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PATIL AUTOMATION LIMITED
CIN: U29299PN2015PLC155878

Our Company was originally incorporated as “Patil Automation Private Limited”, a private limited Company under the provisions of the Companies Act, 2013, pursuant to a Certificate of Incorporation dated July 22, 2015 issued by the Registrar of Companies, Maharashtra. Thereafter, our Company was converted from private limited to public limited, pursuant to special resolution passed by the shareholders of the Company at the Extraordinary general meeting held on September 05, 2024 and the name of our Company was changed from “Patil Automation Private Limited” to “Patil Automation Limited” vide fresh certificate of incorporation dated October 21, 2024 issued by the Registrar of Companies, Central Processing Centre. The Corporate identification number of our Company is U29299PN2015PLC155878.

Registered Office: Gat no. 154, behind G.E. Company, Village Sudumbre, Tehsil Maval, District Pune, Maharashtra, India – 412-109

Contact Person: Niharika Shamindra Singhal, Company Secretary & Compliance Officer

Tel No: +91-9168338383; **E-mail:** info@patilautomation.com; **Website:** www.patilautomation.com

Promoters of our Company: Manoj Pandurang Patil, Aarti Manoj Patil and Prafulla Pandurang Patil

ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED JANUARY 09, 2025: NOTICE TO THE INVESTORS (“THE ADDENDUM”)

INITIAL PUBLIC OFFER OF UPTO 58,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (THE “EQUITY SHARES”) OF PATIL AUTOMATION LIMITED (“OUR COMPANY” OR “PAL” OR “THE ISSUER”) AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS (“PUBLIC ISSUE”) OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.58% AND [●] % RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

Potential Bidders may note the following:

1. The Chapter titled “Definitions and Abbreviations” beginning on page 1 of the Draft Red Herring Prospectus has been updated
2. The Chapter titled “Summary of Draft Red Herring Prospectus” beginning on page 21 of the Draft Red Herring Prospectus has been updated
3. The Chapter titled “Risk Factors” beginning on page 27 of the Draft Red Herring Prospectus has been updated
4. The Chapter titled “General Information” beginning on page 56 of the Draft Red Herring Prospectus has been updated
5. The Chapter titled “Objects of the Issue” beginning on page 81 of the Draft Red Herring Prospectus has been updated
6. The Chapter titled “Our Business” beginning on page 126 of the Draft Red Herring Prospectus has been updated
7. The Chapter titled “Our Management” beginning on page 152 of the Draft Red Herring Prospectus has been updated
8. The Chapter titled “Restated Financial Information” beginning on page 174 of the Draft Red Herring Prospectus has been updated
9. The Chapter titled “Statement of Financial Indebtedness” beginning on page 221 of the Draft Red Herring Prospectus has been updated
10. The Chapter titled “Outstanding Litigation and Material Developments” beginning on page 232 of the Draft Red Herring Prospectus has been updated
11. The Chapter titled “Other Regulatory and Statutory Disclosures ” beginning on page 243 of the Draft Red Herring Prospectus has been updated
12. Please note that all other details in, and updates to the Red Herring Prospectus/ Prospectus with respect to issue price and/or other relevant details will be carried out in the Red Herring Prospectus, as and when filed with ROC, SEBI and the Stock Exchange.

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

On behalf of Patil Automation Limited

Sd/-

Niharika Singhal

Company Secretary and Compliance Officer

Place: Pune

Date: March 28, 2025

BOOK RUNNING LEAD MANAGER TO THE ISSUE

SEREN CAPITAL

Elevate Your Potential

SEREN CAPITAL PRIVATE LIMITED

Office no. 601 to 605, Raylon Arcade, Kondivita, J.B. Nagar, Mumbai, Maharashtra – 400059

Tel. No.: +91-22-46011058

Email: info@serencapital.in

Investor Grievance Email: investor@serencapital.in

Website: <https://serencapital.in/>

Contact Person: Akun Goyal/Akshita Agarwal

SEBI Regn. No. INM000013156

REGISTRAR TO THE ISSUE

Purva Sharegistry

PURVA SHAREREGISTRY (INDIA) PRIVATE LIMITED

Address: 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (East) Mumbai-400011, Maharashtra, India

Telephone: +91 022 4961 4132

Email: newissue@purvashare.com

Investor Grievance Email: newissue@purvashare.com

Website: www.purvashare.com

Contact Person: Deepali Dhuri

SEBI Registration Number: INR000001112

CIN: U67120MH1993PTC074079

BID/ISSUE PROGRAMME

ANCHOR PORTION ISSUE OPENS/ CLOSES ON: [●]*

BID/ISSUE 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/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

***Our Company may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations*

****The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Offer Closing Day.*

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SECTION I – GENERAL
DEFINITIONS AND ABBREVIATIONS

Conventional terms and Abbreviations

Abbreviation	Full Form
KPI	Key Performance Indicators

SUMMARY OF DRAFT RED HERRING PROSPECTUS

SUMMARY OF OUTSTANDING LITIGATIONS

Our Company, Promoters and Directors are involved in certain legal proceedings. A brief detail of such outstanding litigations as on the date of this Draft Red Herring Prospectus are as follows:

Litigations involving the Company:

(₹ in lakhs)

Nature of Cases	No. of Outstanding Cases	Amount in dispute/demanded to the extent ascertainable
Criminal proceedings filed by the Company	-	-
Tax proceedings:		
Direct Tax	1	Unascertainable
Indirect Tax	-	-
Other pending material litigation filed against the company	-	-
Total	1	Unascertainable

SECTION III: RISK FACTORS

12. There have been certain delays in payment of statutory dues in the past. Any delay in payment of statutory dues in future, may result in the imposition of penalties and in turn may have an adverse effect on our business, financial condition, results of operation and cash flows.

