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**INSPROS ENGINEERS LIMITED**  
**Corporate Identification Number: U02422MP1983PLC002289**

REGISTERED OFFICE	CONTACT PERSON	TELEPHONE & EMAIL	WEBSITE
126 Sector-A Industrial Area Mandideep, Bhopal-462046, Madhya Pradesh, India	<b>Mujahid Ali</b> Company Secretary and Compliance Officer	+91 9755032465 <a href="mailto:cslgl@inspros.net">cslgl@inspros.net</a>	<a href="http://www.inspros.net">www.inspros.net</a>

**NAME OF PROMOTERS OF THE COMPANY: VIPIN MULLICK AND ANANDITA MULLICK**

**DETAILS OF THE ISSUE**

Type	Fresh Issue Size	Offer For Sale Size	Total Size	Eligibility & Share Reservation Among QIBs, NIIs & RIIs
Fresh Issue	Up to 64,00,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] Lakhs	Not Applicable	Up to 64,00,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] Lakhs	The Issue is being made pursuant to Regulation 229(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"). For details, see "Other Regulatory and Statutory Disclosures –Eligibility for the Issue" on page 274. For further details in relation to share allocation and reservation among QIBs, NIIs, and RIBs, see "Issue Structure" on page 295.

**DETAILS OF OFFER FOR SALE BY PROMOTER(S)/ PROMOTER GROUP/ OTHER SELLING SHAREHOLDERS - NA**

**RISKS IN RELATION TO THE FIRST ISSUE**

The face value of the Equity Shares is ₹ 10 each. This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The Floor Price, Cap Price and the Issue Price (as determined by our Company, in consultation with the BRLM, in accordance with SEBI ICDR Regulations, and as stated in "Basis of Issue Price" beginning on page 104) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISK**

Investments in Equity and Equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 29 of this Draft Red Herring Prospectus.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Offer Document contains all information with regard to the issuer and the Issue which is material in the context of the Issue, that the information contained in the Offer Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

**LISTING**

The Equity Shares of our Company issued through this Draft Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated [●] from National Stock Exchange of India Limited for using its name in the Draft Red Herring Prospectus for listing of our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange.

**DETAILS OF BOOK RUNNING LEAD MANAGER**

NAME AND LOGO OF BOOK RUNNING LEAD MANAGER	CONTACT PERSON	TELEPHONE & EMAIL
 <b>Unistone Capital Private Limited</b>	<b>Brijesh Parekh</b>	<b>Tel: 022 4604 6494</b> <b>Email: <a href="mailto:mb@unistonecapital.com">mb@unistonecapital.com</a></b>

**DETAILS OF REGISTRAR TO THE ISSUE**

NAME OF REGISTRAR	CONTACT PERSON	TELEPHONE & EMAIL
<b>Link Intime India Private Limited</b>	<b>Shanti Gopalkrishnan</b>	<b>Tel : +91 810 811 4949</b> <b>Email: <a href="mailto:insproengineering.smeipo@linkintime.co.in">insproengineering.smeipo@linkintime.co.in</a></b>

**BID/ISSUE PERIOD**

**ANCHOR INVESTOR BID ISSUE PERIOD<sup>(1)</sup>: [●] | BID/ISSUE OPENS ON<sup>(1)</sup>: [●] | BID/ISSUE CLOSURES ON<sup>(2)(3)</sup>: [●]**

<sup>(1)</sup> Our Company, in consultation with the 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/Issue Opening Date.

<sup>(2)</sup> Our Company may, in consultation with the BRLM, consider closing the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations.

<sup>(3)</sup> UPI mandate end time and date shall be at 5:00 PM on the Bid/Issue closing Date.



## INSPROS ENGINEERS LIMITED

Our Company was incorporated as private limited Company under the name "Inspros Engineers Private Limited", under the provisions of the Companies Act, 1956 and Certificate of Incorporation was issued by the Registrar of Companies, Madhya Pradesh, Gwalior on November 14, 1983. Subsequently, the status of our Company was changed to public limited, and the name of our Company was changed to "Inspros Engineers Limited" vide Special Resolution dated May 02, 2024. The fresh certificate of Incorporation consequent to conversion was issued on July 26, 2024 by the Registrar of Companies, Central Processing Centre. For details of incorporation, change of name and registered office of our Company, please refer to chapter titled "General Information" and "History and Certain Corporate Matters" beginning on page 62 and 158 respectively of this Draft Red Herring Prospectus.

Registered office: 126 Sector-A Industrial Area Mandideep, Bhopal- 462046, Madhya Pradesh, India  
Tel: +91 9755032465, E-mail: [csjgl@inspros.net](mailto:csjgl@inspros.net); Website: [www.inspros.net](http://www.inspros.net);

Contact Person: Mujahid Ali, Company Secretary and Compliance Officer; Corporate Identification Number: U02422MP1983PLC002289

### PROMOTERS OF THE COMPANY: VIPIN MULLICK AND ANANDITA MULLICK

INITIAL PUBLIC ISSUE OF UP TO 64,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF INSPROS ENGINEERS LIMITED ("COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING UP TO ₹ [●] LAKHS OF WHICH UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ [●] EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e. NET ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH AT A PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF EQUITY SHARES IS ₹ 10 EACH. THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES.

THE PRICE BAND AND THE MINIMUM BID LOT SIZE WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN ALL EDITIONS OF [●] (WHICH ARE WIDELY CIRCULATED ENGLISH DAILY NEWSPAPER) AND ALL EDITIONS OF [●] (WHICH ARE WIDELY HINDI DAILY NEWSPAPER) AND [●] EDITIONS OF [●] (A WIDELY CIRCULATED HINDI DAILY NEWSPAPER, HINDI BEING THE REGIONAL LANGUAGE OF MADHYA PRADESH WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE" OR "STOCK EXCHANGE") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITE, IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED ("SEBI ICDR REGULATIONS")

In case of any revision in the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the total Bid/ Issue Period not exceeding 10 Working Days. In cases of *force majeure*, banking strike or similar unforeseen circumstances, our Company, in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of one Working Day, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchange, by issuing a press release, and also by indicating the change on the respective websites of the BRLM and at the terminals of the members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank, as applicable.

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLM may allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion") of which one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) ("Net QIB Portion"). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15.00% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors ("NIIs") ("Non-Institutional Portion") out of which (a) one-third of such portion shall be reserved for applicants with application size of more than ₹ 2.00 lakhs and up to ₹10.00 lakhs; and (b) two third of such portion shall be reserved for applicants with application size of more than ₹10.00 lakhs, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors and not less than 35.00% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Potential Bidders, other than Anchor Investors, are required to participate in the Issue by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Accounts and UPI ID in case of UPI Bidders, if applicable, in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or by the Sponsor Bank(s) under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 299.

### RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10.00. The Issue Price, Floor Price/Cap Price, as determined by the Company, in consultation with BRLM, by way of the Book Building Process, in accordance with the SEBI ICDR Regulations and as stated in "Basis of Issue Price" on page 104 should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on Page 29 of this Draft Red Herring Prospectus.

### ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to the issuer and the Issue which is material in the context of the issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

### LISTING

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange ("NSE EMERGE"). In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received In-Principal Approval letter dated [●] from NSE for using its name in this document for listing of our shares on the EMERGE platform of NSE. For the purpose of this Issue, the designated Stock Exchange will be the National Stock Exchange of India Limited ("NSE"). A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Issue Closing Date, see "Material Contracts and Documents for Inspection" on page 353.

### BOOK RUNNING LEAD MANAGER

### REGISTRAR TO THE ISSUE



UNISTONE

**UNISTONE CAPITAL PRIVATE LIMITED**  
A/305, Dynasty Business Park, Andheri Kurla Road, Andheri East, Mumbai 400059, Maharashtra, India  
Telephone: 022 4604 6494  
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



**Link Intime India Private Limited**  
C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai- 400083, Maharashtra, India  
Telephone: +91 810 811 4949  
Facsimile: NA  
Email: [insprosengeering.smeipo@linkintime.co.in](mailto:insprosengeering.smeipo@linkintime.co.in)  
Investor grievance email: [insprosengeering.smeipo@linkintime.co.in](mailto:insprosengeering.smeipo@linkintime.co.in)  
Contact Person: Shanti Gopalkrishnan  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)  
SEBI Registration Number: INR000004058  
CIN: U67190MH1999PTC118368

### BID/ISSUE PERIOD

ANCHOR INVESTOR BID ISSUE PERIOD <sup>(1)</sup> : [●]	BID/ISSUE OPENS ON <sup>(1)</sup> : [●]	BID/ISSUE CLOSES ON <sup>(2)(3)</sup> : [●]
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- Our Company, in consultation with the 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/Issue Opening Date.
- Our Company may, in consultation with the BRLM, consider closing the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations.
- UPI mandate end time and date shall be at 5:00 PM on the Bid/Issue closing Date.

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## SECTION I – GENERAL DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or implies, the following terms shall have the meanings provided below in this Draft Red Herring Prospectus, and references to any statute, regulation, rule, guidelines, circular, notification or clarification or policies will include any amendments or re-enactments thereto, from time to time.

Notwithstanding the foregoing, terms in “*Main Provisions of the Articles of Association*”, “*Statement of Possible Special Tax Benefits*”, “*Industry Overview*”, “*Basis for Issue Price*”, “*Key Regulations and Policies in India*”, “*Financial Information*”, “*Outstanding Litigation and Other Material Developments*” and “*Issue Procedure*”, will have the meaning ascribed to such terms in these respective sections.

In case of any inconsistency between the definitions given below and the definitions contained in the Conventional or General Information Document (as defined below), the definitions given below shall prevail. The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the notified provisions of the Companies Act, 2013, the SEBI Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder.

### Conventional or General Terms

Terms	Description
“IEL”, “Inspros”, “our Company”, “our Company”, “the Issuer Company” or “the Issuer”	Unless the context otherwise requires, refers to “Inspros Engineers Limited”, (formerly known as Inspros Engineers Private Limited) a Company originally incorporated under the Companies Act, 1956 vide a Certificate of Incorporation issued by the Registrar of Companies, Madhya Pradesh, Gwalior.
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company.

### Company Related Terms

Terms	Description
AOA / Articles / Articles of Association	The articles of association of our Company, as amended from time to time.
Audit Committee	The audit committee of our Board, constituted in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations as described in “ <i>Our Management</i> ” on page 164.
Auditor or Statutory Auditor or Peer Review Auditor	The statutory auditors of our Company, currently being M/s Baheti & Co., Chartered Accountants
Board of Directors / the Board / our Board	The director(s) on our Board, as duly constituted from time to time, including any committee(s). For further details of our directors, please refer to chapter titled “ <i>Our Management</i> ” beginning on page 164 of this Draft Red Herring Prospectus.
Chairman	Chairman of the Board, as described in “ <i>Our Management</i> ” on page 164.
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company is Preeti P R.
Company Secretary & Compliance Officer	The Company Secretary and Compliance Officer of our Company is Mujahid Ali.
Director(s)	The director(s) on our Board.
Equity Shares/Shares	Equity Shares of the Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof.
Equity Shareholders/ Shareholders	Persons/ Entities holding Equity Shares of our Company.
Equity Listing Agreement/ Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our company and the NSE Emerge Platform.

<b>Terms</b>	<b>Description</b>
Group Company	The group company of our Company being Engsol Technologies Private Limited
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN / International Securities Identification Number	INE15G001018
Key Managerial Personnel/ Key Managerial Employees	Key Management Personnel of our Company in terms of the SEBI ICDR Regulations and the Companies Act, 2013 and as described in section entitled “ <i>Our Management</i> ” on page 164 of this Draft Red Herring Prospectus.
MD or Managing Director	The Managing Director of our Company is Vipin Mullick.
MOA/ Memorandum/ Memorandum of Association	Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations and as described in “ <i>Our Management</i> ” on page 164.
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended from time to time.
Promoters	The Promoters of our Company, namely, Vipin Mullick and Anandita Mullick.
Promoter Group	Such persons, entities and companies constituting our Promoters Group pursuant to Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as disclosed in the Chapter titled “ <i>Our Promoters and Promoter Group</i> ” on page 180 of this Draft Red Herring Prospectus.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office of our Company	126 Sector-A Industrial Area Mandideep, Bhopal- 462046, Madhya Pradesh, India.
RoC / Registrar of Companies	3 <sup>rd</sup> Floor, ‘A’ Block, Sanjay Complex, Jayendra Ganj, Gwalior - 474009, Madhya Pradesh, India.
“Restated Financial Statements” or “Restated Financial Information” or “Financial Information”	<p>The restated financial information of our Company for the period June 30, 2024 and for the financial years March 31, 2024, March 31, 2023 and March 31, 2022, which comprises the restated balance sheet, the restated statement of profit and loss and the restated cash flow statement, together with the annexures and notes thereto, which have been prepared in accordance with the Companies Act, Indian GAAP, and restated in accordance with the SEBI ICDR Regulations, as amended and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by the Institute of Chartered Accountants of India, as amended.</p> <p>Restated Financial Information of our Company comprising the restated statement of assets and liabilities as at June 30, 2024, and for the Financial Year ended March 31, 2024, March 31, 2023 and March 31, 2022, the restated statement of profit and loss, the restated statement of changes in equity, the restated statement of cash flows for the periods beginning April 1, 2024 to June 30, 2024 and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, the summary statement of material accounting policies, and other explanatory information, as approved by our Board.</p>
Stakeholders’ Relationship Committee	The committee of the Board of Directors constituted as the Company’s Stakeholders’ Relationship Committee in accordance with Section 178(5) of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations and as described in “ <i>Our Management</i> ” on page 164.

<b>Terms</b>	<b>Description</b>
“Unit I”	Our manufacturing facility situated at Plot No. 125 and Plot No. 126, Industrial Area, Mandideep, Bhopal 462046
“Unit II”	Our manufacturing facility situated at E- 22 and E-23 Industrial Area, Mandideep, Phase- II, Khanpura, Goharganj, Raisen.

### Issue Related Terms

<b>Terms</b>	<b>Description</b>
Abridged Prospectus	A memorandum containing such salient features of a prospectus as may be specified by SEBI in this regard
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allot / Allotment / Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of the Equity Shares to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee (s)	The successful applicant to whom the Equity Shares are being / have been allotted.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Bidding Date	The day, being one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investor, and allocation to Anchor Investors shall be completed.
Anchor Investor Issue Price	The final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the BRLM.
Anchor Investor Pay – in Date	With respect to Anchor Investor(s), the Anchor Investor Bidding Date, and, in the event the Anchor Investor Allocation Price is lower than the Issue Price a date being, not later than two Working Days after the Bid/Issue Closing Date.
Anchor Investor Portion	Up to 60% of the QIB Portion, which may be allocated by our Company, in consultation with the BRLM, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
Applicant / Investor	Any prospective investor who makes an application pursuant to the terms of the Draft Red Herring Prospectus and the Application form.
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of this Draft Red Herring Prospectus.
Application Form	The form, whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purposes of this Draft Red Herring Prospectus.
Applications Supported by Blocked Amount or ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising an SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the

Terms	Description
	Bid Amount will be blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism.
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a UPI Bidder which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder.
ASBA Bidder	All Bidders except Anchor Investors.
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders, to submit Bids through the ASBA process, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
ASBA / Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Hyderabad.
Banker to the Issue/ Public Issue Bank/ Refund Banker	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being [●].
Banker to the Issue Agreement	Agreement dated [●] entered into amongst the Company, Book Running Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be allotted, described in “ <i>Issue Procedure</i> ” on page 299 of this Draft Red Herring Prospectus.
Bid	An indication to make an issue during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of a Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in terms of the Red Herring Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bidder	Any investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form, and unless otherwise stated or implied, includes an Anchor Investor.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid.
Bid cum Application Form	An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by ASBA Bidders, which will be considered as the application for Allotment in terms of the Prospectus.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Bid/ Issue Closing Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, which shall be notified in All editions of the English national newspaper [●], All editions of the Hindi national newspaper [●], and [●] edition of the Hindi Regional newspaper [●], each with wide circulation, and in case of any revision, the extended Bid/ Issue closing Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Opening Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all edition of the English national newspaper [●], All edition of the Hindi national newspaper [●], and [●] edition of the Hindi Regional newspaper [●], each with wide circulation, and in case of any revision, the extended Bid/ Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Period	The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date,



Terms	Description
	inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.
Bidding/Collection Centres	Centres at which the Designated intermediaries shall accept the ASBA Forms, i.e Designated SCSB Branch for SCSBs, specified locations for syndicate, broker centre for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Book Building Process	The book building process, as described in Part A, Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue will be made.
Book Running Lead Manager or BRLM	The Book Running Lead Manager to the Issue, namely Unistone Capital Private Limited (“Unistone”)
Broker Centres	Broker centres notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the Price Band, i.e. ₹ [●] per Equity Share, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price.
Cash Escrow and Sponsor Bank Agreement/ Banker to the issue agreement	Agreement to be entered into and amongst our Company, the Registrar to the Issue, the Book Running Lead Manager, the Syndicate Members, the Escrow Collection Bank(s), Public Issue Bank(s), Sponsor Bank and Refund Bank(s) in accordance with UPI Circulars, for <i>inter alia</i> , the appointment of the Sponsor Bank in accordance, for the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account(s) and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. <i>CIR/CFD/POLICYCELL/11/2015</i> dated <i>November 10, 2015</i> , issued by SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Cut-off Price	The Issue Price, as finalized by our Company, in consultation with the Book Running Lead Manager which shall be any price within the Price Band. Only Retail Individual Bidders Bidding in the Retail Portion, are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Depository Participant / DP	A Depository Participant as defined under the Depositories Act, 1996.
Designated CDP Locations	Such centres of the CDPs where Bidders can submit the Bid cum Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange ( <a href="http://www.nseindia.com">www.nseindia.com</a> ) and

Terms	Description
	updated from time to time.
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account(s) to the Public Issue Account(s) or the Refund Account(s), as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account(s) or the Refund Account(s), as the case may be, in terms of the Red Herring Prospectus and the Prospectus after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares will be Allotted in the Issue.
Designated Intermediaries/ Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock-Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a> .
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a> .
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at Intermediaries [ <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ] or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited (NSE) (SME Platform of NSE i.e. NSE EMERGE).
DP	Depository Participant
DP ID	Depository Participant's Identity.
Draft Herring Prospectus or DRHP	Red or This draft red herring prospectus dated October 29, 2024, filed with SEBI and Stock Exchange and issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the Issue, including the price at which the Equity Shares are issued and the size of the Issue, and includes any addenda or corrigenda thereto.
Eligible NRI(s)	A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Draft Red Herring Prospectus constitutes an invitation to purchase the Equity shares issued thereby and accounts with SEBI registered qualified depository participants.
Escrow Account(s)	The 'no-lien' and 'non-interest bearing' account(s) opened with the Escrow Collection Bank(s) and in whose favour Anchor Investors will transfer money through direct credit/ NEFT/ RTGS/NACH in respect of Bid Amounts when submitting a Bid.
Escrow Collection Bank(s)	The banks which are clearing members and registered with SEBI as bankers to an issue under the BTI Regulations, and with whom the Escrow Account(s) will be opened, in this case being [●].
First Bidder	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.

Terms	Description
Floor Price	The lower end of the Price Band, i.e., ₹ [●] subject to any revision(s) thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalized and below which no Bids, will be accepted and which shall not be less than the face value of the Equity Shares.
Equity Shares	Equity Shares of our Company of face value ₹10 each.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
FII/ Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
Fresh Issue	Fresh issue of up to 64,00,000 Equity Shares aggregating up to ₹ [●] lakhs to be issued by company pursuant to the Issue.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018 as amended from time to time.
Foreign Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
General Information Document/GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular no. <i>SEBI/HO/CFD/DIL1/CIR/P/2020/37</i> dated <i>March 17, 2020</i> and the circular no. <i>SEBI/HO/CFD/DIL2/CIR/P/2020/50</i> dated <i>March 30, 2020</i> , as amended by SEBI from time to time and the UPI Circulars. The General Information Document shall be available on the website of the Stock Exchange and Book Running Lead Manager.
Gross Proceeds	The total Issue Proceeds to be raised pursuant to the Issue.
GIR Number	General Index Registry Number
Issue Agreement	The Agreement dated October 29, 2024 entered amongst our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	₹ [●] per Equity Share, being the final price within the Price Band at which the Equity Shares will be Allotted to successful Bidders other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company, in consultation with the Book Running Lead Manager, in accordance with the Book Building Process on the Pricing Date and in terms of the Red Herring Prospectus.
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled “ <i>Objects of the Issue</i> ” page 90 of this Draft Red Herring Prospectus.
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and Emerge platform of National Stock Exchange of India Limited.
Lot Size	The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.

<b>Terms</b>	<b>Description</b>
Market Maker	Member Brokers of NSE who are specifically registered as Market Makers with the NSE Emerge Platform. In our case, [●].
Market Making Agreement	The Market Making Agreement dated [●] between our Company and Market Maker.
Market Maker Reservation Portion	The reserved portion up to [●] Equity Shares of ₹ 10 each at an Issue price of ₹ [●] each aggregating to ₹ [●] lakhs to be subscribed by Market Maker in this issue.
Minimum Promoter's Contribution	Aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoter which shall be provided towards minimum promoter's contribution of 20% and locked in for a period of three years from the date of Allotment.
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) up to [●] equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share (the "Issue Price"), including a share premium of ₹ [●] per equity share aggregating to ₹ [●] Lakhs.
Net Proceeds	The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Net Issue Proceeds and Issue expenses, please refer to the chapter titled "Objects of the Issue" beginning on page 90 of this Draft Red Herring Prospectus.
Non-Institutional Investors / Applicant	All Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual Investors and who have applied for Equity Shares for an amount of more than ₹ 2,00,000/- (but not including NRIs other than Eligible NRIs).
Non-Resident or NR	A person resident outside India, as defined under FEMA and includes Eligible non-resident Indian, Eligible QFIs, FIIs registered with SEBI, FVCIs and FPIs.
Non-Resident Indian/NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended.
NSEIL/ NSE	National Stock Exchange of India Limited.
NSE EMERGE	The Emerge platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares Issued under Chapter IX of the SEBI ICDR Regulations.
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions.
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, Overseas Corporate Body means and includes an entity defined in which not less than 60.00% clause (xi) of Regulation 2 of beneficial interest is irrevocably held by NRIs directly or indirectly and the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on October 03, 2003 and the date of the commencement of these Regulations and immediately prior to such date had taken benefits under the commencement was eligible to undertake transactions pursuant to the general permission granted to under the Regulations. OCBs under FEMA are not allowed to invest in this Issue.
Payment through electronic means	Payment through NECS, NEFT, or Direct Credit, as applicable.
Pricing Date	The date on which our Company, in consultation with the BRLM, will finalize the Issue Price.
Price Band	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum Price of ₹ [●] per Equity Share (Cap Price) and includes revisions thereof, if any. The Cap Price shall be at least 105% of the Floor Price.  The Price Band and the minimum Bid Lot for the Issue will be decided by our Company, in consultation with the Book Running Lead Manager, and will be

<b>Terms</b>	<b>Description</b>
	advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Hindi daily newspaper, Hindi being the regional language of Madhya Pradesh where our registered office is located), each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price and shall be made available to the Stock Exchange for the purpose of uploading on their website.
Prospectus	The prospectus to be filed with the RoC, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations containing, amongst other things, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account	The 'no-lien' and 'non-interest bearing' account to be opened in accordance with Section 40(3) of the Companies Act, 2013, with the Public Issue Account Bank(s) to receive money from the Escrow Account(s) and from the ASBA Accounts on the Designated Date.
QIB Portion	The portion of the Issue being not more than [●] % of the Issue or [●] Equity Shares, available for allocation to QIBs (including Anchor Investors) on a proportionate basis (in which allocation to Anchor Investors shall be on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price.
Qualified Foreign Investor/ QFIs	Non-resident investors other than SEBI registered FIIs or sub-accountants or SEBI registered FCVIs who meet know your client requirements prescribed by SEBI.
Qualified Institutional Buyers/ QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus or RHP	The red herring prospectus to be issued by our Company in accordance with Section 32 of the Companies Act, 2013 and the provisions of SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be issued and the size of the Issue, including any addenda or corrigenda thereto. The red herring prospectus will be filed with the RoC at least three working days before the Bid/ Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date.
Refund Account	The 'no-lien' and 'non-interest bearing' account to be opened with the Refund Bank(s), from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
Refund Bank(s)/ Refund Banker(s)	The Bankers to the Issue with whom the Refund Accounts will be opened, in this case being [●].
Registered Brokers	Stock-brokers registered with SEBI under the Securities and Exchange Board of India (Stock-Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate eligible to procure Bids in terms of Circular No. <i>CIR/CFD/14/2012</i> dated <i>October 04, 2012</i> , issued by SEBI.
Registrar/ Registrar to the Issue/ RTA/ RTI	Link Intime India Private Limited having its office at C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai- 400083, Maharashtra, India.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations.
Retail Individual Investors/ RII	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000.

Terms	Description
Retail Portion	The portion of the Issue being not less than [●]% of the Issue consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, which shall not be less than the minimum Bid Lot, subject to valid Bids being received at or above the Issue Price.
Registered Broker	Stock-brokers registered with SEBI under the Securities and Exchange Board of India (Stock-Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012, issued by SEBI.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s).
SEBI SCORES	Securities and Exchange Board of India Complaints Redress System.
Securities Law	In accordance with Regulation 2(1)(ccc), the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.
Self-Certified Syndicate Bank(s) / SCSB(s)	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time.
SME Exchange/ SME Platform	The Emerge Platform of NSE i.e. NSE EMERGE for listing equity shares issued under Chapter IX of the SEBI ICDR Regulations.
Specified securities	The equity shares issued through this Draft Red Herring Prospectus.
Syndicate Agreement	Agreement to be entered into among the Company, the Book Running Lead Manager, and the Syndicate Members in relation to collection of Bid cum Application Forms by the Syndicate.
Syndicate Members	Syndicate members as defined under Regulation 2(1)(hhh) of the SEBI ICDR Regulations.
Syndicate or members of the Syndicate	Together, the Book Running Lead Manager and the Syndicate Members
Systemically Important Non-Banking Financial Company or NBFC-SI	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Transaction Registration Slip/ TRS	The slip or document issued by the member(s) of the Syndicate to the Applicant as proof of registration of the Application.
Underwriter	[●]
Underwriting Agreement	The Agreement dated [●] entered between the Underwriters and our Company.
UPI/ Unified Payments Interface	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person's

Terms	Description
	bank a/c.
UPI Bidders	<p>Collectively, individual investors applying as Retail Individual Bidders in the Retail Portion, NIBs Bidding with an application size of more than ₹ 2,00,000 and up to ₹ 5,00,000 in the Non-Institutional Portion and Bidding under the UPI Mechanism</p> <p>Pursuant to Circular no. <i>SEBI/HO/CFD/DIL2/P/CIR/P/2022/45</i> dated <i>April 05, 2022</i> issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 5,00,000 shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).</p>
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Circulars	The SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/P/2018/138</i> dated <i>November 01, 2018</i> read with SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/P/2019/50</i> dated <i>April 03, 2019</i> , SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/P/2019/76</i> dated <i>June 28, 2019</i> , SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/P/2019/85</i> dated <i>July 26, 2019</i> , SEBI circular no. <i>SEBI/HO/CFD/DCR2/CIR/P/2019/133</i> dated <i>November 08, 2019</i> , SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/P/2020/50</i> dated <i>March 30, 2020</i> , SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M</i> dated <i>March 16, 2021</i> , SEBI circular no. <i>SEBI/HO/CFD/DIL2/P/CIR/2021/570</i> dated <i>June 02, 2021</i> , SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/P/2022/45</i> dated <i>April 05, 2022</i> , SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/P/2022/51</i> dated <i>April 20, 2022</i> and SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/2022/75</i> dated <i>May 30, 2022</i> and SEBI master circular with circular no. <i>SEBI/HO/MIRSD/POD-1/P/CIR/2023/70</i> dated <i>May 17, 2023</i> (to the extent that such circulars pertain to the UPI Mechanism), SEBI master circular with circular no. <i>SEBI/HO/CFD/PoD-2/P/CIR/2023/00094</i> dated <i>June 21, 2023</i> , SEBI circular no. <i>SEBI/HO/CFD/TPD1/CIR/P/2023/140</i> dated <i>August 09, 2023</i> , along with (i) the circulars issued by the National Stock Exchange of India Limited having reference no. <i>23/2022</i> dated <i>July 22, 2022</i> and reference no. <i>25/2022</i> dated <i>August 03, 2022</i> ; and (ii) the circulars issued by BSE Limited having reference no. <i>20220722-30</i> dated <i>July 22, 2022</i> and reference no. <i>20220803-40</i> dated <i>August 03, 2022</i> ; and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard.
UPI Mandate Request	<p>A request (intimating the UPI Bidders by way of a notification on the UPI linked mobile application and by way of an SMS on directing the UPI Bidders to such UPI linked mobile application) to the UPI Bidders initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.</p> <p>In accordance with SEBI Circular No. <i>SEBI/HO/CFD/DIL2/CIR/P/2019/76</i> dated <i>June 28, 2019</i> and SEBI Circular No. <i>SEBI/HO/CFD/DIL2/CIR/P/2019/85</i> dated <i>July 26, 2019</i>, RIBs Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a>) and (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a>) respectively, as updated from time to time.</p>
UPI Mechanism	The Application mechanism that may be used by an RII to make an Application in the Issue in accordance the UPI Circulars to make an ASBA Applicant in the Issue.
UPPIN	Password to authenticate UPI transaction
U.S. Securities	U.S. Securities Act of 1933, as amended

Terms	Description
Act	
Wilful Defaulter or Fraudulent Borrower	A wilful defaulter or a fraudulent borrower, as defined under the SEBI ICDR Regulations.
Working Day	The days on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price Band; and (ii) Issue Period, "Working Day" shall mean all days, excluding all Sundays, Saturdays and public holidays, on which commercial banks in Mumbai are open for business; (iii) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI, including the UPI Circulars.

### Technical and Industry Related Terms & Abbreviations

Terms	Full Form
AC	Alternating Current
ASEAN	Association of Southeast Asian Nations
BCD	Binary Coded Decimal
BU's	Billion Units
CIS	Customer Information System
CNC	Computer Numerical Control
CRCA	Cold Rolled Close Annealed
CSI	Current Situation Index
DETC	De-energized Tap Changer
EHV	Essential Components In High-Voltage
ERP	Enterprise Resource Planning
EU	European Union
EV	Electric Vehicle
FEI	Future Expectations Index
FMEA	Failure Mode and Effects Analysis
GFCF	Gross Fixed Capital Formation
GST	Goods and Service Tax
GW	Giga Watt
HR	Human Resource
HSBC	Hong Kong and Shanghai Banking Corporation
HV	High Voltage
IFFCO	Indian Farmers Fertiliser Cooperative
ISO	International Organization for Standardization
MoM	Month on Month
MSME	Ministry of Micro, Small and Medium Enterprises
MW	Megawatt
NC	Numerical Control
NSO	National Statistical Office
OBICUS	Order Books, Inventory and Capacity Utilisation Survey
PLC	Programmable Logic Controller
PMI	Purchasing Manager's Index
PV	Passenger Vehicle
ROCE	Return on Capital Employed
SAP R3	System Application Processing of Real Time Data
UAE	United Arab Emirates
UK	United Kingdom
UNCTAD	United Nation Trade and Development
VMC	Vertical Machining Center
VPI	Vacuum Pressure Impregnation



<b>Terms</b>	<b>Full Form</b>
WANA	West Asia and North Africa
YoY	Year on Year

### Conventional and General Terms or Abbreviations

<b>Abbreviation</b>	<b>Full Form</b>
“₹” or “Rs.” or “Rupees” or “INR”	Indian Rupees
A/c	Account
Act or Companies Act	The Companies Act, 1956, as amended from time to time and/ or the Companies Act, 2013, with the amendments thereto to the extent applicable.
Air Act, 1981	Air (Prevention and Control of Pollution) Act, 1981
ACIT	Assistant Commissioner of Income Tax
AED	Emirati Dirham
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
AMT	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B. Com	Bachelor of Commerce
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited (formerly known as the Bombay Stock Exchange Limited)
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CA	Chartered Accountant
CB	Controlling Branch
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
COVID-19	Coronavirus disease
CS	Company Secretary
CS & CO	Company Secretary and Compliance Officer
CFO	Chief Financial Officer
CST	Central Sales Tax
Category I FPI(s)	FPIs who are registered as "Category I foreign portfolio investor" under the SEBI FPI Regulations
Category II FPI(s)	FPIs who are registered as "Category II foreign portfolio investor" under the SEBI FPI Regulations
Category III FPI(s)	FPIs who are registered as "Category III foreign portfolio investor" under the SEBI FPI Regulations
Companies Act/ Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant rules made there under
Competition Act	The Competition Act, 2002
Consolidated FDI Policy	Consolidated FDI Policy (Circular 1 of 2015) dated May 12, 2015 issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.

<b>Abbreviation</b>	<b>Full Form</b>
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
ECS	Electronic Clearing System
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
EU	European Union
EUR (€)	European Euro, the official currency of the European Euro
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non-Resident Account
FIPB	Foreign Investment Promotion Board
FY / Fiscal/ Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FCNR Account	Foreign Currency Non-Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India.
Foreign Portfolio Investor or FPIs	“Foreign Portfolio Investor” means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992.
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FV	Face Value
GoI/Government	Government of India
GDP	Gross Domestic Product
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
IMF	International Monetary Fund
INR	Indian National Rupee
IIP	Index of Industrial Production
Income Tax Act or the I.T. Act	The Income Tax Act, 1961
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
IRDA	Insurance Regulatory and Development Authority
Ind AS	New Indian Accounting Standards notified by Ministry of Corporate Affairs on February 16, 2015, applicable from Financial Year commencing April 1, 2016
Indian GAAP	Generally Accepted Accounting Principles in India.
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
HNI	High Net Worth Individual
INR / Rs./ Rupees/₹	Indian Rupees, the legal currency of the Republic of India

<b>Abbreviation</b>	<b>Full Form</b>
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
IRDA	Insurance Regulatory and Development Authority
JPY (¥)	Japan's Yen, the official currency of the Japan
KMP	Key Managerial Personnel
Ltd.	Limited
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
M. B. A	Master of Business Administration
M. Com	Master of Commerce
Mn	Million
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MAPIN	Market Participants and Investors Database
NA	Not Applicable
Net-worth	The aggregate of paid-up Share Capital and Share Premium account and Reserves and Surplus (Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit & Loss Account
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NGN	Nigerian Naira
NPV	Net Present Value
NRIs	Non-Resident Indians
Non-Residents	A person resident outside India, as defined under FEMA Regulations, 2000
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the Government as having come into effect prior to the date of this Draft Red Herring Prospectus
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
P.A.	Per Annum
PF	Provident Fund
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
Quarter	A period of 3 (three) continuous months.
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934.
ROE	Return on Equity

<b>Abbreviation</b>	<b>Full Form</b>
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992 as amended from time to time.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investments Funds) Regulations, 2012, as amended from time to time.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
SEBI (LODR) Regulations, 2015	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
SEBI Regulations/ SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended from time to time.
SEBI (PFUTP) Regulations / PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003.
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985.
Stock Exchange	Unless the context requires otherwise, refers to, National Stock Exchange of India Limited (SME Segment).
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
TRS	Transaction Registration Slip
Tsh	Tanzanian shilling
UGX	Ugandan Shilling
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
w.e.f.	With effect from
Water Act, 1974	Water (Prevention and Control of Pollution) Act, 1974
Wilful Defaulter or Fraudulent Borrower	Wilful defaulter or a fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.

