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Our Company was originally formed as Partnership Firm under the Indian Partnership Act, 1932 in the name and style of 'Elec Steel Processing Industries', pursuant to a Deed of Partnership dated April 1, 1994, 'Elec Steel Processing Industries' was thereafter converted from a Partnership firm to a Private Limited Company in the name and Style of 'Elec Steel Processing Industries Private Limited' under the provisions of Companies Act, 2013 vide certificate of incorporation dated August 8, 2022. Subsequently, our Company was converted to a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra-Ordinary General Meeting held on November 16, 2024, and the name of our Company was changed to 'Elec Steel Processing Industries Limited'. A fresh certificate of incorporation was issued on December 30, 2024, by the Assistant Registrar of Companies / Deputy Registrar of Companies / Registrar of Companies, Central Processing Centre. For further details of incorporation, please refer to the section titled "Our History and Certain Other Corporate Matters" beginning on page 186 of the Draft Red Herring Prospectus.

Registered Office: Plot No. 96, POR GIDC, At-POR Village, Taluka -Vadodara, Gujarat - 391243, India.

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Contact Person: Mayank Lashkari, Company Secretary and Compliance Officer

Corporate Identity Number: U31100GJ2022PLC134606

**PROMOTERS OF THE COMPANY HARSHAD NARBHERAMBHAI BAGADIA, PARASBHAI HARSHADBHAI BAGADIA AND DHYANESH BAGADIA**

**ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED MARCH 25, 2025: NOTICE TO INVESTORS (THE ADDENDUM)**

INITIAL PUBLIC OFFER IS BEING MADE IN ACCORDANCE WITH CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED FROM TIME TO TIME (INITIAL PUBLIC OFFER OF SMALL AND MEDIUM ENTERPRISES) AND THE EQUITY SHARES ISSUED AND OFFERED THROUGH THE DRAFT RED HERRING PROSPECTUS ARE PROPOSED TO BE LISTED ON THE EMERGE PLATFORM OF THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE EMERGE"). PUBLIC OFFER OF UP TO 69,00,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF ELEC STEEL PROCESSING INDUSTRIES LIMITED, THE "ISSUER" FOR CASH AT A PRICE OF ₹[•] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹[•] PER EQUITY SHARE), THE "OFFER PRICE" AGGREGATING TO ₹[•] LAKHS ("THE OFFER") COMPRISING OF A FRESH ISSUE OF 60,00,000 EQUITY SHARES AGGREGATING TO ₹[•] LAKHS (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF 9,00,000 EQUITY SHARES BY THE PROMOTER SELLING SHAREHOLDERS ("OFFER FOR SALE") AGGREGATING TO ₹[•] LAKHS OF WHICH [•] EQUITY SHARES AGGREGATING TO ₹[•] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE OFFER (THE "MARKET MAKER RESERVATION PORTION"). THE OFFER LESS THE MARKET MAKER RESERVATION PORTION I.E. NET OFFER OF [•] EQUITY SHARES AGGREGATING TO ₹[•] LAKHS (THE "NET OFFER"). THE OFFER AND THE NET OFFER WILL CONSTITUTE [•] % AND [•] % RESPECTIVELY OF THE POST OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹10/- EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM") AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER [•], ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER [•] AND [•] EDITIONS OF THE GUJARATI REGIONAL NEWSPAPER [•], A GUJARATI NEWSPAPER, GUJARATI BEING THE REGIONAL LANGUAGE OF GUJARAT, WHERE OUR REGISTERED OFFICE IS LOCATED, EACH WITH WIDE CIRCULATION, AT LEAST 2 WORKING DAYS PRIOR TO THE BID/ OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. IN CASE OF ANY REVISION IN THE PRICE BAND, THE BID/OFFER PERIOD WILL BE EXTENDED BY AT LEAST 3 ADDITIONAL WORKING DAYS AFTER SUCH REVISION IN THE PRICE BAND, SUBJECT TO THE BID/OFFER PERIOD NOT EXCEEDING 10 WORKING DAYS. IN CASES OF FORCE MAJEURE, BANKING STRIKE OR SIMILAR CIRCUMSTANCES, OUR COMPANY MAY, FOR REASONS TO BE RECORDED IN WRITING, EXTEND THE BID/OFFER PERIOD FOR A MINIMUM OF ONE WORKING DAY, SUBJECT TO THE BID/OFFER PERIOD NOT EXCEEDING 10 WORKING DAYS. ANY REVISION IN THE PRICE BAND AND THE REVISED BID/ OFFER PERIOD, IF APPLICABLE, SHALL BE WIDELY DISSEMINATED BY NOTIFICATION TO THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED, BY ISSUING A PUBLIC NOTICE, AND ALSO BY INDICATING THE CHANGE ON THE RESPECTIVE WEBSITES OF THE BOOK RUNNING LEAD MANAGER AND AT THE TERMINALS OF THE SYNDICATE MEMBERS AND BY INTIMATION TO DESIGNATED INTERMEDIARIES AND THE SPONSOR BANK, AS APPLICABLE.

Potential Bidders may note the following: "DEFINITIONS AND ABBREVIATIONS", "RISK FACTORS", "CAPITAL STRUCTURE", "OBJECTS OF THE OFFER", "OUR BUSINESS", "KEY INDUSTRY REGULATIONS AND POLICIES" "HISTORY AND CERTAIN CORPORATE MATTERS", "OUR MANAGEMENT", "PROMOTER AND PROMOTER GROUP", "OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS", "GOVERNMENT AND OTHER STATUTORY APPROVALS" AND "OTHER REGULATORY AND STATUTORY DISCLOSURES" have been updated in accordance with the suggestions made by NSE.

The below mentioned changes are 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 information included in the Draft Red Herring Prospectus will be suitably updated, including to the extent stated in this Addendum, as may be applicable in the Red Herring Prospectus and the Prospectus, as and when filed with the RoC 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.

The Equity Shares offered in the offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or the law of any state of the United States, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act (as defined in Regulation S under the U.S. Securities Act ("Regulation S") and applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in "offshore transactions" as defined and in reliance on Regulation S and the applicable laws of the jurisdictions where such offers and sales are made. There will be no public offering of the Equity Shares in the United States.

For and on behalf of Elec Steel Processing Industries Limited

Sd/-

Mayank Lashkari

Company Secretary and Compliance Officer

Place: Vadodara

Date: June 12, 2025

**BOOK RUNNING LEAD MANAGER**



**UNISTONE CAPITAL PRIVATE LIMITED**

A/305, Dynasty Business Park, Andheri Kurla Road, Andheri East, Mumbai 400059,

Maharashtra, India

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Email: [mb@unistonecapital.com](mailto:mb@unistonecapital.com)

Website: [www.unistonecapital.com](http://www.unistonecapital.com)

Investor grievance email: [compliance@unistonecapital.com](mailto:compliance@unistonecapital.com)

Contact Person: Brijesh Parekh

SEBI registration number: INM000012449

CIN: U65999MH2019PTC330850

**REGISTRAR TO THE OFFER**



**KFIN TECHNOLOGIES LIMITED**

Selenium Tower B, Plot No-31 & 32, Financial District, Nanakramguda, Serilingampally Hyderabad Rangareddi TG 500032

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Website: [www.kfintech.com](http://www.kfintech.com)

Contact Person: M. Murli Krishna

SEBI Registration: INR000000221

CIN: L72400TG2017PLC117649

**BID/OFFER PERIOD**

ANCHOR PORTION OFFER OPENS/CLOSES ON\*: [•]

BID/OFFER OPENS ON: [•]

BID/OFFER CLOSES ON\*\*: [•]\*\*\*

\* Our Company, in consultation with BRLM, may consider participation by Anchor Investors, in accordance with the SEBI (ICDR) Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.

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

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

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

#### Offer Related Terms

Terms	Description
Addendum	The addendum dated June 12, 2025 to the Draft Red Herring Prospectus.
Current Transformer	A current transformer (CT) is an instrument used to convert high electrical current in a circuit to a lower, proportional value for accurate monitoring and measurement by standard devices.
Potential Transformer	A potential transformer (PT) is an instrument that reduces high voltage to a lower, proportional level to enable safe and accurate measurement by standard meters.

## SECTION II – RISK FACTORS

**3. Our business and profitability are substantially dependent on the availability and cost of our raw materials and any disruption to the timely and adequate supply may adversely impact our business, results of operations, cash flows and financial condition.**

We are engaged in manufacturing electrical steel products like Transformer Laminations, Assembled Cores, Toroidal Cores, and Slit Coils using Cold Rolled Grain Oriented (“**CRGO**”) and Cold Rolled Non-Grain Oriented (“**CRNGO**”) steel. The tables below provide components consumed as a percentage of our total purchase in the years indicated:

Particulars	For the period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (₹ in lakhs)	% of Purchases of Raw Materials	Amount (₹ in lakhs)	% of Purchases of Raw Materials	Amount (₹ in lakhs)	% of Purchases of Raw Materials	Amount (₹ in lakhs)	% of Purchases of Raw Materials
Cold Rolled Grain Oriented steel	9,920.60	99.64%	13,480.95	99.26%	11,011.76	99.44%	6,918.22	99.20%
Cold Rolled Non-Grain Oriented steel	35.62	0.36%	100.94	0.74%	62.24	0.56%	55.58	0.80%
<b>Total Purchases</b>	<b>9,956.22</b>	<b>100%</b>	<b>13,581.89</b>	<b>100%</b>	<b>11,074.00</b>	<b>100%</b>	<b>6,973.80</b>	<b>100%</b>

We may experience volatility in the cost or availability of raw materials due to changes in commodity prices. A major portion of raw materials comprises of CRGO and CRNGO steel coils. The prices of such raw materials are volatile and are dependent on a number of factors, such as, their availability, fluctuations in domestic and international demand and supply, international production and capacity, transportation costs, protective trade measures and various social and political factors, in the economies in which the metal producers sell their products.

Ongoing and emerging geopolitical conflicts have significantly impacted global shipping routes and costs, creating substantial risk for our business operations. Notably, the Houthi attacks in the Red Sea (2023–2025) have driven container shipping costs up and Insurance costs have also risen sharply. These developments have materially increased our cost of goods sold and could adversely affect our margins, operational efficiency, and financial performance. While our arrangements with customers allow us to seek upward price revisions, our cash flows may still be adversely affected due to the time gap between procuring raw materials and adjusting customer prices to reflect these cost increases, if there is any type of global crises. Our ability to pass on these increased costs could impact our business negatively. Additionally, commodity prices may occasionally fall rapidly. When this happens, suppliers might withdraw capacity from the market until prices improve, potentially causing supply irregularities. These irregularities could increase our raw material costs, adversely affecting our business, cash flows, and results of operations. Other than mentioned above there were no past instances in previous three financial years and for the period ended September 30, 2024.

Any increase in prices of raw materials could have an impact on our working capital as we would require additional funds to procure the necessary steel at the higher prices. As a result, we may be required to allocate a larger portion of our working capital towards purchasing raw materials to maintain

our production levels. This increased allocation towards purchase can potentially strain our working capital availability. While, such instances have not occurred in the past three financial years and for the period ended September 30, 2024, however occurrence of such instances in the future may have an adverse effect on our financial condition and results of operations.