Our Company is required to pay certain statutory dues including employee provident fund contributions and employee state insurance contributions under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees' State Insurance Act, 1948, respectively, GST and Professional Taxes. In compliance with the provisions of the Income-tax Act, we are also required to deduct taxes at source at prescribed rates.

There have been certain instances of delays in payment of statutory dues in the past by our Company, which have been belatedly paid by us with an additional fee or an interest. The instances of such delays are set out below:

EPF Returns:-

Month	F.Y.	Due date for submission	Actual submission date	Period of delay	Reason for delay
Jul.'2016	2016-17	15-Aug-16	18-Aug-16	3 days	Administrative Oversight
Dec.'2016	2016-17	15-Jan-17	27-Jan-17	12 days	
Apr.'2017	2017-18	15-May-17	20-May-17	5 days	
May'2017	2017-18	15-Jun-17	16-Jun-17	1 day	
Jul.'2017	2017-18	15-Aug-17	17-Aug-17	2 days	
Aug.'2017	2017-18	15-Sep-17	16-Sep-17	1 day	
Feb.'2019	2018-19	15-Mar-19	18-Mar-19	3 days	
Jul.'2019	2019-20	15-Aug-19	16-Aug-19	1 day	
Oct.'2020	2020-21	15-Nov-20	19-Nov-20	4 days	
May'2021	2021-22	15-Jun-21	16-Jun-21	1 day	
Jul.'2024	2024-25	15-Aug-24	16-Aug-24	1 day	EPFO Website issue

GST Returns:-

Month	F.Y.	Due date for submission	Actual submission date	Period of delay	Reason for delay
Dec.'2019	2019-20	20-Jan-20	21-Jan-20	1 day	Administrative Oversight
Jan.'2020	2019-20	20-Feb-20	21-Feb-20	1 day	
Mar.'2020	2019-20	20-Apr-20	07-Jun-20	48 days	Due to Covid-19
May'2021	2021-22	20-Jun-21	22-Jun-21	2 days	Administrative Oversight
Aug.'2021	2021-22	20-Sep-21	21-Sep-21	1 day	

While our Company has subsequently made payment of all pending dues, we cannot assure you that there will not be any delays in the future. Any delay in payment of statutory dues in future, may result in the imposition of penalties and in turn may have an adverse effect on our business, financial condition, results of operation and cash flows.

11. We require certain approvals, licenses, registrations and permits to operate our business, and failure to obtain or renew them in a timely manner or maintain the statutory and regulatory permits and approvals required to operate our business may adversely affect our operations and financial conditions.

We require certain statutory and regulatory permits, licenses and approvals to operate our business. As mentioned in the chapter titled "***Government and Other Approvals***", we believe that we have obtained requisite permits and licenses which are adequate to run our business, however we cannot assure that there is no other statutory/regulatory requirement which we are required to comply with. Further, some of these approvals are granted for fixed periods of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Failure by us to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations.

We've recently made an application dated December 06, 2024 with the Trademarks Registry for our logo



which is pending for approval. For details regarding pending approvals, please refer to section titled ***“Government and Other Approvals – Applications yet to be made”*** beginning on page 239 of the Draft Red Herring Prospectus. Further, the Company is unable to trace a copy of the Consent to Establish in its records as the factory construction was done in the year 2016. Also, our Company will be required to make application for change in name in all the permits, licenses and approvals, which are under Company's former name. There can be no assurance that the relevant authorities will issue the approvals or licenses in a timely manner, or at all. Failure by us to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations.

We cannot assure you that the approvals, licenses, registrations and permits already issued to us will not be suspended or revoked in the event of non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any denial, suspension or revocation of the approvals, licenses, registrations and permits that has been or may be issued to us may affect our business and results of operations. For further details regarding the material approvals, licenses, registrations and permits, which have not been obtained by our Company or are, pending to be obtained, see "Government and Other Approvals" on page 236 of this Draft Red Herring Prospectus.

20. Any negative publicity regarding our Company, brand or products, whether substantiated or not, including concerns about product quality, misbranding or customer service issues, could adversely impact our reputation, consumer trust and market position, which may materially affect our business, financial condition and results of operations.

Our business and financial performance heavily depend on our brand reputation, consumer trust and the perceived quality of our products. Any negative publicity, whether valid or not, regarding our company, brand or products could significantly impact our market position, revenue and growth prospects. Issues related to product quality, misbranding, vendor inconsistencies or operational failures could lead to widespread dissatisfaction and harm our credibility. Additionally, negative consumer feedback, particularly on social media and e-commerce platforms, can spread rapidly, further amplifying reputational risks.