**CERTAIN CONVENTIONS, CURRENCY OF PRESENTATION, USE OF FINANCIAL INFORMATION**

## AND MARKET DATA

### Certain Conventions

All references to “**India**” in this Draft Red Herring Prospectus are to the Republic of India and its territories and possession and all references herein to the “Government”, “Indian Government”, “GoI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

All references to the “**US**”, “**U.S.**” “**USA**” or “**United States**” are to the United States of America and its territories and possessions.

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

### Financial Data

Unless the context otherwise requires or indicates, the financial information (including financial ratios) and any percentage amounts (excluding certain operational metrics), as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on pages 29, 122 and 252, respectively, and elsewhere in this Draft Red Herring Prospectus have been derived from our Restated Financial Statements.

The restated Financial Statements of our Company, for the period ended June 30, 2024 and for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022 prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations; and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended from time to time (**the “Guidance Note”**), comprising the restated statement of assets and liabilities for the period ended June 30, 2024 and for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022, the restated statements of profit and loss (including other comprehensive income), the restated statement of changes in equity, the restated cash flow statement for the period ended June 30, 2024 and for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022, the summary statement of significant accounting policies, and other explanatory information.

For further information on our Company’s financial information, see “*Restated Financial Statements*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on pages 187 and 252, respectively.

Our Company’s financial year commences on April 01 and ends on March 31 of next year; accordingly, all references to a particular financial year, unless stated otherwise, are to the 12 months period ended on March 31 of that calendar year. Reference in this Draft Red Herring Prospectus to the terms Fiscal or Fiscal Year or Financial Year is to the 12 months ended on March 31 of such year, unless otherwise specified.

Our Restated Financial Information has been prepared in accordance with Ind AS. There are significant differences between International Financial Reporting Standards (“**IFRS**”) and Generally Accepted Accounting Principles in the India (“**Indian GAAP**”). The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act 2013, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI. Accordingly, any reliance by persons not familiar with Ind AS, the Companies Act 2013, the SEBI ICDR Regulations, the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. We have not attempted to quantify the impact of IFRS or Indian GAAP on the financial information included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial information to those under Indian GAAP or IFRS and we urge you to consult your own advisors regarding such differences and their impact on our financial information.

For further details in connection with risks involving differences between Ind AS, Indian GAAP and IFRS, please see *“Risk Factors- Significant differences exist between the requirements of Indian GAAP and IFRS, which may be material to investors’ assessments of our financial condition. The effects of the planned adoption of “Indian Accounting standards converged with IFRS” (“IND-AS”) are uncertain”* on page 50.

Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Certain additional financial information pertaining to our Group Company is derived from their respective audited financial statements.

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

### **Non-Generally Accepted Accounting Principles Financial Measures**

In evaluating our business, we consider and use non-GAAP financial measures and key performance indicators, including EBITDA, EBITDA Margin, Net Worth, Return on Net Worth, Net Asset Value, Net Debt – EBITDA, Total Debt – Equity, etc., which have been included in this Draft Red Herring Prospectus. The presentation of these non-GAAP financial measures and key performance indicators is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with Ind AS. We present these non-GAAP financial measures and key performance indicators because they are used by our management to evaluate our operating performance and formulate business plans.

These non-GAAP financial measures are not defined under Ind AS and are not presented in accordance with Ind AS. The non-GAAP financial measures and key performance indicators have limitations as analytical tools. Further, these non-GAAP financial measures and key performance indicators may differ from the similar information used by other companies, including peer companies, and therefore their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to profit before tax, net earned premiums, gross earned premiums or any other measure of performance or as an indicator of our operating performance, liquidity or profitability or results of operations. In addition, non-GAAP financial measures used are not a standardized term, hence a direct comparison of non-GAAP financial measures between companies may not be possible. Other companies may calculate non-GAAP financial measures differently from us, limiting its usefulness as a comparative measure. For further details, please see *“Risk Factors- Significant differences exist between the requirements of Indian GAAP and IFRS, which may be material to investors’ assessments of our financial condition. The effects of the planned adoption of “Indian Accounting standards converged with IFRS” (“IND-AS”) are uncertain”* on page 50.

### **Currency and Units of Presentation**

All references to:

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

Our Company has presented certain numerical information in this Draft Red Herring Prospectus in “Lakhs” units. One Lakh represents 1,00,000. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

## Exchange rates

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

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

Currency	Exchange rate as on <sup>#</sup>			
	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
1 USD	83.45	83.37	82.22	75.81
100 JPY	51.86	55.09	61.80	62.23
1 EUR	89.25	90.21	89.61	84.66

<sup>#</sup>Source: [www.fbil.org.in](http://www.fbil.org.in)

Note: Exchange rate is rounded off to two decimal point

\*In the event that any of the aforementioned date is a public holiday, the previous calendar day not being a public holiday has been considered. The exchange rate is rounded off to two decimal places.

## Use of Industry & Market Data

Unless stated otherwise, industry and market data and forecast used throughout the Draft Red Herring Prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured.

Although, we believe industry and market data used in the Draft Red Herring Prospectus is reliable, it has not been independently verified by us or the BRLM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies, and assumptions may vary widely among different market and industry sources. In accordance with the SEBI (ICDR) Regulations, the section titled “Basis of Issue Price” on page 104 of the Draft Red Herring Prospectus includes information relating to our peer group company. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

## FORWARD LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain statements which are not statements of historical fact and may be described as “*forward-looking statements*”. These forward-looking statements include statements which can generally be identified by words or phrases such as “*aim*”, “*anticipate*”, “*are likely*”, “*believe*”, “*continue*”, “*expect*”, “*estimate*”, “*intend*”, “*will likely*”, “*likely to*”, “*may*”, “*seek to*”, “*shall*”, “*objective*”, “*plan*”, “*project*”, “*propose*”, “*will*”, “*will continue*”, “*will pursue*”, “*will achieve*”, “*can*”, “*could*”, “*goal*” or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, plans, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Draft Red Herring Prospectus that are not historical facts. However, these are not the exclusive means of identifying forward-looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on our business activities, investments, or the industry in which we operate, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in the industry in which we operate and incidents of any natural calamities and/or acts of violence. Certain important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

1. Our business is dependent on and will continue to depend on our Manufacturing Facilities, and we are subject to certain risks in our manufacturing process due to the usage of machinery in our manufacturing operations. Any slowdown or shutdown in our manufacturing facilities or strikes or work stoppages could have an adverse effect on our business, cash flows, financial condition and results of operations
2. A significant portion of our revenue is derived from a limited number of customers and repeat orders. The loss of, or a substantial reduction in, these repeat orders could have a negative impact on our business, operational performance, financial condition, and cash flows.
3. Our raw material cost constitutes a significant percentage of our total expenses. Any increase in the prices, availability and quality of raw materials could adversely affect our reputation, business, results from operations, financial conditions and cash flows. We rely on few qualified suppliers for our primary raw material, loss of these suppliers may have an adverse effect on our business, results of operations and financial conditions.
4. Our primary source of revenue largely depends on the sale of Railways and Power Grid Infrastructure segment. Consequently, any downturn in sales within this segments would significantly hamper our operations and profitability
5. Our international operations expose us to a range of complex risks, including legal, tax, and economic uncertainties, as well as fluctuations in exchange rates. Failure to effectively manage these geographically diverse operations could negatively impact our business and operational performance.
6. Our business is exposed to foreign exchange rate-related fluctuations.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, please see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on pages 29, 122, and 252, respectively. By their nature,



certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of our future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs, assumptions, current plans, estimates and expectations, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Neither our Company, our Directors, our Promoters, the Book Running Lead Manager, the Syndicate Members nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company will ensure that investors in India are informed of material developments pertaining to our Company and the Equity Share forming part of the Issue from the date of this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchange.

## SECTION II – SUMMARY OF OFFER DOCUMENT

*This section is a general summary of the terms of the Issue, certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the Issue”, “Industry Overview”, “Our Business”, “Our Promoters and Promoter Group”, “Restated Financial Information”, “Outstanding Litigation and Other Material Developments”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Issue Procedure” on pages 29, 57, 74, 90, 114, 122, 180, 187, 264, 252 and 299, respectively of this Draft Red Herring Prospectus.*

### SUMMARY OF PRIMARY BUSINESS OF OUR COMPANY

We are an Electrical Engineering company engaged in manufacture of equipment, components and sub-assemblies used in traction control gear, busbars for electrical cabinets for electric locomotives and metro trainsets, solenoids for circuit breakers and switchgears, non-condenser bushings for HV Capacitors and disconnecting actuators for EVs. These parts are primarily used in railway, industrial machinery, electrical measurement and control equipment, electrical power equipment, and electric vehicles.

Incorporated in 1983, our Company, was established with the goal of reducing India's dependence on imported electrical equipment. Over the years, our company has successfully catered to both domestic and international markets. We embarked on our journey to export our products in 2001 and have since expanded our global reach to over 22 countries, including Argentina, Australia, Brazil, Bulgaria, Canada, Croatia, Czech Republic, Egypt, Finland, France, Germany, Italy, Kazakhstan, Kuwait, Malaysia, Mexico, Slovenia, Spain, Sri Lanka, Turkey, United Arab Emirates, United States of America. Our customers are industry leaders in their respective segment both India and globally.

For detailed information on our business activities, please refer to section titled “*Our Business*” on page 122 of this Draft Red Herring Prospectus.

### SUMMARY OF THE INDUSTRY IN WHICH OUR COMPANY IS OPERATING

India’s Capital Goods manufacturing industry serves as a strong base for its engagement across sectors such as Engineering, Construction, Infrastructure and Consumer goods, amongst others. The electrical equipment market share in India is expected to increase from US\$ 52.98 billion in 2022 to US\$ 125 billion by 2027, implying a robust CAGR of 11.68%. Revenue in engineering R&D sector is expected to reach US\$ 63 billion by 2025.

For further details, please refer to section titled “*Industry Overview*” on page 114 of this Draft Red Herring Prospectus.

### OUR PROMOTERS

Our Promoters are Vipin Mullick and Anandita Mullick. For further details, please see “*Our Promoters and Promoter Group*” on page 180 of this Draft Red Herring Prospectus.

### ISSUE SIZE

Public issue up to 64,00,000 Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/-per equity share including a share premium of ₹ [●]/- per equity share (the “**Issue Price**”) aggregating to ₹ [●] Lakhs (“**the Issue**”).

### OBJECTS OF THE ISSUE

Our Company proposes to utilize the proceeds from the Fresh Issue towards funding the following objects

and achieve the benefits of listing on EMERGE platform of National Stock Exchange of India Limited:

(₹ in lakhs)

Particulars	Total estimated cost	Total amount spent on the objects as of October 20, 2024	Total estimated amount from Net Proceeds	Estimated deployment of Net Proceeds in		
				FY 2025	FY 2026	FY 2027
Funding capital expenditure requirements towards purchase of machinery, equipment and civil work in our existing manufacturing facilities	1,496.13	53.44	1,442.69	1,100.00	342.69	-
Funding working capital requirements of the Company	2,560.00	-	2,560.00	-	1,500.00	1,060.00
General corporate purposes	[●]	-	[●]	[●]	-	-
<b>Net proceeds</b>	<b>[●]</b>	<b>53.44</b>	<b>[●]</b>	<b>[●]</b>	<b>1,842.69</b>	<b>1,060.00</b>

\* To be finalized upon determination of the issue price and updated in the prospectus prior to filing with the RoC. Amount utilized for general corporate purposes shall not exceed 25% of the gross proceeds of the issue.

For detailed information on the “Objects of the Issue”, please refer on page 90 of this Draft Red Herring Prospectus.

#### AGGREGATE PRE-ISSUE SHAREHOLDING OF THE PROMOTERS AND THE MEMBERS OF OUR PROMOTER GROUP

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

Particulars	Pre-Issue		Post-Issue	
	Number of Equity Shares	Percentage (%) holding	Number of Equity Shares	Percentage (%) holding
<b>Promoters</b>				
Vipin Mullick	92,11,257	54.96	[●]	[●]
Anandita Mullick	34,01,125	20.29	[●]	[●]
<b>Total (A)</b>	<b>1,26,12,382</b>	<b>75.26</b>	<b>[●]</b>	<b>[●]</b>
<b>Promoter Group</b>				
Janak Mullick	14,93,298	8.91	[●]	[●]
Divij Mullick	8,31,660	4.96	[●]	[●]
Manya Mullick	8,30,000	4.95	[●]	[●]
Vipin Mullick HUF	8,30,000	4.95	[●]	[●]
Vandana Chakravarty	9,000	0.06	[●]	[●]
Ruchika Bhasin Ohri	5,000	0.03	[●]	[●]
Latika Khanna	5,000	0.03	[●]	[●]
<b>Total (B)</b>	<b>40,03,958</b>	<b>23.89</b>	<b>[●]</b>	<b>[●]</b>
<b>Total (A+B)</b>	<b>1,66,16,340</b>	<b>99.15</b>	<b>[●]</b>	<b>[●]</b>

For detailed information on the “Capital Structure”, please refer on page 74 of this Draft Red Herring Prospectus.

#### SUMMARY OF RESTATED FINANCIAL INFORMATION

(₹ in Lakhs, except per share data)

Particulars	For the Fiscal year			
	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Share Capital	1,659.83	9.99	9.99	9.99
Net Worth	5,828.04	5,462.54	4,469.41	3,560.91
Revenue from operations	1,763.11	6,131.87	5,065.78	4,384.94
Profit before Tax from continuing operations	456.45	1,409.88	1,225.84	721.76
Profit after Tax	344.79	1,048.84	936.86	540.09
Basic & Diluted Earnings Per Share	2.08	6.32	5.64	3.25
Net Asset Value per Equity Shares	35.11	32.91	26.93	21.45
Total Borrowings (as per Restated)	374.79	398.94	94.51	140.17

<sup>1)</sup> The Basic and Diluted earnings per share and Net Asset value per share is calculated taking only profit after tax from continuing operations.

For detailed information on the “Restated Financial Statements”, please refer on page 187 of this Draft Red Herring Prospectus.

#### AUDITORS’ QUALIFICATIONS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS

There were no auditor qualifications which required corrective adjustments, and which have not been given effect to in the Restated Financial Information.

#### SUMMARY OF OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

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

Name	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by SEBI or stock exchanges against our Promoters	Material civil litigations	Aggregate amount involved (₹ in Lakhs) <sup>^</sup>
<b>Company</b>						
By the Company	-	-	-	-	-	-
Against the Company	-	1	-	-	-	0.32 <sup>^</sup>
<b>Directors</b>						
By the Directors	-	-	-	-	-	-
Against the Directors	-	-	-	-	-	-
<b>Promoters</b>						
By the Promoters	-	-	-	-	-	-
Against the Promoters	-	-	-	-	-	-
<b>Group Company</b>						
By the group Company	-	-	-	-	-	-
Against the group Company	-	-	-	-	-	-

<sup>^</sup>As per website of Income Tax, the above e-proceedings are shown as pending with “open” or “pending” status. However, Assessment u/s 143(3) for AY 2018-19 was completed and demand of ₹ 0.27/- was raised. For the Assessment year 2021-22, a refund was determined by the Income Tax department. refund kept on hold for adjustment of old

demands of AY 2018-19, and that Refund is kept on hold for adjustment of old demands. There exists no outstanding demand against the Director and the Director has raised grievance with the Income Tax Department for the same.

For detailed information on the Outstanding Litigations, please refer to section titled “Outstanding Litigations and Material Developments” on page 264 of this Draft Red Herring Prospectus.

## RISK FACTORS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have neither been recommended nor approved by Securities and Exchange Board of India. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 29 of this Draft Red Herring Prospectus.

## SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

Except as stated below, there are no other Contingent Liabilities of the Company for the financial year June 30, 2024 and March 31, 2024, 2023 and 2022.

Particulars	As on June 30, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Demand notices issued by GST Department	90.90	90.90	-	-
Demand Order issued by Income Tax Department	0.32	0.32	0.32	0.32
<b>Total</b>	<b>91.22</b>	<b>91.22</b>	<b>0.32</b>	<b>0.32</b>

## RELATED PARTY TRANSACTIONS

The following transactions were carried out with the related parties in the ordinary course of business (except reimbursement of actual expenses):

(A) For the First Quarter of 2024-25:

S. no	Name/Nature of Transaction	Remuneration	Interest Paid	Loans Accepted	Loans Repaid	Procurement of Labour Services	Advance Given	Outstanding Balance At Year End
		₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
1	Vipin Mullick	38.10	1.20	-	-	-	-	40.00
2	Anandita Mullick	18.13	0.27	-	-	-	-	9.00
3	Janak Dulari Mullick	-	2.30	-	-	-	-	77.00
4	Manya Mullick	-	0.48	-	-	-	-	16.00
5	Vipin Mullick HUF	-	0.05	-	-	-	-	1.80
6	Divij Mullick	-	0.51	-	-	-	-	17.00
7	Mujahid Ali	1.50	-	-	-	-	-	-
8	Engsol Technologies Private Limited (Advance Given)	-	-	-	-	-	125.00	-
9	Engsol Technologies Private Limited (Labour Services)	-	-	-	-	44.54	-	32.18

(B) For The Financial Year 2023-24:

S. no	Name/Nature of Transaction	Remuneration	Interest Paid	Loans Accepted	Loans Repaid	Procurement for Labour Services	Advance Given	Outstanding Balance At Year End
		₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
1	Vipin Mullick	141.00	3.99	95.00	55.00	-	-	40.00
2	Anandita Mullick	63.00	0.72	39.00	37.00	-	-	9.00
3	Janak Dulari Mullick	-	8.09	26.50	-	-	-	77.00
4	Manya Mullick	-	1.84	3.00	-	-	-	16.00
5	Vipin Mullick HUF	-	0.22	-	-	-	-	1.80
6	Divij Mullick	-	1.70	13.00	-	-	-	17.00
7	Engsol Technologies Private Limited (Advance Given)	-	-	-	-	-	125.00	-
8	Engsol Technologies Private Limited (Labour Services)	-	-	-	-	86.58	-	17.95

(C) For The Financial Year 2022-23:

S. no	Name/Nature of Transaction	Remuneration	Interest Paid	Loans Accepted	Loans Repaid	Procurement for Labour Services	Advance Given	Outstanding Balance At Year End
		₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
1	Vipin Mullick	141.00	-	-	-	-	-	-
2	Anandita Mullick	63.00	0.47	7.00	-	-	-	7.00
3	Janak Dulari Mullick	-	2.92	30.00	-	-	-	50.50
4	Manya Mullick	-	1.39	3.00	-	-	-	13.00
5	Vipin Mullick HUF	-	0.22	-	-	-	-	1.80
6	Divij Mullick	-	0.26	4.00	-	-	-	4.00
7	Engsol Technologies Private Limited (Advance Given)	-	-	-	-	-	100.00	-

(D) For The Financial Year 2021-22

S. no	Name/Nature of Transaction	Remuneration	Interest Paid	Loans Accepted	Loans Repaid	Payment for Labour Services	Advance Given	Outstanding Balance At Year End
		₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
1	Vipin Mullick	93.00	0.88	-	13.00	-	-	-

S. no	Name/Nature of Transaction	Remuneration	Interest Paid	Loans Accepted	Loans Repaid	Payment for Labour Services	Advance Given	Outstanding Balance At Year End
		₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
2	Anandita Mullick	39.00	0.66	-	9.50	-	-	-
3	Janak Dulari Mullick	-	4.54	-	20.00	-	-	20.50
4	Manya Mullick	-	2.51	-	19.00	-	-	10.00
5	Vipin Mullick HUF	-	0.22	-	-	-	-	1.80
6	Divij Mullick	-	0.91	-	13.50	-	-	-
7	Engsol Technologies Private Limited (Advance Given)	-	-	-	-	-	45.00	-

For detailed information on the related party transactions executed by our Company, please refer “*Note 5*” under chapter titled “*Restated Financial Statements*” beginning on page 187 of this Draft Red Herring Prospectus.

## FINANCING ARRANGEMENTS

The Promoters, members of the Promoter Group, the directors of the issuer and their relatives have not financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

## WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES WERE ACQUIRED BY OUR PROMOTERS IN THE LAST ONE YEAR PRECEDING THE DATE OF THIS DRAFT RED HERRING PROSPECTUS

The weighted average price at which our Promoters acquired the Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus is provided below:

Sr. No.	Name of Promoters	No. of Equity Shares acquired in the last one year from the date of this DRHP	Weighted Average Price (in ₹ per equity share)*
1.	Vipin Mullick	92,11,257	0.01
2.	Anandita Mullick	34,01,125	0.01

\*As certified by M/s Baheti & Co., Chartered Accountants, by way of their certificate dated October 11, 2024.

## AVERAGE COST OF ACQUISITIONS OF SHARES

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

Sr. No.	Name of Promoters	No. of Equity Shares held	Average cost of acquisition* (in ₹ per equity share)
1.	Vipin Mullick	92,11,257	0.01
2.	Anandita Mullick	34,01,125	0.01

\*As certified by Baheti & Co., Chartered Accountants, by way of their certificate dated October 11, 2024.

## PRE- IPO PLACEMENT

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Red Herring Prospectus until the listing of the Equity Shares.

## ISSUE OF SHARES FOR CONSIDERATION OTHER THAN CASH

Except mentioned below, our Company has not issued any equity shares for consideration other than cash during the last one year for further details please refer Chapter titled “*Capital Structure*” on page 74 of this Draft Red Herring Prospectus.

Date of Transaction	Number Shares Purchased/Sold	Face Value (in ₹)	Issue Price (in ₹)	Nature of Consideration	Nature of Allotment
April 08, 2024	1,64,98,350	10	-	Other than cash	Bonus Issue

## SPLIT / CONSOLIDATION

Except as disclosed below, our Company has not undertaken split or consolidation of its equity shares in the one year preceding the date of this Draft Red Herring Prospectus:

Pursuant to a resolution of the Board dated March 09, 2024 and a resolution of our shareholders dated April 01, 2024, 9,999 equity shares of our Company of face value of ₹ 100 each were sub-divided into 99,990 Equity Shares of face value of ₹ 10 each. For further details, see “*Capital Structure – Notes to the Capital Structure – Equity share capital*” on page 74

## EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAW, IF ANY, GRANTED BY SEBI

Our Company has not received any exemption from SEBI from complying with any provisions of securities laws, as on the date of this Draft Red Herring Prospectus.



## SECTION III – RISK FACTORS

*An investment in our Equity Shares involves a high degree of risk. Prospective investors should carefully consider all information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. If any or some combination of the following risks actually occur, our business, prospects, financial condition and results of operations could suffer, the trading price of our Equity Shares could decline, and prospective investors may lose all or part of their investment. Investors should pay particular attention to the fact that we are subject to extensive regulatory environment in India and overseas that may differ significantly from one jurisdiction to other.*

*We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Some risks may be unknown to us and other risks, currently believed to be immaterial, could be or become material. To obtain a complete understanding of our business, prospective investors should read this section in conjunction with the sections “Our Business”, “Industry Overview”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Statements” on pages 122, 114, 252 and 187 respectively. In making an investment decision, prospective investors must rely on their own examination of our business and the terms of the Issue, including the merits and risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences to them of an investment in our Equity Shares.*

*This Draft Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.*

### INTERNAL RISK FACTORS

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

We have two strategically located Manufacturing Facilities at Bhopal, Madhya Pradesh. Any disruptions, breakdown or shutdown of our Manufacturing Facilities, due to, inter alia, (i) breakdown or failure of equipment, (ii) disruption in power supply or processes, (iii) performance below expected levels of efficiency, (iv) obsolescence, (v) labour disputes, (vi) infectious diseases (such as the COVID-19 pandemic), and (vii) political instability in Madhya Pradesh region, could result in the damage or destruction of our manufacturing abilities, significant delays in the transport of our products and raw materials and/or otherwise adversely affect our business, results of operations, financial conditions, cash flows and future prospects. Our Unit I and II have a combined installed capacity of 5,09,007 pieces, 4,33,390 pieces, and 5,47,912 pieces for Fiscal 2024, Fiscal 2023, and Fiscal 2022, respectively. The capacity utilization for these periods was 87.84%, 88.01%, and 87.20%, respectively.

Our business is dependent upon our ability to manage our Manufacturing Facilities, which are subject to various operating risks. Any significant malfunction or breakdown of our machinery, our equipment, our IT systems or any other part of our manufacturing processes or systems may entail significant repair and maintenance costs and cause delays in our operations. If we are unable to maintain, repair our machinery, equipment, or any other part of our manufacturing processes or systems in a timely manner or at all, our operations may need to be suspended until we procure the appropriate machinery, equipment or systems to

replace them. To mitigate the risks, we have a maintenance team in place which carries out regular inspections and we also have AMCs in place for our critical machines. Additionally, we maintain redundant equipment to ensure operational continuity in the event of unexpected failures. While there have been no such instances in the past, there can be no assurance that there will not be such instances in the future.

Our business operations involve the usage of machinery such as CNC (Computer Numerical Control) machine & VMC (Vertical Machining Center) machine turning centers, heavy duty hydraulic presses and mechanical power presses for metal forming, CNC Waterjet cutting machines. Any disruption in the operation in our existing production facilities due to any of the foregoing risks could adversely affect our business, financial condition, results of operation and prospects. In addition, many of these operating and other risks may result in suspension of our operations and the imposition of civil or criminal penalties. Our inability to effectively respond to any slowdown or shutdown and to rectify any disruption, in a timely manner and at an acceptable cost, could also lead to an inability to comply with our customers' requirements and would result in us breaching our contractual obligations which would have a material adverse effect on our financial condition and results of operations.

**2. A significant portion of our revenue is derived from a limited number of customers and repeat orders. The loss of, or a substantial reduction in, these repeat orders could have a negative impact on our business, operational performance, financial condition, and cash flows.**

We derive a significant portion of our revenue from operations from few customers and repeat orders from those customers. Our revenues from repeat orders from customers for the period ended June 30, 2024 and for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 is as set out below:

(₹ in lakhs)

Particulars	For period ended	For Fiscal Year		
	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Revenues from repeat customers*	799.21	3,653.43	3,738.15	3,174.17
Revenues from repeat customers as % of our revenues from operations	45.33%	59.58%	73.79%	72.39%

\* Revenues from repeat customers is revenues from customers where our Company would have recognized revenues from such customer in more than one fiscal during the last three fiscals preceding the fiscal for which the data is being disclosed.

We have historically been dependent, and expect to depend, on such customers and on repeat orders, for a substantial portion of our revenue and the loss of any them for any reason could have a material adverse effect on our business, results of operations, financial condition and cash flows.

The table set forth below provides the revenue contribution and revenue contribution as a percentage of our revenue from operations from our top 10 customers, for the period ended June 30, 2024 and for the Year ended March 31, 2024, March 31, 2023, and March 31, 2022:

(₹ in lakhs, unless stated otherwise)

Particulars	For the period ended June 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 total sales (%)	Revenue	% of total sales (%)	Revenue	% of total sales (%)	Revenue	% of total sales (%)
Customer 1	410.01	23.26	1,622.27	26.46	1,434.36	28.31	1,368.11	31.20
Customer 2	251.33	14.26	852.67	13.91	952.46	18.80	752.84	17.17
Customer 3	183.06	10.38	524.40	8.55	542.80	10.72	290.43	6.62
Customer 4	119.89	6.80	518.06	8.45	243.46	4.81	238.50	5.44
Customer 5	119.84	6.80	212.96	3.47	183.61	3.62	181.79	4.15
Customer 6	118.22	6.71	199.48	3.25	174.01	3.44	175.84	4.01

Particulars	For the period ended June 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 total sales (%)	Revenue	% of total sales (%)	Revenue	% of total sales (%)	Revenue	% of total sales (%)
Customer 7	71.43	4.05	192.84	3.14	129.48	2.56	163.18	3.72
Customer 8	58.69	3.33	143.00	2.33	121.67	2.40	92.23	2.10
Customer 9	47.92	2.72	127.82	2.08	102.47	2.02	88.28	2.01
Customer 10	47.56	2.70	119.34	1.95	84.51	1.67	80.42	1.83
<b>Total</b>	<b>1,427.96</b>	<b>80.99</b>	<b>4,512.84</b>	<b>73.60</b>	<b>3,968.84</b>	<b>78.35</b>	<b>3,431.61</b>	<b>78.26</b>

While we have been able to establish long-term contracts with several customers, some of which extending beyond 4-5 years and we believe these contracts provide a stable revenue stream, the actual order volumes can fluctuate based on market factors, such as our customers' success in securing orders for their products in domestic or international markets. Any changes in customer business practices or terms, including payment terms, could significantly impact our business, financial operations, operational results, and cash flow.

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

- 3. Our raw material cost constitutes a significant percentage of our total expenses. Any increase in the prices, availability and quality of raw materials could adversely affect our reputation, business, results from operations, financial conditions and cash flows. We rely on few qualified suppliers for our primary raw material, loss of these suppliers may have an adverse effect on our business, results of operations and financial conditions.*

We source raw materials from both domestic and international suppliers, considering factors such as market availability, pricing, and quality. We use many raw materials in our manufacturing facilities such as mild steel, stainless steel, copper, brass and other non-ferrous metals, enamelled copper wires, copper bars, extruded or drawn sections, strips and sheets, insulating materials like epoxy resins, hardeners and allied chemicals, insulating FRP laminated sheets, insulating varnishes, paints, mechanical parts like bearings, hardware, machined and/or stamped parts, rubber and plastic moulded parts, various types of electrical switches, meters, push buttons, toggle switches, connectors, terminals, lugs etc, PVC and other types of wires, electronic parts like PCBs, transistors, varistors, diodes, ICs etc, various types of ferrous and non-ferrous castings, woven glass cloth and tapes, insulation tapes, porcelain insulators, silver contact tips and silver brazing alloys, etc. The prices of raw materials are subject to fluctuations due to several factors, including the availability and cost of inputs, changes in domestic and international demand and supply, global production capacities, fluctuations in raw material import volumes, transportation costs, protective trade measures, and various social and political influences in the economies where the producers operate. Additionally, the prices are sensitive to trends in specific industries, such as electrical industry. Economic downturns or slowdowns in this sector can lead to a decrease in raw material prices, potentially impacting our production volumes. This, in turn, could have a material adverse impact on our business, operational performance, financial condition, and future prospects.

The table below sets out our cost of raw materials consumed for the period ended June 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022 and such expenses as a percentage of our total expenses for the same periods:

Particulars	For the period ended		For the Year ended					
	June 30, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	Amount (₹ in lakhs)	Percentage of total expenses (%)	Amount (₹ in lakhs)	Percentage of total expenses (%)	Amount (₹ in lakhs)	Percentage of total expenses (%)	Amount (₹ in lakhs)	Percentage of total expenses (%)
Cost of raw materials consumed including (increase)/ decrease in inventories of finished goods, stock in trade and work in progress	800.41	58.24	2,596.14	52.88	2,162.82	53.25	2,086.70	55.13

We are exposed to price fluctuations in the raw materials we purchase, which constitute the highest component of our expenses. Additionally, if the holding period for raw materials exceeds the average, we may need additional working capital to cover the cost of maintaining these materials, which could further increase our overall raw material expenses. Any significant rise in raw material prices that we are unable to pass on to customers could materially adversely affect our business and financial position.

We do not have long-term contracts with our raw material suppliers, and all our procurements are made through purchase orders. In the absence of formal, exclusive long-term agreements, we cannot guarantee the longevity of these business relationships, and we risk losing a significant portion of our revenues to competitors. Any shift in the preferences of our suppliers could lead to the discontinuation of our engagements with them, which may materially and adversely affect our business. While we place emphasis on maintaining quality, ensuring timely delivery of raw materials, and fostering personal relationships with suppliers through senior management, any changes in purchasing patterns or supplier preferences could negatively impact our business and profitability.

The table set forth below provides top 10 suppliers, for period ended June 30, 2024 and for the Year ended March 31, 2024, March 31, 2023, and March 31, 2022:

(₹ in lakhs, unless stated otherwise)

Particulars	For the period ended June 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 total purchases of raw material	Revenue	% of total purchases of raw material	Revenue	% of total purchases of raw material	Revenue	% of total purchases of raw material
Supplier 1	203.82	21.83%	862.08	28.78%	663.65	29.14%	614.07	29.89%
Supplier 2	100.17	10.73%	231.56	7.73%	296.08	13.00%	172.39	8.39%
Supplier 3	80.84	8.66%	188.68	6.30%	145.59	6.39%	136.08	6.62%
Supplier 4	60.08	6.43%	154.57	5.16%	87.01	3.82%	106.79	5.20%
Supplier 5	47.91	5.13%	112.52	3.76%	59.70	2.62%	78.60	3.83%
Supplier 6	43.13	4.62%	93.07	3.11%	46.04	2.02%	71.34	3.47%
Supplier 7	32.29	3.46%	85.87	2.87%	45.68	2.01%	48.55	2.36%
Supplier 8	28.82	3.09%	65.46	2.19%	38.48	1.69%	47.09	2.29%
Supplier 9	17.93	1.92%	48.48	1.62%	38.37	1.68%	42.50	2.07%
Supplier 10	17.37	1.86%	46.71	1.56%	36.95	1.62%	33.12	1.61%
<b>Total</b>	<b>632.36</b>	<b>67.72%</b>	<b>1,889.00</b>	<b>63.07%</b>	<b>1,457.55</b>	<b>63.99%</b>	<b>1,350.55</b>	<b>65.74%</b>

**4. Our primary source of revenue largely depends on the sale of Railways and Power Grid Infrastructure segment. Consequently, any downturn in sales within this segments would significantly hamper our operations and profitability**

We are an Electrical Engineering company engaged in the business segments of Railways and Power Grid Infrastructure, and Electric Vehicles. However, a significant portion of our revenue comes from the Railways and Power Grid Infrastructure segment. Combined, these products account for 73.20%, 85.76%, 97.68%, and 98.90% of our operational revenue for the period ended June 30, 2024 and in the fiscal years 2024, 2023, and 2022, respectively.

(₹ in lakhs, unless stated otherwise)

Particulars	For the period ended June 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 revenue from operations	Revenue	% of revenue from operations	Revenue	% of revenue from operations	Revenue	% of revenue from operations
Railways	838.89	47.58	3,351.82	54.66	2,807.74	55.43	2,357.90	53.77
Power Grid Infrastructure	451.73	25.62	1,906.91	31.10	2,140.23	42.25	1,978.95	45.13
Electric Vehicle	367.92	20.87	825.04	13.45	26.31	0.52	0.86	0.02
Other Products	104.56	5.93	48.10	0.78	91.50	1.81	47.24	1.08
<b>Total</b>	<b>1,763.11</b>	<b>100.00</b>	<b>6,131.87</b>	<b>100.00</b>	<b>5,065.78</b>	<b>100.00</b>	<b>4,384.94</b>	<b>100.00</b>

Depending heavily on these segments for a substantial portion of our revenue brings forth various risks such as potential declines in future demand, intensified competition from both domestic and international manufacturers, the invention of superior and cost-effective technologies, fluctuations in raw material prices and availability, shifts in regulations and import duties, and the cyclical patterns inherent in our customers' businesses. Any incidence of such events has the potential to substantially diminish our revenues, consequently having a material adverse impact on our operational outcomes and financial standing.