***4. Our four existing manufacturing units are located in Gujarat. Any localized social unrest, natural disaster, service disruption, or other unforeseen events in or around Gujarat could lead to production interruptions or shutdowns at our facilities. Such disruptions could have a material adverse effect on our business and financial condition***

We currently operate all manufacturing units with commercial production of transformer laminations, assembled cores, toroidal cores and slit coils with applications in transformers. Any disruption in our manufacturing operations involving the shutdown of our plant in any of our manufacturing facilities resulting from any factors beyond our control, including socio-economic, regulatory, policy or political developments, force majeure, natural calamities, or civil disruption, could result in a material adverse impact on our business operations and financial performance, particularly due to the long period of time required for rebuilding to resume production. Further, there can be no assurance that equipment in our manufacturing facilities will not malfunction, resulting in discontinuation of production. Any malfunction or shutdown of any of the plant would adversely impact production and could result in us incurring significant losses from shutdown of operations, capital expenditure to replace any malfunctioning furnace or other equipment, and thereby materially and adversely affecting our business, results of operations, financial condition, and cash flows.

In the past, we have faced certain disruptions in our manufacturing facilities located. For example, as a result of the COVID-19 pandemic lockdown and other related restrictions, our business operations experienced disruption for the Fiscal 2021. In the Fiscal 2021 we experienced utilization issues in units of production primarily on account of delayed supply of raw materials due to the COVID-19 lockdown there, which impacted and delayed our production, capacity utilization, all of which ultimately affected the sales, and delayed its respective payment from the clientele. except mentioned above details we have not faced any disruption in last financial year 2024, 2023 and 2022.

Our business is therefore dependent on our ability to ensure continued operations and production at optimal levels, which may be impacted by various operating risks, including industrial accidents, severe weather conditions as CRGO steel is sensitive to water and moisture, natural disasters, workforce productivity, regulatory developments and compliance, adequate and timely supply of raw materials, management of continuous operations, quality of products manufactured. Any significant malfunction or breakdown of our equipment may also entail significant repair and maintenance costs and cause delays in our operations. However, as on date of this Draft Red Herring Prospectus, there has been no instance of significant malfunction or breakdown of our equipment in the past. Further, we depend on third party suppliers of raw materials as well as equipment and services required for continuing operations. Our inability to effectively rectify any disruption, in a timely manner and at an acceptable cost, could lead to delays in the entire production cycle and an inability to comply with our clients' requirements, thereby adversely impacting our business operations and future financial performance. While such instances have not occurred in the past three financial years and for the period ended September 30, 2024, however occurrence of such instances in the future may have an adverse effect on our financial condition and results of operations.

***5. Our business is working capital intensive. Our net working capital requirements for the period ended September 30, 2024, and Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022, were ₹ 5,450.73 Lakhs, ₹ 4,522.77 Lakhs, ₹ 3,297.27 Lakhs, and ₹ 2,904.65 Lakhs, respectively. If we experience insufficient cash flows from our operations or are unable to borrow to meet our working capital requirements, it may materially and adversely affect our business and results of operations:***

Our business requires significant amount of working capital primarily as a considerable amount of time passes between purchase of raw materials and collection of receivables post sales to customers. As a result, we are required to maintain sufficient stock at all times in order to meet manufacturing requirements as well as extend credit period to customers as per the industry practice, thus increasing our storage and working capital requirements. Consequently, there could be situations where the total funds available may not be sufficient to fulfil our commitments and hence we may need to incur additional indebtedness in the future or utilize internal accruals to satisfy our working capital needs. Our future success depends on our ability to continue to secure and successfully manage sufficient amounts of working capital. Further, our ability to arrange financing and the costs of capital of such

financing are dependent on numerous factors, including general economic and capital market conditions and the effect of events such as the COVID-19 pandemic, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner.

The table below sets forth details of our working capital September 30, 2024, and Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022, and the source of funding:

Particulars	For the period ended September 30, 2024 (Restated)	For the year ended March 31, 2024 (Restated)	For the year ended March 31, 2023 (Restated)	For the year ended March 31, 2022 (Restated)
<b><i>Current Assets</i></b>				
Trade Receivables	2,555.38	2,521.70	2,112.83	1,376.01
Work-in Process and Inventories	4,154.57	2,214.42	1,575.46	1,927.50
Loans and Advances	928.03	537.68	358.37	434.24
<b>Total Current Assets (A)</b>	<b>7,637.98</b>	<b>5,273.80</b>	<b>4,046.66</b>	<b>3,737.75</b>
<b><i>Current Liabilities</i></b>				
Trade payables	1,735.42	614.96	537.93	768.77
Other current liabilities	61.90	45.51	129.62	24.44
Short-term Provisions	389.93	90.54	81.83	39.90
<b>Total Current Liabilities (B)</b>	<b>2,187.25</b>	<b>751.03</b>	<b>749.39</b>	<b>833.10</b>
<b>Net Working Capital Requirements (A-B)</b>	<b>5,450.73</b>	<b>4,522.77</b>	<b>3,297.27</b>	<b>2,904.65</b>
<b><i>Source of funds</i></b>				
Borrowings	4,668.71	3,830.95	2152.67	1,746.25
Internal Accruals	782.02	691.82	1144.60	1,158.40

As we pursue our growth plan, we may be required to raise additional funds by incurring further indebtedness or issuing additional equity to meet our capital expenditures in the future. If we experience insufficient cash flows or are unable to borrow funds on a timely basis, or, at all, to meet our working capital and other requirements, or to pay our debts, it could materially and adversely affect our business and results of operations. Management of our working capital requirements involves the timely payment of, or rolling over of, our short-term indebtedness and securing new and additional loans on acceptable terms, or re-negotiation of our payment terms for, our trade payables, collection of trade receivables and preparing and following accurate and feasible budgets for our business operations. If we are unable to manage our working capital requirements, our business, results of operations, financial condition, and cash flows could be materially and adversely affected. There can be no assurance that we will be able to effectively manage our working capital. Should we fail to effectively implement sufficient internal control procedures and management systems to manage our working capital and other sources of financing, we may have insufficient capital to maintain and grow our business and we may breach the terms of our financing agreements with banks, face claims under cross-default provisions and be unable to obtain new financing, any of which would have a material adverse effect on our business, results of operations, financial condition, and cashflows. However, as of the date of this Draft Red Herring Prospectus, there have been no such instances in the past three years and for the period ended September 30, 2024. For further information on the working capital facilities currently availed of by us, see “*Financial Indebtedness*” beginning on page 269 of this Draft Red Herring Prospectus.

**7. We derive a significant portion of our revenue from Transformer Lamination. If sales volume or price of such products declines in the future, or if we are unable to sell such products for any reason, our business, financial condition, cash flows and results of operations could be adversely affected.**

Our company is engaged in the business of manufacturing electrical steel products like Transformer Laminations, Assembled Cores, Toroidal Cores, and Slit Coils using Cold Rolled Grain Oriented (“CRGO”) and Cold Rolled Non-Grain Oriented (“CRNGO”) steel. We derive a significant portion of our revenue from Transformer Laminations. A break up of the product-wise revenues earned by our Company during the period ended September 30, 2024 and the Fiscals 2024, 2023 and 2022 have been provided below:

Product	For the period ended		For the year ended					
	September 30, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	Amount (₹ in lakhs)	% of total revenue from operations	Amount (₹ in lakhs)	% of total revenue from operations	Amount (₹ in lakhs)	% of total revenue from operations	Amount (₹ in lakhs)	% of total revenue from operations
Transformer Laminations	7,750.91	72.93%	13,400.07	81.96%	11,102.86	74.99%	5,586.17	70.40%
Toroidal Cores	299.11	2.81%	441.12	2.70%	455.08	3.07%	411.65	5.19%
Assembled Cores	1,076.97	10.13%	1,832.85	11.21%	1,805.74	12.20%	1,073.07	13.52%
Slit Coils	1,302.32	12.25%	310.97	1.90%	1,029.60	6.95%	643.20	8.11%
Others (Scrap and Job Work)	197.86	1.86%	365.05	2.23%	412.44	2.79%	221.08	2.79%
<b>Total revenue from operation</b>	<b>10,627.17</b>	<b>100.00%</b>	<b>16,350.07</b>	<b>100.00%</b>	<b>14,805.72</b>	<b>100.00%</b>	<b>7,935.16</b>	<b>100.00%</b>

As on date of this Draft Red Herring Prospectus, we derive a significant portion of our revenue from a limited number of products and our ability to expand our operations and increase our revenue and profits is dependent upon strategic diversification of our product portfolio. If the sales volume or pricing of the aforementioned products declines in the future due to any reason, such as shortage in the supply of raw materials, disruption in the manufacturing process, decrease in consumer demand; or if this product may no longer be sold due to withdrawal or cancellation of applicable regulatory approvals, etc., our business, financial condition, cash flows and results of operations could be adversely affected. There have not been any instances wherein we had to withdraw certain of our products, however occurrence of any such events in respect of our best-selling products could have an adverse impact on our business, results of operations and financial condition.

**8. Our Statutory Auditors have included modified and included matter(s) giving rise to modifications on the financial statements as at and for the year ended March 31, 2023 in our Audited Financial Statements.**

Our Statutory Auditors have included matter(s) giving rise to modifications on the financial statements as at and for the year ended March 31, 2023:

*“Gratuity provision was done till the date of the Balance Sheet on Notional Basis. However, as per AS 15, the provision of Gratuity should be determined through actuarial valuation using Projected Unit*

*Cost Method and The quantum of the difference in provision could not be ascertained as sufficient appropriate evidence could not be obtained”*

During the financial year 2023-24, the Company initiated the process of obtaining a group gratuity policy from the Life Insurance Corporation of India (LIC). The final provision for gratuity as per AS-15 has been determined based on the policy taken, and the premium payments commenced in May 2024. Subsequently, the Company's gratuity liability is now 100% insured and regularized under the LIC Group Gratuity Scheme, ensuring full compliance with AS-15 and eliminating any future uncertainties in provisioning.

***9. Our Company is yet to place orders for the plant and machinery for the expansion of existing manufacturing unit. Any delay in placing orders or procurement of such plant and machinery may delay the schedule of implementation and possibly increase the cost of commissioning the manufacturing unit.***

We intend to utilize a portion of the Net Proceeds for funding capital expenditure requirements towards expansion of our existing manufacturing facility (Unit IV) at Sub Plot No Div. “B”, Atmiya-11 Industrial Park, Block No.858/A, 990, 991 & 1008 at village Por taluka and dist. Vadodara - 391 243, Gujarat (Proposed Expansion). Accordingly, orders worth ₹ 1,412.97 Lakhs, which constitute 100% of the total estimated costs of the machinery and equipment in relation to Proposed Expansion are yet to be placed. There can be no assurance that we will be able to place orders for such plant and machinery, in a timely manner or at all. We have not entered into any definitive agreements to utilize the Net Proceeds for these objects of the Offer and have relied on the quotations received from third parties for estimation of the cost.

While we have obtained the quotations from various vendors in relation to such capital expenditure, most of these quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. Additionally, in the event of any delay in placement of such orders, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such quotations or that there will not be cost escalations. For further details, please see “*Objects of the Offer*” on page 99 of the Draft Red Herring Prospectus.

