assure you that we will be able to address our reliance on this geographical region, in the future.

7. *Out of total cost of Plant & Machinery worth ₹ 1063.90 lakhs, we have not yet placed order for ₹ 714.36 lakhs of such Plant & Machinery.*

Out of total cost of Plant & Machinery worth ₹ 1063.90 lakhs, we are yet to place an order for ₹ 714.36 lakhs of such Plant and Machinery. Although the validity of the quotations are valid as on the date of filing this Draft Red Herring Prospectus or going to expire in due course of time. Promoter and management are confident that such plant and machineries will be available at the price as per the quotation given by various suppliers. In case, at the time of placing the order, our company would not be able to acquire such plant and machinery at the expected price, we are subject to risks on account of inflation in the price of machineries, for further details of plant and machinery please refer the section "Object of the Issue" on page no. 94 of this Draft Red Herring Prospectus. In case of increase in price of such plant and machinery our company shall require to arrange the additional fund for completion of the project. If we are not able to arrange such additional funds in due time which may results in delay in implementation of our project and which may result into adversely affects the profitability and financial results of the company.

8. *There may be problems with the products we manufacture that could result in liability claims against us, reduced demand for our products and damage to our reputation.*

We manufacture and sell welding electrodes and Mig Wires for core industries based on a portfolio of standardised diverse range of SKUs (Stock Keeping Unit) under our own brand name, many of which are highly complex, particularly when catering to end use industries such as cement, steel, sugar and power, that have higher risk profiles. Despite our quality control and quality assurance efforts, problems may occur, or may be alleged, in the design or manufacturing of these products, including as a result of business continuity issues. Any failure on our part to manufacture above mentioned standardised products could result in a claim against us for substantial damages, regardless of our responsibility for such a failure or defect.

Whether or not we are responsible for the problems in the products we manufacture, be it real or alleged, or caused by faulty customer specifications, or in the manufacturing or design processes, servicing, or a component defect, may result in delayed shipments to our customers or, reduction or cancellation of customer orders. If any such problems were to occur in large numbers or too frequently, our business reputation may also be affected. These potential claims may include damages for the recall of a product or injury/bodily harm and other damages caused to person or property. We may also be required to repair the defective product or replace it with a new conforming product and the costs may also be required to be borne by us, or if they are borne by the customer, may be capped. The successful assertion of any claim could have a material adverse effect on our business, reputation, results of operations, financial condition and cash flows.

While we seek to secure contractual protection and/or to insure against many of these risks, we may not have practical recourse against certain suppliers, and contractual protections, insurance coverage or supplier warranties, as well as our other risk mitigation efforts, may be inadequate, costly, or unavailable. Further, while we have not faced such a situation in the past three fiscals and the current fiscal, we may incur costs defending claims in the future, and any such disputes could adversely affect our business relationships. We cannot assure you that any product defects will not arise in the future, whether on our account or on account of defective components provided by a supplier. If such cases arise, our customers may cancel orders, refuse to renew contracts, make adverse claims against us which, if litigated, may be decided against us. Any future product defects or defaults may have a material adverse impact on our business, results of operations, financial condition, cash flows and future prospects.

CAPITAL STRUCTURE

9. Capital Build-up in respect of Shareholding of our Promoters :

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	Nature of Consideration	% of the pre-Issue capital (%)	% of the post-Issue capital (%)
1) Mr. Naresh Kumar Agarwal							
March 09, 1999	Further allotment	12,000	10.00	10	Cash	0.09	[●]
March 31, 2009	Further allotment	2,500	10.00	N.A	Other than Cash	0.02	[●]
May 08, 2024	Bonus Issue	21,750	10.00	Nil	No Consideration	0.16	[●]
Total		36,250				0.27	[●]
2) M/s Panchshul Merchants Pvt Ltd							
August 26, 2013	Further allotment	8,80,000	10.00	25	Cash	6.66	[●]
May 08, 2024	Bonus Issue	13,20,000	10.00	N.A	No Consideration	10.00	[●]
Total		22,00,000				16.66	[●]
3) M/s Gunnayak Commercial Pvt Ltd							
March 18, 2014	Further allotment	800,000	10.00	25	Cash	6.06	[●]
May 08, 2024	Bonus Issue	12,00,000	10.00	N.A	No Consideration	9.09	[●]
Total		20,00,000				15.15	[●]

14. Details of Shareholding Pattern of our Promoter, Promoter Group and Public before and after the Issue:

Sr. No	Name of the Shareholders	No. of Equity Shares held	% of the pre-Issue paid up Equity Share capital
Promoters			
1.	Mr. Hanuman Prasad Agarwal	6,50,000	4.93
2.	Mr. Sushil Kumar Agarwal	6,87,500	5.21
3.	Mr. Sunil Kumar Mittal	12,500	0.09
4.	Mr. Naresh Agarwal	36,250	0.27
5.	M/s Alltime Suppliers Private Limited	29,02,500	22.00
6.	M/s Panchshul Merchants Pvt Ltd	22,00,000	16.67
7.	M/s Gunnayak Commercial Pvt Ltd	20,00,000	15.16
	Total (A)	84,88,750	64.34
Promoter Group			
8.	Ms. Santosh Agarwal	5,17,500	3.92
9.	M/s Naresh Kumar Agarwal HUF	4,37,500	3.32
10.	Ms. Manju Agarwal	2,75,000	2.08
11.	M/s Sushil Kumar Agarwal HUF	1,87,500	1.42
12.	Ms. Sangeeta Agarwal	2,50,000	1.89