If our products are perceived as substandard, defective or unsafe, consumer confidence may decline, leading to reduced demand and loss of market share. Allegations of misleading claims or misbranding could also result in legal actions or financial penalties. Moreover, any quality-related issues from our suppliers or vendors could affect our product performance, leading to potential recalls or warranty claims. Operational inefficiencies, such as delayed deliveries, inadequate customer support or after-sales service concerns, may further contribute to negative sentiment.

Persistent negative publicity could not only damage our brand value but also deter potential customers, impact investor confidence and strain relationships with business partners and suppliers. Additionally, legal actions or compliance failures could impose significant financial liabilities on the company. While we have implemented stringent quality control measures, we cannot entirely eliminate the possibility of adverse publicity. Any such event could materially affect our operations, financial stability and long-term sustainability.

10. Our Statutory Auditor have included certain qualifications in the Annexure to the Auditor's Report for financial statements pertaining to F.Y. 2021-22, 2022-23 and 2023-24.

Our Statutory Auditor have included certain qualifications in the Annexure to the Auditor's Report for financial statements pertaining to F.Y. 2021-22, 2022-23 and 2023-24. Below are the details of the same:

- (i) Property, plant and equipment – Company is maintaining proper records showing particulars, including situation of Property, plant and equipment, however the quantitative details of the same is not maintained.
- (ii) Inventories – Physical verification of inventory has been conducted at year end by the Management and in our opinion, the coverage and procedure of such verification by the Management is appropriate. However, there are some minor discrepancies that have been observed by the Management during the verification.

The Company has taken the following steps to address the noted qualifications:

1. **Quantitative Details of Property, Plant and Equipment (PPE):** The Company has initiated the process of maintaining detailed quantitative records for PPE, including their locations and specifications. The management is ensuring that this observation is fully addressed so that it does not appear in the forthcoming F.Y. 2024-25 Statutory Audit.
 2. **Minor Discrepancies in Inventory Verification:** The discrepancies observed during the physical verification of inventory were minor and routine in nature and have since been reconciled by the management. The Company has taken steps to enhance inventory management systems and improve internal controls to prevent such occurrences in the future.
5. *There are outstanding legal proceedings involving our Company, our Directors and our Promoters. Any adverse decisions could impact our cash flows and profit or loss to the extent of demand amount, interest and penalty, divert management time and attention and have an adverse effect on our business, prospects, results of operations and financial condition.*

There are outstanding legal proceedings involving our Company, our Directors and our Promoters. For details, see “**Outstanding Litigation and Material Developments**” beginning on page 232 of this Draft Red Herring Prospectus.

Litigations involving the Company:

(₹ in lakhs)

Nature of Cases	No. of Outstanding Cases	Amount in dispute/demanded to the extent ascertainable
Criminal proceedings filed by the Company	-	-
Tax proceedings:		
Direct Tax	1	Unascertainable
Indirect Tax	-	-
Other pending material litigation against the Company	-	-
Total	1	Unascertainable

Litigations involving our Promoters & Directors:

(₹ in lakhs)

Nature of Cases	No. of Outstanding Cases	Amount in dispute/demanded to the extent ascertainable
Tax proceedings:		
Direct Tax	2	3.80
Indirect Tax	-	-
Total	2	3.80

*Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Draft Red Herring Prospectus. For further details, please refer to the chapter titled “**Outstanding Litigations and Material Developments**” on page 232 of this Draft Red Herring Prospectus.*

Any adverse decisions in the above cases could impact our cashflows and profit or loss to the extent of demand amount, interest and penalty, divert management time and attention and have an adverse effect on our business, prospects, results of operations and financial condition.

GENERAL INFORMATION

Change in Auditors during the last three (3) years

Except as stated below, there have been no changes in our Company's auditors in the last three (3) years:

Details of Statutory Auditor	Date of Change	Reason of Change
S. B. Ohara and Co.,* Chartered Accountants, Address: Office No. 10, 2nd Floor, DSK Rohit, Near Central Park Hotel, Apte Road, Shivaji Nagar, Pune, Maharashtra-411004 Email: cashreyasohara@gmail.com Firm Registration No.: 131804W Contact Person: Shreyas Ohara Membership No: 131807	October 30,2024 (Date of resignation)	Resignation due to pre-occupation in other assignments.
GMCS & Co. Chartered Accountants, Address: SB 18, 2nd floor, Highstreet Mall, Kapurbandi, Majiwada, Thane (w), Maharashtra- 400607 Email: amitcabansal@gmail.com Firm Registration No.: 141236W Contact Person: Amit Bansal Membership No: 424232	November 04,2024 (Date of appointment)	Appointment as Statutory Auditors of the Company under section 139 (2) of Companies Act 2013 in case of casual vacancy for the period April 01, 2024 to March 31, 2025.

* The appointment date of S. B. Ohara & Co., Chartered Accountants, is September 29, 2017.