The objects of the offer have not been appraised by any bank or financial institution, and our funding requirement is based on current conditions, internal estimates, estimates received from the third-party agencies and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy. Based on the competitive nature of our industry, we may have to revise our business plan and/ or management estimates from time to time and consequently our funding requirements may also change. Such internal estimates may differ from the value that would have been determined by third party appraisals, which may require us to reschedule or reallocate our expenditure, subject to applicable laws. In case of increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by any means available to us, including internal accruals and additional equity and/or debt arrangements, and may have an adverse impact on our business, results of operations, financial condition and cash flows. Accordingly, investors in the Equity Shares will be relying on the judgment of our management regarding the application of the Net Proceeds. Further, pursuant to Section 27 of the Companies Act, any variation in the Objects of the offer would require a special resolution of the shareholders and the promoter or controlling shareholders will be required to provide an exit opportunity to the shareholders who do not agree to such proposal to vary the Objects of the offer, at such price and in such manner in accordance with applicable law.

Our Company, in accordance with the applicable law and to attain the objects set out above, will have the flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our Company may temporarily deposit the Net Proceeds within one or more scheduled commercial banks included in the Second Schedule of RBI Act as may be approved by our Board. We will appoint a monitoring agency for monitoring the utilization of Net Proceeds in accordance with



Regulation 242 of the SEBI ICDR Regulations and the monitoring agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations.

***10. Our manufacturing facilities are dependent on adequate and uninterrupted supply of electricity, water, gas, and fuel. Any shortage or disruption in electricity, water, or fuel supply may lead to disruption in operations, higher operating cost, and consequent decline in our operating margins.***

Adequate and cost-effective supply of electrical power, water, and fuel is critical to operations at our manufacturing facilities. We primarily rely on the state electricity boards through a power grid for the supply of electricity. The table below provides details of our power and fuel costs as a percentage of our revenue from operations for the periods indicated:

Particulars	For the Period ended September 30, 2024		For the fiscal year ended March 31					
			2024		2023		2022	
	Amount (₹ in Lakhs)	% of Revenue from operation	Amount (₹ in Lakhs)	% of Revenue from operation	Amount (₹ in Lakhs)	% of Revenue from operation	Amount (₹ in Lakhs)	% of Revenue from operation
Power and Electricity Cost	20.43	0.19%	40.92	0.25%	29.20	0.20%	21.14	0.27%

Since there may be power cuts in the supply provided by the state electricity board from time to time, we have stand-by diesel generator sets for our operations to ensure that there is no stoppage in our production. Power costs represent a portion of our operating costs. If the per unit cost of electricity is increased by the state electricity boards our power costs will increase. It may not be possible to pass on any increase in our power costs to our customers and the end user, which may adversely affect our profit margins.

Our operations and facilities are also dependent on a steady and stable supply of water. An irregular or interrupted supply of water could adversely affect our daily operations. If there is an insufficient supply of water to satisfy our requirements or a significant increase in prices, we may need to limit our manufacturing facilities, which could adversely affect our business, financial condition, and results of operations. We cannot assure you that we will always have access to sufficient supplies of water in the future to accommodate our manufacturing requirements and planned growth.

In addition to the manufacturing losses that we would incur in the absence of a supply of electrical power or water, we would not be able to immediately return to full manufacturing volumes following power interruptions, however brief. Any interruption of power, even if short, could give rise to inefficiencies when we resume production. While there have not been any material disruptions in the supply of electricity, water, gas, and fuel faced by our Company in the September 30, 2024 and last three Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022, there can be no assurance that such instances will not occur in future which may have an adverse impact on our business, results of operations and financial condition.

***19. The activities carried out at our manufacturing facilities, can cause injury to people or property in certain circumstances.***

The activities carried out at our manufacturing facilities may be potentially dangerous to our employees. While we provide a safe and healthy working environment which is compliant with applicable occupational health and safety management system and environmental management system regulations, there is a risk that an accident may occur at our manufacturing facilities.

An accident may result in personal injury to our employees, or the labour deployed at our manufacturing facilities, destruction of property or equipment, manufacturing or delivery delays, environmental damage, or may lead to suspension of our operations and/or imposition of liabilities. We have not encountered any fatalities or any employee injuries in the last three Fiscals and in the current Fiscal until the date of the Draft Red Herring Prospectus. However, any such future accident may result in litigation, the outcome of which is difficult to assess or quantify, the cost to defend such litigation can be significant and our insurance may not be sufficient to provide complete coverage. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, results of operations, financial condition, cash flows and future prospects.

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

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

The occurrence of any of the above events could result in a suspension of operations and the imposition of civil or criminal liabilities. We may also face claims and litigation, in India or overseas, filed on behalf of persons alleging injury predominantly as a result of occupational exposure to hazards at our manufacturing facilities. If these claims and lawsuits, individually or in the aggregate, are resolved against us, our business, results of operations and financial condition could be adversely affected.

***20. We have witnessed negative cash flow from operating activities in the past. Any negative cash flows in the future would adversely affect our cash flow requirements, which may adversely affect our ability to operate our business and our financial condition.***

We have in the three preceding Fiscal Years, and may in future, experience negative cash flows from Operating activities. Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flow, it may adversely affect our business and financial operations. We experienced negative cash flows in the following periods as indicated in the table below:

(₹ in lakhs)

Particulars	Year ended September 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Net cash (used in)/ Generated from operating activities	166.77	(357.06)	514.46	(101.67)
Net Cash Flow from/ (used in) Investing Activities	(687.41)	(2,083.14)	(204.11)	(163.49)
Net Cash Flow from/ (used in) Financing Activities	630.63	2,479.50	(346.73)	248.81

We cannot assure you that our net cash flows will be positive in the future. Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, prospects, results of operations and financial condition may be materially and adversely affected. For further details, see “*Restated Financial Statements*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 216 and 279, respectively.

**21. Conflict of interest may arise as some of our Promoter Group entities are authorized to carry on similar line of business as our Company which may lead to real or potential conflicts of interest for our Promoters or Directors.**

Our Promoter group entities namely, M/s Paras Trans Elec stampings (Partnership), M/s Convolt Technologies (Partnership) and M/s Paras Resources are engaged in a business similar to ours. For instance, our Promoter group entities are engaged in the similar line of business. Therefore, there may be conflict of interest in allocating business opportunities between us. We cannot assure you that there will not be any conflict of interest between our Company and promoter group entities in future. However, we have entered into any non-compete agreements with such promoter group entities. While necessary procedures and practices may be will be adopted as per non-compete agreement and as permitted by law to address any instances of conflict of interest, if and when they may arise, we cannot assure you that these or other conflicts of interest will be resolved in an impartial manner.

**22. A downgrade in our credit rating could adversely affect our ability to raise capital in the future.**

Our Company has received “ACUITE BBB-; Stable for long term bank facilities” and “ACUITE A3; for short term bank facilities” credit rating from Acuité Ratings & Research Ratings Limited and “CARE BB; Stable for long term bank facilities” and “CARE A4; for short term bank facilities” credit rating from Care Ratings Limited, However, CARE BB and CARE A4, “Issuer not Cooperating” was withdrawn at later, refer below tables for more details:

Particulars	February 15, 2024		March 11, 2019		June 28, 2019	
	Long term instruments	Short term instruments	Long term instruments	Short term instruments	Long term instruments	Short term instruments
Ratings	ACUITE BBB-	ACUITE A3	CARE BB; Stable; ISSUER NOT COOPERATING	CARE A4; ISSUER NOT COOPERATING	Withdrawn of CARE BB; Stable; ISSUER NOT COOPERATING	Withdrawn of CARE A4; ISSUER NOT COOPERATING
Rating agency	Acuité Ratings & Research Limited		CARE Ratings Limited		CARE Ratings Limited	

Our Company is under the process of taking credit rating from the Infomerics Valuation and Ratings Private Limited, for bank loan which are intended to measure our ability to meet our debt obligations, are a significant factor in determining our finance costs. A downgrade of our credit ratings could lead to greater risk with respect to refinancing our debt and would likely increase our cost of borrowing and adversely affect our business, results of operations, financial condition, cash flows and future prospects. Except mentioned above there were no instances in the past.

**24. Our Company benefits from certain export benefits and other local state government incentives which are subject to the policies and decisions of the Government. Any reduction in or termination of incentives/subsidies/schemes we enjoy or change in other favorable government policies resulting in reduction or termination of incentives/subsidies/schemes may affect our business, financial condition, cash flows and results of operations.**

We have availed of benefits in relation to our operations under certain export promotion schemes such as the Duty Drawback Scheme, Remission of Duties and Taxes on Exported Products (RoDTEP) and Export Promotion Capital Goods (EPCG). In accordance with the licensing requirements outlined in the EPCG scheme, we are permitted to import capital goods in India required for export production without the payment of custom duty, provided we export goods from India worth a defined amount within a certain period of time. In the event that we fail to fulfill these export obligations in full and within the stipulated time period, we may have to pay the Government of India a sum equivalent to the

duty enjoyed by us under the scheme that is proportionate to the unfulfilled obligations, along with interest.

As of the date of the Draft Red Herring Prospectus, our Company has a pending average export obligation of ₹1032.20 Lakhs under the EPCG Scheme, which we are expected to fulfil by the year-end. Additionally, a liability ₹59.30 Lakhs may arise concerning customs duty under the EPCG Scheme, representing the duty saved in case of non-fulfilment of export obligations.

Annual Overview Average Export Performance and Obligation Fulfilment:

Financial Year	Average 'Export Obligation' Amount (₹ in Lakhs)	Shortfall of Last Year (₹ in Lakhs)	Opening Export Obligation (₹ in Lakhs)	Export Fulfilled (Fob Value) Amount (₹ in Lakhs)	Shortfall at end of Year Amount (₹ in Lakhs)
2022-23	791.54	-	791.54	1,030.87	-
2023-24	791.54	-	791.54	819.46	-
2024-25	3,088.23	-	3,088.23	2056.03	1032.20

Performance Review of Export Fulfilment and Compliance with EPCG Guidelines:

EPCG License No.	Date	Duty Saved Amount (₹ in Lakhs)	Required Export Obligation Amount (₹ in Lakhs)	Export Sales fulfilled till March 31, 2024 Amount (₹ in Lakhs)	Pending Export Obligation Amount (₹ in Lakhs)
3431003409	February 22, 2023	52.30	313.83	323.06	-
3431003410	February 22, 2023	27.98	167.86	187.41	-
3431005238	July 31, 2024	18.89	113.35	-	113.35
3431005518	October 09, 2024	40.41	242.44	-	242.44

To avail of these benefits, we are required to comply with specific conditions set by the respective authorities. For instance, under the RoDTEP, all manufacturer exporters are eligible to avail of the benefits subject to the condition that the exported products should have India as their country of origin. We are exposed to the risk of failure to meet the underlying conditions of such benefit schemes.

Any newly introduced or revised policies in relation to the benefits availed of by us issued by relevant authorities, may deprive us of our existing benefits. We cannot predict the current or future initiatives of the governments and relevant authorities and there can be no assurance that we will continue to enjoy the mentioned subsidies and incentives. We may not be able to comply with the obligations and stipulations that would allow us to avail ourselves of such benefits or concessions, and consequently, we may lose such benefits and concessions. If there is a failure to adhere to any criteria while availing of benefit, it could also result in the reversal of benefits, potentially leading to the imposition of interest and penalties as outlined in the pertinent scheme. Further, any failure to meet the obligations under such schemes may result in an adverse effect on our business operations and our financial condition. In the FY 2024-25 we have not fulfilled export obligation as we have mentioned in above table. While we have not faced any instances of failures to meet such conditions or breached any terms of the government schemes in Fiscals 2024, 2023 and 2022, there can be no assurance that such instances will not occur in the future.