Sr. No	Name of the Shareholders	No. of Equity Shares held	% of the pre-Issue paid up Equity Share capital
13.	M/s Hanuman Prasad Agarwal HUF	2,50,000	1.89
14.	Ms. Manita Mittal	2,37,500	1.80
15.	M/s Balaji Electrodes Pvt. Ltd	9,00,000	6.82
16.	M/s Mohta Agencies Pvt. Ltd	6,00,000	4.55
17.	M/s Blue Bird Dealers Pvt Ltd	7,50,000	5.68
	Total (B)	44,05,000	33.39
Public			
18.	M/s Sanjeev Binani HUF	300,000	2.27
	Total (C)	300,000	2.27
	Total (A+B+C)	1,31,93,750	100.00

Note: Mr. Nitesh Agarwal and Mr. Ayush Agarwal are the promoters of the company with NIL shareholding.

OBJECTS OF THE ISSUE

Requirement of Funds and Utilization of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details as set forth:

(₹ in Lakhs)

Sr. No.	Particulars	Estimated Amount	% of Net Proceeds
1.	Funding capital expenditure of our company to purchase Plant and Machinery	Upto 945.25	[●]
2.	Repayment of a portion of certain outstanding borrowing availed by our company	Upto 1000.00	[●]
3.	Funding the working capital requirements of the company	Upto 1,660.00	[●]
4.	General Corporate Purposes*	[●]	[●]
Total		[●]	[●]

**To be determined upon finalisation of the Issue Price and updated in the Red Herring Prospectus / Prospectus prior to filing with the RoC.*

The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.

Requirements of Fund and Means of Finance

We intend to finance our Objects of the Issue through Issue Proceeds which are as follows:

(₹ in Lakhs)

Sr. No.	Particulars	Amount Required	From IPO Proceeds	Internal Accruals /Equity Reserves	Balance from Long Term or Short-Term Borrowings
1.	Funding capital expenditure of our company to purchase Plant and Machinery	Upto 1063.90	Upto 945.25	Upto 118.65	[●]
2.	Repayment of a portion of certain outstanding borrowing availed by our company;	Upto 1000.00	Upto 1000.00	[●]	[●]
3.	Funding the working capital requirements of the company	Upto 7147.24	Upto 1,660.00	Upto 2230.07	Upto 3257.18
3.	General Corporate Purposes*	[●]	[●]	[●]	[●]

**To be determined upon finalisation of the Issue Price and updated in the Red Herring Prospectus / Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

DETAILS OF THE FUND REQUIREMENTS:

1) Funding capital expenditure for purchase of Plant and Machinery

Our Company proposes to utilise up to ₹ 945.25 lakhs from the Net Proceeds towards funding of expenses proposed to be incurred towards purchase of Plant and Machinery.

Out of total cost of Plant & Machinery worth ₹ 1063.90 lakhs, we have placed an order of plant and machinery worth ₹ 349.54 lakhs for which we have made payment of 30% upfront booking amount of ₹ 118.65 lakhs as per the terms and conditions as stated in proforma invoice of vendor and we have not yet placed order for ₹ 714.36 lakhs of such Plant & Machinery. For further details in relation to the risk associated with the order of machinery yet to be placed, please refer section “**Risk Factors**” beginning from page 32 of this DRHP.

At present, we have two manufacturing plants, Unit-I at West Bengal and Unit-II at Jhajjar, Haryana. The capacity of Unit-II is sufficient to meet the additional demands for atleast next five years, since we are utilizing less than 50% capacity at present in this unit.

As far as Unit-I is concerned, we manufacture Welding electrodes and Mig Wires in this unit and the company is expecting big hike in the business of electrodes and Mig Wires for exports and domestic sales. At present, the capacity of Electrodes in this unit is 7823 MT and of Mig Wires is 2686 MT per annum. This capacity is utilized at almost 73% and 53% respectively and we will be requiring additional capacity to be increased.

At UNIT I building comprises of 88,286 Sq. Ft. Currently, we are using 65,000 area of Sq. Ft to run our operations. However, we have 23,286 sq. feet area unused where we intend to increase our production capacity. The company proposes to install 22 machines.