5. *Our international operations expose us to a range of complex risks, including legal, tax, and economic uncertainties, as well as fluctuations in exchange rates. Failure to effectively manage these geographically diverse operations could negatively impact our business and operational performance.*

We are an Electrical Engineering company engaged in manufacture of equipment, components and sub-assemblies and export to more than twenty countries, with a continued focus on expanding our international business. However, any failure to effectively manage our geographically diverse operations could adversely impact our business and operational performance. Below is the country-wise breakdown of the revenue earned by our company during the specified periods:

(₹ in lakhs, unless stated otherwise)

Particulars	For the period ended June 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 total sales (%)	Revenue	% of total sales (%)	Revenue	% of total sales (%)	Revenue	% of total sales (%)
Domestic	651.09	36.93	2920.86	47.63	2815.22	55.57	2,604.99	59.41
Export	1,112.02	63.07	3,211.00	52.37	2,250.56	44.43	1,779.95	40.59
<b>Total Sales</b>	<b>1,763.11</b>	<b>100.00</b>	<b>6,131.87</b>	<b>100.00</b>	<b>5,065.78</b>	<b>100.00</b>	<b>4,384.94</b>	<b>100.00</b>

(₹ in lakhs, unless stated otherwise)

Particulars	For the period ended June 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 total export sales (%)	Revenue	% of total export sales (%)	Revenue	% of total export sales (%)	Revenue	% of total export sales (%)
United States of America	829.51	74.59	2,094.46	65.23	1,727.64	76.76	1,224.10	68.77
Kazakhstan	159.35	14.33	273.38	8.51	21.63	0.96	-	-
Mexico	-	-	76.25	2.37	174.01	7.73	113.67	6.39
Bulgaria	47.92	4.31	212.96	6.63	-	-	-	-
Slovenia	13.57	1.22	63.69	1.98	36.86	1.64	118.22	6.64
Italy	-	-	83.11	2.59	33.78	1.50	59.71	3.35
Canada	18.58	1.67	73.96	2.30	24.28	1.08	59.47	3.34
Argentina	-	-	58.33	1.82	46.21	2.05	40.65	2.28
Czech Republic	11.70	1.05	75.63	2.36	41.60	1.85	15.90	0.89
Spain	9.72	0.87	13.20	0.41	51.16	2.27	44.97	2.53
Brazil	3.04	0.27	90.67	2.82	18.85	0.84	4.59	0.26
Croatia	5.23	0.47	28.56	0.89	29.67	1.32	49.11	2.76
Turkey	6.64	0.60	22.35	0.70	29.60	1.32	18.44	1.04
Kuwait	4.37	0.39	14.01	0.44	6.56	0.29	3.55	0.20
Sri Lanka	-	-	13.32	0.41	-	-	7.27	0.41
Egypt	-	-	11.76	0.37	3.94	0.18	-	-
France	-	-	1.08	0.03	0.00	0.00	11.25	0.63
Finland	-	-	-	-	-	-	7.57	0.43
Australia	-	-	3.80	0.12	3.59	0.16	-	-
Germany	-	-	0.33	0.01	0.88	0.04	1.49	0.08
Vietnam	1.25	0.11	-	-	-	-	-	-
United Kingdom	1.04	0.09	-	-	-	-	-	-
United Arab Emirates	-	-	-	-	0.32	0.01	-	-
Malaysia	-	-	0.16	-	-	-	-	-
Nepal	0.09	0.01	-	-	-	-	-	-
<b>Total Export Sales</b>	<b>1,112.02</b>	<b>100.00</b>	<b>3,211.00</b>	<b>100.00</b>	<b>2,250.56</b>	<b>100.00</b>	<b>1,779.95</b>	<b>100.00</b>

The following table demonstrates our foreign exchange gain/(loss) during the preceding three financial years:

Currency	Profit or loss			
	For period ended June 30, 2024	For Fiscal Year 2024	For Fiscal Year 2023	For Fiscal Year 2022
Foreign Gain/(Loss) (₹ in lakhs)	5.83	26.37	79.67	30.13

Owing to our export concentration, our operations are subject to the following risks, that could adversely affect our business and results of operations:

- political instability, resulting from a change in government or economic and fiscal policies;
- instability and adverse changes in geopolitical situations;
- change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular;
- civil unrest, acts of violence, terrorist attacks, regional conflicts or war;

- unsettled political conditions and possible terrorist attacks against countries where we sell our products
- breakout of epidemics and natural calamities such as earthquakes, tsunamis, floods and drought, etc.

In the event that we are unable to anticipate and effectively manage these and other risks, it could have a material and adverse effect on our business, results of operations, financial condition, cash flows and future prospects.

In order to mitigate the risks relating to our international operations, we intend to undertake strategic initiatives to enter into additional geographies. However, we may face competition in other countries from companies that may have more experience with operations in such countries or with international operations generally. Moreover, the growth in size or scope of our business, expansion of our footprint in existing regions in which we operate and entry into new geographies also may expose us to regulatory regimes with which we have no prior direct experience. In addition, the costs associated with entering and establishing ourselves in new markets, and expanding such operations, may be higher than expected, and we may face significant competition in those regions. Any of these developments, alone or in combination, could have a material adverse effect on our business, results of operations, financial condition, cash flows and future prospects.

#### ***6. Our business is exposed to foreign exchange rate-related fluctuations.***

Our operations are spread across more than twenty countries across the world, as of the preceding three Financial Years and the period ended June 30, 2024, and accordingly, we derive a significant portion of our revenues from outside India, which is denominated and transacted in foreign currencies and subjects us to foreign exchange risk. Any significant appreciation in the value of the Indian Rupee against such currencies in the future, may adversely affect our results of operations and operating margins.

We generate a significant portion of our revenue in currencies other than Indian Rupee. For the period ended June 30, 2024 and in the Fiscals 2024, 2023 and 2022, revenue from operations from rest of the world segment was ₹ 1,112.02 lakhs, ₹ 3,211.00 lakhs, ₹ 2,250.56 lakhs, and ₹ 1,779.95 lakhs, respectively, accounting for 63.07%, 52.37%, 44.43%, and 40.59%, respectively, of our total revenue in the same years/periods.

Further, we will face foreign currency transaction risk to the extent that the amounts and relative proportions of various currencies in which our costs and liabilities are denominated deviate from the amounts and relative proportions of the various currencies in which our sales and assets are denominated. The impact of future exchange rate fluctuations among different currencies on our results of operations and financial condition cannot be accurately predicted, and our attempts to mitigate the adverse effects of exchange rate fluctuations may not be successful. Our Company has experienced a profit of ₹ 5.83 lakhs, ₹ 26.37 lakhs, ₹ 79.67 lakhs, and ₹ 30.13 lakhs, for the period ended June 30, 2024 and during the Fiscals 2024, 2023 and 2022, respectively on foreign exchange variation (net). Such exchange rate fluctuations may in the future have a material adverse effect on our business, results of operations, financial condition, cash flows and future prospects.

In addition, the policies of the Reserve Bank of India may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our business, financial condition, cash flows and results of operations. In projects where our revenue is booked in foreign currencies, any significant increase in the value of the Indian Rupee against such currencies in the future may adversely affect our results of operations and profitability. Certain markets in which we sell our services may be subject to foreign exchange repatriation and exchange control risks due to local country regulatory requirements.

#### ***7. If we fail to manage our growth effectively, we may be unable to execute our business plan our business, results of operations, cash flows and financial condition could be adversely affected.***

We have experienced significant growth in our revenue from operations and profitability in the last three Fiscals and anticipate that we will continue to potentially grow, expand into new geographies and take

advantage of market opportunities. Our revenue from operations has grown from ₹ 4,384.94 lakhs in Fiscal 2022 to ₹ 6,131.87 lakhs in Fiscal 2024, registering a CAGR of 18.25% in last three years. Our PAT has grown from ₹ 540.09 lakhs in Fiscal 2022 to ₹ 1,048.84 lakhs in Fiscal 2024, registering a CAGR of 39.35% in last three years.

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategy includes improving operational efficiencies, deepening our penetration in existing markets and expanding our presence in select new territories. For further information, see “*Our Business – Business Strategies*” on page 142 of this Draft Red Herring Prospectus.

Many factors may contribute to a decline in our revenue growth rates, including increased competition, slowing demand for our product from existing and new customers, reduced market acceptance of the products, inability to attract new customers, general economic conditions, government actions and policies, a failure by us to continue capitalizing on growth opportunities, changes in the regulatory framework, non-availability of raw materials at competitive pricing and the maturation of our business, among others. We cannot assure you that our current and planned systems, policies, procedures and controls, personnel and third-party relationships will be adequate to support our future operations. Our inability to effectively manage any of these issues may adversely affect our business growth and, as a result, impact our business, financial condition, results of operations and prospects.

- 8. *We are measured against high quality standards and stringent performance requirements by our customers. Any failure to meet these standards or requirements could result in the cancellation of current and future orders, product recalls, or liquidated damages. Such events could significantly harm our reputation, business operations, financial condition, and cash flows.***

We are an Electrical Engineering company engaged in manufacture of equipment, components and sub-assemblies used in traction control gear, busbars for electrical cabinets for electric locomotives and metro trainsets, solenoids for circuit breakers and switchgears, non-condenser bushings for HV Capacitors and disconnecting actuators for EVs. These parts are primarily used in railway, industrial machinery, electrical measurement and control equipment, electrical power equipment, and electric vehicles. Given the nature of application of our products and engineering processes, our products and engineering processes are measured against, high quality standards and stringent specifications of our customers. Our customers provide a varying range of specifications which include, inter alia, specifications in connection with the design and production, testing and inspection, safety, quality of raw material, packaging, shipment and delivery, adherence and compliance with environmental, health and safety laws and usage of skilled manpower. The failure by us to achieve or maintain compliance with these requirements or quality standards may disrupt our ability to supply products to our customers until compliance with such requirements or standards is achieved. These quality specifications requirements include, among others, setting up robust process controls, conforming to product specifications and adhering to quality specifications as required by our customers.

- 9. *We have not yet placed orders in relation to some of the capital expenditure to be incurred for the purchase of equipment / machinery and infrastructure enhancement. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the equipment / machinery or other materials in a timely manner, or at all, may result in time and cost overruns and our business, prospects and results of operations may be adversely affected.***

We intend to utilize portions of the Net Proceeds for funding capital expenditure requirements towards purchase of machinery, equipment and infrastructure enhancement in our existing manufacturing facilities. While we have procured quotations from vendors in relation to the capital expenditure to be incurred, we have not placed any firm orders for some of them. For details in respect of the foregoing, please see “*Objects of the Issue*” on page 90 of this Draft Red Herring Prospectus. Such quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such quotations or that there will not be cost escalations.

Further, the actual amount and timing of our future capital requirements may differ from our estimates because of, among other things, unforeseen delays or cost overruns, unanticipated expenses, regulatory



changes, engineering design changes and technological changes. In the event of any delay in placing the orders, or an escalation in the cost of acquisition of the equipment or in the event the vendors are not able to provide the equipment in a timely manner, or at all, we may encounter time and cost overruns. Further, if we are unable to procure the requisite materials from the vendors from whom we have procured quotations, we cannot assure you that we may be able to identify alternate vendors to provide us with the materials which satisfy our requirements at acceptable prices. Our inability to procure the machinery and equipment at acceptable prices or in a timely manner, may result in an increase in capital expenditure, the proposed schedule of implementation and deployment of the Net Proceeds may be extended or may vary accordingly, thereby resulting in an adverse effect on our business, prospects and results of operations.

**10. Our business operations are being conducted on premises owned by and leased from MPAKVNBL. Our inability to continue operating from such premises, or to seek renewal or extension of such leases may adversely affect our business and results of operations.**

Our current business operations are primarily conducted on premises that are owned by and leased from Madhya Pradesh Audyogik Kendra Vikas Nigam (B) Limited (MPAKVNBL), and we may continue to enter into similar transactions in the future. As our current leases may expire in the ordinary course of business, we cannot assure you that we will be able to continue operating from our existing premises or renew our leases on favorable terms, or at all. Additionally, any breach of contractual terms or inability to renew lease agreements on acceptable terms could disrupt our business and adversely affect our results of operations. In the event that we are required to relocate, we may face the challenge of obtaining fresh regulatory licenses and approvals. Furthermore, we cannot assure you that suitable alternative locations will be readily available. Any delay in securing a new location could lead to operational disruptions, negatively impacting our business and financial performance.

**11. We have significant working capital requirements for our smooth day to day operations of business and discontinuance or our inability to acquire adequate working capital timely and on favorable terms may have an adverse effect on our operations, profitability and growth prospects.**

Our Company's working capital needs for a specific period are influenced by various factors, such as the size and timing of orders to be fulfilled, the size of the order backlog, and customer payment terms. Based on historical trends, we anticipate a significant increase in our working capital requirements.

The table below sets forth our working capital for the period ended June 30, 2024, and for the Financial Years 2024, 2023 and 2022 on the basis stated below:

(₹ in lakhs)

Particulars	For the period ended June 30, 2024 (Audited)	For the year ended March 31, 2024 (Audited)	For the year ended March 31, 2023 (Audited)	For the year ended March 31, 2022 (Audited)
<b>Current Assets</b>				
Inventories	1,398.61	1,267.95	879.47	764.56
Trade receivables	1,626.98	1,731.66	1,328.81	1,274.16
Cash and cash equivalents	300.12	94.96	70.61	394.86
Short-term loans and advances	198.47	61.52	75.05	179.07
Other Current Assets	368.07	564.19	354.39	283.11
<b>Total Current Assets (A)</b>	<b>3,892.25</b>	<b>3,720.28</b>	<b>2,708.34</b>	<b>2,895.76</b>
<b>Current Liabilities</b>				
Trade payables	152.79	125.65	60.27	63.51
Other current liabilities	78.29	86.50	101.30	154.32
Short-term provisions	197.84	439.23	361.86	244.29
<b>Total Current Liabilities (B)</b>	<b>428.92</b>	<b>651.39</b>	<b>523.42</b>	<b>462.12</b>
<b>Net Working Capital Requirements (A-B)</b>	<b>3,463.32</b>	<b>3,068.89</b>	<b>2,184.91</b>	<b>2,433.64</b>

Our business requires funds towards working capital requirements. In case there are insufficient cash flows to meet our working capital requirement, or we are unable to arrange the same from other sources or there are delays in disbursement of arranged funds, or we are unable to procure funds on favourable terms, at a future date, it may result into our inability to finance our working capital needs on a timely basis which may have an adverse effect on our operations, profitability and growth prospects. For further details regarding incremental working capital requirement, please refer to the chapter titled “*Objects of the Issue*” beginning on page 90 of this Draft Red Herring Prospectus.

***12. Our Company does not have any documentary evidence for the past education qualifications and past experience of Vipin Mullick, Anandita Mullick and Vikram Mehandiratta.***

Our promoters, Vipin Mullick and Anandita Mullick, along with Non-Executive Director Sanjiv Shah, were unable to provide documentation supporting their past experiences. Due to which we are not able to disclose their complete professional backgrounds in their profiles. Additionally, our Senior Managerial Personnel, Vikram Mehandiratta, could not provide documentation verifying his educational qualifications. As a result, we could not include his educational background as per his profile. For further information, please refer to the chapter titled “*Our Management*” on page 164 of this Draft Red Herring Prospectus.

***13. We engage contract workers for carrying out certain functions of our business operations. In the event of non-availability of such contract workers at reasonable cost, any adverse regulatory orders or any default on payments to them by the agencies could lead to disruption of the manufacturing facilities and our business operations.***

We engage independent contractors through whom we engage contract workers for performance of certain functions at our manufacturing units. While we have not faced any breach of agreements executed with such independent contractors in the last three Fiscals and in the current Fiscal until the date of this Draft Red Herring Prospectus, there is no assurance that such breach will not occur in the future. Further, while we have not encountered such instance in the past, we cannot assure that we will be able to renew the engagement with our independent contractors at commercially viable terms or at all. As of September 30, 2024, we had 215 contract labours. Although we do not engage these contract workers directly, we are responsible for any wage payments to be made to such labourers in the event of default by their respective independent contractors. Any requirement to fund such defaulted wage requirements may have an adverse impact on our business, results of operations, financial condition, cash flows and future prospects.

In addition, pursuant to the Contract Labour (Regulation and Abolition) Act, 1970, as amended, the appropriate government may, after consultation with the Central Advisory Contract Labour Board or the State Advisory Contract-Labour Board, as the case may be prohibited, by notification, the employment of contract labour in any process, operation or other work in any establishment. We cannot assure you that such a notification will not be issued by the appropriate government in respect of the locations of our manufacturing facilities. If such a notification prohibiting the employment of contract labour is issued with respect to our operations, it will have an adverse impact on our ability to employ contract labour in our manufacturing and other operations, and may adversely affect our business, results of operations, financial condition, cash flows and future prospects.

***14. Our Promoters and Directors have interests in entities which are in businesses similar to ours and this may result in potential conflict of interest with us.***

Our Promoters and Promoter Group entities namely; Engsol Technologies Private Limited, are engaged in similar line of a business according to main object of Memorandum of Association. There are, and may be, certain transactions between our company and Engsol, in the ordinary course of business and at arms’ length price. However, a potential conflict of interest may occur between our promoters, directors due to having similar line of business. For further details, please see “*Our Management*” and “*Our Promoters and Promoter Group*” on pages 164 and 180, respectively of this draft red herring prospectus. Our promoters and directors, and their related entities may compete with us and have no obligation to direct any opportunities to us. We cannot assure you that these or other conflicts of interest will be resolved in an impartial manner.

***15. Our Promoters have extended personal guarantees in connection with some of our debt facilities. There can be no assurance that such personal guarantees will be continued to be provided by our Promoters in future or can be called at any time, affecting the financial arrangements.***

Our Promoters Vipin Mullick and Anandita Mullick have provided personal guarantees to secure our existing borrowings which are continuing and are in force as on the date of Draft Red Herring Prospectus.

In the event that any of these guarantees are revoked or invoked, the lenders for such facilities may require alternative guarantees or collateral or cancellation, entailing repayment of amounts outstanding under such facilities as applicable. If we are unable to procure alternative guarantees satisfactory to our lenders, we may need to seek alternative sources of capital, which may not be available to us at commercially reasonable terms or at all, or to agree to more onerous terms under our financing agreements, which may limit our operational flexibility. Accordingly, our business, the financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Promoters in connection with our Company's borrowings.

***16. Our Promoters and Promoter Group will be able to exercise significant influence and control over our operations after the issue and may have interests that are different from those of our other shareholders.***

As of the date of this Draft Red Herring Prospectus, our Promoters and Promoter Group collectively hold 99.15% of our issued and outstanding equity share capital. Post the issue, our Promoters and Promoter Group will continue to hold [●]% of our issued and outstanding Equity Share capital. By virtue of their shareholding, our Promoters and Promoter Group will have the ability to exercise significant control and influence over our affairs and business, including the appointment of Directors, the timing and payment of dividends, the adoption of and amendments to our Memorandum and Articles of Association, the approval of a merger, amalgamation, or sale of substantially all our assets and the approval of most other actions requiring the approval of our shareholders. The interests of our Promoters and Promoter Group may be different from or conflict with the interests of our other shareholders and their influence may result in change of our management or in our control, even if such a transaction may not be beneficial to our other shareholders.

***17. Our Promoters, Directors and Key Managerial Personnel may have interest in our Company, other than reimbursement of expenses incurred, remuneration or other benefits received.***

Our Promoters, Directors and Key Managerial Personnel may be deemed to be interested to the extent of the Equity Shares held by them and benefits deriving from their shareholding in our Company. Our Promoters are interested in the transactions entered between our company and themselves as well as between our company. For further details, please refer to the chapters titled "Our Business" and "Our Promoters and Promoter Group", beginning on page 122 and 180 respectively and the chapter titled "Note 5 - Related Party Transactions" of restated financials under chapter titled "Restated Financial Statements" beginning on page 187 of this Draft Red Herring Prospectus.

***18. Our success depends heavily upon our individual Promoters, Directors, KMPs and SMPs for their continuing services, strategic guidance, and financial support.***

The success of the company depends heavily upon the continuing services of individual promoters, directors Key Managerial Personnel and Senior Management Personnel who are the natural person and in control of the Company. Our Promoters has established cordial relations with suppliers, which have benefitted the Company's current relationship with its suppliers. The Company believes that our promoters, directors have invaluable experience that has helped the Company expand its business into multiple segments such as Power Grid Infrastructure, Railways and Electric Vehicles, thereby allowing the Company to experience growth and profitability. The company benefits from its relationship with its Promoters and the success of the company depends upon the continuing services of Promoters who have been responsible for the growth of business and are closely involved in the overall strategy, direction, and management of business.

**19. Information relating to the installed production capacity and capacity utilization of our manufacturing unit included in this Draft Red Herring Prospectus are based on various assumptions and estimates and future production and capacity may vary.**


We have availed the services of an independent third-party chartered engineer, M/s ESEN Valuers & Chartered Engineers, to prepare a Chartered Engineer certificate dated October 11, 2024, for purposes of inclusion of such information in this Draft Red Herring Prospectus. Information relating to the installed production capacity and capacity utilization of our manufacturing unit included in this Draft Red Herring Prospectus is based on various assumptions and estimates of our management that have been considered by an independent chartered engineer while calculating the installed production capacity of, and actual production volumes at, our manufacturing unit. The assumptions and estimates include the standard capacity calculation practices of the electrical engineering industry after examining the period during which the manufacturing unit were operational during the year, the expected operations, availability of raw materials, downtime resulting from scheduled maintenance activities, unscheduled breakdowns, as well as expected operational efficiencies, and taking into account the number of working days in a year, number of days in a month, number of shifts in a day and average number of batches per day. Actual production capacity, production levels and utilization rates may therefore vary from the information of our manufacturing unit included in this Draft Red Herring Prospectus or from the historical installed production capacity information of our manufacturing unit depending on the product type. Accordingly, undue reliance should not be placed on our historical installed capacity information for our existing facilities included in this Draft Red Herring Prospectus.

**20. We have entered into and may continue to enter into related party transactions and there can be no assurance that such transactions have been on favourable terms.**

We have entered certain transactions with related parties may continue to do so in future. While our Company confirms that all such transactions have been conducted on arms-length basis and is in compliance with the Companies Act, 1956 and 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. For details, please refer to “*Note 5 - Related Party Transactions*” of restated financials under section titled “*Restated Financial Information*” on page 187 of this Draft Red Herring Prospectus.

**21. The trademarks being used by us for our business are not registered and our inability to obtain this registration may adversely affect our competitive business position. Our inability to protect or use our intellectual property rights may adversely affect our business.**

In October 2024, we have filed applications for the registration of (i) words “INSPROS” under classes

“CLASS: 12” & “CLASS: 09” of the Trademarks Act, 1999; and (ii)  under classes 09. However, this registration has not yet been granted as on the date of this Draft Red Herring Prospectus. In the absence of such protection, we may not be able to prevent infringement of our trademark and a passing off action may not provide sufficient protection until such time that this registration is granted. For further details, please see chapters titled “*Government and Other Key Approvals*” at page 268 of this Draft Red Herring Prospectus.

If our unregistered trademark is registered in favour of a third party, we may not be able to claim registered ownership of the trademark and consequently, we may be unable to seek remedies for infringement of this trademark by third parties other than relief against passing off by other entities. Further, we may become subject to claims by third parties if we use the trademark in breach of any intellectual property rights registered by such third parties. Any legal proceedings pursuant to such claims, or settlements thereunder, may divert management attention and require us to pay financial compensation to such third parties. Our inability to obtain or maintain these registrations may adversely affect our competitive business position. This may affect our brand value and consequently our business.

**22. Our contingent liabilities as stated in our Restated Financial Statements could affect our financial condition.**

Our contingent liability as on June 30, 2024, was ₹ 91.22 Lakhs. If this contingent liability materializes, fully or partly, the financial condition of our Company could be affected.

(₹ in Lakhs)

Particulars	As on June 30, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Demand notices issued by GST Department <sup>(1)</sup>	90.90	90.90	-	-
Demand Order issued by Income Tax Department <sup>(2)</sup>	0.32	0.32	0.32	0.32
<b>Total</b>	<b>91.22</b>	<b>91.22</b>	<b>0.32</b>	<b>0.32</b>

(1) The GST Department had issued notices (ASMT 10) for FY 21-22 and 22-23, claiming discrepancies totaling ₹ 28.08 lakhs and ₹ 62.82 lakhs, collectively ₹ 90.90 lakhs. The company has filed representations disputing these claims and provided supporting evidence. The matter is currently under review by the authorities, and the final liability is yet to be determined.

(2) The company is currently involved in a tax dispute with the Income Tax Department. A demand of ₹ 0.32 lakhs has been raised for Assessment Year 2018-19 under Section 143(3) of the Income Tax Act. While the company has filed a representation against this demand, it remains contingently liable for this amount until the matter is resolved.

For more information, regarding our contingent liabilities, please refer “Significant Accounting Policies” in chapter titled “Financial Information” beginning on page 187 of this Draft Red Herring Prospectus.

**23. Our Company has unsecured loans with a total outstanding amount of ₹ 606.15 Lakhs as of October 11, 2024, that may be recalled by the lenders at any time.**

As of October 11, 2024, our Company has on an arm’s length basis, availed the following unsecured loans from our Promoter Chairman and Managing Director i.e., Vipin Mullick, and our Whole Time Director Anandita Mullick, few promoter group members and few third parties which may be recalled by their respective lenders at any time.

Sr. No.	Name of lender	Amount Sanctioned (in ₹ lakhs)	Amount Outstanding* (as on October 11, 2024) (in ₹ lakhs)
1	Vipin Mullick	40.00	40.00
2	Anandita Mullick	9.00	9.00
3	J.D Mullick	77.00	77.00
4	Manya Mullick	22.00	22.00
5	Divij Mullick	20.50	20.50
6	Vipin Mullick HUF	1.80	1.80
7	ICICI Prudential Life Insurance Co	211.00	210.85
8	Life Insurance Corporation of India	225.00	225.00

If any of the abovementioned lenders recall these loans, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. Further, if any lender seeks accelerated repayment of any such loan, it may have a material adverse effect on our business and our immediate cash flow.

**24. We face competition in our industry both from organized and unorganized players, posing potential risks to our business operation and financial condition.**

We anticipate facing pressures regarding pricing and product quality from our clients, potentially straining our profit margins which may consequently affect the financial position of our Company. Competition is not only present within the organized sector but also from unorganized players, spanning both small and large players. Our direct rivals include leading electrical engineering units across India, as well as local competitors. Our competitiveness is further challenged by the rapid technological advancements within the chemical industry, both domestically and internationally.

Additionally, some of our clients might export their final products, necessitating compliance international standards. Failure to effectively compete amidst this intense landscape, locally, nationally, and internationally, could significantly harm our company’s financial position.

**25. We have issued Equity Shares during the last one year at a price that may be below the Issue Price.**

During the last one year we have issued Equity Shares at a price that may be lower than the Issue Price:

Date of Allotment	Number of Equity Shares	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of allotment
October 14, 2024	1,61,000	10	90	Cash	Preferential Allotment

For further details, please refer to the chapters “Capital Structure” beginning on page 74 of this Draft Red Herring Prospectus.

**26. Our operations are labour intensive, and our manufacturing operations may be subject to work stoppages or increased labour costs, which could adversely affect our business and results of operations.**

Our manufacturing activities are labour intensive and expose us to the risk of various labour related issues. Whilst we have not faced any strike by our workforce, we cannot assure you that we will not be subject to work stoppages, strikes, lockouts or other types of conflicts with our employees or contract workers in the future. The success of our operations depends on availability of labour and maintaining a good relationship with our workforce. As of September 30, 2024, we employed about 102 across our production units.

We do not have any trade union registered under the Trade Unions Act, 1926. Shortage of skilled/ unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. There can be no assurance that we will not experience labour unrest in the future, which may delay or disrupt our operations. In the event of any prolonged delay or disruption of our business, results of operations and financial condition could be materially and adversely affected.

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

We primarily depend on third-party transportation and logistics providers for the delivery of our raw materials and products. However, we do not have long-term contractual agreements in place with these providers. Any disruptions in logistics could hinder our ability to procure raw materials or deliver our products on schedule, which could materially and adversely impact our business, financial condition, and operational results.

We are exposed to the risk of rising freight costs. If we are unable to fully pass on these increased costs through higher product prices, our profit margins may be negatively affected. Additionally, any increase in export tariffs would lead to higher expenses, which could further adversely impact our business, financial condition, and operational results. Moreover, as we serve overseas customers, we are heavily reliant on water transportation and the ports near our manufacturing facilities, making us vulnerable to disruptions in these channels.

We may be responsible for the transport of our products and accordingly be exposed to the risk of theft, accidents, defect, damage and/or loss of our products in transit. While there have been no material instances of theft, accident or loss in the period ended June 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, we cannot assure you that such incidents will not occur in future. Any such acts could result in serious liability claims which could have an adverse effect on our business, financial condition and results of operations.

**28. *There have been instances in the past where we were unable to trace some corporate records, and there were certain instances of discrepancies in relation to certain statutory filings and corporate records of our Company.***

Our company is unable to trace documents pertaining to our filing of Form 2 for allotment dated June 04, 1984, January 28, 1985, May 20, 1986 and February 18, 2004. We also cannot locate the share transfer forms from 1985, 1995, and 2008, the transmission forms from 2007, and the annual returns for the fiscal years 1985-1986 and 1999-2000. Despite having conducted both physical search vide SRN number: X71331326, however we are unable to retrieve the same. We also published a public announcement about this matter on October 27, 2024 in newspapers Navbharat and Central Chronicle. We cannot assure you that the filings were made in a timely manner or at all. We cannot assure you that, in future, we will not be subjected to any liability on account of non-availability of such records. Although no legal proceedings or regulatory actions have been initiated or pending against us in relation to such untraceable secretarial and other corporate records and documents, if we are subject to any such liability, it may have a material adverse effect on our financial condition, cash flows and results of operations. Further, there can be no assurance that there will be no such delays or non-compliances in the future and our Company will not be subject to adverse actions by the authorities.

There have been instances of delays in filing statutory forms such as Form ADT-1, Form DPT-3, as per the reporting requirements under the Companies Act, which have been subsequently filed by payment of an additional fee as specified by RoC.

Further, there have been certain discrepancies in relation to statutory filings required to be made by the company with the RoC under applicable laws, as well as certain other non-compliances incurred by our Company under the Companies Act details. Our company filed ADT-1 for 2016-2017, there was a typo error in the resolution attached in the form instead of mentioning date as September 30, 2016 it was mentioned as September 30, 2015.

As on the date of this Draft Red Herring Prospectus, there has been no penalties imposed on our Company; however, we cannot assure that there will be no penalties in the future. In the event of any cognizance being taken by the concerned authorities in respect of the above, actions may be taken against our Company and its directors, in which event the financials of our Company, Directors, Key Managerial Personnel, and if any officer in default may be affected.

**29. *We have outstanding litigation against us, an adverse outcome of which may adversely affect our business, reputation and results of operations.***

As on the date of filing this Draft Red Herring Prospectus, there are outstanding legal proceedings initiated by or against our Company, Promoters, Directors, and Group Company that are incidental to our business and operation. A summary of outstanding litigation proceedings involving our Company, our promoters, our directors, and our group company as on the date of this Draft Red Herring Prospectus is provided below:

Name	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by SEBI or stock exchanges against our Promoters	Material civil litigations	Aggregate amount involved (₹ in Lakhs) ^
<b>Company</b>						

Name	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by SEBI or stock exchanges against our Promoters	Material civil litigations	Aggregate amount involved (₹ in Lakhs) ^
By the Company	-	-	-	-	-	-
Against the Company	-	1	-	-	-	0.32^
<b>Directors</b>						
By the Directors	-	-	-	-	-	-
Against the Directors	-	-	-	-	-	-
<b>Promoters</b>						
By the Promoters	-	-	-	-	-	-
Against the Promoters	-	-	-	-	-	-
<b>Group Company</b>						
By the Group Company	-	-	-	-	-	-
Against the Group Company	-	-	-	-	-	-

^As per website of Income Tax, the above e-proceedings are shown as pending with "open" or "pending" status. However, Assessment u/s 143(3) for AY 2018-19 was completed and demand of ₹ 0.27 lakhs was raised. For the Assessment year 2021-22, a refund was determined by the Income Tax department. refund kept on hold for adjustment of old demands of AY 2018-19, and that Refund is kept on hold for adjustment of old demands. There exists no outstanding demand against the Director and the Director has raised grievance with the Income Tax Department for the same.

We cannot assure you that the outstanding litigation matter will be settled in our favour or that no additional liabilities will arise out of the proceeding. In addition to the above, we could also be adversely affected by complaints, claims or legal actions brought by persons, including before consumer forums or sector-specific or other regulatory authorities in the ordinary course of business or otherwise, in relation to our business operations, our branding or marketing efforts or campaigns or our policies. We may also be subject to legal action by our employees and/or former employees in relation to alleged grievances, such as termination of employment. We cannot assure you that such complaints, claims or requests for information will not result in investigations, enquiries or legal actions by any regulatory authority or third persons against us.

For further details of certain material legal proceedings involving our Company, our Promoters and our directors, see "Outstanding Litigations and Material Developments" beginning on page 264 of this Draft Red Herring Prospectus.

**30. There have been no instances of delays in filing of statutory and regulatory dues in the past with the various government authorities. Any future non-compliance may lead government authorities to initiate proceedings against us, and we cannot guarantee that the company will be able to sufficiently defend itself against any regulatory actions related to compliance issues at any time**

As on the date of Draft Red Herring Prospectus, there have been no instances of delays in filing statutory forms with government authorities such as returns, EPF, ESIC and GST returns. We have not been subjected to any penalty and has not paid any charges with interest for delayed deposit of tax and for any other instances as well. While our Company has maintained a compliance tracker for better compliance management, however, there can be no assurance that the company will be able to manage compliances effectively and



timely, any future non-compliance may lead regulators to initiate proceedings against us, and we cannot guarantee that the company will be able to sufficiently defend itself against any regulatory actions related to compliance issues at any time. Any adverse order passed, or penalty imposed by regulators on us may adversely affect our business and the results of operations.

**31. The average cost of acquisition of Equity Shares for our Promoters may be lower than the Issue Price.**

The average cost of acquisition of Equity Shares for our Promoters may be lower than the Issue Price. The details of the average cost of acquisition of Equity Shares held by our Promoters as at the date of the Draft Red Herring Prospectus is set out below.

Sr. No.	Name of Promoters	No. of Equity Shares held	Average cost of acquisition* (in ₹ per equity share)
1.	Vipin Mullick	92,11,257	0.01
2.	Anandita Mullick	34,01,125	0.01

\*As certified by Baheti & Co., Chartered Accountants, by way of their certificate dated October 11, 2024.

For more details regarding weighted average cost of acquisition of Equity Shares by our Promoters and build-up of Equity Shares by our Promoters in our Company, see “Summary of the Offer Document – Average cost of acquisition” on page 27.

**32. Our inability to collect receivables and defaults in payment from our customers could result in the reduction of our profits and affect our cash flows.**

Our credit terms typically range from 90 days to 110 days since we majorly serve to overseas customers. However, our customers may face challenges beyond their control that could negatively impact their financial condition, affecting their ability to pay for products we have sold or that are held in their inventory. Although we have not experienced significant defaults in the past, during periods of economic downturn, there is no guarantee that such defaults will not occur, which could materially affect our business, financial condition, and results of operations. As of the periods ending June 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, our trade receivables were ₹ 1,626.98 lakhs, ₹ 1,731.66 lakhs, ₹ 1,328.81 lakhs, and ₹ 1,274.16 lakhs, respectively.