***25. We are exposed to counterparty credit risk and any delay in receiving payments or non-receipt of payments may adversely impact our results of operations.***

Due to the nature of, and the inherent risks in, the informal arrangements with our clients', we are subject to counterparty credit risk and a significant delay in receiving large payments or non-receipt of large payments may adversely impact our results of operations. Our operations involve extending credit to our clients in respect of the sale of our products and consequently, we face the risk of uncertainty regarding the receipt of these outstanding amounts. For the period ended September 30, 2024, and for the Fiscals 2024, 2023, and 2022, our trade receivables were ₹ 2,555.38 Lakhs, ₹2,521.70 Lakhs, ₹2,112.83 Lakhs, and ₹1,376.01 Lakhs, respectively. The table below provides details of amount written off by us in relation to non-collection of payment from business associates as a percentage of total sales of our products:

Particulars	For the period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Amount written-off in relation to non-collection of payment from clients' (₹ Lakhs)	-	-	91.56	113.41
As a percentage of total sales of our products (%)	-	-	0.64%	1.47%

There is no assurance that we will accurately assess the creditworthiness of our clients'. Further, macroeconomic conditions which are beyond our control, such as a potential credit crisis in the global financial system, could also result in financial difficulties for our business associates, including limited access to the credit markets, insolvency, or bankruptcy. Such conditions could cause our business associates to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. Timely collection of dues from business associates also depends on our ability to complete our contractual commitments and subsequently bill for and collect from our clients. If we are unable to meet our contractual obligations, we may experience delays in the collection of, or be unable to collect, our customer balances, which could adversely affect our results of operations and cash flows.

***30. Non-compliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, results of operations and financial condition***

Our operations are subject to safety, health, environmental, and other regulatory requirements imposed by national, state, and local authorities. Non-compliance with existing laws and regulations could result in the imposition of significant fines, penalties, revocation of licenses, suspension of operations, or reputational damage, any of which could materially and adversely affect our business, financial condition, and results of operations. Furthermore, regulatory standards and environmental laws are becoming increasingly stringent. Any changes in applicable regulations or their interpretation could require us to incur substantial additional costs for compliance, modification of our facilities or processes, or could restrict our operational flexibility. Failure to anticipate, adapt to, or comply with such changes in a timely manner could adversely impact our operational efficiency, profitability, and future growth.

***31. Requirement of Certain Licenses, Permits, and Approvals in the Ordinary Course of Business.***

Our operations are subject to numerous regulatory requirements, and we are required to obtain, maintain, and periodically renew various licenses, permits, and approvals from governmental and regulatory authorities in the ordinary course of our business. Any failure to obtain, renew, or comply with the conditions of these licenses and permits in a timely manner could result in the interruption of our operations, imposition of fines, penalties, or other regulatory actions, all of which could materially and adversely affect our business, financial condition, and results of operations. Additionally, changes in applicable laws, regulations, or the interpretation thereof could impose additional compliance obligations, requiring significant costs and efforts. There can be no assurance that we will be able to

obtain or maintain all necessary approvals without facing delays, disputes, or unforeseen requirements, which could adversely impact our growth plans and operational stability.

### ***32. Risks Associated with Importing Plant and Machinery for Expansion from China.***

Our plant and machinery required for the expansion may need to be imported from China, adding complexity to procurement and logistics processes. Any delay in the transportation of such assets or damage to the assets acquired due to inter alia defaults by transportation agencies may further result in cost and time overruns. The estimated costs for setting up the plant, machinery and equipment are based on the management's estimates and current conditions which are subject to change, owing to prospective changes in external circumstances, costs and other financial conditions. However, the Company will monitor these risks to mitigate any potential impact on the expansion timeline and associated cost.

Further, there are increasing concerns regarding a potential slowdown in the Chinese economy, coupled with ongoing geopolitical tensions and strained trade relations between China and India. These developments could disrupt the import of plant and machinery, delay deliveries, or result in stricter import regulations or higher duties. In the event of such disruptions, we may be compelled to source similar equipment from alternative vendors, potentially at higher costs. This could lead to increased capital expenditure, adversely affect our financial planning, and result in delays due to extended procurement timelines.

### ***33. Our Company has an in-house testing laboratory to conduct CRGO and CRNGO steel coils raw material sample testing. If we fail to test the quality of raw material as required, our business, financial condition, cash flows and operations will be adversely affected.***

Our company has an in-house testing laboratory to conduct raw material like CRGO and CRNGO steel coils sample testing. After receipt of raw material coils at our premises, inspection is carried out for the order lot received. Sample of each coil is subject to physical checks as well as testing of important electrical and mechanical properties of the material. If a raw material coil passes inspection, it goes into Company inventory, otherwise a complaint is raised to the supplier and accordingly take necessary action like raise debit note etc. If for any reason, the supplier denies registering the complaint and does not take any action on it to replace the defect in material, this will hamper and delay our production and the quality of the product, and our revenue and results of operations may be adversely affected. However, as of the date of this Draft Red Herring Prospectus, there have been no such instances in the past three financial years and for the period ended September 30, 2024.

We cannot assure that our laboratory will be in accordance with any inspection standards in future due to any unavoidable reasons thereof due to which production of our product will be hampered and delay and thus our revenue and results of operations may be adversely affected. We also cannot assure that we will be able to test and check the quality of raw material in an efficient manner on a continuous basis in future, if we fail to test the same, our revenue and results of operations may be adversely affected. However, as of the date of this Draft Red Herring Prospectus, there have been no such instances in the past three financial years and for the period ended September 30, 2024.

### ***34. There have been some instances of delays in filing of statutory forms and regulatory dues in the past with the various government authorities.***

As of March 31, 2024, 2023, and 2022, the number of permanent employees was 198, 189, and 200, respectively. In the past, there have been some instances of delays in filing statutory forms and regulatory dues with government authorities such as ESIC, PT, GST returns and TDS dues. Accordingly, we have been subjected to penalty and charged with interest for delayed deposit of tax on those instances as well. Such delays were mainly on account of technical glitches of server on the regulatory website and higher data collation timelines etc. While our Company has already regularized the aforesaid delays, however, there can be no assurance that the regulator may not initiate proceedings against us or that we will be able to sufficiently defend against any action initiated by regulators in relation to regulatory compliances

for all instances and periods. Any adverse order passed, or penalty imposed by regulators on us may adversely affect our business and the results of operations. However, as of the date of the Draft Red Herring Prospectus, there have been no such instances in the past three years and for the period ended September 30, 2024.

#### INSTANCES OF DELAY IN FILING ESIC RETURN:

INSTANCES OF DELAY IN FILING ESIC RETURN							
Sr. No.	F.Y.	Month	Amount (in Rs. Lakhs)	Due Date	Payment Date	No. of Days Delay	Reason
1	2021-22	October, 2021	0.61	November 15, 2021	November 18, 2021	3	Due to Covid Restrictions
2	2023-24	February, 2024	0.08	March 15, 2024	March 16, 2024	1	Due to technical glitches
3	2024-25	September, 2024	0.06	October 15, 2024	October 17, 2024	2	

#### INSTANCES OF DELAY IN FILING PT RETURN:

INSTANCES OF DELAY IN FILING PT RETURN							
Professional Tax (Vadodara)							
Sr. No.	F.Y.	Period	Amount (in lakhs)	Due Date	Payment Date	No. of Days Delay	Reason
1	2021-22	October to December	0.10	January 15, 2022	January 24, 2022	9	Due to operational, data collation and internal reconciliation between the departments
2		January 2022 to March 2022	0.10	April 15, 2022	April 16, 2022	1	
3	2022-23	April to June	0.08	July 15, 2022	July 21, 2022	6	
4		July to September	0.09	October 15, 2022	February 21, 2023	129	
5		October to December	0.08	January 15, 2023	February 21, 2023	37	
6	2023-24	April to June	0.18	July 15, 2023	November 30, 2023	138	
7		July to September		October 15, 2023	November 30, 2023	46	
8		January to March	0.10	April 15, 2024	May 29, 2024	44	
9	2024-25	April to June	0.06	July 15, 2024	October 22, 2024	99	
10		July to September	0.14	October 15, 2024	October 22, 2024	7	
Professional Tax (Por)							
Sr. No.	F.Y.	Month	Amount (in lakhs)	Due Date	Payment Date	No. of Days Delay	Reason
1	2021-22	October to December	0.62	15-01-2022	24-01-2022	9	Due to operation

INSTANCES OF DELAY IN FILING PT RETURN							
Professional Tax (Vadodara)							
2		January to March	0.68	15-04-2022	16-04-2022	1	al data collation and internal reconciliation between the departments
3	2022-23	April to June	0.45	15-07-2022	21-07-2022	6	
4		July to September	0.49	15-10-2022	21-02-2023	129	
5		October to December	0.47	15-01-2023	21-02-2023	37	
6	2023-24	April to June	0.51	15-07-2023	08-12-2023	146	
7		July to September	0.58	15-10-2023	08-12-2023	54	
8		January to March	0.59	15-04-2024	31-05-2024	46	
9	2024-25	April to June	0.36	15-07-2024	11-11-2024	119	
10		July to September	0.81	15-10-2024	11-11-2024	27	

#### INSTANCES OF DELAY IN FILING GSTR3B RETURN:

Sr. No.	Financial Year	Month	Due date	Amount (in lakhs)	Payment date	No. of days delay	Reason
1	2021-2022	April, 2021	May 20, 2021	0.13	May 25, 2021	5	Due to COVID-19 restrictions.
2		May, 2021	June 20, 2021	0.30	June 30, 2021	10	
3	2022-2023	August, 2022	September 20, 2022O	0.75	September 21, 2022	1	Due to technical glitches and server issues.
4	2023-24	October, 2024	November 20, 2024	1.78	November 21, 2024	1	

#### INSTANCES OF DEFAULT IN PAYMENT OF TDS:

INSTANCES OF DEFAULT IN PAYMENT OF TDS					
Sr. No.	F.Y.	No. of Instances of Delay	Amount (in lakhs)	No. of Months Delay	Reason
1	2021-22	7	2.98	1 to 3	Due to operational challenges and internal reconciliation there has been a delay in filing of TDS returns.
2	2022-23	7	1.21	1	
3	2023-24	17	2.07	1 to 14	



The Board of Directors of our company has taken note of these delays in fulfilling our statutory and regulatory obligations. Our company has appointed designated employees responsible for monitoring statutory requirements and ensuring timely compliance of the same. A compliance calendar has been established to track deadlines for filings, approvals, and submissions to regulatory bodies. There can be no assurance that delays or default with respect to payment of statutory and regulatory dues will not occur in the future which in turn may affect our reputation and financial results.

***37. We enter into certain related party transactions in the ordinary course of our business, and we cannot assure you that such transactions will not have an adverse effect on our results of operation and financial condition.***

We have entered into transactions with related parties in the past and from, time to time, we may enter into related party transactions in the ordinary course of business. These transactions include sale(s), purchase(s), rentals, interest expenses, short term borrowings, long term borrowings, remuneration paid to KMPs and Directors, sitting fees payable to Directors, reimbursement of expenses. While our Company confirms that all such transactions have been conducted on arms-length basis and is in compliance with the Companies Act, 2013 and other applicable laws, there can be no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that our company will enter into related party transactions also in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. While all such related party transactions that we may enter into post-listing will be subject to an approval by our Audit Committee, Board, or Shareholders, as required under the Companies Act and the SEBI (LODR) Regulations. Such related party transactions in the future or any other future transactions may potentially involve conflicts of interest which may be detrimental to the interest of our Company, and we cannot assure you they will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects.