Rationale for purchasing the machine with the proceeds from the mentioned issue

As the company has observed a consistent demand for electrodes and Mig wire products from both existing and potential customers, there has been a notable increase in the overall production requirements of the company. In light of this, the company is actively engaged in a process to elevate its production capacity from the current level to meet the heightened demand. To fulfil this imperative, an investment of Rs. 714.36 lakhs from the aforementioned proceeds are earmarked for the acquisition of the following machinery.

The company is strategically planning to automate its processes, aiming to utilize 100% capacity for ensuring timely product deliveries with the expected quality standards. Currently equipped with a capacity of up to 7823 MT for Electrodes and 2686 MT of Mig Wire at Unit I, the company is planning to expand by adding machinery.

Through this enhancement, the company underscores its ability to anticipate technological and regulatory changes, successfully developing and introducing new and improved products in a timely manner. This capability is identified as a significant factor contributing to the company's competitiveness.

2) Repayment of a portion of certain outstanding borrowings availed by our company

Purpose for which loan was availed - The said loan availed was for the purpose of meeting working capital requirements and the said loan is renewed on yearly basis.

We confirm that the company shall be repaying Bank loans from the proceeds of the issue.

Further, please note that the unsecured loans taken from the group companies were for the purpose of working capital and were utilised for working capital only.

OUR BUSINESS

OVERVIEW

We are engaged in the business of manufacturing welding electrodes and providing engineering solutions to customers both in domestic and international market. Our Company has been in existence for (27) twenty-seven years now and provides a wide range of product offerings including General Purpose Electrodes, Low Alloy Electrodes, Low Hydrogen Electrodes, Stainless Steel Electrodes, Hard Facing Electrodes, Cast Iron Electrodes, Non-Ferrous Electrodes, Low Heat Input Electrodes, Cutting and Gauging Electrodes, Mig Wires etc.

We are focused on alloy and process development, quality and design, which has allowed us to develop products suited to our customers' requirements. We have expertise to design, develop and manufacture complex and specialized industrial equipment and components for OEM's and end user industries. Our Company, which housed a team of over 95 employees who are deployed in various departments as of May 31, 2024, along with our decades of experience in welding electrodes, enables us to develop specialized products and solutions. The company specializes in the manufacturing of general electrodes and MIG wires, which constitute the majority of its turnover. However, trading activities contribute approximately 30-35% of the total revenue. The company procures wire rods, rutile, and other raw materials primarily for captive consumption and when the market opportunities arise, the company sells surplus raw materials, primarily wire rods, to peers and other players in the same industry. Wire rods are a critical raw material in electrode manufacturing, and their bulk procurement enables the company to secure volume discounts from suppliers. This strategic advantage allows the company to trade these materials profitably, offering customers reasonable margins.

Key Business Process:

The broad categorization for process of manufacturing is as below:

1. Manufacturing of Welding Electrodes
2. Manufacturing of MIG Wires

The elaborated process of Electrodes manufacturing is as follows:

1. The process of electrode manufacturing involves three types of materials i.e. core wire; blend powder & liquid binders (silicates).
2. The core wire is obtained from drawing of higher diameter rod coils of Electrode Quality Mild Steel to specified diameter of the core wire.
3. This drawn wire is then straightened and cut to specified length.
4. The blend powder is obtained by mixing various items like Rutile Sand, Potassium Feldspar, Ferro Manganese, etc. in powdery form as per specified formulation.
5. This blend powder is then made to paste by addition of liquid silicates and pressure mixing.
6. This hard paste is then put in cylinder and a round briquette is made.
7. This briquette is fed to hydraulically operated extrusion machine where the paste is extruded at high pressure on continuously fed cut -lengths of the core wire and gives well bonded coating on the core-wire.
8. The wet electrodes are then carried through conveyers and collected on steel trays.
9. After specified time for air-drying the trays are put inside ovens and electrodes are subjected to a specified drying or baking cycle.
10. The dried or baked electrodes are then packed into suitable shrink-wrapped paper or plastic packets.
11. The packets are then packed again inside shrink-wrapped paper cartoons and put it in storage area.

In each step of manufacturing specified quality control checks are being carried out to ensure the quality of the final products.

The elaborated process of Stainless-Steel Solid Wire manufacturing is as follows:

1. Incoming Wire (5.5 mm) Checked & processed for drawing to lower sizes.
2. Then it passes through coating tank.
3. Wire is passed through specified dies in reduction pattern in drawing drum with different powders.
4. After drawing, it passes through cleaning tank (Chemical + water).
5. Then again it passed through plain water to cleaning.
6. Finally, the wire is passed through air blower to make it complete dry.
7. Finished dry wire is winded in bobbin – capacity 400 kg.
8. Spooling wire in Layer winding machine from bobbin to spool as per specified weight in specification or as per PO.
9. Q.C. Check wire dia, cast, helix, weight, surface condition, chemical & mechanical test etc.
10. Then, spools are wrapped completely coverage of wire by stretch film and evacuated with polythene and silica gel inside to prevent moisture.
11. The Spools are packed in Box and shrink wrapped by polythene.