In the event of a dispute or default in payments, we may be forced to initiate recovery proceedings, which could strain our relationships with customers. This may lead to a loss of customer loyalty, with customers potentially shifting their business to competitors, negatively impacting our business. There is no assurance that any legal action we take against defaulting customers will be decided in our favor. In the case of an unfavourable outcome, we may be unable to recover the outstanding dues, which would adversely affect our financial condition and operational results. Additionally, such situations could harm our reputation, making us less attractive to potential customers who may fear similar legal actions being taken against them. This, in turn, could further impact our business, financial condition, and results of operations.

**33. We require several approvals, licenses, registrations and permits for our business and are required to comply with certain rules, regulations and conditions to operate our business and failure to obtain, retain or renew such approvals and licences in a timely manner or to comply with the requisite rules, regulations and conditions may adversely affect our operations.**

We require several statutory and regulatory permits, licenses and approvals to operate our business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Presently, we have applied for updating licenses and approvals in the name of “Inspros Engineers Limited” from “Inspros Engineers Private Limited”. Also, we are yet to receive and renew several approvals and licenses. The Issuer Company is in the process of obtaining the same. Non-obtaining or non-renewal of the said permits and licenses would adversely affect our Company’s operations, thereby having a material adverse effect on our business, results of operations and financial condition. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the timeframe anticipated by us or at all. Some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be

able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. For further details, please see chapters titled “*Government and Other Key Approvals*” at page 268 of this Draft Red Herring Prospectus.

***34. Any downtime for maintenance and repair of our machinery/equipment could lead to business interruptions that could be expensive and harmful to our reputation and to our business.***

Our machinery/equipments, including but not limited to CNC (Computer Numerical Control) machine & VMC (Vertical Machining Center) machine turning centers, heavy duty hydraulic presses and mechanical power presses for metal forming, CNC Waterjet cutting machines etc. Maintenance work on most machinery/equipments can be performed by the designated service provider and involves significant downtime to complete maintenance. Our machinery/equipments are subject to normal wear and tear and will be in need of repairs from time to time. Some repairs may be routine in nature, involving lower downtime, and some repairs may require replacement of parts of the machinery/equipments, which may be time consuming. During such times, we may not be able to put the machinery/equipments to use. We may, as a result, suffer losses by reason of not being able to use such machinery/equipments.

***35. We may not be able to identify or effectively respond to evolving preferences, expectations or trends in a timely manner and a failure to derive the desired benefits from our product development efforts may impact our competitiveness and profitability.***

The success of our business depends in part on our ability to anticipate, identify and respond promptly to evolving trends in demographics and preferences, customer requisitions, and develop new products to meet these 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. Even if these products have been successfully developed, there is no guarantee that they will be accepted by our customers and achieve anticipated sales targets in a profitable manner, which may affect our ability to grow our network of customers and gain market share. 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. Further, we cannot assure you that our existing or potential competitors will not develop products that are similar or superior to our products. It is often difficult to estimate the time to market new products and there is a substantial risk that we may have to abandon a potential product that is no longer commercially viable, even after we have invested significant resources in the development of such product. If we fail in our product launching efforts, our business, prospects, financial condition, results of operations and cash flows may be materially and adversely affected.

Further, as we continue to grow our business by expanding our products, offerings, and our geographic reach, maintaining quality and consistency may be more difficult and there can be no assurance that the customers’ confidence in our products will not diminish. Failure or any delay on our part to identify such trends, to align our business successfully and maintain quality could negatively affect our image, our relationship with our customers, the rate of growth of our business, our market share and our prospects.

We must, on a regular basis, keep pace with the preferences and quality requirements of our consumers, invest continuously in new technology and processes to provide products having the desired qualities and characteristics, and continually monitor and adapt to the changing market demand. An unanticipated change in consumer demand and any sudden change in Government regulations may adversely affect our liquidity and financial condition.

**36. We have not identified any alternate source of financing the “Objects of the Issue”. If we fail to mobilize resources as per our plans, our growth plans may be affected.**

We have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue may delay in the implementation schedule and could adversely affect our growth plans. For further details of object of issue and schedule of implementation please refer to the chapter titled “Objects of the Issue” on page 90 of this Draft Red Herring Prospectus.

**37. Our Company’s management will have flexibility in utilizing the net proceeds from the Issue and the deployment of the net proceeds from the Issue is not subject to any monitoring by any independent agency.**

Our Company intends to primarily use the net proceeds towards funding capital expenditure requirements towards purchase of machinery, equipment and infrastructure enhancement in our existing manufacturing facilities, funding working capital requirements of the Company and general corporate purposes as mentioned in “Objects of the Issue” on page 90 of this Draft Red Herring Prospectus. In terms of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the issue size is not in excess of ₹ 10,000 lakhs. The Audit committee of the Company will be monitoring utilization of funds. Our company may have to revise its management estimates from time to time and consequently its requirements may change.

Further, pursuant to Section 27 of the Companies Act 2013, any variation in the objects would require a special resolution of the shareholders and our promoters or controlling shareholders will be required to provide an exit opportunity to the shareholders of our company who do not agree to such proposal to vary the objects, in such manner as may be prescribed in future by the SEBI. Our Company shall inform about material deviations in the utilization of issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

Accordingly, prospective investors in the issue will need to rely upon our Audit Committee’s judgment with respect to the use of net proceeds. If we are unable to enter into arrangements for utilization of net proceeds as expected and assumed by us in a timely manner or at all, we may not be able to derive the expected benefits from the proceeds of the issue and our business and financial results may suffer.

**38. A shortage or unavailability of electricity, fuel, or labor could disrupt our manufacturing operations and adversely impact our business, operational performance, and financial condition.**

Our manufacturing operations require continuous supply of electricity for which we depend on the respective state board electricity supply, where our Manufacturing Facilities are located. The table below sets out our power and fuel charges together as a percentage of our total expenses for the period ended June 30, 2024 and in the Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively:

Particulars	For period ended		For Fiscal Year					
	June 30, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	Amount (₹ in lakhs)	As a percentage of total expenses (%)	Amount (₹ in lakhs)	As a percentage of total expenses (%)	Amount (₹ in lakhs)	As a percentage of total expenses (%)	Amount (₹ in lakhs)	As a percentage of total expenses (%)
Power Charges	16.70	1.22	58.21	1.19	48.78	1.20	46.79	1.24
Fuel Charges	0.18	0.01	0.56	0.01	0.33	0.01	0.19	0.01
<b>Total</b>	<b>16.88</b>	<b>1.23</b>	<b>58.77</b>	<b>1.20</b>	<b>49.11</b>	<b>1.21</b>	<b>46.98</b>	<b>1.25</b>

The table below sets out our labour costs together as a percentage of our total expenses for the period ended June 30, 2024 and in the Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively:

Particulars	For period ended		For Fiscal Year					
	June 30, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	Amount (₹ in lakhs)	As a percentage of total expenses (%)	Amount (₹ in lakhs)	As a percentage of total expenses (%)	Amount (₹ in lakhs)	As a percentage of total expenses (%)	Amount (₹ in lakhs)	As a percentage of total expenses (%)
Labour Charges	49.35	3.59	267.82	5.46	220.07	5.42	231.37	6.11
Job work charges	76.89	5.60	313.29	6.38	120.49	2.97	129.68	3.43
<b>Total</b>	<b>126.25</b>	<b>9.19</b>	<b>581.11</b>	<b>11.84</b>	<b>340.56</b>	<b>8.39</b>	<b>361.05</b>	<b>9.54</b>

Any shortage or non-availability of electricity, failure of the state electricity grid or a shortage of fuel or unavailability or reduction in labour could delay our operations at the Manufacturing Facilities which may consequently adversely affect our delivery timelines to our customers. Any such delay may have an adverse effect on our business, results of operations and financial condition. Further, any shortage of available labour could impact our operations and consequently have an adverse effect on our business, results of operations and financial conditions.

**39. The requirements of being a listed company may strain our resources.**

We are not a listed company. We have not been subjected to the increased scrutiny of our affairs by shareholders, regulators, and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance, and other expenses that we did not incur as an unlisted company. We will be subject to the equity listing agreement with the Stock Exchange which will require us to file audited annual and half yearly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies.

Further, as a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required.

As a result, our management's attention may be diverted from business concerns, which may adversely affect our business, prospects, financial condition, and results of operations. Further, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge but cannot assure that we will be able to do so in a timely and efficient manner.

**40. Our insurance coverage may not adequately protect us against potential risk, and this may have a material adverse effect on our business.**

We maintain insurance coverage for key risks relating to our business. While we believe that the amount of our insurance coverage is in line with industry standards, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time. In addition, not all risks associated with our operations may be insurable, on commercially reasonable terms or at all. Although we believe that we have obtained insurance coverage customary to our business, such insurance may not provide adequate coverage in certain circumstances and is subject to certain deductibles, exclusions, and limits on coverage. To the extent that we suffer loss or damage that is not covered by insurance or exceeds our insurance coverage, our results of operations and cash flow may be adversely affected. Natural disasters in the future or occurrence of any other event for which we are not adequately or sufficiently insured may cause

significant disruption to our operations that could have a material adverse impact on our business and operations. The occurrence of an event for which we are not adequately or sufficiently insured could have an adverse effect on our business, results of operations, financial condition, and cash flows. If we are subject to litigation or claims or our operations are interrupted for a sustained period, we cannot assure you that our insurance policies will be adequate to cover the losses that may be incurred as a result of such interruption.

Details of our total insurance coverage vis-à-vis our net assets as at March 31, 2024 is set out below:

Particulars	As on March 31, 2024
Insurance coverage* (A)	11,136.24
Net assets** as per Restated Financial Information (B)	2,754.67
Net tangible assets*** (C)	5,462.54
Insurance expenses as per Restated Financial Information	166.37
Insurance coverage times the net assets (A/B)	4.04
Insurance coverage times the net tangible assets (A/C)	2.04

\* Insurance coverage = Total insurance coverage amount by considering insurance policies of property, equipments, vehicles, stock, erection and all risk insurance

\*\*Net assets = Property, Plant and Equipment (net block) + Capital Work in Progress + Intangibles (net block) + Investment Property (Buildings net block) + Inventories

\*\*\* 'Net Tangible Assets' means net block of Property, Plant and Equipment, capital work in progress for fixed assets (including capital advances), Current Assets, Non current assets (other than Net block of Property, Plant and Equipment, Intangible Assets and Deferred Tax) and excludes Borrowings (secured loans and unsecured loans) and current and non current liabilities and provisions.

As certified by our Statutory Auditors, M/s Baheti & Co., pursuant to a certificate dated October 11, 2024.

**41. Objects of the Fresh Issue for which the funds are being raised have not been appraised by any bank or financial institution and any variation in the utilization of our Net Proceeds as disclosed in this Draft Red Herring Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.**

Our Company intends to primarily use the Net Proceeds of the Fresh Issue for funding capital expenditure requirements towards purchase of machinery, equipment and infrastructure enhancement in our existing manufacturing facilities, funding working capital requirements of the Company and general corporate purposes, as described in section "Objects of the Issue" on page 90. The plans for utilizing the Net Proceeds of the Fresh Issue are based on management estimates and such intended use of proceeds has not been appraised by any bank or financial institution.

The funding requirements are based on current conditions and are subject to change in response to external circumstances, costs, other financial condition or business strategies. Our Company may have to revise its management estimates from time to time and consequently its requirements may change, which may cause an additional burden on our finance plans, as a result of which, our business, financial condition, results of operations and cash flows could be materially and adversely impacted.

Any change in the Objects of the Fresh Issue may also require shareholders' approval and may involve considerable time or may not be forthcoming and in such an eventuality it may adversely affect our operations or business. Further, our Promoters would be required to provide an exit opportunity to the shareholders who dissent with our proposal to change the objects of the Issue, which may discourage our Promoters from undertaking steps for the variation of the proposed utilisation of our Net Proceeds, even if such variation is in our interest.

In light of these factors, we may not be able to undertake any variation in Objects of the Fresh Issue to use any unutilized proceeds of the Fresh Issue even if such variation is in our interest, thereby limiting or delaying our efforts to use the Net Proceeds to achieve profitable growth in our business.

**42. Our Company may not be able to secure additional funding in the future. In the event our Company is unable to obtain sufficient funding, it may delay our Company's growth plans and have a material adverse effect on the business, cash flows and financial condition of our Company.**

From time to time, our company's plans may evolve in response to changing circumstances, new business developments, emerging challenges, investment opportunities, or unforeseen contingencies. If our plans change or if we need to adapt to shifting market conditions, we may require additional financing to meet, among other things, capital expenditure needs. This financing could take the form of debt, raised through commercial bank loans, the issuance of debentures, or other debt securities.

If we incur additional debt in the future, our interest and debt repayment obligations will increase, potentially subjecting us to new or amended covenants. These covenants could restrict our ability to access cash flow from operations or limit other financing options. Furthermore, any additional financing may come at higher costs, which could affect our profitability. Additionally, we cannot guarantee that we will be able to secure sufficient financing to meet future capital requirements on favorable terms or within the necessary timeframe.

**43. Our employees may engage in misconduct or other improper activities, including non-compliance with regulatory standards and requirements.**

We are exposed to the risk of employee fraud or other misconduct. Misconduct by employees could include intentional failures to comply with any regulations applicable to us, to provide accurate information to regulatory authorities, to comply with manufacturing standards we have established, or to report financial information or data accurately or disclose unauthorized activities to us. In particular, sales and business arrangements in our industry are subject to laws and regulations intended to prevent fraud, misconduct, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. While we have not faced such instances for the period ended June 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, there can be no assurance that we will be able to identify and deter such misconduct, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risk. If our employees engage in any such misconduct, we could face criminal penalties, fines, revocation of regulatory approvals and harm to our reputation, any of which could form a material adverse effect on our business.

**44. Significant differences exist between the requirements of Indian GAAP and IFRS, which may be material to investors' assessments of our financial condition. The effects of the planned adoption of "Indian Accounting standards converged with IFRS" ("IND-AS") are uncertain.**

We have not attempted to quantify the impact of Indian GAAP or International Financial Reporting Standards ("IFRS") on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of Indian GAAP or IFRS. Each of Indian GAAP and IFRS differs in significant respects from the requirements of Indian GAAP. Accordingly, the degree to which the financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. On January 2, 2015, the MCA released the revised road map for companies other than banking companies, insurance companies and non-banking finance companies for implementation IND-AS converged with the IFRS.

There can be no assurance that our financial condition, results of operations, cash flows or changes in shareholders' equity will not appear materially worse under IND - AS than under current Indian GAAP. In our transition to IND - AS reporting, we may encounter difficulties in the on-going process of implementing and enhancing its management information systems. Moreover, our transition may be hampered by increasing competition and increased costs for the relatively small number of IND - AS experienced accounting personnel available as more Indian Companies begin to prepare financial statements.

**45. Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, and capital expenditures.**

Our future ability to pay dividends will depend on our earnings, financial condition, and capital requirements of our company. There can be no assurance that we will generate sufficient income to cover the operating expenses and pay dividends to the shareholders. Our ability to pay dividends will also depend on our expansion plans. We may be unable to pay dividends in the near or medium term, and the future dividend policy will depend on the capital requirements and financing arrangements for the business plans, financial condition, and results of operations.

**46. We may not be successful in implementing our business strategies.**

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted stakeholders. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

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

Prior to the issue, there has been no public market for the equity shares, and an active trading market on the stock exchange may not develop or be sustained after the issue. Listing and quotation do not guarantee that a market for the equity shares will develop. The issue price of the equity shares is proposed to be determined through a book building process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the equity shares at the time of commencement of trading of the equity shares or at any time thereafter. The market price of the equity shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

The trading volume and market price of the equity shares may be volatile following the issue.

The market price of the equity shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- half yearly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations, or capital commitments;
- announcements by third parties / governmental entities of significant claims/ proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- changes in the price of oil or gas;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

***48. There are restrictions on daily weekly monthly movement in the price of the equity shares, which may adversely affect the shareholder's ability to sell for the price at which it can sell, equity shares at a particular point in time.***

Once listed, we would be subject to circuit breakers imposed by the stock exchange, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI. The percentage limit on circuit breakers is said by the stock exchange based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchange does not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of the circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

***49. We have not independently verified certain data in this Draft Red Herring Prospectus.***

We have not independently verified data from the industry like International Monetary Fund, India Brand Equity Foundation and related data contained in this Draft Red Herring Prospectus and although we believe the sources mentioned in the report to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled. Therefore, discussions of matters relating to India, its economy, or the industry in which we operate that is included herein are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete, inaccurate, or unreliable. Due to incorrect or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy elsewhere.

***50. QIB and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/ Issue Period and withdraw their Bids until Bid/ Issue Closing Date. While our Company is required to complete allotment pursuant to the issue within six working days from the Bid/ Issue Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political, or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the allotment of the Equity Shares even if such events occur, and such events may limit the Bidders ability to sell the Equity Shares allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

***51. Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Issue.***

The Equity Shares will be listed on the Stock Exchange. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchange. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately five Working Days from the Bid Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchange is expected to commence within Six Working Days of the Bid Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity



Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

***52. Any future issuance of Equity Shares may dilute the shareholding of the Investors, or any sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.***

Any future issuance of Equity Shares by our Company could dilute the shareholding of the investor. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. While the entire Post-Issue paid-up share capital, held by our Promoter will be locked-in for a period of 1 (one) year and minimum promoter contribution subject to a minimum of 20% of our post-Issue paid-up capital will be locked-in for a period of 3 (three) years from the date of allotment of Equity Shares in the Issue, upon listing of our Equity Shares on the Stock Exchange. For further information relating to such Equity Shares that will be locked-in, please refer to the section titled "*Capital Structure*" beginning on page 74 of this Draft Red Herring Prospectus. Any future issuance or sale of the equity shares of our Company by our Promoter or by other significant shareholder(s) or any perception or belief that such sales of Equity Shares might occur may significantly affect the trading price of our Equity Shares.

## **EXTERNAL RISK FACTORS**

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

Our performance and the growth of our business are necessarily dependent on the health of the overall economy of India and of the countries, including but not limited to USA, European Union etc., where we have business relations. Any slowdown or perceived slowdown in these economies or future volatility in global commodity prices could adversely affect our business. Additionally, an increase in trade deficit, a downgrading in the sovereign debt rating or a decline in the foreign exchange reserves of these countries could negatively affect interest rates and liquidity, which could adversely affect these economies and our business. Global situations such as outbreak of the COVID-19 pandemic, full scale military invasion of Ukraine by Russia have caused a global economic downturn including in India and these countries. Any downturn in the macroeconomic environment in India or any country(ies) where we have our business presence, could also adversely affect our business, financial condition, results of operations and prospects.

The economy of India and the countries where the Company has its business presence, could be adversely affected by a general rise in interest rates or inflation, civil unrest, adverse weather conditions affecting agriculture, commodity, and energy prices as well as various other factors. A slowdown in the economy of any of these countries could adversely affect the policy of their respective governments towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy.

The economy of India and various other countries where the Company has its business presence is also influenced by economic and market conditions in other countries. A decline in the foreign exchange reserves and exchange rate fluctuations may also affect liquidity and interest rates in these economies, which could adversely impact our financial condition. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect these economies, which could materially and adversely affect our business, financial condition, results of operations and prospects.

Further, other factors which may adversely affect the global economy are scarcity of credit or other financing facilities, resulting in an adverse impact on economic conditions in India and the countries where the Company has its business presence, resulting in scarcity of financing of our Proposed Projects; volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges; changes in the tax, trade, fiscal or monetary policies of India or any other country where the Company has its business presence, like application of GST and/or VAT, as applicable; political instability, terrorism or military conflict in India

or in countries in the region or globally, including in India's various neighbouring countries; occurrence of natural or manmade disasters; infectious disease outbreaks or other serious public health concerns; prevailing regional or global economic conditions, and other significant regulatory or economic developments in or affecting the financial services sectors of India and/or any country where the Company has its business presence.

***54. Challenges that affect the electrical engineering industry will have an effect on our operations.***

As we are engaged in the electrical engineering industry, we are impacted by challenges that affect the industry in general. These include general economic conditions and outlook, improvements in technologies, increase in operating costs, government regulation and policy and importantly, our competitive position in the market in general. These factors will impact us and our business on an ongoing basis. We will be constrained to respond to changes adequately to remain profitable, including bringing about changes to operations, cutting down on costs, and reassessing growth plans and strategies. We are unable to predict these challenges and cannot assure you that we will continue to maintain our current levels of financial performance.

***55. Any adverse revision to India's debt rating by a domestic or international rating agency could adversely affect our business.***

India's sovereign debt rating could be adversely affected due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and financial performance, ability to obtain financing for capital expenditures and the price of the Equity Shares.

***56. Compliance with applicable health, safety, environmental and other governmental regulations may be costly and adversely affect our results of operations.***

Compliance with applicable health, safety, environmental and other governmental regulations is time consuming, costly and requires a number of dedicated personnel. We are subjected to payment of fees and levies on an ongoing basis with respect to a number of licences, approvals, consents, and permissions we are required to obtain from governmental authorities. We are required to periodically maintain a number of records and registers and file a number of returns. Ensuring compliance requires that we hire trained personnel across our locations. Our compliance costs may adversely affect our revenue.

***57. The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease, and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war in India or globally may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years, and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

***58. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

***59. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.***

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 337 of Draft Red Herring Prospectus.

***60. Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.***

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

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

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

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

Under current Indian tax laws and regulations, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. A securities transaction tax (“STT”) is levied on and collected by an Indian stock exchange on which equity shares are sold. Any capital gain exceeding ₹ 1.25 lakh, realized on the sale of equity shares held for more than 12 months immediately preceding the date of transfer, which are sold using any other platform other than on a recognized stock exchange and on which no STT has been paid, are subject to long-term capital gains tax in India.

The Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020 and clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. The Finance Act, 2024, has, among others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, that such dividends not be exempt in the hands of the shareholders, both resident as well as non-resident, and that such dividends likely be subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

## SECTION IV: INTRODUCTION THE ISSUE

The following table summarizes the details of the Issue:

<b>PRESENT ISSUE IN TERMS OF THE DRAFT RED HERRING PROSPECTUS</b>	
<b>Particulars</b>	<b>Details of Equity Shares</b>
Fresh Issue of Equity Shares by our Company <sup>(1)(2)^</sup>	Up to 64,00,000 Equity Shares having face value of ₹ 10 each at a price of ₹ [●] per equity share (including a share premium of ₹ [●] per Equity share) aggregating ₹ [●].
<b>The Issue consists of:</b>	
Market Maker Reservation Portion	Up to [●] Equity Shares having face value of ₹ 10 each at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity share) aggregating ₹ [●].
Net Issue to the Public	Up to [●] Equity Shares having face value of ₹10 each at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity share) aggregating ₹ [●].
<b>of which</b>	
<b>A. QIB portion<sup>(3)</sup></b>	<b>Not more than [●] Equity Shares</b>
<b>of which</b>	
(a) Anchor Investor Portion	Up to [●] Equity Shares aggregating to ₹ [●] Lakhs
(b) Net QIB Portion (assuming the anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares aggregating to ₹ [●] Lakhs
<b>of which</b>	
(i) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Up to [●] Equity Shares aggregating to ₹ [●] Lakhs
(ii) Balance of QIB Portion for all QIBs including Mutual Funds	Up to [●] Equity Shares aggregating to ₹ [●] Lakhs
<b>B. Non – Institutional portion</b>	<b>Not Less than [●] Equity Shares aggregating to ₹ [●] Lakhs</b>
<b>C. Retail portion</b>	<b>Not Less than [●] Equity Shares aggregating to ₹ [●] Lakhs</b>
<b>Pre and Post Issue Share Capital of our Company</b>	
Equity Shares outstanding prior to the Issue	1,67,59,340 Equity Shares having face value of ₹10 per Equity Share
Equity Shares outstanding after the Issue	Up to [●] Equity Shares having face value of ₹10 per Equity Share
Objects of the Issue	Please refer Section titled “ <i>Objects of the Issue</i> ” on page 90 of this Draft Red Herring Prospectus.

- (1) Public issue of up to 64,00,000 Equity Shares face value of ₹ 10 each for cash at a price of ₹ [●] including premium of ₹ [●] per Equity Share of our Company aggregating to ₹ [●]. This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer to section “Issue Structure” beginning on page 295 of this Draft Red Herring Prospectus. The Issue has been authorised by a resolution of our Board dated July 29, 2024. Our Shareholders have authorised the Issue pursuant to a special resolution dated August 03, 2024.
- (2) Our Company in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portions shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see “Issue Procedure” on page 299.
- (3) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, subject to applicable law.

For further details regarding the Issue Structure and Procedure, please refer to the chapters titled “Issue Structure” and “Issue Procedure” beginning on pages 295 and 299 respectively of this Draft Red Herring Prospectus.

## SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our Restated Financial Information. The summary financial information presented below should be read in conjunction with “*Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 282 and 377 respectively.

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## Restated Balance Sheet

(₹ in lakhs)

Particulars	Note No.	Year ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
<b>ASSETS</b>					
<b><u>Non-current assets</u></b>					
Property, plant and equipment	6	1,478.70	1,486.71	1,249.37	1,204.54
Capital Work in progress	32	-	-	-	2.89
Investment Property				-	-
Financial assets:					
- Investments	7	1,261.95	1,310.63	1,123.86	57.01
- Loans and Advances		-	-	-	-
- Other Financial Assets		-	-	-	-
Deferred Tax Assets (Net)	8	-	-	-	-
Other non-current assets	9	11.87	12.04	22.99	26.07
<b><u>Current assets</u></b>					
Inventories	10	1,398.61	1,267.95	879.47	764.56
Financial assets:					
- Investments					
- Trade and other receivables	11	1,626.98	1,731.66	1,328.81	1,274.16
- Cash and cash equivalents	12	300.12	94.96	70.61	394.86
- Bank balances other than cash & cash equivalents		-	-	-	-
- Loans and Advances	13	198.47	61.52	75.05	179.07
- Other Financial Assets					
Other current assets	14	368.07	564.19	354.39	283.11
<b>Total Assets</b>		<b>6,644.77</b>	<b>6,529.67</b>	<b>5,104.56</b>	<b>4,186.28</b>
<b><u>EQUITY AND LIABILITIES</u></b>					
<b><u>Equity</u></b>					
Equity Share capital	15	1,659.83	9.999	9.999	9.999
Other equity	16	4,168.20	5,452.55	4,459.42	3,550.91
<b><u>Non-current liabilities</u></b>					
Financial Liabilities					
- Borrowings	17	272.59	299.01	94.51	140.17
- Lease Liabilities		-	-	-	-
- Other Financial Liabilities		-	-	-	-
Long term provisions		-	-	-	-
Deferred tax liabilities (Net)	18	13.01	16.80	17.22	23.07
Other Non-Current Liabilities		-	-	-	-
<b><u>Current liabilities</u></b>					
Financial Liabilities:					
- Borrowings	19	102.20	99.94	-	-
- Lease Liabilities		-	-	-	-
- Trade Payables					
(a) Dues of MSME'S		-	-	-	-
(b) Dues of Creditors other than MSME'S	20	152.79	125.65	60.27	63.51
- Other Financial Liabilities		-	-	-	-
Short Term Provisions	22	197.84	439.23	361.86	244.29
Other Current Liabilities	21	78.29	86.50	101.30	154.32
<b>Total Equity &amp; Liabilities</b>		<b>6,644.77</b>	<b>6,529.68</b>	<b>5,104.57</b>	<b>4,186.28</b>

## Restated Statement of Profit and Loss

(₹ in lakhs)

Particulars	Note No.	Year ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
<b>Revenue:</b>					
Revenue from Operations	23	1,763.11	6,131.87	5,065.78	4,384.94
Other Income	24	67.65	187.56	221.33	121.60
<b>Total Income</b>		<b>1,830.75</b>	<b>6,319.43</b>	<b>5,287.11</b>	<b>4,506.54</b>
<b>Expenses:</b>					
Cost of Materials Consumed	25	863.95	2,705.31	2,100.72	2,144.16
Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress	26	(63.54)	(109.18)	62.09	(57.46)
Employee Benefit Expenses	27	195.62	745.78	673.82	597.75
Finance Costs	28	11.22	48.49	18.93	25.59
Depreciation and Amortisation Expenses	29	54.23	206.12	176.44	167.14
Other Expenses	30	312.83	1,313.01	1,029.27	907.61
<b>Total Expenses</b>		<b>1,374.31</b>	<b>4,909.54</b>	<b>4,061.27</b>	<b>3,784.78</b>
<b>Profit Before Exceptional Items and Tax</b>		<b>456.45</b>	<b>1,409.88</b>	<b>1,225.84</b>	<b>721.76</b>
<b>Tax Expenses</b>					
Current Tax		115.45	361.46	294.83	179.51
Deferred Tax Charge/ (Credit)	31	(3.79)	(0.41)	(5.86)	2.16
Tax Expenses of Earlier years		-	-	-	-
<b>A Profit After Tax</b>		<b>344.79</b>	<b>1,048.84</b>	<b>936.86</b>	<b>540.09</b>
<b>Other Comprehensive Income</b>					
<b>Items that will not be reclassified to Profit or Loss</b>					
Revaluation of Property, plant and equipment		-	-	-	-
Income Tax relating to items that will not be reclassified to profit/loss		-	-	-	-
<b>Items that will be reclassified to Profit or Loss</b>					
Income Tax relating to items that will be reclassified to profit/loss		-	-	-	-
<b>B Total Other Comprehensive Income</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income (A+B)</b>		<b>344.79</b>	<b>1,048.84</b>	<b>936.86</b>	<b>540.09</b>
<b>Earnings Per Share</b>					
Basic Earnings Per Share (As per Annexure)	32	2.08	6.32	5.64	3.25
Diluted Earnings Per Share (As Per Annexure)	32	2.08	6.32	5.64	3.25



## Restated Cash Flow Statement

(₹ in lakhs)

Particulars	Year ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
<b>A. Cash Flow from Operating Activities</b>				
Profit Before Taxes	456.45	1,409.89	1,225.84	721.76
Adjustments for:				
Depreciation & Amortisation	54.23	206.12	176.44	167.14
(Profit)/ Loss on sale of Assets	(2.22)	(0.19)	(53.37)	(3.08)
Gain on Sale of Investments	(9.22)	(22.03)	-	-
Interest Income	(19.83)	(60.94)	(12.48)	(1.31)
Gain on sale of mutual fund	-	(3.38)	(7.87)	(17.07)
Interest & Financial Charges	11.22	48.49	18.93	25.59
<b>Operating Profit Before Working Capital Changes</b>	<b>490.62</b>	<b>1,577.96</b>	<b>1,347.49</b>	<b>893.03</b>
Changes in Current Assets and Current Liabilities	-	-	-	-
(Increase)/ Decrease in Inventory	(130.66)	(388.48)	(114.91)	32.47
(Increase)/ Decrease in Trade Receivable	104.67	(402.84)	(54.65)	(172.87)
(Increase)/ Decrease in Short Term Loans, Advances	(136.95)	13.53	104.02	(141.63)
(Increase)/ Decrease in Other Current Assets	196.12	(209.80)	(71.28)	(21.43)
Increase/ (Decrease) in Other Current Liability & Provisions	(8.21)	(14.79)	(53.03)	29.87
Increase/ (Decrease) in Trade Payable	27.14	65.38	(3.24)	(12.16)
Increase/ (Decrease) in Other Short Term Provisions	(241.40)	77.37	117.57	37.04
<b>Cash Generated from Operations</b>	<b>301.34</b>	<b>718.33</b>	<b>1,271.96</b>	<b>644.32</b>
Taxes Paid (Net of Refund)	94.73	362.91	291.92	184.37
<b>Net Cash Flow from Operating Activities (A)</b>	<b>206.61</b>	<b>355.42</b>	<b>980.04</b>	<b>459.95</b>
<b>B. Cash Flow from Investing Activities</b>				
(Increase)/ Decrease in Investment	48.69	(186.78)	(1,066.85)	(57.01)
(Increase)/ Decrease in Other Non-Current Assets	0.17	10.95	3.08	100.63
Interest Received	19.83	60.94	12.48	1.31
Gain on sale of mutual fund	-	3.38	7.87	17.07
Gain on Sale of Investments	9.22	22.03	-	-
Proceeds from sale of Assets	15.00	12.65	89.74	32.08
Acquisition of Fixed Assets	(59.00)	(455.92)	(257.64)	(255.51)
Acquisition & Changes in Work in Progress	-	-	2.89	(2.89)
Capital Investment subsidy	-	20.72	43.72	-
<b>Net Cash Flow From Investing Activities (B)</b>	<b>33.91</b>	<b>(512.02)</b>	<b>(1,164.72)</b>	<b>(164.32)</b>
<b>C. Cash Flow from Financing Activities</b>				
Proceeds from Issue of equity share capital including share premium	-	-	-	-
Proceeds from Long Term Borrowings	-	322.64	44.00	-
Repayment of Long Term Borrowings	(24.15)	(18.21)	(89.66)	(145.94)
Dividend (Including Corporate Dividend Tax) Paid	-	(74.99)	(74.99)	(69.99)
Interest & Financial Charges Paid	(11.22)	(48.49)	(18.93)	(25.59)
<b>Net Cash Flow From Financing Activities (C)</b>	<b>(35.37)</b>	<b>180.95</b>	<b>(139.57)</b>	<b>(241.52)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>205.16</b>	<b>24.35</b>	<b>(324.25)</b>	<b>54.10</b>
<b>Cash &amp; Cash Equivalents at the beginning of the Period</b>	<b>94.96</b>	<b>70.61</b>	<b>394.86</b>	<b>340.76</b>
<b>Cash &amp; Cash Equivalents at the end of the Period</b>	<b>300.12</b>	<b>94.96</b>	<b>70.61</b>	<b>394.86</b>

## GENERAL INFORMATION

Our Company was incorporated on November 14, 1983, at Madhya Pradesh, India as ‘*Inspros Engineers Private Limited*’, a private limited company under the Companies Act, 1956 and was granted a certificate of incorporation by the Registrar of Companies, Gwalior (“RoC”). Our Company was then converted into a public limited company under the Companies Act, 2013, and consequently, the name of our Company was changed to ‘*Inspros Engineers Limited*’, and a fresh certificate of incorporation dated July 26, 2024, was issued by the Assistant Registrar of Companies/ Deputy Registrar of Companies/ Registrar of Companies, Central Processing Centre. The CIN of the Company is U02422MP1983PLC002289.

For details of changes in registered offices of our Company, please refer to the section titled “*History and Certain Corporate Matters*” beginning on page 158 of this Draft Red Herring Prospectus.