***38. Failure to identify evolving industry trends and changes in technology and to develop new products to meet customers' demands may affect our business by making our manufacturing facilities or equipment less competitive.***

Our profitability and competitiveness are to a certain extent dependent on our ability to respond to technological advances and emerging industry standards/trends and practices on a cost-effective and timely basis. Changes in technology may make newer generation manufacturing equipment more competitive than ours or may require us to make additional capital expenditures to upgrade our manufacturing facilities. Our inability to continue to invest in new and more advanced technologies and equipment, may result in our inability to respond to emerging industry standards/trends and practices in a cost-effective and timely manner that is competitive with other manufacturing companies. The development and implementation of such technology entails technical and business risks. However, as of the date of the Draft Red Herring Prospectus, there have been no such instances in the past three years and for the period ended September 30, 2024, we cannot assure you that we will be able to successfully implement new technologies or adapt our processing systems to emerging industry standards. If we are unable to adapt in a timely manner to changing market conditions or technological changes, our business and financial performance could be adversely affected.

Further our success depends on our ability to develop new products to meet the emerging industry trends requirements. Our success is dependent on our ability to identify and respond to the economic, technological, and other developments that affect demographic and end-customer preferences in the variety of our product categories. We cannot assure you that our future product development initiatives will be successful or be completed within the anticipated period or budget, or that our newly developed or improvised products will achieve wide market acceptance from our customers. In addition, there can be no guarantee that the time and effort that we spend in developing these products would be beneficial to our Company. This could also adversely affect our ability to pursue our growth strategy of continuing to develop niche and products to grow our market share.

***39. We may face pricing pressure from our customers, which could adversely affect our gross margins, profitability, and product pricing.***

Our customers often pursue price reduction initiatives, we may be required to reduce prices to retain business from a particular customer or to increase our overall wallet share from an existing customer. Our business is capital intensive, requiring us to maintain a substantial fixed asset base. Our profitability is dependent, in part, on our ability to spread fixed costs over higher sales volume. However, we may not be able to spread such fixed costs effectively as our customers generally negotiate for larger discount in price as the volume of their orders increases. To maintain our profit margins, we seek price reductions from our suppliers, improve production processes to increase manufacturing efficiency and streamline product designs to reduce costs.

Any inability to absorb such pricing reductions or renegotiate favorable terms could adversely impact our gross margins, profitability, cash flows, and financial condition. Our dependence on a concentrated set of customers further exacerbates this risk, as pricing pressures from one or more key customers could significantly affect our financial performance. As of the date of the Draft Red Herring Prospectus, there have been no material adverse pricing pressures experienced on our products. However, there is no assurance that this situation will not change in the future.

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

As of March 18, 2025, we had total outstanding borrowings of ₹ 6,011.73 Lakhs which comprise of Long term borrowing of ₹ 1925.87 and short-term borrowings of ₹4,085.86 Certain financing arrangements entered into by us include conditions that require our Company to obtain respective lenders' consent prior to carrying out certain activities and entering into certain transactions. These covenants vary depending on the requirements of the financial institution extending such loans and the conditions negotiated under each financing agreement.

Terms and conditions relating outstanding loans take from lenders viz. Bank of Baroda Limited and ICICI Bank Limited:

1. listing of the shares of the Company on any of the stock exchange;
2. changing capital structure and / or control or alteration of the shareholding pattern of the Company, including changes in the shareholding of the promoter of the Company below the thresholds prescribed under the Financing Agreements;
3. changing the composition of its board of directors, including any reconstitution of the board of directors of the Company;
4. change in the remuneration provided to the directors of the Company;
5. changing the management set-up of the Company;
6. modification of the memorandum of association and the articles of association of the Company to inter-alia ensure compliance with the requirements of the stock exchanges and the Securities and Exchange Board of India, including any amendments to the rights that you may have under the memorandum of association and articles of association of the Company;
7. repayment or prepayment of all or a portion of the loans availed by the Company or undertaking any future expansions or projects (utilizing the proceeds of the Issue);
8. reducing or diluting or permitting sale, transfer or disposal of the shareholding of the promoter and/or promoter group in the Company.

We have received NOC from our secured lenders from Bank of Baroda Limited and ICICI Limited. The restrictive covenants may affect some of the rights of our Shareholders.

Our Company in the past have been in compliance with financial covenants specified under such arrangements.

As of the date of the Draft Red Herring Prospectus, none of our lenders have issued any notice of default or required us to repay any part of our borrowings on account of any non-compliance. However, there can be no assurance that our lenders will not, in the future, seek to enforce their rights in respect of any past, present, or future breaches or that we will be able to obtain waivers from any or all lenders. In the absence of waivers for any non-compliance of the covenants, we may continue to be in default of the covenants and our lenders have the right to, among others, declare all amounts outstanding under the relevant loan agreements immediately due and payable together with accrued and unpaid interest (which could result in up to all our outstanding borrowings becoming due and payable) or to convert the loan into equity shares. An inability to comply with the covenants under our financing arrangements or to obtain necessary consents/ waivers may lead to acceleration of amounts due under such facilities and triggering of cross default provisions. If the obligations under any of our financing documents are accelerated, we may have to dedicate a portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. In addition, during any period in which we are not compliant with any of the covenants under our financing agreements, we may be unable to raise or face difficulties raising further financing. Such non-compliances with loan covenants by the Company would constitute an event of default under the relevant financing agreements which could further trigger cross-defaults under other loan agreements, and would entitle the respective lenders to declare a default against our Company and enforce remedies under the terms of the financing documents, that include, among others, acceleration in repayment of the amounts outstanding under the financing documents, the right to convert the loan into equity, enforcement of any security interest created under the financing documents, and taking possession of the assets given as security in respect of the financing documents. If the lenders of a material amount of the outstanding loans declare an event of default simultaneously, our Company may be unable to pay its debts when they fall due.

***45. Any future issuance of Equity Shares, or convertible securities or other equity linked securities by the Company and any sale of Equity Shares by significant shareholders may dilute shareholding and adversely affect the trading price of the Equity Shares.***

Any future issuance of Equity Shares, convertible securities, or other equity-linked instruments by the Company could dilute the ownership interest of existing shareholders and may adversely affect the trading price of our Equity Shares. In addition, any sale of a substantial number of Equity Shares by our significant shareholders, or the perception that such sales may occur, could also negatively impact the market price of our Equity Shares. We may require additional capital in the future to fund our growth plans, meet working capital requirements, or for other corporate purposes, and such capital may be raised through equity or equity-linked offerings. There can be no assurance that any future issuances or sales will not materially and adversely affect the market price of our Equity Shares or the interests of existing shareholders.

***56. Our Company has a high debt-to-equity ratio, which exposes us to risks associated with leverage and may adversely affect our business, financial condition, and results of operations.***

The Company relied on debt for its growth and operations, resulting in a high debt-to-equity ratio in three years. To meet the working capital requirements, the Promoter/Director initially provided the debt to support the Company's rapid expansion. Our Company has historically operated with a relatively high debt-to-equity ratio. High levels of debt expose us to various risks, including increased interest obligations, refinancing risks, and reduced financial flexibility to fund future business needs or respond to changing business conditions.

The table below the debt-to-equity ratio for the past 3 financial years and For the period ended:

Ratio	For the period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Debt-Equity ratio	2.63	3.63	2.83	1.92

An increase in borrowing costs, inability to generate sufficient cash flows to meet repayment obligations, or any failure to comply with the terms and conditions of our financing agreements may adversely impact our operations and financial stability. Additionally, our high leverage could restrict our ability to obtain additional financing in the future on favourable terms or at all.

Any deterioration in our ability to service our existing debt could adversely affect our reputation, business operations, cash flows, financial condition, and results of operations.

***67. Small part of our revenue is from job work and also we have not entered into any type of agreement with Job work parties.***

The job work income is 0.90%, 1.29%, 0.99% and 1.36% of our revenue from operations are on restated financial statement for the period ended September 30, 2024, for the fiscals 2024, 2023 and 2022, respectively. There is no assurance that we will be able to get the job work from companies in future, as they themselves may decide to do in-house manufacturing of the work they outsource to us. The loss of this income from job work will have minor effect on our business and results of operations. The table provided below sets out the revenue from our job works customers, including as a percentage of our revenue from operations are on restated financial statement, for the period mentioned below:

Particulars	For the period ended		For the fiscal year ended March 31					
	September 30, 2024		2024		2023		2022	
	Amount (₹ in Lakhs)	% of Revenue from operation	Amount (₹ in Lakhs)	% of Revenue from operation	Amount (₹ in Lakhs)	% of Revenue from operation	Amount (₹ in Lakhs)	% of Revenue from operation
Job Work	96.01	0.90%	210.25	1.29%	146.01	0.99%	108.20	1.36%

Further, increase in competition may lead to our competitors establishing exclusive arrangements with our customers due to which we may lose our customers. Additionally, to compete effectively in the manufacturing industry, we must be able to fulfil our customers' changing preferences in a timely manner. Price and time for performance resulting from such changes are equitably adjusted by our customers based on supply of documentation in such form and detail as required by them. Consequently, we are exposed to the risk that our submissions or requests as to price adjustments or delivery schedules or otherwise may not be agreed to by our customers or our customers may not accede to provide consents sought by us. Any such significant operational constraint may adversely affect our business, financial condition, results of operations and cash flows. However, there were no past instances in last three years and for the period ended September 30, 2024. We cannot assure you that the delays or disruption in the supply of product requirements or failure to meet their obligations in the future or that we will be able to adequately address such delays, disruptions and non-availability of supply of products adequately and in a timely manner, which in turn could impact our revenues of operations.

## SECTION – IV-INTRODUCTION

### CAPITAL STRUCTURE

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

*(2) Promoter Selling Shareholders confirms that the Offered Shares have been held by such Promoter Selling Shareholders for a period of at least one year prior to filing of the Draft Red Herring Prospectus in accordance with the SEBI ICDR Regulations and accordingly, are eligible for the Offer in accordance with the provisions of the SEBI ICDR Regulations. For details on the authorization of the Promoter Selling Shareholders in relation to the Offered Shares, see “Other Regulatory and Statutory Disclosures” on page 299.*

#### **Other requirements in respect of ‘lock-in’**

In terms of Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters and locked-in for a period of six months from the date of Allotment in the Offer may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock in in the hands of transferees for the remaining period and compliance with the Takeover Regulations. However, it should be noted that the Offered Shares which will be transferred by the Promoter Selling Shareholders in the Offer for Sale shall not be subject to lock-in.

## SECTION V – PARTICULARS OF THE OFFER

### OBJECTS OF THE OFFER

#### Basis of estimation of working capital requirement

#### Rationale for the increase in working capital requirements:

The increase in working capital requirements was driven by the growth in revenue from operations. Revenue from operations rose from ₹7,935.16 lakhs in FY 2022 to ₹16,350.07 lakhs in FY 2024. Consequently, this growth led to an increase in inventories, trade receivables, and trade payables resulting in increased working capital requirements.