Wire sizes of 0.80 mm, 1.0 mm, 1.20mm, 1.60 mm - 1.20 mm are fast moving sizes.

In each step of manufacturing specified quality control checks are being carried out to ensure the quality of the final products.

The elaborated process of Stainless-Steel Solid Wire manufacturing is as follows:

1. Incoming Wire (5.5 mm) Checked & processed for dry drawing.
2. Then it passes to Annealing furnace (if required) and processed for dry drawing to 2.20 mm
3. Drawn Wire (2.20 mm) recorded and processed for wet drawing
4. This wire is drawn through wet wire drawing machine.
5. Wire is passed through specified dies in reduction pattern in wet drawing tank (water + LP 348 lubricant) with combination set of dies.
6. After wet drawing it passes through wire cleaning tank, then passes through water rinsing tank
7. Then it is passed through copper coating tank. Copper Sulphate added when required.
8. Then it passed through water tank PH Controlled to 7.
9. Finally, the wire is skin passed through a dia.
10. Finished Copper coated wire is winded in bobbin – capacity 400 kg.
11. Spooling copper coated wire in Layer winding machine from bobbin to spool as per specified weight in specification or as per PO.
12. Q.C. Check wire dia, cast, helix, surface condition, copper coating etc.
13. Finally, spools are wrapped completely coverage of wire by VCI paper & stretch film and evacuated with polythene and silica gel inside to prevent moisture.
14. The Spool are packed in Box and shrink wrapped by polythene.

In each step of manufacturing specified quality control checks are being carried out to ensure the quality of the final products.

Wire sizes are 0.80 mm, 1.0 mm, 1.20mm, 1.60 mm - 1.20 mm are fast moving sizes.

The Geographical revenue bifurcation of the company for the last 3 financial years is as below:

(Amt ₹ in Lakhs)

State	2023-2024	2022-2023	2021-2022
Haryana	924.58	617.59	556.84
Delhi	278.65	233.06	274.40
Rajasthan	44.17	283.93	631.24
Uttar Pradesh	237.26	311.20	272.79
Bihar	250.14	134.18	137.11
Assam	397.74	337.34	445.14
West Bengal	14,137.63	10,505.06	8,646.83
Jharkhand	674.16	657.88	435.37
Odisha	1,377.96	1,220.54	992.55
Chhattisgarh	84.75	48.04	125.68
Maharashtra	27.00	16.74	6.98
Karnataka	17.81	16.86	2.11
Tamil Nadu	61.27	146.91	238.11
Telangana	195.51	161.82	101.77
Andhra Pradesh	50.58	105.82	39.79
Punjab	325.76	213.11	164.20
Madhya Pradesh	-	0.54	-
Mizoram	-	-	2.39
Uttarakhand	89.44	-	-
Exports	207.71	76.50	310.82
Total	19,382.12	15,087.13	13,384.12

The product wise revenue bifurcation for the last 3 financial years is as below:

(Amt ₹ in Lakhs)

Description of Goods	2023-2024	2022-2023	2021-2022
(A) Manufacturing			
Mig Wire	3404.20	2620.37	1997.57
Electrodes	6791.41	6509.35	5878.79
SS MIG	2200.40	1068.06	18.39
Sub- Total (A)	12,396.01	10,197.78	7,894.75
(B) Trading of Goods			
Wire Rod	5834.12	4387.93	4821.21
Others*	1151.99	501.42	668.16
Sub-Total (B)	6986.11	4,889.35	5,489.37
TOTAL (A+B)	19382.12	15087.13	13384.12

*Others consists of Sale of Rutile, Sale of Scrap, Corrugated Box, different types of flux and other ancillary items.

Year wise details of Revenue Bifurcation other than traded quantities :

Description of Goods	2023-24		
	Revenue (Rs. In lakhs)	Qty Sold (in MT)	Qty Produced (in MT)
MIG Wire	3,404.20	4073.57	4035.00
SS MIG Wire	2200.4	659.56	662.00
Electrodes	6791.41	7916.56	7823.00
TOTAL	12,396.01	12,649.69	12,520.00

Description of Goods	2022-23		
	Revenue (Rs. In lakhs)	Qty Sold (in MT)	Qty Produced (in MT)
MIG Wire	2,620.37	3,074.41	3,128.00
SS MIG Wire	1,068.06	310.88	317.00
Electrodes	6,509.35	7,474.95	7,729.00
TOTAL	10,197.78	10,860.24	11,174.00

Year wise details of Revenue Bifurcation of traded quantities :

Description of Goods	2023-24		
	Revenue (Rs. In lakhs)	Qty Sold (in MT)	Qty purchased (in MT)
Wire Rod	5,834.12	10975.78	10975.78
Others	1,151.99	1902.63	1902.63
TOTAL	6,986.11	12878.41	12878.41

Description of Goods	2022-23		
	Revenue (Rs. In lakhs)	Qty Sold (in MT)	Qty purchased (in MT)
Wire Rod	4,387.93	8,357.18	8,357.18
Others	501.42	3,829.96	3,829.96
TOTAL	4,889.35	12,187.14	12,187.14

The increase in revenue for FY 2024, along with increase in overall capacity utilization compared to FY 2023, can be attributed to the following key factors:

1. Shift in Product Mix

The company strategically prioritized high-margin products such as SS MIG Wires and Electrodes, resulting in significant revenue increases:

SS MIG Wires: Revenue rose from ₹1,068.06 lakhs in FY 2023 to ₹2,200.40 lakhs in FY 2024 (+106.1%).