### BRIEF ABOUT THE COMPANY AND ISSUE

<b>Registered Office</b>	126, Sector-A, Industrial Area Mandideep, Bhopal- 462046, Madhya Pradesh, India <b>Telephone No.:</b> +91 9755032465 <b>Website:</b> <a href="http://www.inspros.net">www.inspros.net</a> <b>Email id:</b> <a href="mailto:cslg1@inspros.net">cslg1@inspros.net</a>
<b>Corporate Office</b>	NA
<b>Date of Incorporation</b>	November 14, 1983
<b>Company Registration Number</b>	002289
<b>Corporate Identification Number</b>	U02422MP1983PLC002289
<b>Company Category</b>	Company limited by shares
<b>Company Sub Category</b>	Non-government company
<b>Address of the Registrar of Companies</b>	3 <sup>rd</sup> Floor, ‘A’ Block, Sanjay Complex, Jayendra Ganj, Gwalior - 474009, Madhya Pradesh. <b>Phone:</b> 0751-2321907 <b>Email id:</b> <a href="mailto:roc.gwalior@mca.gov.in">roc.gwalior@mca.gov.in</a> <b>Website:</b> <a href="http://www.mca.gov.in">www.mca.gov.in</a>
<b>Designated Stock Exchange</b>	Emerge Platform of NSE
<b>Issue Program</b>	Issue Opens on: [●] Issue Closes on: [●]
<b>Company Secretary and Compliance Officer</b>	Mujahid Ali <b>Inspros Engineers Limited</b> 126, Sector-A, Industrial Area Mandideep, Bhopal- 462046, Madhya Pradesh, India <b>Telephone No.:</b> +91 9755032465 <b>Email id:</b> <a href="mailto:cslg1@inspros.net">cslg1@inspros.net</a>
<b>Chief Financial Officer</b>	Preeti P R <b>Inspros Engineers Limited</b> 126, Sector-A, Industrial Area Mandideep, Bhopal- 462046, Madhya Pradesh, India <b>Telephone No:</b> +91 9109317472 <b>Email Id:</b> <a href="mailto:cfo@inspros.net">cfo@inspros.net</a>

### Board of Directors

As on the date of this Draft Red Herring Prospectus, the Board of Directors of our Company comprises of the following:

<b>Name</b>	<b>Designation</b>	<b>DIN</b>	<b>Residential Address</b>
Vipin Mullick	Chairman and Managing Director	00910549	202, Sector-2, Shakti Nagar, Huzur, H.E. Hospital, Bhopal- 462024, Madhya Pradesh, India

Name	Designation	DIN	Residential Address
Anandita Mullick	Whole time Director	01208644	202, Sector-2, Shakti Nagar, Habibganj, Huzur, Bhopal- 462024, Madhya Pradesh, India
Sanjiv Indar Shah	Non-executive Director	03113797	B-802, Lodha Bellissimo, N.M. Joshi Marg, Apolo Mill Compound, Mahalaxmi East, Mumbai- 400011, Maharashtra, India
Kishore Purswani	Non-executive Independent Director	10580789	Om Niwas, Super Deluxe 06, J. K. Road, Minal Residency, Huzur, Bhopal- 462022, Madhya Pradesh, India
Chandrakant Shrikhande	Non-executive Independent Director	10580857	258, Senior HIG Katara Hills Bagh Mungalia, Bhopal- 462043, Madhya Pradesh, India

For further details of our directors, see “*Our Management*” on page 164 of this Draft Red Herring Prospectus.

### Investor Grievances

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

All issue related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the issue, with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder’s DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the issue.

In terms of SEBI circular no. *SEBI/HO/CFD/DIL2/CIR/P/2018/22*, dated *February 15, 2018*, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

### Details of Key Intermediaries pertaining to this Issue and our Company

Book Running Lead Manager to the Issue	Registrar to the Issue
<p><b>Unistone Capital Private Limited</b> A/305, Dynasty Business Park Andheri Kurla Road, Andheri East, Mumbai- 400059, Maharashtra. <b>CIN:</b> U65999MH2019PTC330850 <b>Tel:</b> +91 9820057533 <b>Email:</b> <a href="mailto:mb@unistonecapital.com">mb@unistonecapital.com</a> <b>Investor Grievance Email:</b> <a href="mailto:compliance@unistonecapital.com">compliance@unistonecapital.com</a> <b>Website:</b> <a href="http://www.unistonecapital.com">www.unistonecapital.com</a> <b>Contact Person:</b> Brijesh Parekh</p>	<p><b>Link Intime India Private Limited</b> C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai-400083, Maharashtra, India <b>Telephone:</b> +91 810 811 4949 <b>Facsimile:</b> NA <b>Email:</b> <a href="mailto:insprosengeering.smeipo@linkintime.co.in">insprosengeering.smeipo@linkintime.co.in</a> <b>Investor Grievance Email:</b> <a href="mailto:insprosengeering.smeipo@linkintime.co.in">insprosengeering.smeipo@linkintime.co.in</a> <b>Contact Person:</b> Shanti Gopalkrishnan <b>Website:</b> <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> <b>SEBI Registration Number:</b> INR000004058</p>

<b>SEBI Registration No.:</b> INM000012449	<b>CIN:</b> U67190MH1999PTC118368
<b>Legal Counsel to the Issue</b>	<b>Statutory and Peer Reviewed Auditors</b>
<b>Legal Suraksha</b> <b>Address:</b> P-12, C.I.T Scheme No. L, Room No. 210, 2 <sup>nd</sup> Floor, Kolkata-700001 <b>Telephone:</b> 9830187875 <b>Email:</b> <a href="mailto:varsha.agarwalla94@gmail.com">varsha.agarwalla94@gmail.com</a> <b>Contact Person:</b> Varsha Agarwalla <b>Registration No:</b> WB/1763/1632/2019	<b>M/s Baheti &amp; Co., Chartered Accountants</b> <b>Address:</b> 24, M.P. Nagar Zone II, Bhopal- 462011, Madhya Pradesh, India <b>Telephone:</b> +91 9826010409 <b>Email:</b> <a href="mailto:deepakkumarbaheti@gmail.com">deepakkumarbaheti@gmail.com</a> <b>Contact Person:</b> Deepak Baheti <b>Membership Number:</b> 075063 <b>FRN No.:</b> 006297C <b>Peer Review Number:</b> 013931
<b>Banker to the Company</b>	<b>Public Issue Bank/ Banker to the Issue/ Refund Banker/Escrow Collection Bank</b>
<b>HDFC Bank Limited</b> <b>Address:</b> HDFC Bank. Arera Colony, E1 /57, Scheme of Capital Project Arera Colony Bhopal, Madhya Pradesh – 462016. <b>Telephone:</b> +91 94267 92009 <b>Email:</b> <a href="mailto:pradeep.gupta7@hdfcbank.com">pradeep.gupta7@hdfcbank.com</a> <b>Website:</b> <a href="http://www.hdfcbank.com">www.hdfcbank.com</a> <b>Contact Person:</b> Pradeep Gupta	[•] <b>Address:</b> [•] <b>Telephone:</b> [•] <b>Fax:</b> [•] <b>Email:</b> [•] <b>Website:</b> [•] <b>Contact Person:</b> [•]
<b>Sponsor Bank</b>	<b>Syndicate Member</b>
[•] <b>Address:</b> [•] <b>Telephone:</b> [•] <b>Fax:</b> [•] <b>Email:</b> [•] <b>Website:</b> [•] <b>Contact Person:</b> [•]	[•] <b>Address:</b> [•] <b>Telephone:</b> [•] <b>Fax:</b> [•] <b>Email:</b> [•] <b>Website:</b> [•] <b>Contact Person:</b> [•] <b>SEBI Certificate Registration:</b> [•] <b>CIN:</b> [•]
<b>Share Escrow Agent</b>	
[•] <b>Address:</b> [•] <b>Telephone:</b> [•] <b>Fax:</b> [•] <b>Email:</b> [•] <b>Website:</b> [•] <b>Contact Person:</b> [•] <b>SEBI Certificate Registration:</b> [•] <b>CIN:</b> [•]	

### Designated Intermediaries

#### *Self-Certified Syndicate Bank(s)*

The list of banks that have been notified by SEBI to act as the SCSBs (i) in relation to the ASBA (other than through UPI Mechanism) is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> or <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>, as applicable or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI Mechanism), a list of which is available on the website of SEBI at <https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> or such other website as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, refer to the above-mentioned link or any other such website as may be prescribed by SEBI from time to time.

### ***Syndicate SCSB Branches***

In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the members of the Syndicate is available on the website of the SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) and updated from time to time. For more information on such branches collecting Application Forms from the members of Syndicate at Specified Locations, see the website of the SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>).

### ***Self-Certified Syndicate Banks Eligible as Sponsor Banks for UPI***

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41>.

For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above-mentioned SEBI link.

### ***Registered Brokers***

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

### ***Registrar And Share Transfer Agents***

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

### ***Collecting Depository Participants***

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

### **Experts**

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

Our Company has received written consent dated October 11, 2024, from the Statutory Auditor, namely, M/s. Baheti & Co., Chartered Accountants, to include their name as required under Section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of (i) their examination report dated October 11, 2024 on the Restated Financial Information; and (ii) their report dated October 11, 2024 on the statement of possible special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

In addition, our Company has received written consent dated October 11, 2024 from ESEN Valuers and Chartered Engineers (Membership no. F- 111181-3), as Chartered Engineer to include its name as an “expert” as defined under Section 2 (38) and other applicable provisions of the Companies Act, 2013 in respect of the report dated October 11, 2024, on installed capacity, actual production and capacity utilisation at our manufacturing facility owned and/or controlled by the Company and estimated cost for the Proposed Project, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S Securities Act. However, the term expert shall not be construed to mean an expert as defined under the U.S. Securities Act.

### **Monitoring Agency**

Since the proceeds from the Fresh Issue does not exceed ₹ 10,000 Lakhs in terms of Regulation 262 (1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

### **Appraising Authority**

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

### **Credit Rating**

As the Issue is of Equity Shares, the appointment of a credit rating agency is not required.

### **IPO Grading**

Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations there is no requirement of appointing an IPO Grading agency.

### **Trustees**

As this is Issue of Equity Shares, the appointment of trustees is not required.

### **Green Shoe Option**

No green shoe option is applicable for the Issue.

### **Filing**

The Draft Red Herring Prospectus and Prospectus shall be filed with NSE situated at Exchange Plaza, C/1, G Block, Bandra-Kurla Complex, Bandra (East) -400 051, Maharashtra, India.

As per SEBI Circular No. *SEBI/HO/CFD/PoD-1/P/CIR/2023/29* dated *February 15, 2023*, company shall upload the Issue Summary Document (ISD) on exchange portal.

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. However, pursuant to sub regulation (5) of Regulation 246 of the SEBI ICDR Regulations, the copy of the Offer Document shall be furnished to the Board (SEBI) in a soft copy. Pursuant to SEBI Circular Number *SEBI/HO/CFD/DIL1/CIR/P/2018/011* dated *January 19, 2018*, a copy of the Offer Document will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be filed with the RoC and copy of the Prospectus to be filed under 26 of the Companies Act, 2013 would be filed with the RoC and through the electric portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

## **Statement of *inter se* allocation of Responsibilities**

Unistone Capital Private Limited (Unistone) is the sole Book Running Lead Manager (BRLM) to the Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them.

## **Changes in the Auditors**

There have been no changes in the Auditors in the last three financial years preceding the date of this Draft Red Herring Prospectus.

## **BOOK BUILDING PROCESS**

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process and advertised in all editions of [●], an English National Newspaper, all editions of [●], a Hindi National Newspaper and [●] editions of [●], a Hindi Daily Newspaper (Hindi being the regional language of Madhya Pradesh where our Registered Office is located) at least two working days prior to the Bid/ Issue Opening date. The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/ Issue Closing Date.

Principal parties involved in the Book Building Process are-

- Our Company;
- The Book Running Lead Manager, in this case being Unistone Capital Private Limited;
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with National Stock Exchange of India Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue, in this case being Link Intime India Private Limited;
- The Escrow Collection Banks/ Bankers to the Issue and
- The Designated Intermediaries and Sponsor bank

The SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations.

The Issue is being made through the Book Building Process wherein 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “**Anchor Investor Portion**”), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

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

In accordance with the SEBI ICDR Regulations, QIB and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bidding Date. Retail Individual Bidders can revise their Bids during the Bid/ Issue Period and withdraw their Bids until the Bid/ Issue Closing Date.

Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under – subscription, if any, in any category, would be allowed to be met with spill – over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange. However, under – subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

In terms of SEBI Circular No. *CIR/CFD/POLICYCELL/11/2015* dated *November 10, 2015* and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. *SEBI/HO/CFD/DIL2/CIR/P/2018/138* dated *November 01, 2018*, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled “*Issue Procedure*” beginning on page 299 of the Draft Red Herring Prospectus.

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” on page 299 of this Draft Red Herring Prospectus.

**Illustration of the Book Building and Price Discovery Process:**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Company in consultation with the BRLM, may finalise the Issue Price at or below such Cut-



Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

### Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled “*Issue Procedure*” on page 299 of this Draft Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

### Bid/Issue Program:

Event	Indicative Dates
Bid/Issue Opening Date <sup>(1)</sup>	[●]
Bid/Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before [●]
Credit of Equity Shares to Demat accounts of Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

<sup>(1)</sup>Our Company in consultation with the Book Running Lead Manager may consider participation by Anchor Investors in accordance with the SEBI (ICDR) Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date in accordance with the SEBI (ICDR) Regulations.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); ‘T’ being issue closing date. Our Company shall follow the timelines provided under the aforementioned circular.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Bid/Issue Closing Date). On the Bid/ Issue Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Applicant on Bid/ Issue Closing Date maybe extended in consultation with the BRLM, RTA and National Stock Exchange of India Limited Emerge taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Bid Cum Application Forms prior to the Bid/ Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum Application Form, for a particular Applicant, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid Cum Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

## **WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the issue at any time before the Bid/ Issue Opening Date without assigning any reason thereof. If our Company withdraws the Issue anytime after the Bid/ Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Bid/ Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre- issue advertisements have appeared and the Stock Exchange will also be informed promptly.

The BRLM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares issued through the Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) the registration of Red Herring Prospectus/ Prospectus with RoC.

## **Underwriting Agreement**

This Issue is 100% underwritten. The Underwriting agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being issued through this Issue:

<b>Details of the Underwriter</b>	<b>No. of Shares Underwritten</b>	<b>Amount Underwritten</b>	<b>% of total Issue size underwritten</b>
[●]	[●]	[●]	[●]

*(The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus. Specific details mentioned above have been intentionally left blank and will be filled in before, and this portion will be applicable upon the execution of the Underwriting Agreement and filing of the Prospectus with the RoC, as applicable.)*

As per Regulation 260(2) & (3) of SEBI (ICDR) Regulations, 2018, the Book Running Lead manager has agreed to underwrite to a minimum extent of [●] % of the Issue out of its own account. In the opinion of the Board of Directors (based on a certificate given by the Underwriters), the resources of the above-mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

**Market Maker**

<b>Name:</b>	[●]
<b>Address:</b>	[●]
<b>Tel No:</b>	[●]
<b>Fax No:</b>	[●]
<b>Contact Person:</b>	[●]
<b>Email:</b>	[●]
<b>Website:</b>	[●]
<b>Contact Person:</b>	[●]
<b>SEBI Registration No.:</b>	[●]
<b>Market Maker Registration No.:</b>	[●]

**Details of the Market Making Arrangement for this Issue**

Our Company and the Book Running Lead Manager have entered into an agreement dated [●] with [●], a Market Maker registered with Emerge Platform of NSE in order to fulfil the obligations of Market Making.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the NSE and SEBI regarding this matter from time to time.

Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the exchange in advance for each and every blackout period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and NSE from time to time.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
5. There would not be more than five Market Makers for a scrip at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. The shares of the Company will be traded in a continuous trading session from the time and day the company

gets listed on Emerge Platform of NSE Limited and Market Maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.

7. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems or any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange to decide controllable and non-controllable reasons would be final.
8. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
9. The Market Maker shall have the right to terminate the said arrangement by giving three months-notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above mentioned Market Making Agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further the Company and the Book Running Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time.

10. **Risk containment measures and monitoring for Market Maker:** Emerge Platform of NSE Limited will have all margins which are applicable on the [●] Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. [●] can impose any other margins as deemed necessary from time-to-time.
11. **Punitive Action in case of default by Market Maker:** Emerge Platform of NSE Limited will monitor the obligations on a real-time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (Issuing two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

12. **Price Band and Spreads:** SEBI Circular bearing reference no: *CIR/MRD/DP/02/2012* dated *January 20, 2012*, has laid down that for Issue size up to ₹ 250 Crores, the applicable price bands for the first day shall be:
  - In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

Pursuant to SEBI Circular number *CIR/MRD/DSA/31/2012* dated *November 27, 2012*, limits on the upper side for Markets Makers during market making process has been made applicable, based on the Issue size and as follows:

<b>Issue Size</b>	<b>Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)</b>	<b>Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)</b>
Up to ₹ 20 Crores	25%	24%
₹ 20 Crores to ₹ 50 Crores	20%	19%
₹ 50 Crores to ₹ 80 Crores	15%	14%
Above ₹ 80 Crores	12%	11%

All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

On the first day of listing, there will be a pre-open session (call auction) and there after trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity Shares on the Stock Exchange.

## CAPITAL STRUCTURE

Our Equity Share capital before the Issue and after giving effect to the Issue, as at the date of this Draft Red Herring Prospectus, is set forth below:

*Amount (₹ in lakhs except share data)*

<b>PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>			
Sr. No.	Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price <sup>(1)</sup>
<b>I.</b>	<b>Authorised Share Capital<sup>(2)</sup></b>		
	2,50,00,000 Equity Shares of ₹ 10/- each	2,500.00	-
<b>II.</b>	<b>Issued, Subscribed &amp; Paid-up Share Capital prior to the Issue<sup>(3)</sup></b>		
	1,67,59,340 Equity Shares of ₹ 10/- each	1,675.93	-
<b>III.</b>	<b>Present Issue in terms of Draft Red Herring Prospectus</b>		
	Fresh Issue of up to 64,00,000 Equity Shares having face value of ₹ 10 each at price of ₹ [●] per equity share (including a share premium of ₹ [●] per Equity share) aggregating ₹ [●] <sup>(4)</sup> .	[●]	[●]
<b>IV.</b>	<b>Issued, Subscribed and Paid-Up Share Capital after the Issue</b>		
	[●] Equity Shares of ₹ 10.00 each		[●]
<b>V.</b>	<b>Securities Premium Account</b>		
	Before the Issue		128.80
	After the Issue		[●]

(1) To be finalized upon determination of Issue Price.

(2) For details of the changes in the authorized share capital of our Company, please refer to chapter titled "History and Certain Corporate Matters" beginning on page 158 of this Draft Red Herring Prospectus.

(3) As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company and there is no share application money pending for allotment.

(4) The Issue has been authorized by a resolution of our Board dated July 29, 2024 and a special resolution of our Shareholders passed in the EGM dated August 03, 2024.

### CLASS OF SHARES

Our Company has only one class of share capital i.e. Equity Shares of ₹ 10/- each. All Equity Shares issued are fully paid up.

Our Company does not have any outstanding convertible instruments as on the date of this Draft Red Herring Prospectus.

### NOTES TO THE CAPITAL STRUCTURE

#### 1. Share Capital of our Company:

##### a) Equity share capital:

The history of equity share capital of our company is as set out in the following table:

Date of Allotment of equity shares	No. of Equity Shares Allotted	Face Value per Equity Share (₹)	Issue Price per equity share (₹)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-Up Share Capital (₹)
On incorporation (November 14, 1983)	300	100	100	Cash	Incorporation <sup>(i)</sup>	300	30,000
June 04, 1984	700	100	100	Cash	Further Allotment <sup>(ii)@</sup>	1,000	1,00,000
January 28, 1985	804	100	100	Cash	Further Allotment <sup>(iii)@</sup>	1,804	1,80,400
May 20, 1986	14	100	100	Cash	Further Allotment <sup>(iv)@</sup>	1,818	1,81,800
February 18, 2004	8,181	100	NA	Other than Cash	Bonus Issue <sup>(v)\$</sup>	9,999	9,99,900
<b>Each equity share of our Company of face value of ₹100 was sub-divided to 10 equity shares of face value of ₹ 10 each, pursuant to the resolution passed by our Shareholders on April 01, 2024</b>							
April 08, 2024	1,64,98,350	10	NA	Other than Cash	Bonus Issue <sup>(vi)</sup>	1,65,98,340	16,59,83,400
October 14, 2024	1,61,000	10	90	Cash	Preferential Issue <sup>(vii)</sup>	1,67,59,340	16,75,93,400

**Notes:**

- (i) **Initial Subscribers to the Memorandum of Association subscribed to Equity Shares of Face Value of ₹ 100/- each detail of which are given below:**

Sr. No.	Names of Person	Number of Shares Allotted
1.	Deepankar Biswas	100
2.	Panna Lala	100
3.	Janak Mullick	100
<b>Total</b>		<b>300</b>

- (ii) **Further Allotment<sup>@</sup> of 700 Equity Shares of ₹ 100/- each at par in cash to the following Shareholders:**

Sr. No.	Names of Person	Number of Shares Allotted
1.	Sidhartha Lala	350
2.	Vipin Mullick	250
3.	Janak Mullick	100
<b>Total</b>		<b>700</b>

- (iii) **Further Allotment<sup>@</sup> of 804 Equity Shares of ₹ 100/- each at par in cash to the following Shareholders:**

Sr. No.	Names of Person	Number of Shares Allotted
1.	Sidhartha Lala	354
2.	Vipin Mullick	348
3.	Janak Mullick	60
4.	Panna Lala	42
<b>Total</b>		<b>804</b>

(iv) **Further Allotment<sup>@</sup> of 14 Equity Shares of ₹ 100/- each at par in cash to the following Shareholder:**

Sr. No.	Names of Person	Number of Shares Allotted
1.	Sidhartha Lala	14
<b>Total</b>		<b>14</b>

(v) **Bonus Allotment<sup>§</sup> of 8,181 Equity Shares of ₹ 100/- each in the ratio of 9:2 i.e. 9 equity shares for every 2 Equity Shares held to the following Shareholders:**

Sr. No.	Names of Person	Number of Shares Allotted
1.	Vipin Mullick	4,131
2.	Janak Mullick	1,845
3.	Anandita Mullick	1,386
4.	Late S.N. Mullick	450
5.	Late Inder Mohanlal Bhasin	369
<b>Total</b>		<b>8,181</b>

(vi) **Bonus Allotment of 1,64,98,350 Equity Shares of ₹ 10/- each in the ratio of 1:165 i.e. 1 equity share for every 165 Equity Shares held to the following Shareholders:**

Sr. No.	Names of Person/Entity	Number of Shares Allotted
1.	Vipin Mullick	83,30,850
2.	Janak Mullick	28,95,750
3.	Anandita Mullick	27,95,100
4.	Divij Mullick	8,26,650
5.	Manya Mullick	8,25,000
6.	Vipin Mullick HUF	8,25,000
<b>Total</b>		<b>1,64,98,350</b>

(vii) **Preferential Allotment of 1,61,000 Equity Shares having face value of ₹ 10/- each is issued at premium price of ₹ 80/- each at par in cash to following Shareholders:**

Sr. No.	Names of Person/Entity	Number of Shares Allotted
1.	Blackbeard Ventures Pvt Ltd	20,000
2.	Magellan Ventures Pvt Ltd	20,000
3.	Jayshree Bharat Doshi	10,000
4.	Ritu Srivastava	10,000
5.	Ashu Dutt	10,000
6.	Bharat Uttamchandani	10,000
7.	Ravjot Singh Anand	10,000
8.	Vandana Chakravarty	8,000
9.	Mamta Rajesh Doshi	7,500
10.	Ashish Bharat Doshi	7,500
11.	Sukriti Roy	6,500
12.	Fehmida Khan	6,000
13.	Arti Sheopuri	5,000
14.	Ruchika Bhasin Ohri	5,000
15.	Latika Khanna	5,000
16.	Anil Kumar Patel	5,000
17.	Sharda Gopal	5,000
18.	Aruna Dawar	3,000
19.	Rashmi Chhauda	2,500
20.	Pooja Chhauda	2,500
21.	Aashish Vats	2,500



Sr. No.	Names of Person/Entity	Number of Shares Allotted
	<b>Total</b>	<b>1,61,000</b>

® We have been unable to trace the complete set of secretarial records, corporate resolutions and filings in relation to changes in our issued, subscribed and paid-up share capital till 2007. The secretarial records for these past allotments of Equity Shares made by our Company prior to 2007 could not be traced as the relevant information was not available in our Company's records, the Ministry of Corporate Affairs and the records maintained by the RoC. For details of risks arising out of missing or untraceable past secretarial records of our Company, see "Risk Factors- There have been instances in the past where we were unable to trace some corporate records, and there were certain instances of discrepancies in relation to certain statutory filings and corporate records of our Company" on page 43 of this Draft Red Herring Prospectus, except as disclosed in the aforementioned risk factor we confirm that our Company is in compliance with the Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of Draft Red Herring Prospectus.

\$ In relation to these allotments, for the number of Equity Shares, our Company has been unable to trace the return of allotment i.e. Form 2, for such allotments as, the information could not be traced and was not available in our Company's records. Accordingly, we have relied on the minutes of the board meeting and the meetings of the committee of directors approving such allotments. For details of risks arising out of missing or untraceable past secretarial records of our Company, see "Risk Factors- There have been instances in the past where we were unable to trace some corporate records, and there were certain instances of discrepancies in relation to certain statutory filings and corporate records of our Company" on page 43 of this Draft Red Herring Prospectus.

#### b) Preference share capital

As on date of Draft Red Herring Prospectus, our Company does not have preference share capital.

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

As on the date of this Draft Red Herring Prospectus, our Company has not issued any equity shares out of revaluation reserves since its incorporation.

Except as disclosed below, our Company has not issued any equity shares for consideration other than cash or bonus issue at any time since incorporation:

Date of Allotment	Name of the Allottees	Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Reasons for allotment
February 18, 2004	Vipin Mullick	4,131	100	NA	Bonus Issue
	Janak Mullick	1,845			
	Anandita Mullick	1,386			
	Late S.N. Mullick	450			
	Late Inder Mohanlal Bhasin	369			
April 08, 2024	Vipin Mullick	83,30,850	10	NA	Bonus Issue
	Janak Mullick	28,95,750			
	Anandita Mullick	27,95,100			
	Divij Mullick	8,26,650			
	Manya Mullick	8,25,000			
	Vipin Mullick HUF	8,25,000			

3. Our Company has not issued or allotted any equity shares or preference shares pursuant to schemes of arrangement approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act, 2013, as applicable.

4. Except as stated below, our Company has not issued any Equity Shares or preference shares at a price that may be lower than the Issue Price during a period of one year preceding the date of this Draft Red Herring Prospectus:

Date of Allotment	No. of Equity Shares Allotted	Face Value per Equity Share (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment
April 08, 2024	1,64,98,350	10	-	Other than Cash	Bonus Issue

Date of Allotment	No. of Equity Shares Allotted	Face Value per Equity Share (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment
October 14, 2024	1,61,000	10	90	Cash	Preferential Allotment

**5. Equity Shares issued pursuant to Employee Stock Option Schemes and Employees Stock Appreciation Right Plan**

As on date of this Draft Red Herring Prospectus, our Company has not issued Equity Shares pursuant to the ESOP Plan and ESARP Plan (Employees Stock Appreciation Right Plan).

6. Our Company has not revalued its assets since inception and has not issued equity shares (including bonus shares) by capitalizing any revaluation reserves.
7. Our Company has not made any public issue (including any rights issue to the public) since its incorporation.
8. Our Company has twenty-seven shareholders, as on the date of this Draft Red Herring Prospectus.
9. We hereby confirm that none of the members of the Promoter Group, Directors and their immediate relatives have financed the purchase by any other person of Equity shares of our Company other than in the normal course of business of the financing entity within the period of six months immediately preceding the date of this Draft Red Herring Prospectus.
10. The shareholding pattern of our Company before the issue as per Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given here below:

Sr. No.	Particular	Yes/ No	Promoters and Promoter Group	Public Shareholder	Non-Promoter – Non-Public
1.	Whether the Company has issued any partly paid-up shares?	No	No	No	No
2.	Whether the Company has issued any Convertible Securities?	No	No	No	No
3.	Whether the Company has issued any Warrants?	No	No	No	No
4.	Whether the Company has any shares against which depository receipts are issued?	No	No	No	No
5.	Whether the Company has any shares in locked-in?*	No	No	No	No
6.	Whether any shares held by promoter are pledge or otherwise encumbered?	No	No	No	No
7.	Whether Company has equity shares with differential voting rights?	No	No	No	No

\* All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to listing of shares on EMERGE Platform of NSE. Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the Listing of the Equity Shares. The Shareholding Pattern will be uploaded on the Website of the NSE before commencement of trading of such Equity Shares.

Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the Listing of the Equity Shares. The Shareholding Pattern will be uploaded on the Website of the NSE before commencement of trading of such Equity Shares.

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on the date of the Draft Red Herring Prospectus:

**Summary of Shareholding Pattern:**

Sr. No.	Category of shareholder	Nos. of shareholders	No. of fully paid-up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C)	Number of Voting Rights held in each class of securities <sup>1</sup>				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of securities ( as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class Equity Shares of ₹10/- each	Class Y	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX				X	XI=VII+X	XII		XIII		XIV
(A)	Promoters & Promoter Group	9	1,66,16,340	-	-	1,66,16,340	99.15	1,66,16,340	-	1,66,16,340	99.15	-	99.15	-	-	-	-	1,66,16,340
(B)	Public	18	1,43,000	-	-	1,43,000	0.85	1,43,000	-	1,43,000	0.85	-	0.85	-	-	-	-	1,43,000
(C)	Non-Promoter- Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>27</b>	<b>1,67,59,340</b>	<b>-</b>	<b>-</b>	<b>1,67,59,340</b>	<b>100.00</b>	<b>1,67,59,340</b>	<b>-</b>	<b>1,67,59,340</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,67,59,340</b>

## 11. List of our major shareholders:

The list of our major Shareholders and the number of Equity Shares held by them is provided below:

- a) The details of our Shareholders holding 1% or more of the paid-up Equity Share capital of our Company as on the date of filing of this Draft Red Herring Prospectus are set forth below:

Sr. No.	Name of the Person	No. of Shares Allotted	% of the then existing share capital
1.	Vipin Mullick	92,11,257	54.96
2.	Anandita Mullick	34,01,125	20.29
3.	Janak Mullick	14,93,298	8.91
4.	Divij Mullick	8,31,660	4.96
5.	Manya Mullick	8,30,000	4.95
6.	Vipin Mullick HUF	8,30,000	4.95
<b>Total</b>		<b>1,65,97,340</b>	<b>99.03</b>

- b) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company ten days prior to the date of filing of this Draft Red Herring Prospectus are set forth below:

Sr. No.	Name of the Person	No. of Shares Allotted	% of the then existing share capital
1.	Vipin Mullick	92,11,257	54.96
2.	Anandita Mullick	34,01,125	20.29
3.	Janak Mullick	14,93,298	8.91
4.	Divij Mullick	8,31,660	4.96
5.	Manya Mullick	8,30,000	4.95
6.	Vipin Mullick HUF	8,30,000	4.95
<b>Total</b>		<b>1,65,97,340</b>	<b>99.03</b>

- c) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company one year prior to the date of filing of this Draft Red Herring Prospectus are set forth below:

Sr. No.	Name of the Person	No. of Shares Allotted	% of the then existing share capital
1.	Vipin Mullick	5,049	50.50
2.	Janak Mullick	1,755	17.55
3.	Anandita Mullick	1,694	16.94
4.	Divij Mullick	501	5.01
5.	Manya Mullick	500	5.00
6.	Vipin Mullick HUF	500	5.00
<b>Total</b>		<b>9,999</b>	<b>100.00</b>

- d) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company two years prior to the date of filing of this Draft Red Herring Prospectus are set forth below:

Sr. No.	Name of the Person	No. of Shares Allotted	% of the then existing share capital
1.	Vipin Mullick	5,049	50.50
2.	Janak Mullick	1,755	17.55
3.	Anandita Mullick	1,694	16.94

Sr. No.	Name of the Person	No. of Shares Allotted	% of the then existing share capital
4.	Divij Mullick	501	5.01
5.	Manya Mullick	500	5.00
6.	Vipin Mullick HUF	500	5.00
<b>Total</b>		<b>9,999</b>	<b>100.00</b>

## 12. Details of Shareholding of our Promoters, members of the Promoter Group in our Company:

As on the date of this Draft Red Herring Prospectus, our Promoters hold 1,26,12,382 Equity Shares, equivalent to % of the issued, subscribed, and paid-up equity share capital of our Company.