OBJECT OF THE ISSUE

1. Civil Construction work

As per the site plan layout, the new facility will include three factory buildings, labelled A, B and C, with a combined built-up area of approximately 59,046 square feet, along with administration building, stores building and staff quarters. The cost for civil construction includes plan approval cost, architectural charges, site development cost, civil and building work cost as well as electrical work cost.

The designation of factory buildings A, B, and C shall correspond to specific manufacturing and operational activities once construction is completed. Each building will be allocated for distinct production processes to optimize efficiency and streamline workflow.

- **Building A: Assembly Line Automation** - This facility will be dedicated to manufacturing and commissioning conveyor systems, including belt conveyors, roller conveyors, chain conveyors and slat conveyors. The planned floor space allocation includes utility support (3%), welding transformers (2%), BOP parts storage (3%), project procurement (5%), main working space (70%), subassembly (10%), and testing (5%).
- **Building B: Powertrain Automation** - This building will house assembly stations for various transmission components, utilizing Special Purpose Machines (SPMs), nut runners, end-of-line testers, and vision cameras. The facility will handle engine assembly, transmission assembly, driveshaft & axle assembly and hybrid & electric powertrain assembly. The planned floor space allocation includes utility support (3%), welding systems (2%), BOP parts storage (3%), project procurement (5%), main working space (70%), and subassembly (15%).
- **Building C: EV Component Line Automation** - This facility will be dedicated to EV battery assembly, power pack integration and complete battery pack production. It will incorporate robotic welding, manual welding fixtures, material handling, and quality inspection jigs. The assembly and welding process will include MIG, MAG, TIG, and spot welding technologies. The planned floor space allocation includes utility support (3%), welding systems (2%), BOP parts storage (3%), project procurement (5%), main working space (65%), and cell assembly working space (20%).

Each building will be designed to maximize production efficiency, improve quality control, and support the company's expansion plans. The structured allocation of resources will ensure optimized operations, timely project execution, and seamless coordination across different manufacturing processes.

Set out below is a break-up of the estimated cost towards civil construction work:

(Rs. In Lakhs)

S. No	Particulars	Amount	GST 18%	Total cost
1	PMRDA Building Plan Approval (Challan)	180.56	0.00	180.56
2	Architectural & Structural Consultancy Charges ⁽¹⁾	51.00	9.18	60.18
3	Civil Work of Industrial Factory – Shed A ⁽²⁾	67.77	12.20	79.96
4	PEB Work of Industrial Factory – Shed A ⁽³⁾	262.57	47.26	309.83
5	Fire Fighting Work – Shed A	60.79	10.94	71.73
6	Civil Work of Industrial Factory – Shed B ⁽²⁾	57.06	10.27	67.33
7	PEB Work of Industrial Factory – Shed B ⁽³⁾	214.37	38.59	252.96
8	Fire Fighting Work – Shed B	46.39	8.35	54.74
9	Civil Work of Industrial Factory – Shed C ⁽²⁾	51.71	9.31	61.02
10	PEB Work of Industrial Factory – Shed C ⁽³⁾	194.28	34.97	229.24
11	Fire Fighting Work – Shed C ⁽⁴⁾	42.04	7.57	49.61
12	Site Development work of Factory ⁽⁵⁾	436.95	78.65	515.60
13	Electrical work of Factory	76.00	13.68	89.68
14	Civil & Finishing works for Admin Building	630.07	113.41	743.49

15	Civil work of Stores Building ⁽²⁾	10.41	1.87	12.29
16	PEB work of Stores Building ⁽³⁾	14.32	2.58	16.90
17	Civil and Finishing work for Staff Quarter ⁽²⁾	28.50	5.13	33.63
	Total Civil Cost	2424.79	403.96	2828.75

⁽¹⁾ This includes architectural design, structural planning, engineering consultation and project management services, covering conceptualization, blueprint development, feasibility analysis and technical guidance, ensuring efficient execution and compliance with industry standards.

⁽²⁾ The cost of civil work comprises excavation, foundation, RCC work, masonry works, plastering works, Door Window and rolling shutter and flooring, ensuring structural stability. Additionally, painting and protective coatings are included to enhance durability and finish. This also covers miscellaneous work, including the installation of toilet block fittings and fixtures.

⁽³⁾ Cost of PEB Works covers PEB structure including fabrication, sand blasting, erection, rafters, base plates, connecting plates, canopy, stiffeners, roofing and cladding with PPGI sheets, polycarbonate sheets and ventilators, ensuring insulation and ventilation.

⁽⁴⁾ This includes the installation of fire hydrants, sprinklers, pump house equipment, fire alarms, smoke detectors, beam detector, fire bucket stand and extinguishers, ensuring fire safety measures in compliance with regulatory standards.

⁽⁵⁾ The cost of Site Development Work includes the development of internal roads, trimix concrete flooring, compound walls, Septic tank, gates and water management systems, ensuring operational infrastructure and site security.