Electrodes: Revenue surged from ₹6,509.35 lakhs to ₹6,791.41 lakhs (+4.3%).

This deliberate focus on high-revenue-generating products significantly contributed to the overall financial performance.

2. Production vs. Sales

Capacity utilization (based on production) saw a minor decline, but total sales volumes increased from 10,860.24 MT in FY 2023 to 12,649.69 MT in FY 2024 (+16.5%). The company effectively converted inventory into sales, boosting revenue.

3. Performance Across Product Categories

a. MIG Wires (Excluding SS MIG Wires)

Revenue increased from ₹2,620.37 lakhs to ₹3,404.20 lakhs (+29.9%).

Sales volumes grew from 3,074.41 MT to 4,073.57 MT (+32.5%), reflecting strong market demand and a constant average price range.

b. SS MIG Wires

Revenue rose from ₹1,068.06 lakhs to ₹2,200.40 lakhs (+106.1%).

Sales volumes increased from 310.88 MT to 659.56 MT (+112%), while the average price range remained constant. This reflects increased market penetration with competitive pricing.

c. Electrodes

Revenue increased marginally from ₹6,509.35 lakhs to ₹6,791.41 lakhs (+4.3%).

Sales volumes grew from 7,474.95 MT to 7,916.56 MT (+5.9%), with the average price range remaining constant.

d. Traded Products (Wire Rods and Others)

Wire Rods: Revenue grew from ₹4,387.93 lakhs to ₹5,834.12 lakhs (+33%), supported by a volume increase from 8,357.18 MT to 10,975.78 MT (+31.3%).

Others: Revenue rose from ₹501.42 lakhs to ₹1,151.99 lakhs (+129.7%), driven by increased volumes (3,829.96 MT to 1,902.63 MT).

4. Overall Financial Performance

Total Revenue (Non-Traded): Increased from ₹10,197.78 lakhs in FY 2023 to ₹12,396.01 lakhs in FY 2024 (+21.5%).

Total Revenue (Traded): Increased from ₹4,889.35 lakhs to ₹6,986.11 lakhs (+42.9%).

The combined revenue as a result increased from ₹15,087.13 lakhs in FY 2023 to ₹19,382.12 lakhs in FY 2024 (+28.5%).

Properties:

Sr. No.	Unit Description and Location	Details of Deed/ Assignment	Owned/ Leased	Description of Property	Area	Consideration as per agreement (Amt in ₹)
1.	Registered Office- Kolkata, West Bengal	Lease deed dated February 20, 2008 between 1) Smt. Jayanti Paul, 2) Satyabrata Paul, 3) Priyabrata Paul, 4) Debabrata Paul, 5) Smt. Sandhya Paul 6) Smt. Aruna Paul (Lessors) and 1) Naresh Kumar Agarwal, 2) Hanuman Prasad Agarwal HUF Karta, Shri Hanuman Prasad	Taken on Lease by Promoter and used by company	1A, Bonfield Lane, Kolkata, West Bengal, India, 700001	1183 Square feet.	NIL