Our business relies heavily on the ability to deliver orders on time, which can only be achieved by keeping the required stock levels. By maintaining higher inventory levels, we are positioned to ensure an uninterrupted supply chain, seize new business opportunities, and cater to a broader customer base. This approach not only supports customer acquisition but also enhances realization from existing clients. Holding higher stock levels enables us to meet the varied requirements of our customers, strengthening our position as their preferred supplier.

#### (b) Future Working Capital

The estimates of the working capital requirements for the Financial Year 2025, 2026 and 2027 have been prepared based on the management estimates of future financial performance. The projection has been prepared using set of assumptions that include assumptions about future events and management's action that are not necessarily expected to occur. On the basis of existing and estimated working capital requirement of our Company on an audited standalone basis, and assumptions for such working capital requirements, our Board pursuant through its resolution dated March 17, 2025 has approved the projected working capital requirements for the Financial Year 2025, 2026 and 2027 and the proposed funding of such working capital requirements as set forth below:

(₹ in Lakhs)			
Particulars	For the year ended March 31, 2027 (Estimated)	For the year ended March 31, 2026 (Estimated)	For the year ended March 31, 2025 (Estimated)
<b>Current Assets</b>			
Trade Receivables	5,150.00	4,350.00	3,551.50
Work-in-progress and Inventories	4,800.00	4,000.00	3,196.00
Loans and Advances	685.00	530.04	379.02
<b>Total Current Assets (A)</b>	<b>10,635.00</b>	<b>8,880.04</b>	<b>7,126.52</b>
<b>Current Liabilities</b>			
Trade payables	1,000.05	850.00	715.10
Other current liabilities	175.00	150.00	80.30
Short-term Provisions	600.24	500.00	530.60
<b>Total Current Liabilities (B)</b>	<b>1,775.29</b>	<b>1,500.00</b>	<b>1,326.00</b>
<b>Net Working Capital Requirements (A-B)</b>	<b>8,859.71</b>	<b>7,380.05</b>	<b>5,800.52</b>
<b>Source of funds</b>			
Borrowings	3,300.00	3,500.00	4,100.00
Internal Accruals	3,859.71	2,380.05	1,700.52
<b>IPO proceeds</b>	<b>1,700.00</b>	<b>1,500.00</b>	<b>-</b>

#### Holding levels and key assumptions for working capital requirements:

The following table sets forth the details of the holding period (with days rounded to the nearest whole number) considered for the period ended September 30, 2024, Fiscal 2024, 2023 and 2022, based on financial statements, as well as estimated for Fiscal 2025, 2026 and 2027.

Particulars	For the year ended March 31, 2027 (Estimated)	For the year ended March 31, 2026 (Estimated)	For the year ended March 31, 2025 (Estimated)	For the period ended September 30, 2024 (Restated)	For the year ended March 31, 2024 (Restated)	For the year ended March 31, 2023 (Restated)	For the year ended March 31, 2022 (Restated)
Work-in-progress and Inventories	48	47	44	55	42	43	68
Trade Receivables	51	51	49	44	52	43	63
Trade Payables	13	13	14	26	16	19	24

#### Key justifications for holding levels

Particulars	Justification
Work-in-progress and Inventories	<p>In FY 2022, Inventory days was 68 days which decreased to 43 days in FY 2023 and then further decreased to 42 days in FY 2024. This decrease was as a result of better inventory management.</p> <p>The inventory days increased to 55 days for the period ended September 30, 2024.</p> <p>We estimate inventory levels of 44 days in FY 2025, 47 days in FY 2026 and 48 days in FY 2027 and same are based on anticipated growth.</p> <p>Our business relies heavily on the ability to deliver orders on time, which can only be achieved by keeping the required stock levels. By maintaining higher inventory levels, we are positioned to ensure an uninterrupted supply chain, seize new business opportunities, and cater to a broader customer base. This approach not only supports customer acquisition but also enhances realization from existing clients. Holding higher stock levels enables us to meet the varied requirements of our customers, strengthening our position as their preferred supplier.</p>
Trade Receivables	<p>In FY 2022, Trade receivables days was 63 days which decreased to 43 days in FY 2023 and then increased to 52 days in FY 2024.</p> <p>The trade receivables days was 44 days for the period ended September 30, 2024.</p> <p>The company intends to maintain trade receivables days in the range of 49 to 51 days for FY 2025 to 2027.</p> <p>With the expansion of business operations, we have improved the efficiency of our debtor collection processes. This enhanced approach to receivables management has contributed positively to cash flow and is expected to be sustained going forward.</p>
Trade Payables	<p>In FY 2022, Trade payables days was 24 days which decreased to 19 days in FY 2023 and then further decreased to 16 days in FY 2024. Historically, company's trade payable days have been at lower levels due to lower credit period provided by the suppliers.</p>

Particulars	Justification
	<p>The trade payables days was 26 days for the period ended September 30, 2024.</p> <p>The company anticipates trade payables days in the range of 13 to 14 days for FY 2025 to 2027 based on lower credit period offered by the suppliers.</p> <p>The decrease in trade payable days is primarily attributable to the increased volume of raw material imports, which typically require substantial upfront payments. This shift in procurement strategy has consequently reduced the payable days.</p>

***3. Repayment and/or pre-payment, in part or full, of certain borrowings availed by our Company:***

We confirm that in respect of any of the above-mentioned loans, there have been no instances of delays, defaults and rescheduling / restructuring of our borrowings or loans.



## SECTION VI – ABOUT THE COMPANY

### OUR BUSINESS

#### OVERVIEW

Our company is engaged in the business of manufacturing electrical steel products like Transformer Laminations, Assembled Cores, Toroidal Cores, and Slit Coils using Cold Rolled Grain Oriented (“**CRGO**”) and Cold Rolled Non-Grain Oriented (“**CRNGO**”) steel. We cater to domestic and international markets. These products serve as essential transformer components that enhance transformer efficiency by reducing energy losses through low hysteresis and eddy currents. They ensure optimal performance in various transformers used for power transmission and distribution. We provide customised solutions to our clients based on their specific design requirements for transformers. Our sales to our customers happen to direct channel and no distributors are involved. Over the past three decades, we have continuously improved our processes to deliver quality components that support efficient transformer performance.

#### Industry wise Revenue Bifurcation:

The revenue bifurcation from sales made to transformer companies and power equipment companies for the last three financial years and for the period ended September 30, 2024, as set out below:

(₹ in lakhs)

Particulars	For the Period ended September 30, 2024	FY 2023–24	FY 2022–23	FY 2021–22
Transformers	10,324.08	15,834.58	14,132.79	7,603.92
Power Equipment Companies	105.23	150.44	260.49	110.16
<b>Total Revenue from sale of products</b>	<b>10,429.31</b>	<b>15,985.02</b>	<b>14,393.28</b>	<b>7,714.08</b>

Our revenue bifurcation based on repeat orders and new orders for the past 3 financial years and period ended September 30, 2024 is:

(₹ in Lakhs)

Particulars	For the period ended September 30, 2024		For the year ended March 31, 2024		For the year ended March 31, 2023		For the year ended March 31, 2022	
	Revenue of Operations	% of Revenue of Operations	Revenue of Operations	% of Revenue of Operations	Revenue of Operations	% of Revenue of Operations	Revenue of Operations	% of Revenue of Operations
Repeat Orders	10,327.07	97.18%	15,165.84	92.76%	10,897.34	73.60%	5,990.78	75.50%
New Orders	300.10	2.82%	1,184.23	7.24%	3,908.38	26.40%	1,944.38	24.50%
<b>Total</b>	<b>10,627.17</b>	<b>100.00%</b>	<b>16,350.07</b>	<b>100.00%</b>	<b>14,805.72</b>	<b>100.00%</b>	<b>7,935.16</b>	<b>100.00%</b>

#### OUR STRENGTHS-LONG STANDING RELATIONSHIP WITH CUSTOMERS

Particulars	For the period ended September 30, 2024			For the year ended March 31, 2024			For the year ended March 31, 2023			For the year ended March 31, 2022		
	Number of customers	Revenue of Operations	% of revenue of operations	Number of customers	Revenue of Operations	% of revenue of operations	Number of customers	Revenue of Operations	% of revenue of operations	Number of customers	Revenue of Operations	% of revenue of operations
0-2 years	26	719.63	6.77%	29	509.15	3.11%	29	254.89	1.72%	36	1,169.05	14.73%
2-4 years	19	4,541.99	42.74%	32	8,577.28	52.46%	46	8,297.58	56.04%	51	2,477.40	31.22%
More than 4 years	51	5,365.56	50.49%	59	7,263.64	44.43%	59	6,253.25	42.24%	50	4,288.70	54.05%
<b>Total</b>	<b>96</b>	<b>10,627.17</b>	<b>100.00%</b>	<b>120</b>	<b>16,350.07</b>	<b>100.00%</b>	<b>134</b>	<b>14,805.72</b>	<b>100.00%</b>	<b>137</b>	<b>7,935.16</b>	<b>100.00%</b>

### Increasing our Global Presence:

Our exports are done directly, and no distributors are involved in the process

### OUR LOCATION

All our lease deeds pertaining to our manufacturing facilities, Registered Office and corporate office are duly registered. The details of these locations are provided below:

Particulars	Address	Description	Land area sq mtrs	Built-up area Sq. mtrs	Relationship with Licensor
Unit I and Registered Office	96 GIDC Industrial Estate, Por-Ramangamdi, Por, Vadodara - 391 243, Gujarat, India.	The Lease Deed, executed on December 18, 1995, is for a duration of 99 (ninety) years, set to expire on November 31, 2094, and covers the Company's registered office and manufacturing facility.	1850 sq mtrs	914.31 Sq mtrs	On a leasehold arrangement with the Gujarat Industrial Development Corporation (GIDC).
Unit II	35 & 46 GIDC Industrial Estate, Por-Ramangamdi, Por, Vadodara - 391 243, Gujarat, India.	The Lease Deed, executed on August 25, 1999, is for a duration of 99 (ninety) years, set to expire on June 31, 2094, and covers the Company's and manufacturing facility.	2000 sq mtrs	2118.05 Sq. mtrs	On a leasehold arrangement with the Gujarat Industrial Development Corporation (GIDC).
Unit III	763 GIDC Industrial Estate,	The Rent Agreement, executed on August	705.51 sq mtrs	352.75 Sq. mtrs	On a leasehold arrangement with the Paras Trans

Particulars	Address	Description	Land area sq mtrs	Built-up area Sq. mtrs	Relationship with Licensor
	Makarpura, Vadodara - 390 010, Gujarat, India.	01, 2022, is for a duration of 44 (forty-four) years, set to expire on March 31, 2027, covers the Company's manufacturing unit.			Elec Stampings.
Unit IV	Sub Plot No. Div. "B", Atmiya-11 Industrial Park, block No.858/A, 990,991 & 1008 in the village of Por, Taluka and District Vadodara - 391 243, Gujarat, India.	The Agreement of Sale, dated September 11, 2023, pertains to both the company-owned unit and the proposed unit for expansion.	10223.59 sq mtrs	3436.29 Sq. mtrs	The property is owned by Elec Steel Processing Industries Limited.
Corporate office	103, Chandrakala Tower, Opp. Bhavan's School, Shri R.J.Marg, Vadodara - 390 004, Manjalpur, Gujarat, India.	The Lease Deed, executed on March 15, 2025, is for a tenor of 11 months, set to expire on November 30, 2025, covers the Company's Corporate Office.	148.65 Sq. mtrs	148.65 Sq. mtrs	On a leasehold arrangement with Paras Resources.
Office	Moje-Makarpura, R S No.152 ,Hypeshot No.02 GF and FF, Near Kataria Showroom, Vadodara – 396 195, Gujarat, India.	The Sale Deed executed on May 20, 2024, pursuant to Agreement of Sale, dated March 10, 2021.	143.98 Sq. mtrs	143.98 Sq. mtrs	The property is owned by Elec Steel Processing Industries Limited.