2. Plant & Machinery

A detailed breakup of estimated cost of plant and machineries which are proposed to be funded from the net issue proceeds is set forth below:

S. No	Machinery Details	Qty	Quotation details	Quotation Amount	GST @ 18%	Total Amount
1.	Crane 10 Ton Capacity	6	Quotation dated March 11, 2025 from Pentatuff Engineering Pvt. Ltd. (quotation valid till 90 days from date of quotation)	135.00	23.76	155.76
2.	Crane 5 Ton Capacity	12	Quotation dated March 11, 2025 from Pentatuff Engineering Pvt. Ltd. (quotation valid till 90 days from date of quotation)	186.00	28.80	188.80
3.	Industrial robotic arm High Payload (90 kg - 300 kg) (KR 210 R2700-2)	7	Quotation dated February 07, 2025 from Kuka India Pvt. Ltd. (valid till May 07, 2025)	154.00	27.72	181.72
4.	Industrial robotic arm Low Payload (5 kg - 22 kg) (KR 6 R1440-2 arc HW E)	1	Quotation dated February 07, 2025 from Kuka India Pvt. Ltd. (valid till May 07, 2025)	13.00	2.34	15.34
5.	Industrial robotic arm (Motoman Robot Model: AR1440 with accessories)	7	Quotation dated March 03, 2025 from Yaskawa India Private Limited (valid till 90 days from the date of quotation)	74.55	13.42	87.97
6.	Industrial robotic arm (Motoman Robot Model: AR2010 with accessories)	2	Quotation dated March 03, 2025 from Yaskawa India Private Limited (valid till 90 days from the date of quotation).	25.70	4.63	30.33
7.	2 axis positioner – 500 kg	16	Quotation dated March 03, 2025 from Yaskawa India Private Limited (valid till 90 days from the date of quotation).	292.00	52.56	344.56

8.	TransTig 3000 Water cooled Robotic System	4	Quotation dated December 17, 2024 from Fronius India Private Limited (valid till March 31, 2025)	69.41	12.49	108.89
9.	Trans Tig 3000 Water cooled SPM System	1	Quotation dated December 17, 2024 from Fronius India Private Limited (valid till March 31, 2025)	6.19	1.11	9.71
10.	TPS 400i Air cooled Robotic System	5	Quotation dated December 17, 2024 from Fronius India Private Limited (valid till March 31, 2025)	60.30	10.85	94.60
11.	TruLaser 1060 fiber machine (imported from Germany)	1	Quotation dated March 11, 2025 from TRUMPF (India) Pvt Ltd (valid till April 10, 2025)	764.19	228.03@	992.22#
12.	750 kva Diesel generator set with (Kirloskar) installation	1	Quotation dated March 11, 2025 from Accurate Powertech India Pvt. Ltd., Authorised dealer of Kirloskar Oil Engines Ltd.) (valid till June 10, 2025)	73.34	13.20	86.54
Total				1853.68	418.91	2296.44

@ includes basic custom duty and GST

Landed cost of TruLaser 1060 fiber machine, which will be imported from Germany, has been certified by our Statutory Auditors, GMCS & Co., through their certificate dated December 27, 2024.

3. The details of the borrowings availed by our Company, which are proposed to be fully or partially repaid or pre-paid from the Net Proceeds is mentioned below:

Rs in Lakhs									
Name of Lender	Nature of the borrowing	Sanction Date	Sanctioned Amount	Outstanding amount as on 20.12.2024 as per books	Rate of interest	Re-Payment Schedule	Purpose for which the loan was sanctioned	Amount to be repaid from the issue proceeds	Prepayment conditions
Icici Bank Ltd	Overdraft limit	7-Jun-24	500.00	466.03	9.25 %	On Demand	Working Capital	450.00	No condition specified
Icici Bank Ltd	Dropline Overdraft limit	7-Jun-24	506.60	413.33	9.25 %	The limit will reduce by Rs. 13.33 lakhs on a monthly basis over a period of 60 months.	Working Capital	350.00	Refer Note 1

Icici Bank Ltd	Fixed Deposit Overdraft limit	29- Jul- 22	855.0 0	855.00	7.75 %	On Dema nd	Business purpose	800. 00	No condition specified
Total								1,60 0.00	

OUR BUSINESS

Product-wise revenue bifurcation:

The following table sets forth the bifurcation of revenue (product-wise) for the six months period ended Sept.'24, fiscal years 2024, 2023 and 2022.

(Rs. in

lakhs)

Product categories	Apr.'24- Sept.'24	% of revenue	F.Y. 2023-24	% of revenue	F.Y. 2022-23	% of revenue	F.Y. 2021-22	% of revenue
Welding lines ⁽ⁱ⁾	4,098.17	70.23%	8,556.87	74.23%	6,026.11	77.45%	7,329.42	77.84%
Assembly Lines	1,305.20	22.37%	1,610.09	13.97%	511.53	6.57%	996.57	10.58%
Maintenance & Other Services ⁽ⁱⁱ⁾	254.85	4.37%	462.83	4.01%	424.88	5.46%	355.58	3.78%
Miscellaneous ⁽ⁱⁱⁱ⁾	64.36	1.10%	10.87	0.09%	349.19	4.49%	343.74	3.65%
Special Purpose Machineries	62.80	1.08%	211.00	1.83%	388.37	4.99%	369.44	3.92%
Material Handling Machines	50.00	0.86%	676.30	5.87%	80.66	1.04%	21.55	0.23%
Grand Total	5835.38	100.00%	11527.96	100.00%	7780.75	100.00%	9416.29	100.00%

⁽ⁱ⁾ Revenue from welding lines includes revenue from welding lines as well as robotic welding cells and fixtures.