The build-up of the equity shareholding of our Promoters since incorporation of our Company is set forth in the table below:

Date of Allotment / acquisition / transaction and when made fully paid up	Nature (Allotment/ transfer)	Number of Equity Shares	Face Value per Equity Share (in ₹)	Issue/ Transfer price per Equity Share (in ₹)	Consideration (cash/ other than cash)	Percentage of the pre- Issue equity share capital (%)	Percentage of the post- Issue equity share capital (%)
<b>Vipin Mullick</b>							
June 04, 1984	Further Allotment <sup>@</sup>	250	100	100	Cash	Negligible	[●]
January 28, 1985	Further Allotment <sup>@</sup>	348	100	100	Cash	Negligible	[●]
September 15, 1995	Share Transfer from Sidhartha Lala	210	100	100	Cash	Negligible	[●]
September 15, 1995	Share Transfer from Panna Lala	110	100	100	Cash	Negligible	[●]
February 18, 2004	Bonus Issue <sup>\$</sup>	4,131	100	NA	Other than Cash	0.02	[●]
<i>Each equity share of our Company of face value of ₹ 100 was sub-divided to 10 equity shares of face value of ₹ 10 each, pursuant to the resolution passed by our Shareholders on April 01, 2024</i>							
April 08, 2024	Bonus Issue	83,30,850	10	NA	Other than Cash	49.71	[●]
April 26, 2024	Share Transfer from Janak Mullick through Gift deed	8,29,917	10	NA	Other than Cash	4.95	[●]
<b>Total</b>		<b>92,11,257</b>				<b>54.96</b>	<b>[●]</b>
<b>Anandita Mullick</b>							

Date of Allotment / acquisition / transaction and when made fully paid up	Nature (Allotment/ transfer)	Number of Equity Shares	Face Value per Equity Share (in ₹)	Issue/ Transfer price per Equity Share (in ₹)	Consideration (cash/ other than cash)	Percentage of the pre- Issue equity share capital (%)	Percentage of the post- Issue equity share capital (%)
September 15, 1995	Share Transfer from Sidhartha Lala	308	100	100	Cash	Negligible	[●]
February 18, 2004	Bonus Issue <sup>s</sup>	1,386	100	NA	Other than Cash	0.01	[●]
<i>Each equity share of our Company of face value of ₹100 was sub-divided to 10 equity shares of face value of ₹ 10 each, pursuant to the resolution passed by our Shareholders on April 01, 2024</i>							
April 08, 2024	Bonus Issue	27,95,100	10	NA	Other than Cash	16.68	[●]
April 29, 2024	Share Transfer from Janak Mullick through Gift deed	5,89,085	10	NA	Other than Cash	3.51	[●]
<b>Total</b>		<b>34,01,125</b>				<b>20.29</b>	<b>[●]</b>

The build-up of the equity shareholding of our Promoter Group since incorporation of our Company is set forth in the table below:

Date of Allotment / acquisition / transaction and when made fully paid up	Nature (Allotment/ transfer)	Number of Equity Shares	Face Value per Equity Share (in ₹)	Issue/ Transfer price per Equity Share (in ₹)	Consideration (cash/ other than cash)	Percentage of the pre- Issue equity share capital (%)	Percentage of the post- Issue equity share capital (%)
<b>Janak Mullick</b>							
November 14, 1983	Initial subscription to MoA	100	100	100	Cash	Negligible	[●]
January 26, 1984	Share Transfer from Deepankar Biswas	50	100	100	Cash	Negligible	[●]
June 04, 1984	Further Allotment <sup>@</sup>	100	100	100	Cash	Negligible	[●]
January 28, 1985	Further Allotment <sup>@</sup>	60	100	100	Cash	Negligible	[●]

Date of Allotment / acquisition / transaction and when made fully paid up	Nature (Allotment/ transfer)	Number of Equity Shares	Face Value per Equity Share (in ₹)	Issue/ Transfer price per Equity Share (in ₹)	Consideration (cash/ other than cash)	Percentage of the pre- Issue equity share capital (%)	Percentage of the post- Issue equity share capital (%)
September 15, 1995	Share Transfer from Sidhartha Lala	100	100	100	Cash	Negligible	[●]
February 18, 2004	Bonus Issue <sup>§</sup>	1,845	100	NA	Other than Cash	0.01	[●]
March 30, 2019	Share Transfer to Vipin Mullick HUF	-500	100	100	Cash	Negligible	[●]
<i>Each equity share of our Company of face value of ₹100 was sub-divided to 10 equity shares of face value of ₹ 10 each, pursuant to the resolution passed by our Shareholders on April 01, 2024</i>							
April 08, 2024	Bonus Issue	28,95,750	10	NA	Other than Cash	17.28	[●]
April 29, 2024	Share Transfer to Anandita Mullick through Gift deed	(5,89,085)	10	NA	Other than Cash	(3.51)	[●]
April 29, 2024	Share Transfer to Vandana Chakravarty through Gift deed	(1000)	10	NA	Other than Cash	(0.01)	[●]
April 29, 2024	Share Transfer to Vipin Mullick through Gift deed	(8,29,917)	10	NA	Other than Cash	(4.95)	[●]
<b>Total</b>		<b>14,93,298</b>				<b>8.91</b>	<b>[●]</b>
<b>Manya Mullick</b>							
June 11, 2007	Transmission of shares from S.N. Mullick <sup>#</sup>	275	100	NA	Other than Cash	Negligible	[●]
October 01, 2008	Share Transfer from Late Shubh Bhasin <sup>#</sup>	225	100	100	Cash	Negligible	[●]
<i>Each equity share of our Company of face value of ₹100 was sub-divided to 10 equity shares of face value of ₹ 10 each, pursuant to the resolution passed by our Shareholders on April 01, 2024</i>							

Date of Allotment / acquisition / transaction and when made fully paid up	Nature (Allotment/ transfer)	Number of Equity Shares	Face Value per Equity Share (in ₹)	Issue/ Transfer price per Equity Share (in ₹)	Consideration (cash/ other than cash)	Percentage of the pre- Issue equity share capital (%)	Percentage of the post- Issue equity share capital (%)
April 08, 2024	Bonus Issue	8,25,000	10	NA	Other than Cash	4.92	[●]
<b>Total</b>		<b>8,30,000</b>				<b>4.95</b>	<b>[●]</b>
<b>Divij Mullick</b>							
June 11, 2007	Transmission of shares from S.N. Mullick <sup>#</sup>	275	100	NA	Other than Cash	Negligible	[●]
October 01, 2008	Share Transfer from Late Shubh Bhasin <sup>s</sup>	226	100	100	Cash	Negligible	[●]
<i>Each equity share of our Company of face value of ₹100 was sub-divided to 10 equity shares of face value of ₹ 10 each, pursuant to the resolution passed by our Shareholders on April 01, 2024</i>							
April 08, 2024	Bonus Issue	8,26,650	10	NA	Other than Cash	4.93	[●]
<b>Total</b>		<b>8,31,660</b>				<b>4.96</b>	<b>[●]</b>
<b>Vipin Mullick HUF</b>							
March 01, 2019	Share Transfer from Janak Mullick	500	100	100	Cash	Negligible	[●]
<i>Each equity share of our Company of face value of ₹100 was sub-divided to 10 equity shares of face value of ₹ 10 each, pursuant to the resolution passed by our Shareholders on April 01, 2024</i>							
April 08, 2024	Bonus Issue	8,25,000	10	NA	Other than Cash	4.92	[●]
<b>Total</b>		<b>8,30,000</b>				<b>4.95</b>	<b>[●]</b>
<b>Vandana Chakravarty</b>							
April 29, 2024	Share Transfer from Janak Mullick through Gift deed	1,000	10	NA	Other than Cash	0.01	[●]
October 14, 2024	Preferential Allotment	8,000	10	90	Cash	0.05	[●]
<b>Total</b>		<b>9,000</b>				<b>0.06</b>	<b>[●]</b>
<b>Ruchika Bhasin Ohri</b>							
October 14, 2024	Preferential Allotment	5,000	10	90	Cash	0.03	[●]
<b>Total</b>		<b>5,000</b>				<b>0.03</b>	<b>[●]</b>
<b>Latika Khanna</b>							



Date of Allotment / acquisition / transaction and when made fully paid up	Nature (Allotment/ transfer)	Number of Equity Shares	Face Value per Equity Share (in ₹)	Issue/ Transfer price per Equity Share (in ₹)	Consideration (cash/ other than cash)	Percentage of the pre- Issue equity share capital (%)	Percentage of the post- Issue equity share capital (%)
October 14, 2024	Preferential Allotment	5,000	10	90	Cash	0.03	[●]
<b>Total</b>		<b>5,000</b>				<b>0.03</b>	<b>[●]</b>

® We have been unable to trace the complete set of secretarial records, corporate resolutions and filings in relation to changes in our issued, subscribed and paid-up share capital till 2007. The secretarial records for these past allotments of Equity Shares made by our Company prior to 2007 could not be traced as the relevant information was not available in our Company's records, the Ministry of Corporate Affairs and the records maintained by the RoC. For details of risks arising out of missing or untraceable past secretarial records of our Company, see "Risk Factors- There have been instances in the past where we were unable to trace some corporate records, and there were certain instances of discrepancies in relation to certain statutory filings and corporate records of our Company" on page 43 of this Draft Red Herring Prospectus, except as disclosed in the aforementioned risk factor we confirm that our Company is in compliance with the Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of Draft Red Herring Prospectus..

§ In relation to these allotments, for the number of Equity Shares, our Company has been unable to trace the return of allotment i.e. Form 2, for such allotments as, the information could not be traced and was not available in our Company's records. Accordingly, we have relied on the minutes of the board meeting and the meetings of the committee of directors approving such allotments. For details of risks arising out of missing or untraceable past secretarial records of our Company, see "Risk Factors- There have been instances in the past where we were unable to trace some corporate records, and there were certain instances of discrepancies in relation to certain statutory filings and corporate records of our Company" on page 43 of this Draft Red Herring Prospectus.

# In relation to these allotments, for the number of Equity shares, our Company has been unable to track the share transmission deed, for such allotments, as, the information could not be traced and was not available in our Company's records. Accordingly, we have relied on the Annual Return, minutes of board meetings and meetings of committee of directors approving such allotments. For details of risks arising out of missing or untraceable past secretarial records of our Company, see "Risk Factors –We are unable to trace some of our corporate records relating to allotments made by our Company, transfers and acquisitions of Equity Shares made by our Promoters, and appointment of directors in our Company. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to these matters, which may impact our financial condition and reputation" on page 43 of this Draft Red Herring Prospectus.

13. Details of the Pre and Post Issue Shareholding of our Promoters and Promoters Group is as below:

Particulars	Pre-Issue		Post-Issue	
	Number of Equity Shares	Percentage (%) holding	Number of Equity Shares	Percentage (%) holding
<b>Promoters</b>				
Vipin Mullick	92,11,257	54.96	[●]	[●]
Anandita Mullick	34,01,125	20.29	[●]	[●]
<b>Total (A)</b>	<b>1,26,12,382</b>	<b>75.26</b>	<b>[●]</b>	<b>[●]</b>
<b>Promoter Group</b>				
Janak Mullick	14,93,298	8.91	[●]	[●]
Divij Mullick	8,31,660	4.96	[●]	[●]
Manya Mullick	8,30,000	4.95	[●]	[●]
Vipin Mullick HUF	8,30,000	4.95	[●]	[●]
Vandana Chakravarty	9,000	0.06	[●]	[●]
Ruchika Bhasin Ohri	5,000	0.03	[●]	[●]

Particulars	Pre-Issue		Post-Issue	
	Number of Equity Shares	Percentage (%) holding	Number of Equity Shares	Percentage (%) holding
Latika Khanna	5,000	0.03	[●]	[●]
<b>Total (B)</b>	<b>40,03,958</b>	<b>23.89</b>	[●]	[●]
<b>Total (A+B)</b>	<b>1,66,16,340</b>	<b>99.15</b>	[●]	[●]

14. Except mentioned below, none of our shareholders belonging to Promoters and Promoter Group, Directors and their relatives have purchased or sold the Equity Shares of our Company during the past six months immediately preceding the date of filing the Draft Red Herring Prospectus:

Date of Allotment	Name of the Allottees	Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Reasons for allotment
April 08, 2024	Vipin Mullick	83,30,850	10	NA	Bonus Issue (1:165)
	Janak Mullick	28,95,750			
	Anandita Mullick	27,95,100			
	Divij Mullick	8,26,650			
	Manya Mullick	8,25,000			
	Vipin Mullick HUF	8,25,000			
October 14, 2024	Vandana Chakravarty	8,000	10	90	Preferential Allotment
	Ruchika Bhasin Ohri	5,000	10	90	Preferential Allotment
	Latika Khanna	5,000	10	90	Preferential Allotment

#### 15. Promoter's Contribution and other Lock-in details

##### a) Details of Promoter's Contribution locked-in for three (3) years:

Pursuant to Regulations 236 and 238 of the SEBI ICDR Regulations, an aggregate of [●]% of the fully diluted post issue Equity Share capital of our Company held by the Promoters shall be considered as Promoter's Contribution ("Promoter's Contribution") and shall be locked in for a period of three years from the date of Allotment of Equity Shares and the shareholding of the Promoter in excess of [●]% of the fully diluted post issue Equity Share capital shall be locked in for a period of one year from the date of Allotment.

The details of the Equity Shares held by our Promoters, which shall be locked-in for a period of three years from the date of allotment, are set out in the following table:

Name of Promoters	No. of Equity Shares Locked in	Post- issue equity share capital %
[●]	[●]	[●]
[●]	[●]	[●]
<b>Total</b>	[●]	[●]

*All the Equity Shares were fully paid-up on the respective dates of allotment or acquisition of such Equity Shares, as the case may be. For details regarding allotment of the above Equity Shares, please refer section "History of Paid-up Share Capital of our Company".*

Our Promoters have given consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post issue Equity Share capital of our Company as the Promoter's Contribution. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoter's Contribution from the date of filing of the Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

Compliance with regulation 237 of SEBI ICDR Regulations, the minimum Promoter's contribution of 20% as shown above which is subject to lock-in for three years, we confirm the following:

<b>Reg. No</b>	<b>Promoter's Minimum Contribution Conditions</b>	<b>Eligibility Status of Equity Shares forming part of Promoter's Contribution</b>
237 (1)(a)(i)	Specified securities acquired during the preceding three years if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction.	The Minimum Promoter's contribution does not consist of such Equity Shares which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets. <b><u>Hence Eligible</u></b>
237 (1)(a)(ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoter's contribution.	The minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Eligible</u></b>
237 (1)(b)	Specified securities acquired by the promoters' and alternative investment funds or foreign venture capital investors or scheduled commercial banks or public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India, during the preceding one year at a price lower than the price at which specified securities are being issued to the public in the initial public offer.	The minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Not Applicable</u></b>
237 (1)(c)	Specified securities allotted to the promoter and alternative investment funds during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms or limited liability partnerships, where the partners of the erstwhile partnership firms or limited liability partnerships are the promoter of the issuer and there is no change in the management.	The minimum Promoter's contribution does not consist of Equity Shares allotted to alternative investment funds. Hence <b><u>Not applicable</u></b>
237 (1)(d)	Specified securities pledged with any creditor.	Our Promoter's has not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Not Applicable</u></b>

**b) Details of share capital locked-in for one (1) year**

- (i) Pursuant to Regulation 238 (b) of the SEBI (ICDR) Regulations, in addition to the Promoter's Contribution to be locked-in for a period of three (3) years, as specified above, the entire Pre-issue Equity Share capital will be locked in for a period of one (1) year from the date of Allotment in this issue.
- (ii) Pursuant to Regulation 242 of the SEBI Regulations, the Equity Shares held by our Promoters can be pledged only with banks or financial institutions as collateral security for loans granted by such banks or financial institutions for the purpose of financing one or more of the objects of the issue and the pledge of shares is one of the terms of sanction of such loan. However, as on date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters have been pledged to any person, including banks and financial institutions.
- (iii) Pursuant to Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 238 of the SEBI (ICDR) Regulations, may be transferred to amongst our Promoters / Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.
- (iv) Pursuant to Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.

**16. Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors**

One half of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

**17. The average cost of acquisition of or subscription of shares by our promoters are set forth in the table below:**

Sr. No.	Name of Promoters	No. of Equity Shares held	Average cost of acquisition (in ₹ per equity share)
1.	Vipin Mullick	92,11,257	0.01
2.	Anandita Mullick	34,01,125	0.01

*\* As certified by Baheti & Co., Chartered Accountants, by way of their certificate dated October 11, 2024*

- 18. Our Company, our Directors and the Book Running Lead Manager have not entered into any buy back arrangements for the purchase of Equity Shares being issued through the Draft Red Herring Prospectus from any person.
- 19. All the Equity Shares of our Company are fully paid up as on the date of the Draft Red Herring Prospectus.
- 20. Further, since the entire issue price in respect of the issue is payable on application, all the successful applicants will be issued fully paid-up equity shares only.
- 21. No person connected with the issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or otherwise, to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the issue.
- 22. None of our Directors or Key Managerial Personnel holds Equity Shares in the Company, except as stated in the chapter titled "Our Management" beginning on page 164 of this Draft Red Herring Prospectus.

23. The Book Running Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Book Running Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
24. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under Basis of Allotment in the chapter titled "*Issue Procedure*" beginning on page 299 of this Draft Red Herring Prospectus. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.
25. An over-subscription to the extent of 10% of the issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this issue. Consequently, the actual allotment may go up by a maximum of 10% of the issue, as a result of which, the post issue paid up capital after the issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to locking shall be suitably increased; so as to ensure that 20% of the post issue paid-up capital is locked in.
26. Subject to valid applications being received at or above the Issue Price, under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations, and guidelines.
27. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
28. There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
29. Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of this Draft Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
30. Our Promoters and Promoter Group will not participate in the Issue.
31. Our Company has not re-valued its assets and we do not have any revaluation reserves till date.

## OBJECTS OF THE ISSUE

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

1. Funding capital expenditure requirements towards purchase of machinery, equipment and civil work in our existing manufacturing facilities;
2. Funding working capital requirements of the Company; and
3. General Corporate Purposes

*(collectively, referred to herein as the “Objects”)*

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

The main objects clause and the objects incidental and ancillary to the main objects clause of our Memorandum of Association enables us to (i) undertake our existing business activities; and (ii) undertake the activities for which the funds are being raised by us in the Fresh Issue and are proposed to be funded from the Net Proceeds.

### Net Proceeds

The details of the proceeds from the Issue are summarized in the following table:

*(₹ in lakhs)*

Particulars	Estimated Amount <sup>(1)</sup>
Gross proceeds of the issue	[●]
Less: issue related expenses <sup>(2)</sup>	[●]
<b>Net proceeds of the issue</b>	<b>[●]</b>

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

*(2) For details, please see “Issue related expenses” on page 102 of this Draft Red Herring Prospectus.*

### Utilization of Net Proceeds

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

*(₹ in lakhs)*

Particulars	Estimated Amount
Funding capital expenditure requirements towards purchase of machinery, equipment and civil work in our existing manufacturing facilities	1,442.69
Funding working capital requirements of the Company	2,560.00
General Corporate Purposes <sup>(1)</sup>	[●]
<b>Net Proceeds</b>	<b>[●]</b>

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

### Proposed schedule of implementation and deployment of Net Proceeds

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

Particulars	Total estimated cost	Total amount spent on the objects as of October 20, 2024	Total estimated amount from Net Proceeds	Estimated deployment of Net Proceeds in		
				FY 2025	FY 2026	FY 2027
Funding capital expenditure requirements towards purchase of machinery, equipment and civil work in our existing manufacturing facilities	1,496.13	53.44	1,442.69	1,100.00	342.69	-
Funding working capital requirements of the Company	2,560.00	-	2,560.00	-	1,500.00	1,060.00
General corporate purposes	[●]	-	[●]	[●]	-	-
<b>Net proceeds</b>	<b>[●]</b>	<b>53.44</b>	<b>[●]</b>	<b>[●]</b>	<b>1,842.69</b>	<b>1,060.00</b>

(1) Total estimated cost as per Chartered Engineer certificates dated October 11, 2024, issued by M/s. Esen Valuers & Chartered Engineers, Independent Chartered Engineer

(2) As certified by M/s Baheti & Co., Chartered Accountants, our Statutory Auditors, by way of their certificate dated October 11, 2024

(3) To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds

The fund requirements, deployment of funds, and intended use of the Net Proceeds as described in this Draft Red Herring Prospectus are based on our current business plan, management estimates, valid vendor quotations, market conditions, and other external commercial and technical factors. However, these fund requirements and deployment plans have not been appraised by any bank, financial institution, or independent agency. For further details, see “Risk Factors - Risk Factor 47 – Objects of the Fresh Issue for which the funds are being raised have not been appraised by any bank or financial institution and any variation in the utilization of our Net Proceeds as disclosed in this Draft Red Herring Prospectus would be subject to certain compliance requirements, including prior shareholders’ approval.” on page 49. We may need to revise our funding requirements and deployment due to various factors such as our financial and market conditions, business and growth strategies, ability to identify and implement inorganic growth initiatives (including investments and acquisitions), competitive landscape, general factors affecting our results of operations, financial condition, access to capital, changing concurrent technology offered by equipment manufacturers and other external factors such as changes in the business environment, regulatory climate, and interest or exchange rate fluctuations. These factors, which may not be within our management’s control, might necessitate rescheduling the proposed utilization of the Net Proceeds and changing the allocation of funds from its planned allocation, subject to compliance with applicable laws.

Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue. To the extent our Company is unable to utilize any portion of the Net Proceeds towards the aforementioned objects, per the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent financial year towards the aforementioned Objects.

Moreover, if the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the aggregate of the gross proceeds of the Issue, in accordance with Regulation 230(2) of the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to

explore a range of options including utilizing our internal accruals and seeking debt lenders. In furtherance, that such alternate arrangements would be available to fund any such shortfalls.

All quotations mentioned in this section are valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with most of these vendors and there can be no assurance that the same vendor would be engaged to eventually supply the equipment at the same costs. We are yet to place orders for certain of the capital expenditure towards purchase of machinery & equipment. Further, for risk arising out of the Objects, see “Risk Factor - Risk Factor 15 – “We have not yet placed orders in relation to some of the capital expenditure to be incurred for the purchase of equipment / machinery and infrastructure enhancement. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the equipment / machinery or other materials in a timely manner, or at all, may result in time and cost overruns and our business, prospects and results of operations may be adversely affected.” on page 36 of this Draft Red Herring Prospectus.

There can be no assurance that we would be able to procure equipment at the estimated costs. If we engage someone other than the vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor’s estimates and actual costs for the services may differ from the current estimates. Some of the quotations mentioned above do not include cost of freight, insurance, goods and services tax (wherever applicable) and other applicable taxes as these can be determined only at the time of placing of orders. Such additional costs shall be funded from the Net Proceeds allocated towards general corporate purposes or through contingencies, if required. In case of increase in the estimated costs, such additional costs shall be incurred from our internal accruals.

## **Details of the Objects of the Issue**

### ***1. Funding capital expenditure requirements towards purchase of machinery, equipment and civil work in our existing manufacturing facilities***

We are an Electrical Engineering company engaged in manufacture of equipment, components and sub-assemblies used in traction control gear, busbars for electrical cabinets for electric locomotives and metro trainsets, solenoids for circuit breakers and switchgears, non-condenser bushings for HV Capacitors and disconnecting actuators for EVs. These parts are primarily used in railway, industrial machinery, electrical measurement and control equipment, electrical power equipment, and electric vehicles.

Our Company currently has two Manufacturing Facilities, both situated at Mandideep in Bhopal. On an ongoing basis, we invest in the procurement of machinery & equipment, which is utilized by us in carrying out our business, based on our order book and the future requirements estimated by our management and we will continue to expand our operational capabilities at our existing manufacturing facilities. We believe such capital expenditure will enable us to operate effectively and efficiently, leading to cost reduction, increased operating efficiency, faster turn-around time for customer orders and meet our increasing business requirements in accordance with our expansion strategy. We shall also be investing into acquisition of machinery which shall aid us to innovate & develop new products/technologies. We propose to utilize ₹ 1,071.52 lakhs out of the Net Proceeds towards purchase of Adhesive Dispensing Machine, Vertical Storage system, Supply, Visual Scanning Machine, Vertical Machining Center, CNC Machine, Test Equipment, Coil winding machine, Welding machine, Pallet Wrapping Machine etc.

By investing in new machinery, we aim to increase production capacity so that we can produce more components to meet the rising demand for our products. Reduce lead times by delivering products to customers more efficiently and quickly. Enhance customer satisfaction by meeting the needs of our customers by ensuring timely delivery and increased availability of products. We shall also be investing into acquisition of machinery which shall aid us to innovate & develop new products/technologies.

Additionally, we also propose to utilize ₹ 371.17 lakhs for infrastructure enhancements in our Unit II in terms of civil and construction work to create additional space of 17,130 square feet for our new machinery and equipment.



This will allow us to optimize our production layout, improve material flow, and accommodate the increased capacity resulting from the new equipment.

Below are the details of expenditures to be incurred towards purchase of machinery & equipment and infrastructure enhancements:

Sr No	Particulars	To be installed at	Price Per Unit (In ₹)	Quantity	Total Amount (₹ in lakhs)	Advance Paid (₹ in lakhs)	Amount to be funded from Net Proceeds (₹ in lakhs)	Vendor, Date, Reference Number and Validity
1	Adhesive Dispensing Machine	Unit I	31,50,000	1.00	31.50	3.15	28.35	AmCorp Advance Materials LLP, July 24, 2024, IEPL-1/24037/2024-25, Purchase order placed
2	Supply, Installation and commissioning of Vertical Storage system	Unit II	23,52,000	1.00	23.52	3.53	19.99	Craftsman Automation Limited, July 29, 2024, IEPL-2/24051/2024-25, Purchase order placed
3	Supply, Installation and training of Visual Scanning Machine	Unit II	37,84,000	1.00	37.84	5.68	32.16	APM Technologies 3D Pvt. Ltd., July 29, 2024, IEPL-2/24053/2024-25, Purchase order placed
4	5 Axis Vertical Machining Center with accessories	Unit II	88,20,000	1.00	88.20	8.82	79.38	Phillips Machine Tools India Private Limited, July 29, 2024, IEPL-2/24052/2024-25, Purchase order placed
5	CNC Vertical Machining Center with accessories	Unit II	33,75,000	1.00	33.75	8.44	25.31	Ace Designers Limited, September 2, 2024, IEPL-2/24062/2024-25, Purchase order placed
6	CNC Vertical Machining Center with accessories	Unit II	33,50,000	1.00	33.50	8.38	25.12	Ace Designers Limited, September 2, 2024, IEPL-2/24062/2024-25, Purchase order placed
7	CNC Drill Tap Machine Center with accessories	Unit II	32,60,000	1.00	32.60	8.15	24.45	Ace Designers Limited, September 2, 2024, IEPL-

Sr No	Particulars	To be installed at	Price Per Unit (In ₹)	Quantity	Total Amount (₹ in lakhs)	Advance Paid (₹ in lakhs)	Amount to be funded from Net Proceeds (₹ in lakhs)	Vendor, Date, Reference Number and Validity
								2/24062/2024-25, Purchase order placed
8	Test Equipment	Unit I	6,99,500	1.00	7.00	0.00	7.00	SCOPE T&M Private Limited, September 2, 2024, IEPL-2/24062/2024-25, Purchase order placed
9	Coil winding machine	Unit II	5,75,000	1.00	5.75	2.30	3.45	Chawla & Choudhary Trading Co. Pvt. Ltd., August 15, 2024, IEPL-2/24057/2023-24, Purchase order placed
10	Welding machine	Unit II	25,11,600	1.00	25.12	4.99	20.13	Wuxi Haifei Welding Equipment Co. Ltd., September 7, 2024, IEPL-2/24067/2024-25, Purchase order placed
11	Silent Diesel Generating Set with STD & AMF Control Panel	Unit II	24,27,800	1.00	24.28	0.00	24.28	Greaves Cotton Limited, October 8, 2024, GCL/BPL/APB/144, validity 30 days
12	Pallet Wrapping Machine (Packing Machine)	Unit I	5,42,640	1.00	5.43	0.00	5.43	G. K. Enterprises, September 20, 2024, GKE - IEL / EQPT / Q-10A1, valid till December 10, 2024
13	Pallet Wrapping Machine (Strapping Machine)	Unit I	4,32,480	1.00	4.32	0.00	4.32	G. K. Enterprises, September 20, 2024, GKE - IEL / EQPT / Q-10A1, valid till December 10, 2024
14	Shrink Tunnel Machine	Unit I	2,06,300	1.00	2.06	0.00	2.06	G. K. Enterprises, September 20, 2024, GKE – INSPROS/ Shrink / Q-01A, valid till December 25, 2024

Sr No	Particulars	To be installed at	Price Per Unit (In ₹)	Quantity	Total Amount (₹ in lakhs)	Advance Paid (₹ in lakhs)	Amount to be funded from Net Proceeds (₹ in lakhs)	Vendor, Date, Reference Number and Validity
15	CNC Automatic Lathe (CNC Turning Centre Machine)	Unit II	50,89,000	2.00	101.78	0.00	101.78	Yamazen Machinery & Tools India Private Limited, September 30, 2024 & October 23, 2024, YMZ 2023-24/362 /MK & YMZ 2024-25/291 /MK, December 31, 2024
16	Twin Spindle Turning Center (CNC Turning Centre Machine)	Unit II	1,24,59,000	1.00	124.59	0.00	124.59	Machine Tools (India) Limited, July 10, 2024, BNG2407-00227, January 6, 2025
17	Cutting /Bending /Punching Machine	Unit II	18,20,000	1.00	18.20	0.00	18.20	MJ Trading, September 20, 2024, MJ/S/66/24-25, December 31, 2024
18	Automated Rod Storage System	Unit II	67,00,000	1.00	67.00	0.00	67.00	Craftsman Automation Limited, September 26, 2024, GJ/MSP/24-25/32, REVISION – 0, October 31, 2024
19	Automated Storage System	Unit II	24,80,000	1.00	24.80	0.00	24.80	Craftsman Automation Limited, September 28, 2024, GJ/MSP/24-25/34 REVISION –0, December 31, 2024
20	Tool presetter	Unit II	19,76,775	1.00	19.77	0.00	19.77	Haimer India Private Limited, September 28, 2024, HIPL/Q/2425/13724.1, December 31, 2024
21	Ultrasonic Cleaning Machine	Unit II	53,19,458	1.00	53.19	0.00	53.19	RK Transonic Engineers Private Limited, September 23, 2024, 23092024-1, December 31, 2024
22	Manual Powder Spray Gun, Powder Spray Booth & Recovery	Unit II	48,48,920	1.00	48.49	0.00	48.49	Mitsuba Systems (India) LLP, October 22, 2024, OXY 4000 SP02 SP, validity 30 days

Sr No	Particulars	To be installed at	Price Per Unit (In ₹)	Quantity	Total Amount (₹ in lakhs)	Advance Paid (₹ in lakhs)	Amount to be funded from Net Proceeds (₹ in lakhs)	Vendor, Date, Reference Number and Validity
	Unit and Gas Fired Oven							
23	Coil Taping Machine (Power Feed) Large	Unit II	14,87,850	1.00	14.88	0.00	14.88	Anupam Insulating Industries Private Limited, October 24, 2024, AIIPL/ME-4096/181/2024, validity 30 days
24	Material Handling Electric Stacker	Unit II	7,44,000	2.00	14.88	0.00	14.88	Dewas Techno Products Private Limited, October 1, 2024, GIRAFFE/24-25/MHE/00575/R1, December 31, 2024
25	Water Chiller	Unit II	1,60,000	1.00	1.60	0.00	1.60	Werner Finley Private Limited, September 19, 2024, U02-24/242381471, December 31, 2024
26	CNC Fiber Laser Cutting Machine	Unit II	1,20,00,000	1.00	120.00	0.00	120.00	Sahajanand Laser Technology Limited, September 21, 2024, SLT /LC-W /IEPL /QTN_PR_6KW /KD_AMI/2109-24, December 31, 2024
27	Electric Servo CNC press brake	Unit II	14,82,600	1.00	14.83	0.00	14.83	Nanjing Longbo Machine Tool Company Limited, October 18, 2024, EP30-08, November 30, 2024
28	Distribution transformer along with panel	Unit II	9,75,000	1.00	9.75	0.00	9.75	Tesla Power Equipments & Projects Private Limited, October 10, 2024, TPEPPL /JS /YF /24-25 /515661R2, December 9, 2024

Sr No	Particulars	To be installed at	Price Per Unit (In ₹)	Quantity	Total Amount (₹ in lakhs)	Advance Paid (₹ in lakhs)	Amount to be funded from Net Proceeds (₹ in lakhs)	Vendor, Date, Reference Number and Validity
29	CNC Circular Sawing Machine	Unit II	18,29,000	1.00	18.29	0.00	18.29	Zeal Tech Automation, September 30, 2024, ZTA/FS80/222300129 R1, December 31, 2024
30	CNC Turning Centre	Unit II	8,06,400	2.00	16.13	0.00	16.13	Yamazen Machinery & Tools India Private Limited, September 30, 2024 & October 23, 2024, YMZ 2023-24 /363 /MK & YMZ 2024-25/292 /MK, December 31, 2024
31	Solar System DC 100 kWp (AC 80 KW)	Unit I	27,50,000	1.00	27.50	0.00	27.50	Pickrenew Energy Private Limited, September 27, 2024, PEPL 2024-25-25, December 31, 2024
32	Solar system DC 170 kWp + DC 30 kWp	Unit II	53,10,000	1.00	53.10	0.00	53.10	Pickrenew Energy Private Limited, September 29, 2024, PEPL 2024-25-26, December 31, 2024
33	Oil Mist Collector	Unit II	21,32,010	1.00	21.32	0.00	21.32	Prem Brothers, October 22, 2024, PB/2024-25/443, November 7, 2024
34	Supply and erection of PEB shed	Unit II	1,05,00,000		105.00	0.00	105.00	Stelloid Infrastructure, October 7, 2024, 1564, November 30, 2024
35	Concept drawings, execution drawings for civil works, estimate of civil works, structural drawings, MEP drawings, Site supervision,	Unit II	13,38,477		13.38	0.00	13.38	Design Atelier, September 23, 2024, 42020102-1, December 31, 2024

Sr No	Particulars	To be installed at	Price Per Unit (In ₹)	Quantity	Total Amount (₹ in lakhs)	Advance Paid (₹ in lakhs)	Amount to be funded from Net Proceeds (₹ in lakhs)	Vendor, Date, Reference Number and Validity
	3D External Renderings of the building							
36	Construction of shed and development work	Unit II	2,06,51,040		206.51	0.00	206.51	Ganpati Building Solutions Private Limited, October 1, 2024, GBSPL2024-25-1, November 30, 2024
37	Crane Services	Unit II	23,08,500		23.09	0.00	23.09	Light Lift India Private Limited, October 3, 2024, LLI/QOT /2024-25/376, December 31, 2024
38	Electrical panels & Sub station - augmentation	Unit II	23,19,000		23.19	0.00	23.19	VY Enterprises, October 23, 2024, VYE/24-25/ QUOT/385, November 23, 2024
	<b>Total</b>				<b>1,496.13</b>	<b>53.44</b>	<b>1,442.69</b>	

(1) All machinery & equipment amounts are exclusive of applicable taxes

(2) Quotation received in US Dollar (USD). Currency conversion rate considered is 1 USD is equal to 84 INR

(3) Quotation received in Japanese Yen (JPY). Currency conversion rate considered is 1 JPY is equal to 0.58 INR

(4) Total estimated cost as per Certificate dated October 11, 2024, issued by M/s Esen Valuers & Chartered Engineers, Independent Chartered Engineer in respect of the proposed expenditure

All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. While we have issued purchase orders for some machinery and equipment, we have not placed orders for the entire capital expenditure. We have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors will be engaged to eventually supply the equipment or provide the service at the same costs. If there is any increase in the costs of equipment, the additional costs shall be paid by our Company from its internal accruals. The quantity of equipment to be purchased is based on the present estimates of our management. Our Company shall have the flexibility to deploy such equipment in relation to the capital expenditure or such other equipment as may be considered appropriate, according to the business or engineering requirements of such facilities.

## 2. Funding working capital requirements of the company

We manufacture a wide range of equipment, components and sub-assemblies across our two manufacturing units to cater to our variety of customers in railway, industrial machinery, electrical measurement and control equipment, electrical power equipment, and electric vehicles segments and sell our finished goods in the domestic as well as international markets. We now intend to expand our operations by increasing the capacity utilisation, enhance our presence in overseas markets and expand our product portfolio by investing in our product development technologies and infrastructure. Further, we are required to maintain higher stocks of raw materials, semi-finished goods and finished goods to cater to last-minute demands, to shield ourselves from the volatile pricing and to stay ahead of competition. Also, our operational infrastructure for manufacturing of our products is working capital intensive and involves maintaining higher than normal level of inventory and debtors and as our capacity utilization increases, our working capital requirements also increases. All these factors result in increase in the quantum of our working capital requirements. Currently we fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals and borrowings. The deployment of net proceeds shall be over the course of the financial year 2026 and 2027 in accordance with the working capital requirements of our Company. Our Company proposes to invest ₹ 2,560.00 lakhs of the Net Proceeds towards investment for funding its working capital.

**(a) Basis of estimation of working capital requirement**

The details of our Company's working capital as at March 31, 2024, March 31, 2023 and March 31, 2022, derived from and the source of funding, on the basis of Restated Standalone Financial Statements as certified by M/s. Baheti & Co., Chartered Accountants, our Statutory Auditors, through their certificate dated October 11, 2024, are set out in the table below:

(₹ in lakhs)

<b>Particulars</b>	<b>For the period ended June 30, 2024 (Audited)</b>	<b>For the year ended March 31, 2024 (Audited)</b>	<b>For the year ended March 31, 2023 (Audited)</b>	<b>For the year ended March 31, 2022 (Audited)</b>
<b><i>Current Assets</i></b>				
Inventories	1,398.61	1,267.95	879.47	764.56
Trade receivables	1,626.98	1,731.66	1,328.81	1,274.16
Cash and cash equivalents	300.12	94.96	70.61	394.86
Short-term loans and advances	198.47	61.52	75.05	179.07
Other Current Assets	368.07	564.19	354.39	283.11
<b>Total Current Assets (A)</b>	<b>3,892.25</b>	<b>3,720.28</b>	<b>2,708.34</b>	<b>2,895.76</b>
<b><i>Current Liabilities</i></b>				
Trade payables	152.79	125.65	60.27	63.51
Other current liabilities	78.29	86.50	101.30	154.32
Short-term provisions	197.84	439.23	361.86	244.29
<b>Total Current Liabilities (B)</b>	<b>428.92</b>	<b>651.39</b>	<b>523.42</b>	<b>462.12</b>
<b>Net Working Capital Requirements (A-B)</b>	<b>3,463.32</b>	<b>3,068.89</b>	<b>2,184.91</b>	<b>2,433.64</b>
<b><i>Source of funds</i></b>				
Borrowing / Internal accruals	3,463.32	3,068.89	2,184.91	2,433.64

**(b) Estimated working capital requirements**

We propose to utilize ₹ 2,560.00 lakhs of the Net Proceeds in the Financial Year ended March 31, 2026 and March 31, 2027 respectively, towards our Company's working capital requirements. The estimates of the working capital requirements have been prepared based on the management estimates of future financial performance. The projection has been prepared using a 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 October 11, 2024 has approved the projected working capital requirements for the Financial Year 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)
<b>Current Assets</b>		
Inventories	2,246.07	1,895.64
Trade receivables	3,469.62	2,940.35
Cash and cash equivalents	126.24	114.84
Short-term loans and advances	103.53	87.86
Other Current Assets	1,362.64	1,046.73
<b>Total Current Assets (A)</b>	<b>7,308.09</b>	<b>6,085.42</b>
<b>Current Liabilities</b>		
Trade payables	213.08	180.58
Other current liabilities	111.08	94.14
Short-term provisions	760.76	621.65
<b>Total Current Liabilities (B)</b>	<b>1,084.92</b>	<b>896.36</b>
<b>Net Working Capital Requirements (A-B)</b>	<b>6,223.17</b>	<b>5,189.06</b>
<b>Source of funds</b>		
Borrowing / Internal accruals	5,163.17	3,689.06
Proceeds from the Issue	1,060.00	1,500.00

**(c) 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 June 30, 2024 and for the financial year ended 2024, 2023 and 2022, based on financial statements, as well as estimated for financial year 2027 and 2026.