## EXPORT OBLIGATION

As of the date of the Draft Red Herring Prospectus, our Company has a pending average export obligation of ₹1032.20 Lakhs under the EPCG Scheme. We expect to fulfil the pending export obligation in the upcoming years.

## PLANT AND MACHINERY

The table below sets forth the plant and machinery, all of which are owned by the Company and installed at our existing manufacturing unit.

Sr. No.	Description of Plant/ Machinery/	Quantity
1.	8 CNC Cut to Length - 25mm to 600 mm cutting capacity.	8
2.	Overhead Cranes - 5 tons to 15 tons	9
3.	Power Press Machines 10 tons to 60 tons	14
4.	Shearing machines - 14" to 81"	15
5.	Weighing Scale - 200 kg to 5 Tons	9
6.	AIR COMPRESSOR - 7 kgs	5
7.	Winding Machine	7
8.	T-Core Annealing Furnace – 5kgs to 1500kgs	12
9.	Slitting Line Machine	4

*\*As certified by M/s D.M. Vaidya & Associates, Chartered Engineer (Mechanical), Reg. No.: AM-094930-5, Independent Chartered Engineers vide certificate dated March 18, 2025.*

## QUALITY CONTROL

Our Company believes that adhering to stringent quality control procedures. The maintenance of quality is observed at every stage, from procurement of raw materials to dispatch of finished goods. A dedicated quality control team ensures compliance with manufacturing practices and quality standards. Prior to commencing the manufacturing process, materials purchased by the Company undergo quality checks to ensure they meet specified standards. Finished products undergo testing by the in-house team to ensure they align with customer specifications. The products are thereafter packed and dispatched after meeting relevant standards and designs specified by the customer. The Quality Control department maintains full traceability of raw materials to address customer complaints effectively. Quality control measures include usage of various recognized international and Indian standards like IS649, IEC 60404-2, ASTM343 for testing magnetic permeability, Epstein frame or Single Sheet Tester (SST) for core loss measurement. There have been no such instances in the past three financial years and for the period ended September 30, 2024 where we have failed to test the quality of raw materials.

## INSURANCE

There were no losses incurred in respect of assets covered under our insurance policies, nor any claims exceeding the liability insurance coverage, during the past three financial years and the period ended September 30, 2024.

## HUMAN RESOURCES

As of March 31, 2024, 2023, and 2022, the number of permanent employees was 198, 189, and 200, respectively.

## KEY INDUSTRY REGULATIONS AND POLICIES

### **The Micro, Small and Medium Enterprises Development Act, 2006**

The MSMED Act, was enacted to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (“**MSME**”). A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951. The Government, in the Ministry of Micro, Small and Medium Enterprises has issued a notification dated June 1, 2020 revising definition and criterion and the same came into effect from July 1, 2020. The notification revised the definitions as “Micro enterprise”, where the investment in plant and machinery or equipment does not exceed one crore rupees and turnover does not exceed five crore rupees; “Small enterprise”, where the investment in plant and machinery or equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees; “Medium enterprise”, where the investment in plant and machinery or equipment does not exceed five crore and turnover does not exceed two hundred and fifty crore rupees.

### **The Competition Act, 2002**

The Competition Act, 2002 (“**Competition Act**”) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India (“**Competition Commission**”) which became operational from May 20, 2009, has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising, or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

### **The Insolvency and Bankruptcy Code, 2016**

The Insolvency and Bankruptcy Code, 2016 cover Insolvency of companies, Limited Liability partnerships (LLPs), unlimited liability partnerships, and individuals. The IBC 2016 has laid down a collective mechanism for resolution of insolvencies in the country by maintaining a delicate balance for all stakeholders to preserve the economic value of the process in a time bound manner. The code empowers any creditor of a Corporate Debtor (CD), irrespective of it being a Financial Creditor (FC) or Operational Creditor (OC) or secured or unsecured creditor, or the Corporate Debtor itself, to make an application before the Adjudicating Authority (AA) to initiate Corporate Insolvency Resolution Process (CIRP) against a Corporate Debtor, at their discretion, in the event of there being a default by the Corporate Debtor in payment of their dues for an amount as specified from time to time. On initiation of the Said CIRP, a resolution to be sought for the company within a time bound time period of 180 days.

## HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### Major Events and Milestones of Our Company

The table below sets forth some of the major events in the history of our Company:

Year	Key Events/Milestones/Achievements
2023	Acquired Unit IV, located in Atmiya-11 Industrial Park, Vadodara, through an agreement executed with Jay Capishiv Infra Private Limited on September 11, 2023, for a consideration of ₹14.92 Crores.

### Amendments to Memorandum of Association

Except as mentioned below, there has been no change in the Memorandum of Association of our Company since its Incorporation:

Date of Meeting	Type	Nature of Amendment
November 16, 2024	Extra Ordinary General Meeting	<p>a. Clause V of the MoA was amended to upon the increase in Authorised Share Capital of our Company from ₹ 8,00,00,000 divided into 80,00,000 Equity Shares of ₹ 10/- each to ₹ 25,00,00,000 divided into 2,50,00,000 Equity Shares of face value of ₹ 10/- each.</p> <p>b. Clause III(b) - Insertion of sub-clauses 2, 3, 4, 5, 8, 10, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 34, 35, 36, 37 &amp; 38 (<i>as provided hereinbelow</i>) and renumbering of other clauses under clause III(a) which are necessary for furtherance of the Objects specified in clause III(b).</p> <p>c. Clause I – Pursuant to conversion of our Company from ‘Private Limited’ to ‘Public Limited’ by way of Special Resolution including deletion of word Private from its name wherever it appears.</p>

*Note:*

2) To construct, improve, maintain, develop, work, manage, carry out or control any buildings, factories, or works, or any road ways, branches or sidings, bridges, well, reservoir, watercourses, wharves, warehouse, electrical works, shops, store, chawls and other buildings, for housing work people and conveniences which may seem calculated directly or indirectly to advance the Company's interests and to contribute to subsidise, or otherwise assist or take part in the construction, improvement, maintenance, developments, working, management, carrying out or control thereof.

3) To let on lease or on hire-purchase system or to lend or otherwise dispose off any property belonging to the Company, and to finance the purchase of any article or articles, made by the Company or not by way loans or by the purchase of any such article or articles, and to letting thereof on the hire-purchase system or otherwise howsoever.

4) To amalgamate, enter into any partnership or partially amalgamate with or acquire interest in the business of any other Company, person or firm carrying on or engaged in, or about to carry on or engaged in any business or transaction included in the objects of the Company, or enter into any arrangement for sharing profits, or for cooperation, or for limiting competition or for mutual assistance, with any such person, firm or Company and to give or accept by way of consideration for any of the acts or things aforesaid or property acquired any shares, debentures, debenture-stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture-stock or securities so received.

5) To sell, grant, licence, easements and other rights over and in any other manner deal with or dispose off, the under-taking, property, assets, rights and effects of the Company, or any part thereof for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any other Company.

8) To apply for, promote and obtain any Act, charter, privileges, concessions, licence, authorisations if any, Government State or Municipality, provisional order or licence of any authority for enabling the Company to carry any of its objects into effect, or for extending any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose which may seem expedient and to oppose

- any proceedings or applications which may seem calculated, directly or indirectly or prejudice the Company's interest.
- 10) To raise funding for the Company by means of issue of shares (with or without varying rights) and / or debentures / bonds and / or warrants and any other securities (convertible / non-convertible);
- 17) To adopt such means of making known the business and products of the Company as may seem expedient, and in particular by holding or participating in trade fairs, exhibitions, advertising in the press, television, IT media, circulars, publication of books and periodicals, and exhibition of works of art or interest, and by granting prizes, rewards, and donations.
- 18) To invest and deal with the money of the Company not immediately required in such manner as may from time to time be determined.
- 19) To insure the whole or any part of the property of the Company either fully or partially to protect and indemnify the Company from liability or loss in any respect either fully or partially and also to insure and to protect and indemnify any part or portion thereon either on mutual principal or otherwise.
- 20) To exercise all or any of its corporate powers rights and privileges and to conduct its business in all or any of its branches in the Union of India and in any or all states, territories, possession colonies and dependences thereof and in any or all foreign countries and for this purpose to have and maintain and to discontinue such number of offices and agencies therein as may be convenient.
- 21) To assume such social responsibilities and obligations as may from time to time be decided, depending upon the ideologies and social values prevalent at that time and to assist the Government in achieving its various socioeconomic goals in any manner as may time to time be decided.
- 22) To promote, conduct, manage, contribute, to or otherwise assist any provident fund, superannuation, gratuity and other funds or arrangements for sharing union of interest, co-operation or other schemes for the benefit of the employees of the Company and to pay gratuity, pension, bonus, extra remuneration or compensation of any kind to any officer, servant or workman or other employee of the Company as the Company or its Directors may from time to time think fit.
- 23) To conduct or organise any programme of rural development including any programme for promoting the social and economic welfare, afforestation Programme and upliftment of the public in the rural areas in India to obtain any recognition, approval or permission for any authority or authorities as may be required by themselves or to contribute or assist the associations or institutions carrying out such rural development programmes.
- 24) To sell lease, mortgage or exchange the whole or any part of the property whether moveable or immovable of the Company for the time being.
- 25) To associate, with negotiate or enter into contracts with any person, foreign Companies, firm, individuals for technical collaboration or for acquiring the knowhow from them or to import or supply the knowhow on such terms and conditions as the Company might deem fit, in any field of its activity or business.
- 26) To sell any patent, rights or privileges belonging to the Company or which may be acquired by it, or any interest in the same and to grant licences for the use and practice of the same or any of them and to let or allowed to be used or otherwise deal with any inventions, patents, privileges in which the Company may be interested and to do all such acts and things as may be deemed expedient for turning to account any inventions, patent and privileges in which the Company may be interested.
- 27) To subscribe, undertake, acquire, take up and hold shares, stocks, debentures, debenture stock, bonds, obligations, and securities issued or guaranteed by any Company constituted or carrying on business in India or in any foreign country and debentures guaranteed by any Government, Sovereign Ruler, Commissioners, public body, or authority, supreme, municipal local or otherwise whether at home or abroad.
- 34) To make, accept donations, gifts, with or without such conditions, restrictions, obligations, stipulations and liabilities as are not derogative to the provisions of law.
- 35) To make deposits, enter into recognizance bonds and otherwise give security for the due execution of the offices and performance of the duties of executors, administrators, trustees, managers, treasures and agents.
- 36) To vote upon or in respect of any shares, securities bonds, notes, other evidence, interest or application of any corporations, trusts, association or concern whether or not affecting the security or the apparent security of the trust property or the purchase or sale or lease of the assets of any such corporation, trust, association or concern and to enter into or establishing any voting trusts in respect of any such shares, securities or property and to appoint, remove and replace any voting trustees either jointly with other/s or not, they in their absolute discretion shall deem fit and to deposit any such shares, securities or property in any voting trustees or with any depository discriminated thereby and to give proxies or powers or attorney with or without power for substituting or for voting or acting on behalf of the trustees as the owner of any such property.
- 37) To undertake and execute any trust or discretion the undertaking whereof may seem desirable, and the distribution amongst the beneficiaries, pensioners or other persons entitled thereto, of any income, capital annuity or other sum or sums of money or property, whether periodically or otherwise, and whether in money or specie in furtherance of any trust, direction, discretion or other obligation or permission.
- 38) To nominate Directors or Managers of any subsidiary company or of any other company in which this Company is or may be interested.