⁽ⁱⁱ⁾ The "Maintenance and Other Services" category in the product-wise revenue bifurcation includes repair and maintenance services for automation systems such as welding lines, assembly lines, material handling machinery and special-purpose machinery. It also covers installation and commissioning of automation systems, modification services and integration services for automation and software systems. Additionally, it encompasses manpower support for production trials and software testing.

⁽ⁱⁱⁱ⁾ Miscellaneous category includes auto component parts, spare parts, scrap and other related items.

Job Work - The Job work primarily pertain to outsourcing specific machining, drilling, tapping, grinding, powder coating and finishing operations to third-party vendors. These processes are essential to ensure precision, surface treatment and structural integrity of various automation system components before their final assembly at our manufacturing facility.

A summary of job work activities undertaken includes:

- **Machining and Drilling:** Base structures, station structures and mounting brackets undergo machining and drilling to meet design specifications.
- **Tapping and Finishing:** Components such as cradles, mounting plates and pedestals require tapping and finishing as per technical drawings.
- **Powder Coating:** Junction boxes and pedestals undergo powder coating for surface protection and durability.
- **Specialized Sealing & Assembly:** UV curtain sealing and other protective coatings are applied as per required measurements.

These jobs work activities are outsourced to specialized vendors such as Deepali Enterprises, Shree Ganesh Enterprises, Thirumalai Enterprises, Shubham Engineering, Unique Coating, Ganesh Precision Works etc. The outsourcing of these tasks allows the Company to optimize its production processes while maintaining efficiency and quality standards.

Insurance:

Our operations are subject to risks inherent in manufacturing facilities such as risk of equipment failure, work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. Our significant insurance policies consist of, among others, insurance policy of Commercial Package and Burglary, Marine Open Inland Policy, Employees Compensation, Group Personal Accident and Group Mediclaim insurance. We have not made any insurance claims during the six-month period ending September 30, 2024, or in Fiscals 2024, 2023 and 2022. Additionally, no losses have been incurred that would be eligible for an insurance claim.

Following are the Insurance policies availed by our Company as on the date of Red Herring Prospectus:

Sr. No.	Particulars	Name of insurance company	Policy no.	Period from	Period to	Details of assets insured	Sum assured	Premium
1.	Group Personal Accidental	ICICI Lombard General Insurance Company Ltd	4005/3520772 35/00/000	July 12, 2024	July,11,2025	Employees	8,08,00,000	33,109
2.	Group Mediclaim Insurance	Tata Aig Corporate Health Claims	0239818700	September 17, 2024	September,16,2025	Employees	30,42,31,000	15,84,696
3.	Employees Compensation Insurance Policy	SBI General Insurance Company Limited	000000004227 3443	January 21, 2025	January 20,2026	Employees	Medical expense limit Per Person: 100,000/-	41,300
4.	Commercial Package Policy & Burglary	Ifco Tokiyo General Insurance	47D20712	June 27, 2024	June 26, 2025	Manufacturing unit	29,50,00,000	76,091/-
5.	Marine Open Inland Policy	Icici Lombard	2002/3519186 22/00/000	July 12, 2024	July 11, 2025	Goods in transit	100,00,00,000	1,18,000
6.	Maruti Ciaz	Go Digit General Insurance	D173115269 / 18112024	November 21, 2024	November 20, 2025	Maruti Ciaz	4,91,400/-	5,748/-
7.	Creta (Hyundai)	Royal Sundaram	VPC18259810 00100	April 12, 2024	April 11, 2025	Creta (Hyundai)	6,12,360/-	22,694/-
8.	Mini Couper BMW	Tata Aig General Insurance	6201623103 01 00	July 12, 2024	July 11, 2025	Mini Couper BMW	32,31,900/-	98,076/-
9.	Fortuner (new Black)	Tata Aig General Insurance	6202671971 00 00	March 15, 2024	March 14, 2025	Fortuner (new Black)	27,87,566/-	75,688/-
10.	BMW	Tata Aig General Insurance	6202671549 00 00	March 15, 2024	March 14, 2025	BMW	91,00,000/-	186,030/-
11.	Mahindra Thar	Go Digit General Insurance	D145937266/0 7052024	May 08, 2024	May 07, 2025	Mahindra Thar	14,34,264/-	25,418/-
12.	Innova Hycross	Bajaj Allianz	TBA/5029620 5	August 19, 2024	August 18, 2025	Innova Hycross	25,95,690/-	35,659/-
13.	TATA TIGOR	Reliance General	170522523090 001789	January 14, 2025	January 13, 2026	Tata Tigor	9,90,000/-	26,825/-
14.	Evtric Ride Red	Reliance General Insurance	110522423750 001011	February 21, 2024	February 20, 2025	Evtric Ride Red	102600/-	4466/-
15.	Evtric Rise Red	Chola Ms General Insurance	3397/6055336 1/000/00	February 22, 2024	February 21, 2025	Evtric Rise Red	114712/-	5403/-
16.	Evtric Ride Grey	Chola Ms General Insurance	3397/6060510 6/000/00	May 09, 2024	May 08, 2025	Evtric Ride Grey	63881/-	4205/-

Our insurance policies may not be sufficient to cover our economic loss. For further details, kindly refer the section on “Risk Factors” beginning on page 41 of this Draft Red Herring Prospectus. Our insurance coverage may not adequately protect us against all material hazards, which may affect our business, results of operations and financial condition.