		Agarwal (Lessee). The purpose of obtaining the said premises is for Business and commercial purpose. The term of the said lease deed is 99 years, commencing on and from December 01, 2007				
2.	Corporate Office – New Town Kolkata, West Bengal	Sale Deed dated August 16, 2012 between West Bengal Housing Board, Bengal Greenfield Housing Development Company Limited (Developer), West Bengal Housing Infrastructure Development Corporation Limited (HIDCO) and Classic Electrodes (India) Limited (Purchaser). The company uses the said premises for Business as Corporate Office.	Owned	BG/12, Sub CBD Area, AA-1, Action Area 1B, Newtown, Police Station-Newtown, Kolkata-700156.	7800 sq. ft. out of approx. 10,400 sq. feet.	The total consideration to be paid by the Purchaser to the vendor is ₹ 3,09,67,000.
3.	Factory Unit I - Dhulagarh, West Bengal	Conveyance Deed dated December 17, 2012 between M/s. Kritika Wires Private Limited (Vendor) and M/s. Classic Electrodes (India) Limited (Purchaser)	Owned	Mouza-Bhagwatipur, Mouza-Bhagwatipur, Dhulagory Sankrail Industrial Park P S Sankrail Howrah, Dumjor- 711313, West Bengal.	94.97 Total Decimals of Sali Land.	The total consideration to be paid by Purchaser to Vendor of Rs. 59,60,000/-.
4.	Tikiapara, West Bengal	Sale Deed dated March 19, 1998 between M/s. Markandy Prasad Radha Krishna Prasad Private Limited (Vendor) and M/s Classic Electrodes India Limited (Purchaser)	Owned	Dashrath Ghosh Lane, Unit-I. 46, 46/29, 46/31, 46/32, 46/30, Howrah, West Bengal-711101.		The total consideration to be paid by Purchaser to Vendor of Rs. 400,000/-.
5.	Factory Unit II- Jhajjar, Haryana	Surya Manufacturing Private Limited (Vendor) and Classic Electrodes (India) Limited (Purchaser)	Owned	Khasra No. 150/1-2, Khasra No. 150/1-2, Village Barhana Tehsil Beri District Jhajjar Haryana, Jhajjar-124107, Haryana.	7613 sq meter	The total consideration to be paid by Purchaser to Vendor of Rs. 2,11,85,000/-
6.	Bahadurgarh, Haryana	Rent Agreement dated June 08, 2022 between M/s. Ankush Wires Private Limited (Owner and Lessor) and M/s. Classic Electrodes (India) Limited (Lessee). The term of agreement is 36 Months commencing from June 1, 2022 to May 30, 2025	Leased	Plot No 62, Sector - 16, HSIIDC, Industrial Estate Bahadurgarh Haryana, Jhajjar-124507, Haryana.	1800 Square Meters.	The Rent payable by the Tenant to Owner on monthly basis shall be Rs. 50,000/-.
7.	Sankrail, West Bengal	Lease Deed dated October 1, 2021 between M/s. Kritika Wired Limited (Lessor) and M/s. Classic Electrodes India Limited (Lessee). The purpose of obtaining the said premises is for Business and commercial purpose. The term of the said	Leased	JL No. -7, JL No. -7, Mouza Bhagwatipur P S Sankrail Howrah Dumjor- 711313, West Bengal.	18.50 dec. out of 45 dec.	The Rent payable to the lessor on consolidated monthly rent of Rs. 1,50,000/-.

		lease deed is 03 years, commencing on and from October 01, 2021 and upto September 30, 2024.				
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OUR MANAGEMENT

Brief Biographies of Directors:

1. **Mr. Hanuman Prasad Agarwal** is the Promoter, Chairman and Non-Executive Director of our Company. He was appointed as Managing Director of our company at the time of incorporation in the year 1997 and subsequently designated as a Director on March 20, 2018 and currently, redesignated as Non-executive Director since March 08, 2024. He is a commerce graduate and has over 26 years of experience. His extensive expertise encompasses the overall management of diverse operations within the group, showcasing a profound understanding of various facets of business. As a key figure, he plays a pivotal role in steering the organization's course and ensuring its financial well-being. With a keen eye for financial intricacies, Mr. Agarwal adeptly manages the finance requirements of the group, contributing significantly to its sustained growth and success. Additionally, he serves as the Managing Director of Kritika Wires Limited.
2. **Mr. Sunil Kumar Mittal**, is the Promoter and Director of our company. He is appointed as director of our company since April 08, 2009. He is a commerce graduate with over 26 years of professional experience. Based out of Kolkata, he plays a pivotal role in driving the marketing and sales functions. His expertise has been instrumental in shaping successful strategies and fostering meaningful client relationships. His dynamic approach and profound understanding of market dynamics contribute significantly to the organization's growth and market presence.
3. **Mr. Sushil Kumar Agarwal** is the Promoter and Managing Director of our Company. He has been appointed as a director of our company since July 18, 2010. He is a Commerce Graduate with over 26 years of experience and is a key asset to the organization. Based out of New Delhi, he shoulders the responsibility for overseeing manufacturing, finance and overall operations in Haryana. His leadership and experience have been crucial in steering the organization towards operational excellence and financial stability. Mr. Agarwal's multifaceted role underscores his adept management of diverse functions, contributing significantly to the success and efficiency of the operations in the region.

OUR PROMOTER AND PROMOTER GROUP

Our Promoters

As on the date of this Draft Red Herring Prospectus, Promoters of our Company are:

1. M/s Alltime Suppliers Private Limited,
2. Mr. Hanuman Prasad Agarwal,
3. Mr. Sushil Kumar Agarwal, and
4. Mr. Sunil Kumar Mittal.
5. Mr. Nitesh Agarwal
6. Mr. Ayush Agarwal
7. Mr. Naresh Kumar Agarwal
8. M/s Panchshul Merchants Private Limited
9. M/s Gunnayak Commercial Private Limited