## OUR MANAGEMENT

### Brief profile of our directors

**Harshad Narbherambhai Bagadia** (DIN 01535197) is Whole Time Director of the Elec Steel Processing Industries Limited and member of Audit Committee as well as Corporate Social Responsibility Committee of the Board of Directors of the Company. He is a founder of the Company who has planted the seed of Elec Group in the year 1994. He by academic qualifications is a graduate in Bachelor of Science from the University of Bombay.

He founded the Elec Steel Processing Industries in 1994 as a registered partnership firm and converted this into private limited company in the year 2022. Prior to that, he was partner of Partnership firm namely Paras Trans Elec Stampings since 1979. He has experience over 44 years in the field of finance management, certifications and compliance, process optimizations, Company administration, employee management. He oversees corporate functions, including business development, Finance and Import-Export operations. His deep understanding of global trade and import-export operations has streamlined international business processes, ensuring seamless cross-border transactions and long-term partnerships. With his industry experience, he has built a strong financial and operational foundation for the company.

**Parasbhai Harshadbhai Bagadia** (DIN 09699701) is Managing Director of the Elec Steel Processing Industries Limited and member of Stakeholders Relationship Committee and Corporate Social Responsibility Committee of the Board of Directors of the Company. He is part of Elec Group since 1999 and is one of the Board Member of the Company since its incorporation. He has an experience over 25 years in the field of product expansion, sale / purchase / inventory / import / export management, marketing, production, planning and execution, certifications, standardizations and quality management. He has completed certified course of a Masters Diploma in Software Development certificate from Impress School of Computers, a Diploma in Export-Import Management from The Indian Institute of Export and has completed professional programs in Marketing and Finance from The centre for Entrepreneurship Development. His strategic and hands-on management approach, has enabled our company to achieve consistent growth and build lasting partnerships with clients and suppliers and played a pivotal role in Company. He oversees core business functions, including sales, marketing, production, procurement, and quality management. Under his spearheaded, the company has expanded from a single production facility to four manufacturing units, driven by a focus on operational excellence and customer satisfaction.

**Dhyanesh Bagadia (DIN 10802889)** is a Non-Executive Non-Independent Director of the Company w.e.f., November 15, 2024 and member of Nomination and Remuneration Committee of the Board of Directors of the Company w.e.f., December 30, 2024. He is graduate from Sardar Patel University in Bachelor of Science and Master of Computer Applications from Visveswaraiah Technological University, Belgaum. He has an experience over 21 years in the field of designing / development of information technology includes various software / applications etc.

He was associated with Prescient Infotech Private Limited (2004 to 2006) as software engineer and Prescient Infotech Inc. (2006 to 2007) as Sr. software engineer wherein he was involved in design, development and testing of various systems including but not limited to Java / J2EE technologies. Thereafter, he was associated with Syntel Inc. from 2007 to 2011 as Project Lead. Further, he was associated with Akrya, Inc. as software engineer during 2011 to 2014 during which he was leading the team, analyze business and system requirements and provide solutions to it including but not limited to coding, testing and supporting development project tasks etc. Thereafter, he was associated with Kohls, from the month June 2014 till April 2024, as Mobile Engineering Tech Lead, during which he was managing mobile platform/application for Kohls.

**Dinesh Lalbhai Nanavati (DIN 10856131)** is Non- Executive Independent Director of the Company w.e.f., December 30, 2024 and Chairman of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibilities Committee of



the Board of Directors of the Company w.e.f., December 30, 2024. He is a graduate from Gujarat University with a Bachelor of Commerce and a qualified Chartered Accountant and a member of the Institute of Chartered Accountants of India. He has an experience over 35 years in the field of finance and accountancy, specializing in corporate finance and strategic planning. He is carrying on his practice as Chartered Accountant in the name and style of M/s. D L Nanavati & Co. since the year 1989 and he is also a partner in Nanavati & Associates, Chartered Accountants firm since 21st December 2019, both are located in Vadodara, Gujarat.

## **OUR PROMOTERS AND PROMOTER GROUP**

### **13. Common Pursuits of Promoters:**

Our Promoters have interests in Promoter Group entities—namely, Paras Trans Elec Stampings (Partnership Firm), Convolt Technologies (Partnership Firm), and Paras Resources—which are engaged in a similar line of business. We have entered into a non-compete agreement with respect to these entities. For further details on common pursuits and the associated risks, please refer to the risk factor titled ‘Conflicts of Interest’ in the chapter ‘Risk Factors’ beginning on page 67 of this Draft Red Herring Prospectus.

## SECTION VIII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

#### A. LITIGATION INVOLVING OUR COMPANY

##### (b) Criminal proceedings filed by our Company:

Except as stated below, as on the date of the Draft Red Herring Prospectus, there are no outstanding criminal proceedings filed by our Company.

**i. *Harshad Narbheram Bagadia, a partner of Elec Steel Processing Industries vs. 1) Hind Electrical and 2) Amit Maini the proprietor/authorized signatory of the firm.***

*The Complainant, Harshad Narbheram Bagadia, a partner of Elec Steel Processing Industries, a small and medium-scale enterprise involved in manufacturing and marketing transformer lamination CRGO, has filed a complaint under Section 138 of the Negotiable Instrument Act, 1881, before the Hon'ble Court of Judicial Magistrate First Class at Vadodara bearing Criminal Case Number CC/11348/2018 (main) and CC/11349/2018 against Hind Electrical (Accused No.1), a proprietary firm, and Amit Maini (Accused No.2), the proprietor/authorized signatory of the firm.*

*The Complainant entered into a business transaction with the Accused, supplying transformer lamination CRGO based on various purchase orders issued by the Accused. Despite the Complainant fulfilling the supply obligations and issuing invoices, the Accused failed to make timely payments as per the agreed terms. After multiple reminders, the Accused issued three cheques as part-payment for the outstanding liability of ₹6,62,688/- (Rupees Six Lakh Sixty-Two Thousand Six Hundred Eighty-Eight Only)*

*The details of the dishonoured cheques are as follows:  
Cheque No. 000433, dated 24/11/2017, amount ₹1,49,054/-  
Cheque No. 000432, dated 29/11/2017, amount ₹1,49,055/-  
Cheque No. 000231, dated 30/11/2017, amount ₹2,26,951/-*

*When the Complainant deposited the third cheque (No. 000231) of ₹2,26,951/- (Rupees Two Lakh Twenty-Six Thousand Nine Hundred Fifty-One Only) in the bank, it was dishonoured due to "Insufficient funds," as confirmed by the bank on 12/01/2018. This resulted in the Accused failing to fulfil their liability. Despite receiving a demand notice dated 03/02/2018, the Accused did not make the required payment or offer any satisfactory response.*

*As a result, the Complainant has filed the present civil complaint for dishonouring the cheque under Section 138 of the Negotiable Instrument Act. The Complainant seeks appropriate legal action, including the issuance of non-bailable warrants against the Accused, along with maximum punishment as per the provisions of the Negotiable Instruments Act, 1881.*

*The complaint has been filed with all necessary procedural requirements in place, and the Complainant has provided relevant documents as evidence to support the claims. The case is ongoing before the Hon'ble Court of Judicial Magistrate First Class at Vadodara and next date of hearing is scheduled to be held on June 25, 2025.*



## GOVERNMENT AND OTHER STATUTORY APPROVALS

### VII. OTHER APPROVALS

Nature of Registration/ License	Registration/ License No.	Issuing Authority	Date of Issue	Date of Expiry
Membership certificate with EEPC India (Formerly Engineering Export promotion council) (RCMC)	201/M20221/2022-23	EEPC India (Formerly Engineering Export Promotion Council) EEPC India Western region	March 21, 2025	March 31, 2026

### VIII. INTELLECTUAL PROPERTY

As of the date of the Draft Red Herring Prospectus, applications for Trademark Registration have been submitted to the Trademark Registry, following are the details of the application made:

Applicant of IPR	Trademark Name / Logo	Status	Class	Application Number	Date of Application
Elec Steel Processing Industries Limited		Applied	6	6884321	March 1, 2025
Elec Steel Processing Industries Limited		Applied	6	6884322	March 1, 2025
Elec Steel Processing Industries Limited	<b>‘Elec Steel’</b>	Applied	6	6883344	February 28, 2025

### IX. MATERIAL APPROVALS APPLIED FOR WHICH ARE YET TO BE ISSUED

Nil

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **ELIGIBILITY FOR THE OFFER**

C. We confirm that:

2. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee's in the issue shall be greater than or equal to two hundred, failing which, the entire application money will be refunded forthwith in accordance with the SEBI ICDR Regulations and other applicable laws.
5. No portion of the Net Proceeds that will be utilised for repayment / prepayment, in full or part, of certain borrowings availed by our Company, will be directly or indirectly routed to our Promoters, members of the Promoter Group, Directors, Key Managerial Personnel or Senior Management.

### **DISCLOSURE**

**In terms of Regulation 230(1) of the SEBI (ICDR) Regulations, 2018, our Company has ensured:**

6. The size of offer for sale by selling shareholders shall not exceed twenty per cent of the total issue size.
7. the shares being offered for sale by selling shareholders shall not exceed fifty per cent of such selling shareholders' pre-issue shareholding on a fully diluted basis.
8. its objects of the issue should not consist of repayment of loan taken from promoter, promoter group or any related party, from the issue proceeds, directly or indirectly.

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

### SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
<b>Paras Bagadia</b> Managing Director DIN: 09699701	Sd/-

**Date:** June 12, 2025

**Place:** Vadodara, Gujarat, Bharat

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

### SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
<b>Harshad Bagadia</b> Whole-time Director DIN: 01535197	Sd/-

**Date:** June 12, 2025

**Place:** Vadodara, Gujarat, Bharat

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

### SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
<b>Dhyanesh Bagadia</b> Promoter / Non-Executive Director DIN: 10802889	Sd/-

**Date:** June 12, 2025

**Place:** Vadodara, Gujarat, Bharat



## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

### SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Dinesh Nanavati Independent & Non-Executive Director DIN: 10856131	Sd/-

**Date:** June 12, 2025

**Place:** Vadodara, Gujarat, Bharat

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

### SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Komal Thakkar Independent & Non-Executive Director DIN: 06765690	Sd/-

**Date:** June 12, 2025

**Place:** Vadodara, Gujarat, Bharat

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

### SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY:

Name and Designation	Signature
Pinal Ronak Shah Chief Financial Officer	Sd/-

Date: June 12, 2025

Place: Vadodara, Gujarat, Bharat

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

### SIGNED BY THE COMPANY SECRETARY AND LEGAL COMPLAINEE OFFICER OF OUR COMPANY:

Name and Designation	Signature
Mayank Lashkari Company Secretary and Legal Compliance Officer ICSI Membership No.: A34448	Sd/-

**Date:** June 12, 2025

**Place:** Vadodara, Gujarat, Bharat