Immovable Properties:

The following are the details of the immovable properties owned/ leased/ rented by our Company: -

Sr. No.	Usage	Address	Owned/Leased/Rent	Whether lessor is a related party	Whether lease deed is adequately stamped/registered
1.	Manufacturing unit and Registered office (Unit I and Unit II)	Khata No. 815, Gat No. 154, Behind GE Company, Sudumbre, Chakan MIDC, Phase-II, Tal. Maval, Dist. Pune, Maharashtra – 412109	Obtained on lease for a period of 5 years from April 1, 2021 from the promoters, Manoj Pandurang Patil & Aarti Manoj Patil at a lease amount of Rs. 33.00 lakhs p.m. which will increase by 5% annually. As of the date of the DRHP, the monthly rent payable is Rs. 38.20 lakhs p.m.	The Lessors, Manoj Pandurang Patil and Aarti Manoj Patil, are the Directors and Promoters of the Company and, therefore, are related parties.	The lease deed is not registered and the adequate stamp duty has not been paid. Reason for non-registration and inadequate stamp duty payment, since the lessors are the Promoters of the Company, they did not deem it necessary to formally execute and register the lease deed, given the mutual understanding and control over the property. However, the Company is now in process for appropriate stamping and registration. Confirmation of registration and stamping will be shared shortly.
2.	Admin and Design office	6th Floor, Office No. 601, Survey No.45, Trident Business Center, Pune Bypass, Opp. Audi Showroom, Baner, Pune, Maharashtra – 411045	Obtained on rent vide Leave and License Agreement dated November 22, 2023 for a period of 5 years effective from October 01, 2023 till September 30, 2028. As of the date of the DRHP, the monthly consideration is ₹2.89 lakhs, which will increase by 7% annually.	The Lessors are not related parties.	The leave and license agreement is registered with the concerned Sub-registrar authority and applicable stamp duty has been paid.
3.	Leased-out property*	Khata No. 903, Gat No.154, Behind GE Company, Chakan MIDC, Phase-II, Sudumbre, Tal. Maval Dist. Pune- 412109	Owned	NA	NA
4.	Guest House	Golden Enclave, Block D, Flat No. B/18, Survey No. 156A, Vithlapur, Tal. Mandal, Dist. Ahmedabad, Gujarat	Owned	NA	NA

**The said property is let out by our Company to Track Components Limited vide Leave and Licence Agreement dated December 16, 2023 for a period of 5 years w.e.f. December 15, 2023 at existing rent of Rs. 25.29 lakhs p.m.*

OUR MANAGEMENT

Aarti Manoj Patil is the Promoter and Executive Director of our Company. She has completed Bachelor of Science from Amravati University in 1999. She has been on the Board of Company since 2015 and is looking after the Human Resource Development and Administration functions, since then. She possesses 9 years of experience in HR and Admin functions in the Company and she has not held any positions in the past before joining the Company.

RESTATED FINANCIAL INFORMATION

ANNEXURE - XXXI
DETAILS OF OTHER EXPENSES AS RESTATED
(₹ In Lakhs)

Particulars	For the period ended September 30, 2024	For the year ended March 31,		
		2024	2023	2022
Manufacturing Expenses				
Job work charges *	147.33	284.40	162.12	222.31
Fuel charges	10.16	15.59	15.30	12.74
Power charges	32.26	56.42	31.52	51.49
Rent - factory	218.30	415.80	396.00	396.00
Rent - Machinery	23.25	41.22	-	-
Labour Charges	382.04	882.14	654.94	707.52
Designing charges	56.87	110.75	36.51	161.25
Hire charges- Crane & Machinery	0.22	9.05	3.53	3.86
Repairs & maintenance - Building	1.24	15.92	4.44	4.15
Repairs & maintenance - Machinery	7.22	15.63	12.24	15.89
Repairs & maintenance - others	0.51	2.61	1.22	2.21
Selling & Distribution Expenses				
Sales promotion & marketing	12.49	15.56	15.81	16.27
Freight Outwards	20.86	131.41	88.56	126.67
Administrative Expenses				
Payment to Auditors	1.75	1.50	1.50	1.00
Courier charges	11.40	15.62	9.39	-
CSR Expenses	40.11	28.07	11.06	-
Discount	12.37	-	-	-
Insurance	6.99	5.93	3.09	5.88
Printing & stationery	0.79	2.05	1.57	9.24
Professional fees	13.57	12.61	9.87	9.42
Rent - Corporate Office Baner	19.20	25.04	-	-
Rates and taxes	0.00	3.93	3.83	3.91
Recruitment Expenses	1.76	11.11	-	-
Security expenses	22.61	33.95	23.11	24.08
Telephone & Internet charges	5.63	4.40	4.80	6.87
Travelling & conveyance	57.72	158.24	183.99	109.10
Office expenses	2.29	5.88	6.07	9.54
Other Expenses	4.31	7.82	9.80	7.26
Foreign Exchange Loss	0.39	0.00	-	1.26