Details of our Promoters

	<table><tr><th data-bbox="747 833 1386 869">Mr. Naresh Kumar Agarwal</th></tr><tr><td data-bbox="747 869 1386 1486"> <i>Profile of Promoter</i> Mr. Naresh Kumar Agarwal holds degree of Bachelors of Commerce from University of Calcutta. He has 27 years of experience in trading and manufacturing sector, specifically in welding electrodes and steel wire production. PAN: ACWPA9873H Experience: 27 years No. of Equity Shares & % of Shareholding (Pre-Issue): 36,250 Equity Shares and 0.27%. Other Ventures: 1) Sakambari Infra Realtors Private Limited 2) Mohta Agencies Private Limited 3) Naresh Kumar Agarwal HUF For further details, please refer <i>“Our Management”</i> on Page 154 and 155 of this DRHP. </td></tr></table>	Mr. Naresh Kumar Agarwal	<i>Profile of Promoter</i> Mr. Naresh Kumar Agarwal holds degree of Bachelors of Commerce from University of Calcutta. He has 27 years of experience in trading and manufacturing sector, specifically in welding electrodes and steel wire production. PAN: ACWPA9873H Experience: 27 years No. of Equity Shares & % of Shareholding (Pre-Issue): 36,250 Equity Shares and 0.27%. Other Ventures: 1) Sakambari Infra Realtors Private Limited 2) Mohta Agencies Private Limited 3) Naresh Kumar Agarwal HUF For further details, please refer <i>“Our Management”</i> on Page 154 and 155 of this DRHP.
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	Mr. Ayush Agarwal Profile of Promoter Mr. Ayush Agarwal is the Executive director of the company. He holds degree of Masters of Science from Edinburgh Napier University. He has more than 5 years of experience and he looks after operations of Haryana Factory under the guidance of his father Mr. Sushil Kumar Agarwal. PAN: BOSPA3072D Experience: 5 years Position/ posts held in the past: He was appointed as Director of the company from May 23, 2018. No. of Equity Shares & % of Shareholding (Pre-Issue): NIL Other Ventures: 1) Alltime Suppliers Private Limited 2) Mohta Agencies Private Limited 3) Palanhar Sales Private Limited 4) Ankush Wires Private Limited For further details, please refer “<i>Our Management</i>” on Page 154 and 155 of this DRHP.
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A. OUR PROMOTER GROUP

In addition to our Promoters, the following individuals and entities form part of our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations:

Individuals forming part of the Promoter Group:

Name of the Promoter	Name of the Relative	Relationship with the Promoter
Naresh Kumar Agarwal	Late Kapur Chand Agarwal	Father
	Late Badho Devi	Mother
	Santosh Agarwal	Spouse
	Hanuman Prasad Agarwal	Brother
	Sushil Kumar Agarwal	Brother
	Late Ramesh Kumar Agarwal	Brother
	Sulochana Garg	Sister
	Sushila Goyal	Sister
	Nitesh Agarwal	Son
	Pooja Agarwal	Daughter
	Nikita Agarwal	Daughter
	Namita Agarwal	Daughter
	Late Murari Lal Agarwal	Spouse's Father
	Late Dakha Devi	Spouse's Mother
	Sajjankumar Murarilal Agarwal	Spouse's Brother
	Prem Lata Agarwal	Spouse's Sister
	Lalita Garg	Spouse's Sister

Name of the Promoter	Name of the Relative	Relationship with the Promoter
Ayush Agarwal	Sushil Kumar Agarwal	Father
	Manju Agarwal	Mother
	Divya Agarwal	Spouse
	Ankush Agarwal	Brother
	Ankita Agarwal	Sister
	Sunil Goel	Spouse's Father
	Anju Goel	Spouse's Mother
	Nischal Goel	Spouse's Brother
	Gauri Goel	Spouse's Sister

Details of our Corporate Promoters are as follows:

1. Panchshul Merchants Private Limited

Corporate Information and History of Panchshul Merchants Private Limited ("PMPL"):

Panchshul Merchants Private Limited was incorporated on October 06, 2010 as Panchshul Merchants Private Limited, a private limited company under the Companies Act, 1956. PMPL is currently having registered office situated at Premises No. 32-1111, Unit No. 201, 2nd Floor Bus Terminus & Commercial Complex, Plot, No. BG-12, Parganas North, New Town, West Bengal, India, 700156. The Corporate Identification Number of PMPL is U51909WB2010PTC153834.

Present Business of Panchshul Merchants Private Limited

To carry on the business as distributors, agents, traders, merchants, contractors, brokers and otherwise deal in merchandise and articles of all kinds including clearing agents, freight contractors, forwarding agents, licensing agents, general brokers, and to carry any kind of commercial business. To carry on all of any of the business as buyers, sellers, suppliers, growers, processors, traders, merchants, indentures brokers, agents, assemblers, stockiest of goods and commodities of any kind to work as commission agents, brokers, contractors, processors order suppliers and dealing agents.

Change in Activities:

There has been no change in object of Panchshul Merchants Private Limited since incorporation of the Company.

Details of Change in Control:

There has been no change in control of Panchshul Merchants Private Limited during last three years immediately preceding the date of filing of this Draft Red Herring Prospectus.