Particulars	For the year ended March 31, 2027 (Estimated)	For the year ended March 31, 2026 (Estimated)	For the period ended June 30, 2024 (Audited)	For the year ended March 31, 2024 (Audited)	For the year ended March 31, 2023 (Audited)	For the year ended March 31, 2022 (Audited)
Inventories	79	78	71	75	63	64
Trade Receivables	122	122	83	103	96	106
Trade payables	7	7	8	7	4	5

**(d) Key justifications for holding levels**

Particulars	Justification
Inventories	Our inventory days, which represent the number of days our inventory is held, have gradually increased from 64 days in FY 2022 and 63 days in FY 2023 to 75 days in FY 2024 and 71 days for the period ended June 30, 2024. Going forward, we anticipate our inventory days to be in the range of 78 days and 79 days for the year ended FY 2026 and FY 2027. As our business expands and we cater to a diverse international clientele, we often procure a variety of raw materials and components in larger quantities to meet specific customer requirements. This, coupled with minimum order quantities imposed by suppliers, leads to increased inventory levels. Furthermore, recent global supply chain disruptions and increased shipping times have impacted our raw material procurement.



Particulars	Justification
	This has necessitated holding larger inventories to ensure a continuous supply of materials and avoid production delays. To fulfil the increasing demand for our products, particularly in the international market, we have extended our lead times for certain products. This requires us to maintain higher inventory levels to meet customer expectations and avoid stockouts.
Trade Receivables	Over the past three financial years, we have observed variations in our trade receivables days. Our trade receivables days were 106 days in FY 2022, which reduced to 96 days in FY 2023, which further increased to 104 days in FY 2024. For the three months period ended June 30, 2024, our trade receivables days were reportedly 83 days. The fluctuation in trade receivables days is primarily attributed to the characteristics of our customer base, which includes international customers. These customers often have longer payment cycles, typically ranging from 60 to 90 days after receipt and acceptance of goods. Additionally, recent global economic conditions and fiscal tightening measures have led some customers to request extended credit periods. Further, the shift towards sea shipments for certain customers, due to increased air freight costs, has also contributed to longer payment cycles. This mode of transportation generally takes more time, impacting the overall timeline for payment realization. Given the nature of our industry and customer base, we anticipate that our trade receivables days will continue to be relatively high, around 122 days in FY 2026 and 2027. While we strive to optimize our payment terms, it is challenging to significantly reduce the cycle time without compromising customer relationships and business growth.
Trade payables	Our trade payables days were 5 days in FY 2022, 4 days in FY 2023, 7 days in FY 2024 and 8 days for the three months period ended June 30, 2024. Going forward also, we expect our trade payables days to be in the similar range of 7 days for FY 2026 and 2027. Given the nature of the industry in which we operate, particularly the procurement of copper and its derivatives, industry standards dictate advance payments for raw materials. This practice is essential to maintain a robust supply chain from reliable and quality-conscious vendors. To remain competitive in the international market, we prioritize cost-effective procurement of raw materials and components. Prompt payment to vendors is crucial to optimize our input costs and ensure a steady supply of materials. Our strong relationships with vendors, built on trust and mutual understanding, have allowed us some flexibility in payment terms. However, the slight increase in trade payables days from 4 days in FY 2023 to 7 days in FY 2025 is a strategic decision to balance cash flow management with vendor relationships, especially during a period of significant business growth. Our efficient management of payables underscores our commitment to optimizing cash flow and maintaining a healthy financial position.

### 3. General corporate purposes

Our Company proposes to deploy the balance proceeds, aggregating to ₹ [●] lakhs, towards general corporate purposes as approved by our management from time to time, subject to such utilisation not exceeding 25% of the gross proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise net proceeds include, business development initiatives, meeting any expense including salaries, rent, administration costs, insurance premiums, repairs and maintenance, payment of taxes and duties, and similar other expenses incurred in the ordinary course of our business or towards any exigencies. The quantum of utilisation of funds towards each of the above purposes will be determined by our board, based on the amount actually available under this head and the business requirements of our Company, from time to time, subject to compliance with applicable law.

In addition to the above, our Company may utilise the net proceeds towards other purposes considered expedient and as approved periodically by our board, subject to compliance with necessary provisions of the Companies

Act. Our Company's management shall have flexibility in utilising surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of net proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of net proceeds in a financial year, we will utilize such unutilized amount in the subsequent financial years.

### Means of finance

We propose to fund the requirements of the Objects detailed above from the Net Proceeds. Accordingly, we confirm that there is no requirement to make firm arrangements of finance to be made through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue and existing identifiable internal accruals.

### Issue related expenses

Activity expense	Amount (₹ in lakhs)	Percentage of total estimated issue expenses	Percentage of issue size
Issue relating expenses such as fees to Book Running Lead Manager Fixed Fee, Registrar to the Issue, Legal Advisors, Auditors, statutory advertisements and other expenses incurred / to be incurred including promotional expenses	[●]	[●]	[●]
Underwriting commission, brokerage and selling commission (including Commission/ processing fees for SCSBs, Sponsor Bank, Members of the Syndicate, Registered Brokers, RTAs and CDPs	[●]	[●]	[●]
Listing fees, Stock Exchange processing/ listing fees, software fees, Depositories' fees, other regulatory expenses and sundry expenses	[●]	[●]	[●]
<b>Total estimated Issue expenses</b>	[●]	[●]	[●]

Notes:

1. The fund deployed towards issue expenses is ₹ 41.68 lakhs pursuant to certificate issued by our Peer Review Auditors M/s Baheti & Co., Chartered Accountants dated October 11, 2024, and the same will be recouped out of issue expenses.
2. Includes Selling commission payable to registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non – Institutional Applicants, would be [●]% on the allotment amount on the application wherein shares are allotted
3. Includes commission/Processing fees of ₹ [●] per valid application forms for SCSBs. In case the total processing fees payable to SCSBs exceeds ₹ [●] lakhs, then the amount payable to SCSBs would be proportionately distributed based on the number of valid applications such that the total Processing Fees payable does not exceed ₹ [●] lakhs.

### Interim use of Net Proceeds

The Net Proceeds pending utilisation for the purposes stated in this section, shall be deposited only with scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended. In accordance with Section 27 of the Companies Act, our Company confirms that it shall not use the Net Proceeds

for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

### **Bridge Financing Facilities**

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

### **Monitoring Utilization of Funds**

As the size of the Issue will not exceed ₹ 10,000 Lakhs, the appointment of Monitoring Agency would not be required as per Regulation 262(1) of the SEBI ICDR Regulations. Our Board and the management will monitor the utilization of the Net Issue Proceeds through our audit committee. Pursuant to Regulation 32 of the SEBI Listing Regulations, our Company shall on half-yearly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full.

### **Variation in Objects**

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the issue without our Company being authorized to do so by the shareholders by way of a special resolution. In addition, the notice issued to the shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoters would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

### **Other confirmations**

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, Promoter Group, our Directors, our Key Management Personnel or our Group Company. Except in the normal course of business and in compliance with applicable law, there are no existing or anticipated transactions in relation to utilisation of Net Proceeds with our Promoters, Promoter Group, our Directors, our Key Management Personnels or our Group Company.

Further, pursuant to the issue, the Net Proceeds received by our Company shall only be utilised for objects identified by our Company and for general corporate purposes and none of our Promoter, Promoter Group, Group Company of our Company, as applicable, shall receive a part of or whole Net Proceeds directly or indirectly.

## BASIS OF ISSUE PRICE

The Price Band and the Issue Price will be determined by our Company in consultation with the BRLM, and on the basis of assessment of market demand for the Equity Shares Issued through the Book Building Process and the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Floor Price is [●] times the face value and the Cap Price is [●] times the face value.

Investors should refer to “*Risk Factors*”, “*Our Business*”, “*Financial Statements*” and “*Management Discussion and Analysis of Financial Position and Results of Operations*” on pages 29, 122, 187 and 252, respectively, to have an informed view before making an investment decision.

### Qualitative Factors

Some of the qualitative factors which form the basis for computing the Issue Price are

- A company having a significant global presence.
- Strong manufacturing capabilities.
- Experienced promoters and management team.
- Strong financial performance.

For further details, see “*Risk Factors*” and “*Our Business*” on pages 29 and 122, respectively.

### Quantitative Factors

The information presented in this section is derived from our Restated Financial Statements. For details, see “*Financial Statements*” on page 187. Investors should evaluate our Company and form their decisions taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the Issue price are as follows:

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

Year ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Fiscal 2024	6.32	6.32	3
Fiscal 2023	5.64	5.64	2
Fiscal 2022	3.25	3.25	1
<b>Weighted Average</b>	<b>5.58</b>	<b>5.58</b>	
For period ended June 30, 2024*	2.08	2.08	

\*Not annualized

#### Notes:

- Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights, i.e. (EPS x weight) for each year divided by the total of weights.*
- Basic and diluted EPS are based on the Restated Financial Information.*
- The face value of each Equity Share is ₹10.*
- Earnings per Share (₹) = Profit after tax excluding exceptional items attributable to equity shareholders for the year/period divided by the weighted average no. of equity shares. The weighted average number of Equity Shares outstanding during the year.*
- Basic EPS and diluted EPS calculations are in accordance with Indian Accounting Standard (Ind AS) 33 ‘Earnings per Share’.*
- The above statement should be read with significant accounting policies and the notes to the Restated Financial Information.*

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

Particulars	P/E at the lower end of the price band (no. of times) *	P/E at the higher end of the price band (no. of times) *
a) P/E ratio based on Basic EPS as at March 31, 2024	[●]	[●]
b) P/E ratio based on Diluted EPS as at March 31, 2024	[●]	[●]

\* To be updated at Prospectus stage.

### Industry Price / Earning (P/E) Ratio

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

Particulars	P/E ratio
Industry	
Highest	88.91
Lowest	39.09
Average	<b>64.00</b>

Notes: P/E ratio has been computed based on the closing market price of equity shares on BSE as on October 21, 2024 divided by the diluted EPS for the year ended March 31, 2024.

### 3. Return on Net Worth (RONW):

Year ended	RoNW (%)	Weight
Fiscal 2024	19.20%	3
Fiscal 2023	20.96%	2
Fiscal 2022	15.17%	1
<b>Weighted Average</b>	<b>19.12%</b>	
<b>For period ended June 30, 2024*</b>	<b>5.92%</b>	

\*Not annualized

Notes:

- RoNW = Net Profit after tax, as restated divided by Net-worth, as restated (Net worth include share capital and reserves and surplus)
- The figures disclosed above are based on the Restated Financial Statements of our Company.

### 4. Net Asset Value (NAV) per Equity Share

Financial Year	Net Asset Value per equity shares
Net Asset Value per Equity Share as of June 30, 2024	35.11
Net Asset Value per Equity Share as of March 31, 2024	32.91
After Completion of the Issue	
- At the Floor Price	[●]
- At the Cap Price	[●]
Issue Price	[●]

Notes:

- Net asset value per equity share is calculated as net worth as of the end of relevant year divided by the weighted average number of equity shares outstanding at the end of the year. Net worth represents the aggregate value of equity share capital, instruments entirely equity in nature and other equity and are based on Restated Financial Information.

### 5. Comparison with listed industry peer:

Following is the comparison with our peer companies listed in India:

Name Of the Company	For the year ended 2024						
	Face value (₹)	Revenue from operations	Basic EPS	Diluted EPS	P/E (based on Diluted EPS)	Return on net worth (%)	NAV per Equity Share (₹)
		(₹ in lakhs) <sup>(1)</sup>	(₹)	(₹)			
Inspros Engineers Limited	10	6,131.87	6.32	6.32	[•]	19.20%	32.91
<b>Peer Group</b>							
Salzer Electronics Ltd	10	1,16,631.43	27.38	24.21	44.21	9.94%	272.37
Kirloskar Electric Company Ltd	10	55,735.08	2.12	2.12	88.91	17.10%	12.40

Source: All the financial information for listed industry peers mentioned above is on Consolidated basis as available sourced from the financial Reports of the peer company uploaded on the BSE website for the year ended March 31, 2024

Notes:

1. P/E Ratio has been computed based on the closing market price of equity shares on the BSE website on October 21, 2024, divided by the Diluted EPS.
2. Net Profit after tax, as restated divided by Net-worth, as restated (Net worth include share capital and reserves and surplus)
3. NAV is computed as the closing net worth divided by the outstanding weighted average number of equity shares.

Investors should read the above mentioned information along with “Risk Factors”, “Our Business”, Management Discussion and Analysis of Financial Position and Results of Operations” and “Financial Information” on pages 29, 122, 252 and 187, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “Risk Factors” and you may lose all or part of your investments.

## 6. Key financial and operational performance indicators (“KPIs”)

The KPIs disclosed below have been used historically by our Company to understand and analyse business performance, which as a result, helps us in analyzing the growth of various verticals.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations.

KPI	Explanations
Revenue from Operations (₹ lakhs)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Total Income	Total Income is used to track the total income generated by the business including other income.
EBITDA (₹ lakhs)	EBITDA provides information regarding the efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the profitability and financial performance of our business.
Profit After Tax (₹ lakhs)	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin	PAT Margin is an indicator of the overall profitability and financial performance of our business.

KPI	Explanations
RoE (%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
Return on Capital Employed	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Debt to Equity Ratio	Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated October 23, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three-year period prior to the date of filing of this DRHP. Further, the KPIs herein have been certified by Baheti & Co., by their certificate dated October 23, 2024.

### Financial KPI of our Company

Sr No.	Metric	For the period ended June 30, 2024*	As of and for the Fiscal		
			2024	2023	2022
1	Revenue From operations (₹ in Lakhs)	1,763.11	6,131.87	5,065.78	4,384.94
2	Total Income (₹ in Lakhs)	1,830.76	6,319.42	5,287.10	4,506.54
3	EBITDA (₹ in Lakhs)	521.89	1,664.50	1,421.20	914.49
4	EBITDA Margin (%)	29.60%	27.15%	28.05%	20.86%
5	Profit/(loss) after tax for the year/ period (₹ in Lakhs)	344.79	1,048.84	936.86	540.09
6	Net profit Ratio/ Margin (%)	19.56%	17.10%	18.49%	12.32%
7	Return on Equity (ROE) (%)	5.92%	19.20%	20.96%	15.17%
8	Return on Capital Employed (ROCE) (%)	7.52%	24.81%	27.17%	20.07%
9	Debt to Equity Ratio	0.06	0.07	0.02	0.04
10	Current Ratio	7.33	4.95	5.17	6.27

#### Notes:

- As certified by Baheti & Co., Chartered Accountants pursuant to their certificate dated October 23, 2024. The Audit committee in its resolution dated October 11, 2024 has confirmed that the Company has not disclosed any KPIs to any investors at any point of time during the three years preceding the date of this Draft Red Herring Prospectus other than as disclosed in this section.
- Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
- EBITDA refers to earnings before interest, taxes, depreciation, amortization.
- EBITDA Margin refers to EBITDA during a given period as a percentage of total income during that period.
- Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by revenue from operations.
- Return on equity (RoE) is equal to profit for the year divided by the total equity and is expressed as a percentage.
- RoCE (Return on Capital Employed) (%) is calculated as EBIT divided by capital employed. Capital employed is calculated as total equity + total debt – intangible Assets – deferred tax asset + deferred tax liability.
- Debt to Equity ratio is calculated by dividing the total debt by total equity.
- Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.

See “Management Discussion and Analysis of Financial Position and Results of Operations” on page 252 for the reconciliation and the manner of calculation of our key financial performance indicators.

For further information in relation to historical use of such KPIs by our Company to monitor the operational and/or financial performance of our Company, “*Our Business—Key Financial Metrics*” on pages 123.

**Comparison of financial KPIs and Operational KPIs of our Company and our listed peer.**

Metric	Inspros Engineers Limited			Salzer Electronics Limited			Kirloskar Electric Company Limited		
	As of and for the Fiscal 2024	As of and for the Fiscal 2023	As of and for the Fiscal 2022	As of and for the Fiscal 2024	As of and for the Fiscal 2023	As of and for the Fiscal 2022	As of and for the Fiscal 2024	As of and for the Fiscal 2023	As of and for the Fiscal 2022
Revenue From operations (₹ in Lakhs)	6,131.87	5,065.78	4,384.94	1,16,631.43	1,03,717.24	80,354.15	55,735.08	47,354.79	33,467.06
Total income (₹ in lakhs)	6,319.42	5,287.10	4,506.54	1,16,826.19	1,03,887.34	80,601.77	56,533.93	49,580.13	45,368.58
EBITDA (₹ in lakhs)	1,664.50	1,421.20	914.49	11,892.71	9,760.28	6,871.89	4,474.78	5,856.07	10,332.03
EBITDA Margin (%)	27.15%	28.05%	20.86%	10.20%	9.41%	8.55%	8.03%	12.37%	30.87%
Profit after tax (₹ in lakhs)	1,048.84	936.86	540.09	4,706.56	3,961.86	2,420.46	1,407.87	3,107.43	6,738.91
PAT Margin (%)	17.10%	18.49%	12.32%	4.04%	3.82%	3.01%	2.53%	6.56%	20.14%
Return on Equity (ROE) (%)	19.20%	20.96%	15.17%	9.94%	9.72%	6.84%	17.10%	33.84%	88.70%
Return on Capital Employed (ROCE) (%)	24.81%	27.17%	20.07%	12.32%	11.54%	8.45%	13.89%	19.15%	38.07%
Debt to Equity Ratio	0.07	0.02	0.04	0.64	0.67	0.70	1.54	1.45	1.87
Current Ratio	4.95	5.17	6.27	1.50	1.41	1.38	0.39	0.33	0.31

Notes:



- a) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
- b) EBITDA refers to earnings before interest, taxes, depreciation, amortization.
- c) EBITDA Margin refers to EBITDA during a given period as a percentage of total income during that period.
- d) Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by total revenue from operations.
- e) Return on equity (RoE) is equal to profit for the year divided by the total equity and is expressed as a percentage.
- f) RoCE (Return on Capital Employed) (%) is calculated as EBIT divided by capital employed. Capital employed is calculated as total equity + total debt – intangible Assets – deferred tax asset + deferred tax liability.
- g) Debt to Equity ratio is calculated by dividing the total debt by total equity.
- h) Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.

## 7. Weighted average cost of acquisition (“WACA”), floor price and cap price

### (a) The price per share of our Company based on the primary / new issue of shares (equity / convertible securities)

Except as mentioned below, there have been no other primary/ new issue of Equity Shares or convertible securities, excluding shares issued under ESOP/ESOS and issuance of bonus shares, during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Issue capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days

### (b) The price per share of our Company based on secondary sale/ acquisitions of shares (equity / convertible securities)

Except as mentioned below, there have been no other secondary sale/ acquisitions of Equity Shares or any convertible securities, where our Promoters, members of our Promoter Group or Shareholder(s) having the right to nominate director(s) in the Board of Directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this DRHP, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Issue capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days

*Since there are transactions to report to under (a) and (b) therefore, information based on last five primary or secondary transactions (secondary transactions where our Promoters/ members of our Promoter Group or Shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), during the three years prior to the date of this Draft Red Herring Prospectus irrespective of the size of transactions, is as below:*

Primary transactions						
Date of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ lakhs)
April 08, 2024	1,64,98,350	10	-	Bonus Issue	Other than Cash	-
October 14, 2024	1,61,000	10	90	Preferential Allotment	Cash	144.90

Primary transactions						
Date of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ lakhs)
<b>Weighted average cost of acquisition (WACA)</b>						0.87

### Secondary Transactions

Date of Transfer	Name of Transferor	Name of Transferee	No. of Securities	Nature of Securities	Face value of Securities	Price of securities (₹)	Nature of transaction	Nature of consideration	Total Consideration
April 26, 2024	Janak Mullick	Vipin Mullick	8,29,917	Equity	10	NA	Gift	Other than Cash	NA
April 26, 2024	Janak Mullick	Anandita Mullick	5,89,085	Equity	10	NA	Gift	Other than Cash	NA
April 29, 2024	Janak Mullick	Vandana Chakravarty	1,000	Equity	10	NA	Gift	Other than Cash	NA
<b>Weighted average cost of acquisition (WACA)</b>									<b>NIL</b>

Note:

1) Bonus shares allotted in the ratio of one equity share for every one hundred and sixty five equity shares pursuant to allotment dated April 08, 2024.

2) Each equity share of our Company of face value of ₹ 100 was sub-divided to 10 equity shares of face value of ₹ 10 each, pursuant to the resolution passed by our Shareholders on April 01, 2024

Floor price and cap price being [●] times the weighted average cost of acquisition (WACA) based on primary/secondary transaction(s) as disclosed in terms of clause (a) and (b), shall be disclosed in the following manner:

Past Transactions	Weighted average cost of acquisition	Floor Price	Cap Price
	(₹)	₹ [●]	₹ [●]
WACA of Equity Shares that were issued by our Company	0.87	N.A.	N.A.
WACA of Equity Shares that were acquired or sold by way of secondary transactions	N.A.	N.A.	N.A.
Since there were primary or secondary transactions of equity shares of our Company during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, the information has been disclosed for price per share of our Company based on the last five primary or secondary transactions where our Promoters/members of our Promoter Group or Shareholder(s) having the right to nominate director(s) on the Board of our Company, are a party to the transaction, during the three years prior to the date of filing of this Draft Red Herring Prospectus irrespective of the size of the transaction, is as below:			
a) Based on primary issuances	0.87	[●]	[●]
b) Based on secondary transactions	NIL	[●]	[●]

### 8. Justification for Basis for Issue Price.

Explanation for Issue Price / Cap Price being [●] price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares along with our Company's key performance indicators for the Fiscals 2024, 2023 and 2022.

[●]\*

*\*To be included upon finalization of Price Band*

#### **9. The Issue Price is [●] times of the Face Value of the Equity Shares.**

The Issue Price of ₹ [●] has been determined by our Company in consultation with the BRLM, on the basis of market demand from investors for Equity Shares, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with “*Risk Factors*”, “*Our Business*”, “*Management Discussion and Analysis of Financial Position and Results of Operations*” and “*Financial Information*” on pages 29, 122, 187 and 252, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “*Risk Factors*” and you may lose all or part of your investments.

## STATEMENT OF POSSIBLE TAX BENEFITS

Date: October 11, 2024

To,  
The Board of Directors  
**Inspros Engineers Limited**  
126, Sector-A  
Industrial Area  
Mandideep, 462046

**Unistone Capital Private Limited**  
A/305, Dynasty Business Park,  
Andheri Kurla road, Andheri East,  
Mumbai, Maharashtra – 400059,  
India.

Dear Sir(s):

**Sub: Proposed initial public offering of equity shares of ₹ 10 each (the “Equity Shares”) of Inspros Engineers Limited**

We report that the enclosed statement in Annexure A, states the possible special tax benefits available to the Company and to its shareholders under the applicable tax laws presently in force in India including the Income Act, 1961 (‘Act’), as amended by the Finance Act, 2024 i.e. applicable for FY 2024-25 and AY 2025-26, and other direct tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the Inspros Engineers Limited of the Company or its shareholders to derive the stated special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed annexure are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. We are neither suggesting nor advising the investor to invest money based on this statement.

We do not express any opinion or provide any assurance as to whether:

- i) the Company or its shareholders will continue to obtain these benefits in future; or
- ii) the conditions prescribed for availing the benefits have been/would be met with.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

The benefits discussed in the enclosed statement are not exhaustive nor are they conclusive. The contents stated in the annexure are based on the information, explanations and representations obtained from the Company.

We hereby give consent to include this statement of tax benefits in the Draft Red Herring Prospectus, Red Herring Prospectus, the Prospectus and submission of this certificate as may be necessary, to the Stock Exchange/ SEBI/ any regulatory authority and/or for the records to be maintained by the Book Running Lead Manager in connection with the Issue and in accordance with applicable law. Terms capitalized and not defined herein shall have the same meaning as ascribed to them in the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus.

For, **BAHETI & CO.**  
Chartered Accountants  
FRN No.006287C

CA. Deepak Baheti  
(Partner)  
M. No.075063  
PLACE: Bhopal  
Date: 11/10/2024  
UDIN No.: 24075063BKBIIJ6070

## Annexure-A

### **ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS**

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholder under the Income Tax Act 1961 (read with the rules, circulars and notifications issued in connection thereto), as amended by the Finance Act, 2024 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

#### **A. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)**

Mentioned herein, there are no possible special tax benefits available to the company under Income Tax Act, 1961 read with the relevant Income Tax Rules, 1962, the Customs Tariff Act, 1975, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 and Goods and Services Tax (Compensation to States) Act, 2017 read with the relevant Central Goods and Services Tax Rules, 2017, Integrated Goods and Services Tax Rules, 2017, Union Territory Goods and Services Tax Rules, State Goods and Services Tax Rules, 2017 and notifications issued under these Acts and Rules and the foreign trade policy.

#### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)**

Mentioned herein, there are no possible special tax benefits available to the Shareholders under Income Tax Act, 1961 read with the relevant Income Tax Rules, 1962.

Notes:

- 1. We have not considered the general tax benefits available to the Company, or shareholders of the Company.*
- 2. The above is as per the Tax Laws as on date.*
- 3. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of Equity Shares.*
- 4. This Statement does not discuss any tax consequences in any country outside India of an investment in the Equity Shares. The subscribers of the Equity Shares in the country other than India are urged to consult their own professional advisers regarding possible income –tax consequences that apply to them.*

## SECTION V – ABOUT THE COMPANY INDUSTRY OVERVIEW

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness, and underlying assumptions are not guaranteed, and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information.*

*Industry sources and publications are also prepared based on information as on specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts, and assumptions that may prove to be incorrect and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Information” and related notes beginning on page 29 and 187 of Draft Red Herring Prospectus.*

### GLOBAL OUTLOOK

Global growth is projected to be forecasted, at 3.2 percent in 2024 and 3.3 percent in 2025. However, varied momentum in activity at the turn of the year has somewhat narrowed the output divergence across economies as cyclical factors wane and activity becomes better aligned with its potential. Services price inflation is holding up progress on disinflation, which is complicating monetary policy normalization. Upside risks to inflation have thus increased, raising the prospect of higher-for-even-longer interest rates, in the context of escalating trade tensions and increased policy uncertainty. To manage these risks and preserve growth, the policy mix should be sequenced carefully to achieve price stability and replenish diminished buffers.

Global activity and world trade firmed up at the turn of the year, with trade spurred by strong exports from Asia, particularly in the technology sector. In the United States, after a sustained period of strong outperformance, a sharper-than-expected slowdown in growth reflected moderating consumption and a negative contribution from net trade. In Japan, the negative growth surprise stemmed from temporary supply disruptions linked to the shutdown of a major automobile plant in the first quarter. In contrast, shoots of economic recovery materialized in Europe, led by an improvement in services activity. In China, resurgent domestic consumption propelled the positive upside in the first quarter, aided by what looked to be a temporary surge in exports belatedly reconnecting with last year’s rise in global demand. These developments have narrowed the output divergences somewhat across economies, as cyclical factors wane, and activity becomes better aligned with its potential.

#### Overview of the World Economic Outlook Projections:

*(Percent change, unless noted otherwise)*

Particulars	2022	2023	2024P	2025P
World Output	3.5	3.3	3.2	3.3
Advanced Economies	2.6	1.7	1.7	1.8
United States	1.9	2.5	2.6	1.9
Euro Area	3.4	0.5	0.9	1.5
United Kingdom	4.3	0.1	0.7	1.5
Canada	3.8	1.2	1.3	2.4
Other Advanced Economies*	2.7	1.8	2.0	2.2
Emerging Market and Developing Economies	4.1	4.4	4.3	4.3
Emerging and Developing Asia	4.4	5.7	5.4	5.1
China	3.0	5.2	5.0	4.5
India**	7.0	8.2	7.0	6.5

Particulars	2022	2023	2024P	2025P
Emerging and Developing Europe	1.2	3.2	3.2	2.6
Russia	-1.2	3.6	3.2	1.5
Latin America and Caribbean	4.2	2.3	1.9	2.7
Middle East and Central Asia	5.4	2.0	2.4	4.0
Saudi Arabia	7.5	-0.8	1.7	4.7
Sub-Saharan Africa	4.0	3.4	3.7	4.1
<b>ASEAN-5<sup>#</sup></b>	<b>5.5</b>	<b>4.1</b>	<b>4.5</b>	<b>4.6</b>

*P- Projections*

\* Excludes the Group of Seven (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and euro area countries.

\*\*For India, data and projections are presented on a fiscal year (FY) basis, with FY 2022-23 (starting in April 2022) shown in the 2022 column. India's growth projections are 7.3 percent in 2024 and 6.5 percent in 2025 based on calendar year.

<sup>#</sup>Indonesia, Malaysia, Philippines, Singapore, Thailand.

*For advanced economies-*

The growth is expected to converge over the coming quarters. In the *United States*, projected growth is revised downward to 2.6 percent in 2024 (0.1 percentage point lower than projected in April), reflecting the slower-than-expected start to the year. Growth is expected to slow to 1.9 percent in 2025 as the labor market cools and consumption moderates, with fiscal policy starting to tighten gradually. By the end of 2025, growth is projected to taper to potential, closing the positive output gap.

*For emerging market and developing economies-*

The forecast for growth in *emerging market and developing economies* is revised upward; the projected increase is powered by stronger activity in Asia, particularly China and India. For *China*, the growth forecast is revised upward to 5 percent in 2024, primarily on account of a rebound in private consumption and strong exports in the first quarter. In 2025, GDP is projected to slow to 4.5 percent, and to continue to decelerate over the medium term to 3.3 percent by 2029, because of headwinds from aging and slowing productivity growth. The forecast for growth in *India* has also been revised upward, to 7.0 percent, this year, with the change reflecting carryover from upward revisions to growth in 2023 and improved prospects for private consumption, particularly in rural areas.

Source-<https://www.imf.org/en/Publications/WEO/Issues/2024/07/16/world-economic-outlook-update-july-2024>

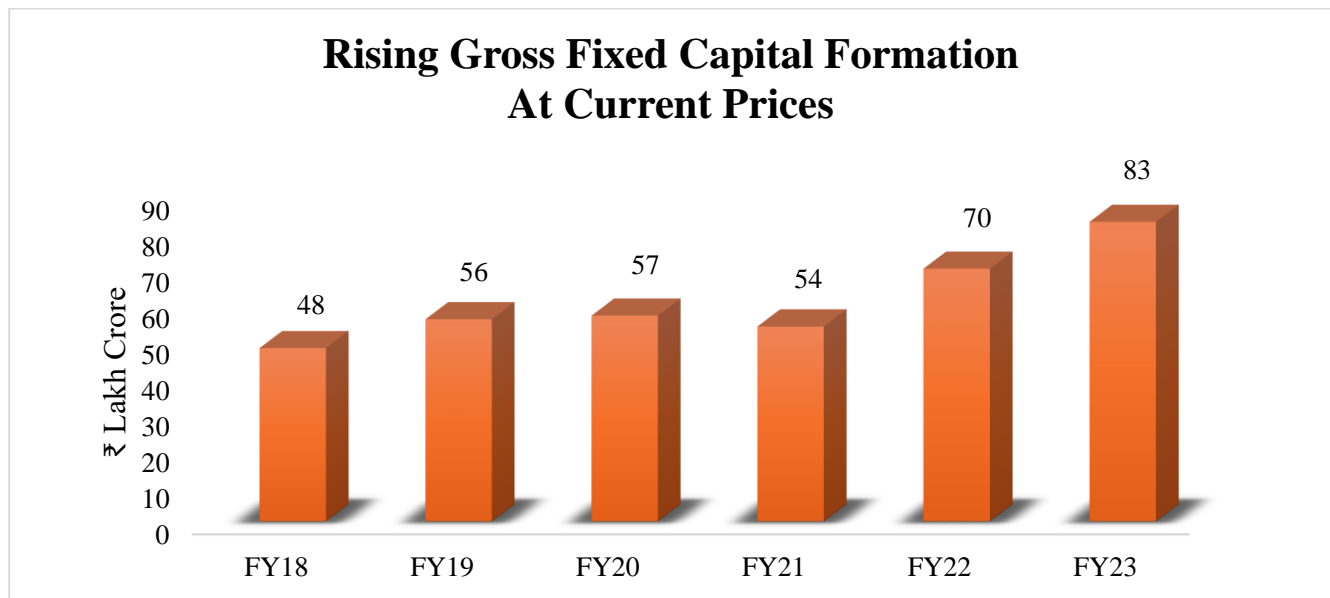
## INDIAN OUTLOOK

The Indian economy closed FY24 strongly with its growth surpassing market expectations, despite strong external headwinds. Early indications suggest a continuation of the economic momentum during the first quarter of FY25. The emerging robust trends in important high frequency indicators of growth like the GST collections, e-way bills, electronic toll collections, sale of vehicles, purchasing managers' indices and the value and number of digital transactions attest to the growing strength of the economy. The retail inflation clocked 4.83 per cent in April 2024, the lowest in the past 11 months

Investment activity continues to display stability despite ongoing geopolitical headwinds. As per the Second Advance Estimates of National Income released by the National Statistical Office (NSO), the Gross Fixed Capital Formation (GFCF) is expected to be the largest GDP growth driver in FY24, with a percentage contribution of 44.9 per cent.

The National Account Statistics 2024 shows GFCF growing by 18.7 per cent in FY23 from ₹ 69.8 lakh crore in FY22 to ₹ 82.9 lakh crore in FY23, with broad-based growth across sectors. GFCF in private non-financial

corporations witnessed a most notable CAGR of 10.6 per cent from FY12 to FY23, highlighting a pick-up in private capital expenditure.



Source: National Account Statistics 2024

The upbeat investment environment is accompanied by increased capacity utilisation in the manufacturing sector, as seen in the RBI’s quarterly Order Books, Inventory and Capacity Utilisation Survey (OBICUS) for Q3 of FY 24. The aggregate capacity utilisation in the manufacturing sector picked up significantly from 74 per cent in Q2 to 74.7 per cent in Q3 of FY24. Manufacturing companies received a larger number of orders during this quarter as compared to the corresponding quarter of the previous year.