Interest payable on delayed payment to MSMEs	-	-	25.95	-
Bank charges	-	4.39	1.74	1.08
Late Fees, Penalties & Interest	21.98	32.47	14.28	1.31
Total	1,135.60	2,349.53	1,732.25	1,910.32

** The "Job Work Charges" pertain to outsourcing specific machining, drilling, tapping, grinding, powder coating and finishing operations to third-party vendors.*

STATEMENT OF FINANCIAL INDEBTEDNESS

To,
The Board of Directors
Patil Automation Limited
Gat No 154, Behind G.E.Company,
Sudumbre Tal Maval, Pune,
Pune, Maharashtra, India, 412109

Re: Proposed initial public offering of equity shares of face value of Rs. 10 each (“Equity Shares” and such initial public offer, an “IPO” or “Issue”) of Patil Automation Limited. (the “Company”).

Dear Sirs,

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of Patil Automation Limited and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details as on 31st December, 2024 are mentioned below.

A. Secured Loan: -

(Rs in Lakhs)								
Name of Lender	Purpose	Loan/ Agreement A/c No./Ref. No.	Sanctioned Amount	Rate of interest	Primary & Collateral Security	Re-Payment Schedule	Moratorium	Outstanding amount as on 31.12.2024 as per books
Icici Bank Ltd	Overdraft Limit	A/c No - 050805003856	500.00	9.25 %	Note A	On Demand	NA	443.68
Icici Bank Ltd	Fixed Deposit Overdraft Limit	A/c 50805005400	855.00	7.75 %	Note B	On Demand	NA	854.99
Icici Bank Ltd	Dropline Over Draft Limit	A/c no – 032105022116	506.60	9.25 0%	Note A	The limit will reduce by Rs. 13.33 Lakhs on a monthly basis over period of 60 months	NA	413.33
Total								1712.00

Note A- Security Details:

Immovable Fixed Assets

1. Gat No 154, Behind GE Company Phase II, Sudumbare, Tal. Maval, Dist. Pune 411033

2. Flat No 701, 7th Floor P3 Building, Empire Estate, Mumbai Pune Highway, Chinchwad, Pune 411018
3. Flat No 1302, 13th Floor, Tower No. 22, Lodha Belmondo, Gahunje, Tal. Lonawada, Pune 411018
4. Movable Fixed assets
5. Current Assets
6. Personal guarantees of : Mr.Manoj Patil and Mrs. Aarti Patil residing at B2 / 504, Atulnagar, Mumbai Bangalore Highway , Opp Cipla Foundation, Warje, Pune 411058

The collateral security offered for Mr. Manoj Pandurang Patil is to cover the limits provided to the Term Loan and vice versa. Property mortgaged with ICICI Bank located at - shall not be released unless Loan of Rs. 60.0 mn in the Name of entity Term Loan vide Account No.603090039664 are repaid in full. Cross collateralization process as defined in internal guidelines to be followed

The collateral security offered for Manoj Pandurang Patil is to cover the limits provided to the Dropline Overdraft and vice versa. Property mortgaged with ICICI Bank located at - shall not be released unless Loan of Rs. 40.0 mn in the Name of entity Dropline Overdraft vide Account No.032105022112 are repaid in full. Cross collateralization process as defined in internal guidelines to be followed

Note B: The Fixed Deposit (FD) of Rs. 900.00 Lakhs having Account no. 050813014440 is under lien against Fixed Deposit Overdraft Limit.

Yours faithfully,

For GMCS & Co
Chartered Accountants
Firm Registration No. 141236W

Sd/-

Amit Bansal
Partner
Membership No. 424232
UDIN: 25424232BMIODH4396
Place: MUMBAI
Date: 25.02.2025

-OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENT

A. LITIGATIONS INVOLVING THE COMPANY

(e) Other pending material litigations filed against the Company:

As on the date of this Draft Red Herring Prospectus, there are no other pending material litigations filed against the Company.

OTHER REGULATORY AND STATUTORY DISCLOSURES

The company has positive Free cash flow to Equity (FCFE) for at least 2 out of 3 financial years preceding the application (as per restated financials).

(Amount in ₹ Lakhs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Net cash flow from operations-(A)	746.72	1.27	(102.69)
Net Purchase of Fixed Assets-(B)	(509.97)	(184.56)	(129.25)
Net-Borrowings-(C)	(952.39)	1,740.76	601.67
Post tax Interest expenses-(D)	(173.69)	(128.06)	(93.66)
Free Cash Flow to equity (A+B+C-D)	(889.34)	1,429.41	276.08