Board of Directors of Panchshul Merchants Private Limited:

As on date of filing of this Draft Red Herring Prospectus, the Board of Directors of M/s Panchshul Merchants Private Limited comprises of the following persons:

Sr. No.	Name of Director	Designation
1.	Mr. Nitesh Agarwal	Director
2.	Mr. Ankush Agarwal	Director

Shareholding Pattern of Panchshul Merchants Private Limited as on March 31, 2024:

Sr. No.	Name of Shareholder	No. of Equity Shares	% of Total Shares
1.	Manju Agarwal	28000	0.78
2.	Santosh Agarwal	14900	0.42
3.	Naresh Kumar Agarwal	9100	0.25
4.	Sanjeev Kumar Binani (HUF)	8400	0.23
5.	Hanuman Prasad Agarwal (HUF)	4000	0.11

6.	Naresh Kumar Agarwal (HUF)	36000	1.00
7.	Hanuman Prasad Agarwal	52500	1.46
8.	Sushil Kumar Agarwal	32000	0.89
9.	Palanhar Sales Private Limited	34,00,000	94.84
	Total	3584900	100.00

Declaration by our Company:

Our Company confirms that the PAN, CIN, Bank account number of Panchshul Merchants Private Limited (our Promoter) and the details of the Registrar of Companies, Kolkata, where Panchshul Merchants Private Limited is registered will be submitted to the Stock Exchange, at the time of filing of this Draft Red Herring Prospectus with the Stock Exchange.

2. Gunnayak Commercial Private Limited

Corporate Information and History of M/s Gunnayak Commercial Private Limited (“GCPL”):

Gunnayak Commercial Private Limited was incorporated on May 01, 2010 as Gunnayak Commercial Private Limited, a private limited company under the Companies Act, 1956. GCPL is currently having registered office situated at Premises No. 32-1111, Unit No. 201, 2nd Floor Bus Terminus & Commercial Complex, Plot, No. BG-12, Parganas North, New Town, West Bengal, India, 700156. The Corporate Identification Number of PMPL is U51101WB2010PTC146438.

Present Business of M/s Gunnayak Commercial Private Limited

To carry on the business of trading, barter, consignment sales, agency, buyer, seller, distributor, brokers, dealers in all kinds of goods, either manufactured, semi manufactured or raw materials, fabrics, textiles, minerals and ores, iron and steel, coke and coal, yarns, ferrous and non-ferrous metals, decorative hand and machine-made readymade garments, carpets, all types of plastics and plastic goods and raw materials connected with the same, paper, electronic and electrical goods, all types of spare parts, synthetic materials, safety equipment, utensils, cosmetics, toys, provisions, edibles, stationery articles, furniture and fixtures, real estate etc. and to establish, purchase, take on lease rent or otherwise acquire and deal in and run shops, show rooms, distributing centres, show rooms or spaces, depots, offices at any place in India and abroad and also to carry on the business as C&F agents, network marketing & marketing associates of household goods, computer, computer spare parts, computer stationary, commission agents, consumable durable items, industrial goods of all kinds and merchandise.

Change in Activities:

There has been no change in object of M/s Gunnayak Commercial Private Limited since incorporation of the Company.

Details of Change in Control:

There has been no change in control of M/s Gunnayak Commercial Private Limited during last three years immediately preceding the date of filing of this Draft Red Herring Prospectus.

Board of Directors of M/s Gunnayak Commercial Private Limited:

As on date of filing of this Draft Red Herring Prospectus, the Board of Directors of M/s Gunnayak Commercial Private Limited comprises of the following persons:

Sr. No.	Name of Director	Designation
1.	Mr. Ankush Agarwal	Director
2.	Mr. Nitesh Agarwal	Director

Shareholding Pattern of M/s Gunnayak Commercial Private Limited as on March 31, 2024:

Sr. No.	Name of Shareholder	No. of Equity Shares	% of Total Shares
1.	Sushil Kumar Agarwal	5000	2.22
2.	Sangeeta Agarwal	5000	2.22
3.	Sakambari Infra Realtors Pvt Ltd	215340	95.56
Total		225340	100.00

Declaration by our Company:

Our Company confirms that the PAN, CIN, Bank account number of M/s Gunnayak Commercial Private Limited (our Promoter) and the details of the Registrar of Companies, Kolkata, where M/s Gunnayak Commercial Private Limited is registered will be submitted to the Stock Exchange, at the time of filing of this Draft Red Herring Prospectus with the Stock Exchange.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Regulatory approvals for our Company:

Sr. No.	Nature of Registration/ License	Registration/ License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
1.	Certificate of Enlistment of Professional, Trade & Calling	111504392425 0207	New Town Kolkata Development Authority, Government of West Bengal	September 23, 2024	Valid till cancelled

Material approvals or renewals for which applications are currently pending before relevant authorities:

Sr. No.	Details of Application	Application number	Date of Application
1.	Fire License under the West Bengal Fire Services Act, 1950	FL0125182221300802	September 2, 2023

Material approvals expired and renewal yet to be applied for

Nil