According to the RBI’s consumer confidence survey for April 2024, the Current Situation Index (CSI) rose by 3.4 points to 98.5 in March 2024, the highest level since mid 2019. Consumers are quite optimistic about the general economic situation, income and spending. Consumer confidence for the year ahead improved further on the back of optimism in almost all parameters, such as economic situation, employment, income and spending. The Future Expectations Index (FEI) also rose further by 2.1 points to 125.2, also its highest level since mid-2019.

The growth in service sectors remains robust in April 2024, as gauged by HSBC’s Services PMI. The business activity index has stayed in the expansionary zone for 33 consecutive months in a row, maintaining a resilient value of 60.8 in April 2024. The surge was sustained by buoyant domestic demand and growth of new business and output. In addition to the robust domestic demand, companies reported growth in emerging international markets. The year-ahead outlook for business activity has improved, fuelled by enhanced marketing initiatives, gains in efficiency, competitive pricing strategies, and optimistic predictions regarding sustained favourable demand conditions.

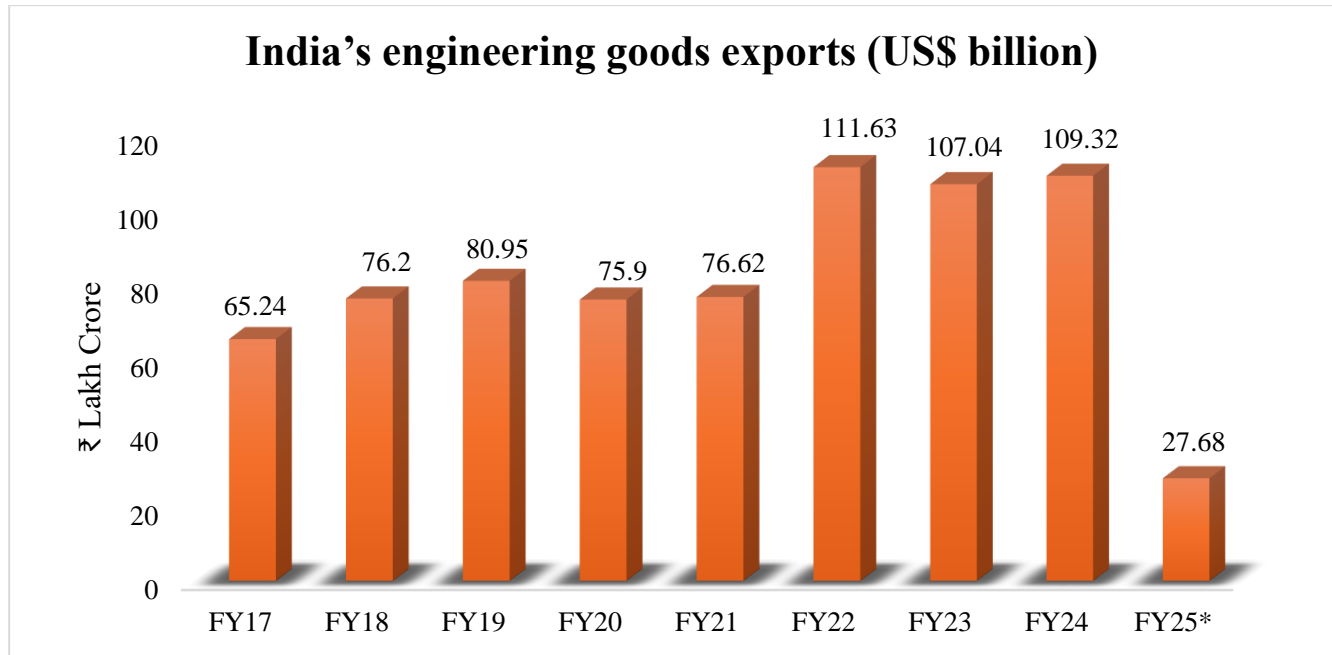
As the service sector strengthens, there has been a rise in bank credit to important services. The credit growth in the services sector increased to 20.2 per cent in March 2024 on a YOY basis, propelled by an increase in credit to transport operators and the commercial real estate sector.

Source: [https://www.ibef.org/download/1719401436\\_Monthly\\_Economic\\_Review%20-April%202024.pdf](https://www.ibef.org/download/1719401436_Monthly_Economic_Review%20-April%202024.pdf)

**INDIAN SCENARIO FOR ENGINEERING INDUSTRY**



India's Capital Goods manufacturing industry serves as a strong base for its engagement across sectors such as Engineering, Construction, Infrastructure and Consumer goods, amongst others. The electrical equipment market share in India is expected to increase from US\$ 52.98 billion in 2022 to US\$ 125 billion by 2027, implying a robust CAGR of 11.68%. Revenue in engineering R&D sector is expected to reach US\$ 63 billion by 2025. The Government's 'Vision Plan 2030' proposed an action plan to become a manufacturing and export hub for construction equipment and propel the development of world-class infrastructure in the country. In FY24, exports of engineering goods stood at US\$ 109.32 billion, reflecting a marginal growth of 2.1% of YoY growth. In April 2024, exports of engineering goods reached at US\$ 8.67 billion. In FY23, India exported engineering goods worth US\$ 107.04 billion. The demand outlook for the construction equipment sector remains robust with Ministry of Road Transport & Highways targeting 13,814 km of national highway construction in FY 2024 and a network to 2 lakh km by 2025.



\*Until June 2024

India steam boiler systems market size is expected to reach nearly US\$ 22.56 billion by 2027 with the CAGR of 4.63% during the forecast period. The boiler market in India is expected to grow from US\$ 704.6 million in FY19 to US\$ 1.1 billion in FY30 with an expected CAGR of 3.8%.

The India generator sets market is expected to grow at a CAGR of more than 5% over the period of 2020-25. The India diesel gensets (generator sets) market is expected to reach US\$ 2.78 billion by 2030 compared to US\$ 1.48 billion by 2022 at a CAGR of 8.20%. The current annual production capacity of domestic wind turbines is about 15,000 MW. In 2022, GE Steam Power signed a US\$ 165 million contract with Bharat Heavy Electricals Ltd to supply 3 nuclear steam turbines for India's domestic nuclear power programmer.

The India power transformer market is expected to rise at a CAGR of more than 3% during the forecast period of 2020-25. Factors such as increasing power generation capacity to meet energy demand and expansion of transmission and distribution systems are likely to drive the India power transformer market. A whole range of power and distribution transformers, including a special type of transformer required for furnaces, electric tracts and rectifiers, are manufactured in India.

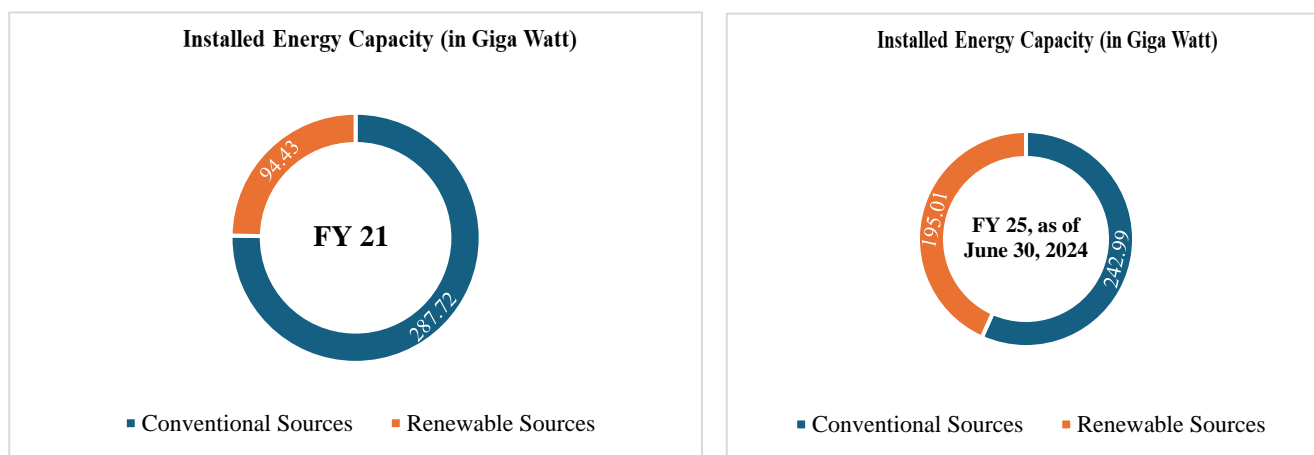
Indian switchgear market size was estimated at US\$ 9.75 million in 2022 and is expected to grow at CAGR of 7.12% reaching a value of US\$ 18.23 million by 2029.

India's automotive industry is worth more than US\$ 222 billion and contributes 8% of the country's total export. It accounts for 7.1% of India's GDP and is set to become the 3rd largest in the world by 2030. In April 2024, PV sales grew 16% MoM to 3.35 lakh units, as against 2.89 lakh units. The total EV sales reached 1.67 million in 2024, up from 1.18 million in 2023. Export of the total number of automobiles stood at 4.5 million in FY24. The exports of passenger vehicles increased from 6,62,703 units in FY23 to 6,72,105 units in FY24. India's annual production of automobiles in FY23 was 25.93 million vehicles, as against 23.04 million vehicles in FY22. In FY23, total passenger vehicle sales reached 3.89 million. In FY23, total commercial vehicle sales stood at 962,468 units, three-wheeler sales stood at 488,768 units, and two-wheeler sales stood at 15,862,087 units.

Indian auto components industry, which accounts for 2.3% of India's GDP currently, is set to become the 3rd largest globally by 2025. The industry clocked highest-ever turnover of US\$ 69.7 billion for the period of April 2022 to March 2023, registering a YoY growth of 32.8%. Exports has experienced a positive trajectory, increasing by 5.2% to reach US\$ 20.1 billion in FY23. According to the Automotive Component Manufacturers Association of India, the auto- components industry of India is expected to grow by 10-15% in FY24, which would be driven by both domestic and export market demand.

### Capacity augmentation boosts demand

India's power generation target is estimated to be 1,750 Billion Units (BUs) in FY24, up from 1,624.15 BUs of actual generation in FY23. The growing energy requirement will require enhancement of installed power capacity. The installed power capacity in India is around 446.19 Giga Watt (GW) as of June 2024. Industrial sector is the largest consumer of energy consuming about 50% of the total commercial energy produced in the country followed by the transport sector.



Source: [https://www.ibef.org/download/1726050002\\_Engineering\\_and\\_Capital\\_Goods\\_August\\_2024.pdf](https://www.ibef.org/download/1726050002_Engineering_and_Capital_Goods_August_2024.pdf)

Engineering accounts for about 25% of India's total global exports in the goods sector and is one of the largest foreign exchange earners. In FY24, exports of engineering goods stood at US\$ 109.32 billion, reflecting a marginal growth of 2.1% of YoY growth. After a decline in April 2024, engineering exports from India registered year-on year growth in all three subsequent months to July 2024. In July 2024, engineering exports went up to USD 9,039.31 million from USD 8,720.30 million in July 2023, securing 3.66 percent growth.

Cumulative engineering exports during April-July 2024-25 recorded at USD 36,969.96 million as against USD 35,486.01 million during the same period of the last fiscal, registering an increase of 4.18 percent. According to the Quick Estimates of Department of Commerce, Government of India, share of engineering in India's total merchandise exports increased to 26.60% in July 2024. Cumulative share stood at 25.65% during April-July 2024-25. In July 2024, 24 out of 34 engineering panels witnessed positive year-on-year growth, while 10 remaining engineering panels experienced decline. Exports of Iron and Steel, Products of Iron and Steel, Non-Ferrous

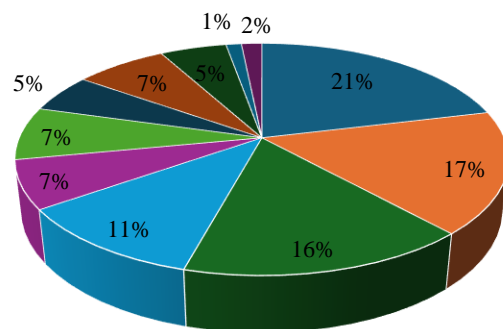
products including Aluminium and Products, Other products including IC Engines and parts, Industrial Machinery for Dairy, Motor Vehicles/Cars, Railway, Transport and Parts, Bicycle and Parts, Office Equipment, Other Construction and Machinery etc. dropped.

Region wise, North America and European Union remained India's topmost destinations for engineering exports with share of around 21% and 17% respectively, in India's total engineering exports. West Asia and North Africa (WANA) registered the highest growth of 25.5% during April-July 2024-25 vis-à-vis the same period last year followed by other Europe (growth of 17.2%), North America (growth of 8.3%), CIS (growth of 5.1%) and Northeast Asia (growth of 2.3%). Among top exporting destinations, USA, UAE, Saudi Arabia, Turkey, Singapore, UK, Mexico, etc. experienced positive growth in April-July 2024-25. Excluding the export of iron and steel, engineering exports recorded a much higher growth both on a monthly as well as cumulative basis as shown in the table above. Exports of Iron and Steel conceded nearly 27 percent year-on-year decline in July 2024 and 31.6 percent year-on-year decline during April-July 2024-25.

Trade flow	Export Figures (in US\$ Billion)			Growth (%)		
	July- 2023	July- 2024	Apr- July 2023-24	Apr- July 2024-25	July-2024 over July-2023	Apr-July 2024-25 over Apr-July 2023-24
Engineering exports	8.72	9.04	35.49	36.97	3.66%	4.18%
Overall merchandise exports	34.49	33.98	138.39	144.12	-1.47%	4.15%
Share of engineering (%)	25.28%	26.60%	25.64%	25.65%	-	-
Service Exports	26.22	28.43	106.79	117.35	8.43%	9.89%

*Source: Compiled from data by DGCI&S and Quick Estimates published by the Government of India*

***Region-wise shares of India's engineering exports during April-July 2024-25***



- North America
- WANA\*
- Sub Saharan Africa
- South Asia
- Latin America
- Commonwealth of Independent States#
- European Union
- ASEAN\*\*
- North East Asia
- Other Europe
- Oceania

\* WANA consists of following countries- Bahrain, Kuwait, Oman, Qatar, Iraq, UAE, Saudi Arabia, Egypt, Sudan, Algeria, Morocco, Tunisia, Syria, Jordan, Israel, Lebanon, Yemen, Libya and South Sudan.

\*\* ASEAN consists of following countries- Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam.

# Commonwealth of Independent States consists of following countries- Armenia, Azerbaijan, Belarus, Kazakhstan, Kirghizstan, Moldavia, Uzbekistan, Russia, Tajikistan, Turkmenistan, Ukraine and Georgia.

### **Correlation between Manufacturing Production and Engineering Exports**

Engineering sector is an important component of the broader manufacturing sector and the share of engineering production in overall manufacturing output is quite significant. As exports generally come from what is produced within a country, some correlation between manufacturing production growth and engineering export growth should exist. We briefly look at the trend in manufacturing growth as also engineering export growth to see if they move in tandem. It may be mentioned that manufacturing has 77.63% weightage in India's industrial production.

Engineering export growth and manufacturing output growth moved in the same direction in as many as nine out of twelve months in each of the fiscal years 2019- 20 and 2020-21. During fiscal 2021-22, engineering export growth and manufacturing growth moved in the same direction in seven out of twelve months while in each of fiscal 2022-23 and 2023-24, as many as 10 out of 12 months saw engineering exports and manufacturing output moved in the same direction.

The first month of fiscal 2024-25 also saw manufacturing output growth and engineering exports growth moving in the same direction. While engineering exports declined from a growth in Mar 2024, manufacturing output growth decelerated. The month of May 2024 witnessed just the opposite. Engineering exports bounced back to growth path and manufacturing output growth accelerated. June 2024 however saw both moved in the opposite direction with a higher growth in engineering exports and lower manufacturing growth

The link between these two may not be established on a monthly basis, but a positive correlation may be seen if medium to long term trend is considered.

*Engineering exports growth vis-à-vis manufacturing growth from April 2023*

Months/Year	Engineering Export Growth (%)	Manufacturing Growth (%)
April 2023	-7.52	5.50
May 2023	-4.25	6.30
June 2023	-11.12	3.50
July 2023	-6.91	5.30
August 2023	7.66	10.00
September 2023	6.50	5.10
October 2023	6.99	10.60
November 2023	-3.48	1.30
December 2023	9.82	4.60
January 2024	4.20	3.60
February 2024	15.90	4.90
March 2024	10.66	5.20
April 2024	-4.49	3.90
May 2024	7.41	5
June 2024	10.27	2.6

## CONCLUSION

India's engineering exports continued its winning streak in the month of July by reaching USD 9.03 billion and recording a growth of 3.7%. In cumulative terms too, engineering exports grew by 4.2%. This result has been in contrast to the trend in overall merchandise exports which in July decline by more than 1% in the y-o-y terms. The performance was made possible by the exporting community despite facing a number of global challenges. It is also noted that the decline in iron and steel exports have been majorly responsible for muted performance of engineering exports from India. In July 2024, exports of iron and steel declined by around 27% and in cumulative terms around 32%. It is also noted that without the iron and steel sector, the growth in engineering exports would come to more than 7% in monthly terms and more than 9% in cumulative terms. The decline in iron and steel was majorly due to stiff competitive pricing from China, geopolitical conflicts in Europe and West Asia and protectionist policies in USA and EU. The situation in overall engineering exports is expected to improve in the future as Global forecasts for GDP growth remain at around 3% for 2024, with the short-term trade outlook being cautiously optimistic. If positive trends persist, global trade in 2024 could reach almost \$32 trillion as per the recent UNCTAD update.

The recently announced Union Budget 2024-25 is expected to facilitate MSMEs and export finance significantly. The Budget has also promised rationalized BCDs for key inputs which would give further boost to engineering exports. The major issue that is affecting the exporting community is the rising protectionism across the globe. To maintain the rising trend in engineering exports, the exporting community urges the government to provide support in this matter.

Source: <https://www.epecindia.org/files/1725526070.pdf>

## OUR BUSINESS

*Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read 'Forward-Looking Statements' on page 20 for a discussion of the risks and uncertainties related to those statements. You should also read 'Risk Factors', 'Restated Financial Statements' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on pages 29, 187 and 252, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.*

*Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated, the financial information included herein is based on our Restated Financial Information included in this Draft Red Herring Prospectus. For further information, see 'Financial Statements' on page 187. The manner in which operational and financial performance indicators are calculated and presented, and the assumptions and estimates underlying, and, used in such calculation, may vary from that used by other similarly placed companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and are cautioned that they should consult their own advisors and evaluate such information in the context of the Restated Financial Information and other information relating to our business and operations included in this Draft Red Herring Prospectus.*

### Overview

We are an Electrical Engineering company engaged in manufacture of equipment, components and sub-assemblies used in traction control gear, busbars for electrical cabinets for electric locomotives and metro trainsets, solenoids for circuit breakers and switchgears, non-condenser bushings for HV Capacitors and disconnecting actuators for EVs. These parts are primarily used in railway, industrial machinery, electrical measurement and control equipment, electrical power equipment, and electric vehicles.

Incorporated in 1983, our Company, was established with the goal of reducing India's dependence on imported electrical equipment. Over the years, our company has successfully catered to both domestic and international markets. We embarked on our journey to export our products in 2001 and have since expanded our global reach to over 22 countries, including Argentina, Australia, Brazil, Bulgaria, Canada, Croatia, Czech Republic, Egypt, Finland, France, Germany, Italy, Kazakhstan, Kuwait, Malaysia, Mexico, Slovenia, Spain, Sri Lanka, Turkey, United Arab Emirates, United States of America. Our customers are industry leaders in their respective segment both India and globally.

We have achieved ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 certifications, thus demonstrating our dedication towards continuous improvement and excellence in all aspects of our operations. Our holistic approach to quality combines empowered employees, systematic manufacturing processes, robust quality assurance plans, and extensive testing. We utilize advanced tools like FMEA (Failure Mode and Effects Analysis) and process capability studies to ensure product quality and efficiency. Our in-house testing facilities and quick prototyping capabilities enable us to rapidly validate designs and customize products to meet specific customer requirements. With a dedicated ERP system, Cloud based SAP S4 HANA, and a strong supply chain logistics network, we believe we are well-positioned to serve as a reliable global vendor for large multinational corporations.

Our manufacturing units are equipped with modern machinery like CNC (Computer Numerical Control) machine & Vertical Machining Centres (VMCs) machine turning centers, heavy duty hydraulic presses and mechanical power presses for metal forming, CNC Waterjet cutting machines, Resistance brazing and projection welding machines, CNC winding machines, Multi station hydraulic presses for insulation consolidation, processing ovens, self-sufficient laboratory equipped with machines and instruments to carry out routine and special tests on electrical assemblies, a materials testing laboratory replete with basic machines, automatic vertical storage

systems, etc. Our workforce comprises of skilled and semiskilled technicians, supervisory, quality control, commercial and managerial staff.

Our Company is promoted by Vipin Mullick and Anandita Mullick. Vipin Mullick, with his extensive experience in the electrical equipment industry, has played a pivotal role in shaping the company's direction and growth. His background at Bharat Heavy Electricals Limited provided him with valuable insights into the industry and inspired him to venture into import substitution of solenoids and other electromagnetic assemblies. On the other hand, Anandita Mullick also has been a key contributor to our Company's success, overseeing human resources, organizational development, quality, and administrative functions. Her expertise in HR and her commitment to creating a positive and efficient work environment have been instrumental in fostering a strong company culture and ensuring the effective implementation of quality management systems.

We operate out of two manufacturing facilities situated at 126 & 125 Sector-A Industrial Area Mandideep, Bhopal, Madhya Pradesh, India 462046 (**Unit I**) and E22 & E23 Satlapur Industrial Area, Phase-2, Mandideep, Bhopal, Madhya Pradesh, India, 462046 (**Unit II**). Having our manufacturing units nearby offers us several strategic advantages including but not limited to efficient logistics and coordination between facilities, allowing for better resource allocation and cost savings.

Table set forth below are certain key financial metrics for the periods indicated:

(₹ in lakhs, unless stated otherwise)

Particulars	For the period ended June 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from operations	1,763.11	6,131.87	5,065.78	4,384.94
Revenue from operations growth (%)	-	21.04%	15.53%	-
Total Income	1,830.76	6,319.42	5,287.10	4,506.54
Earnings Before Interest Depreciation Tax and Amortization (EBIDTA)	521.89	1,664.50	1,421.20	914.49
EBIDTA Growth (%)	-	17.12%	55.41%	-
EBIDTA Margin (%)	29.60%	27.15%	28.05%	20.86%
Profit Before Tax (PBT)	456.45	1,409.88	1,225.84	721.76
PBT Growth (%)	-	15.01%	69.84%	-
PBT Margin (%)	25.89%	22.99%	24.20%	16.46%
Profit After Tax (PAT)	344.79	1,048.84	936.86	540.09
PAT Growth (%)	-	11.95%	73.46%	-
PAT Margin (%)	19.56%	17.10%	18.49%	12.32%
Return on Capital Employed (ROCE) (%)	7.52%	24.81%	27.17%	20.07%
Return on Equity (ROE) (%)	5.92%	19.20%	20.96%	15.17%
Debt to Equity	0.06	0.07	0.02	0.04

Notes:

- (1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements
- (2) Total income is revenue from operations + other incomes
- (3) EBIDTA refers to earnings before interest, taxes, depreciation, amortization
- (4) EBIDTA Margin refers to EBIDTA during a given period as a percentage of total income during that period
- (5) EBIDTA Growth (%) refers to year on year growth in EBIDTA values
- (6) Profit Before Tax (PBT) refers to revenue from operations – total expenses
- (7) PBT Margin (%) refers to profit before tax / revenue from operations
- (8) PBT Growth (%) refers to year on year growth in PBT Values
- (9) Profit After Tax (PAT) refers to PBT – current tax expense
- (10) PAT Margin (%) refers to profit after tax / revenue from operations
- (11) PAT Growth (%) refers to year on year growth in PAT values.

- (12) Return on Capital Employed (ROCE) (%) is calculated as EBIT divided by capital employed. Capital employed is calculated as total equity + total debt – intangible Assets – deferred tax asset + deferred tax liability.
- (13) Return on Equity (ROE) is equal to profit for the year divided by the total equity and is expressed as a percentage
- (14) Debt to Equity is calculated by dividing the total debt by total equity.

The following table sets forth a breakdown of our revenue from operations from Domestic and International market in absolute terms and as a percentage of total revenue from operations, for the periods indicated basis the location of the customers:

(₹ in lakhs, unless stated otherwise)

Particulars	For the period ended June 30, 2024		For the year ended March 31, 2024		For the year ended March 31, 2023		For the year ended March 31, 2022	
	Revenue from operations	% of total revenue from operation (%)	Revenue from operations	% of total revenue from operation (%)	Revenue from operations	% of total revenue from operation (%)	Revenue from operations	% of total revenue from operation (%)
Domestic Sales	651.09	36.93%	2,920.87	47.63%	2,815.22	55.57%	2,604.99	59.41%
International (Export) Sales	1,112.02	63.07%	3,211.00	52.37%	2,250.56	44.43%	1,779.95	40.59%
<b>Revenue from Operations</b>	<b>1,763.11</b>	<b>100.00%</b>	<b>6,131.87</b>	<b>100.00%</b>	<b>5,065.78</b>	<b>100.00%</b>	<b>4,384.94</b>	<b>100.00%</b>

Below is the bifurcation of our domestic sales:

(₹ in lakhs, unless stated otherwise)

Particulars	For the period ended June 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 total domestic sales (%)	Revenue	% of total domestic sales (%)	Revenue	% of total domestic sales (%)	Revenue	% of total domestic sales (%)
Southern India	320.52	49.23%	1,858.06	63.61%	1,581.81	56.19%	1,537.57	59.02%
Western India	297.80	45.74%	724.46	24.80%	933.53	33.16%	789.35	30.30%
Northern India	6.47	0.99%	42.08	1.44%	80.31	2.85%	64.76	2.49%
Central India	0.91	0.14%	115.91	3.97%	33.24	1.18%	28.07	1.08%
Eastern India	25.39	3.90%	180.35	6.17%	186.33	6.62%	185.23	7.11%
<b>Total Domestic Sales</b>	<b>651.09</b>	<b>100.00%</b>	<b>2,920.86</b>	<b>100.00%</b>	<b>2,815.22</b>	<b>100.00%</b>	<b>2,604.99</b>	<b>100.00%</b>

## Business Operations



## Manufacturing Units

Manufacturing Unit I – 126 & 125 Sector-A Industrial Area Mandideep, Bhopal, Madhya Pradesh,  
India 462046

Set up in – 1985

Land Area – 68,456 square feet

Constructed Area – 58,255 square feet



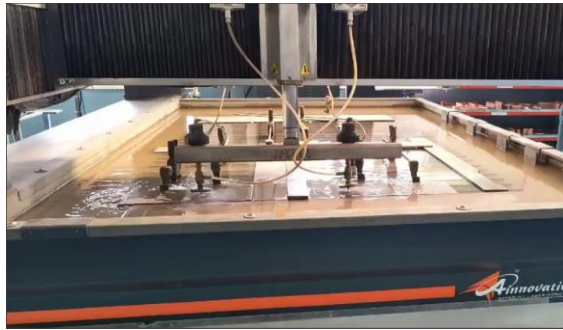
Manufacturing Unit II – E22 & E23 Satlapur Industrial Area, Phase-2, Mandideep, Bhopal,  
Madhya Pradesh, India, 462046

Set up in – 2014

Land Area – 98,514 square feet

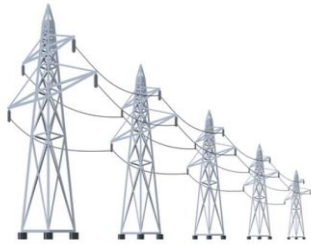
Constructed Area – 40,392 square feet







## Business Segments



Power Grid Infrastructure



Railways



Electric Vehicles

## Product Description

Products for Power Grid Infrastructure	Products for Railways	Products for Electric Vehicles
<ul style="list-style-type: none"> <li>• Electromagnetic Linear Actuator for vacuum circuit breakers <ul style="list-style-type: none"> <li>• C-Frame Solenoids</li> <li>• D-Frame Solenoids</li> <li>• Tubular Solenoids</li> <li>• Rectangular Solenoids</li> <li>• Latch type Solenoid – Series /Shunt Trip/ No volt Solenoids</li> <li>• Permanent Magnet Solenoids</li> </ul> </li> <li>• Shock absorbers/Dash Pot</li> <li>• Products for HV Capacitors <ul style="list-style-type: none"> <li>• Weldable bushings</li> <li>• Lid Assemblies</li> <li>• Parallel Terminal Connectors</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Switchgears for railway rolling stock Locomotive /Metros <ul style="list-style-type: none"> <li>• Electrics for DETC including switchgear and control panels</li> <li>• Driver consoles and Cubical Panels</li> <li>• Master controllers</li> <li>• Electro-Magnetic contactors</li> <li>• Electro-Pneumatic Reversing switch and contactors</li> <li>• Epoxy encapsulated coils and parts</li> </ul> </li> <li>• Non- Insulated and Insulated bus bars</li> <li>• Flexible laminated bus bars and Flexible shunts</li> <li>• Flasher light with flasher control unit</li> <li>• Marker Light</li> <li>• Crew/Cab Fan</li> <li>• Parts for Switch gears <ul style="list-style-type: none"> <li>• Blow out coils</li> <li>• Kit parts machined, sheet metals etc.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Electric Actuators</li> </ul>

Below is the product wise bifurcation of our revenue from operations for the table indicated as under:

(₹ in lakhs, unless stated otherwise)

Particulars	For the period ended June 30, 2024		For the year ended March 31, 2024		For the year ended March 31, 2023		For the year ended March 31, 2022	
	Revenue from operations	% of total revenue from operation (%)	Revenue from operations	% of total revenue from operation (%)	Revenue from operations	% of total revenue from operation (%)	Revenue from operations	% of total revenue from operation (%)
Railways	838.89	47.58%	3,351.82	54.66%	2,807.74	55.43%	2357.90	53.77%
Power Grid Infrastructure	451.73	25.62%	1,906.91	31.10%	2,140.23	42.25%	1,978.95	45.13%
Electric Vehicles	367.92	20.87%	825.04	13.45%	26.31	0.52%	0.86	0.02%
Other Products	104.56	5.93%	48.10	0.78%	91.50	1.81%	47.24	1.08%
<b>Revenue from Operations</b>	<b>1,763.11</b>	<b>100.00%</b>	<b>6,131.87</b>	<b>100.00%</b>	<b>5,065.78</b>	<b>100.00%</b>	<b>4,384.94</b>	<b>100.00%</b>

#### • Products for Power Grid Infrastructure

For the power grid infrastructure, we offer a diverse portfolio of subassemblies and components that are of mission critical importance for the electrical equipment for which these have been designed for, which include

##### ○ Solenoids

Solenoids in switchgear are essential components for the safe and efficient operation of electrical distribution systems. They provide the necessary actuation to operate circuit breakers, isolators, and other mechanical components in a controlled and reliable manner. Whether it's through tripping a breaker during a fault or closing

contacts to restore power, solenoids offer fast, precise, and energy-efficient operation in various types of switchgear applications.

In switchgear, solenoids are commonly used to:

- Operate contactors: It provides the mechanical force needed to close or open the contacts in contactors, which are used to control large electrical currents.
- Trip circuit breakers: It can be used to trigger the tripping mechanism of circuit breakers, disconnecting the power supply in case of a fault or overload.
- Position switches: It can be used to move switches to different positions, such as on/off or open/close
- Operate other electromechanical devices: It can be used to control various other electromechanical devices, such as valves, locks, and clutches.

Solenoids are a reliable and efficient way to control mechanical devices using electrical signals. They are widely used in various industries, including power generation, transmission, and distribution, as well as in industrial automation and control systems.

We manufacture various types and configurations, each designed to serve specific functions in controlling the opening and closing mechanisms of the breaker. These solenoids can be categorized based on their frame design, operation type etc. including C Frame, D-Frame, Open Frame Solenoid, Tubular Solenoid, Rectangular Solenoid, Permanent Magnet Solenoids, Laminated Solenoid, Latch type Solenoid – Series / Shunt trip.

- Shock Absorbers / Dash Pot

The dashpot/Shock absorber is a mechanical or hydraulic device used in circuit breakers to control the speed of movement of certain components, such as the tripping mechanism or the contacts, to ensure smooth, controlled operation. The primary purpose of a dashpot in a circuit breaker is to provide damping or delayed action during opening or closing operations, preventing damage caused by rapid movements and ensuring reliable, predictable performance under various operating conditions.

We are also involved in the manufacturing of essential components for high-voltage capacitors like weldable bushings, lid assemblies, and parallel terminal connectors which are crucial for the proper functioning and reliability of these capacitors.

High-voltage capacitors are used for power factor correction, filtering, and energy storage in high-voltage circuits. Weldable bushings facilitate the connection of these capacitors to external electrical systems without compromising the capacitor's performance or safety.

- Weldable bushings

Weldable Bushings are used to connect internal electrical elements of capacitors to external circuits while providing high-voltage insulation and maintaining the integrity of the capacitor's enclosure. These bushings feature porcelain as the primary insulating material, which offers excellent dielectric properties and durability in high-voltage applications.

We manufacture a diverse range of non-condenser type hermetically sealed porcelain bushings which are designed to meet a wide range of creepage distance requirements, ensuring compliance with different voltage levels and international standards. Weldable bushings are used in power transmission, industrial applications, and pulse power systems. Their use enhances reliability, safety, versatility, and longevity, ensuring the efficient and reliable operation of HV capacitors.

- Lid Assembly

The capacitor lid with welded bushing is a specialized assembly engineered to provide reliable electrical connections, insulation, and hermetic sealing for high-voltage capacitors. It features a deep-drawn lid for enhanced structural integrity, paired with secure, leak-proof bushings that are welded directly onto the lid. This design ensures long-lasting, robust protection for internal capacitor components, while maintaining insulation and preventing environmental contamination in demanding high-voltage applications.

- Parallel terminal connectors

Parallel terminal connectors are essential components in HV capacitor banks, used to connect multiple capacitors in parallel. This configuration increases the overall capacitance of the bank, allowing it to store more electrical energy. They provide a secure and reliable electrical connection between the terminals of individual capacitors. It ensures that the current is evenly distributed among the capacitors, preventing overloading and improving the overall efficiency of the capacitor bank. They allow for the easy addition or removal of capacitors from the bank, providing flexibility in meeting changing power requirements.

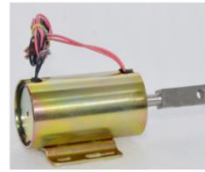
### Products for Power Grid Infrastructure



**Solenoids**



**D Frame Solenoid**



**Tubular Solenoid**



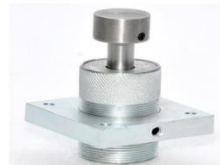
**Rectangular Solenoid**



**Latch Type Solenoid**



**Permanent Magnet Solenoid**



**Shock Absorbers / Dash Pot**



**Laminated Solenoids**



**Weldable Bushings**



**Lid Assembly**



**Parallel Terminal Connectors**

- **Products for Railways**

We manufacture components used in the production of railway rolling stock, including locomotives and metro trains. Our product range encompasses a variety of essential components, such as lighting Systems including Flasher lights, flasher control units, and marker lights. Ventilation Systems including Cab fans. Electrical Control Equipment including Parts of contactors, flexible shunts, electro-pneumatic and magnetic contactors, master

controllers, DETC switchgear, control cubicles, driver consoles, and cubical panels. Safety Devices including Blowout coils. These components are critical for the safe, efficient, and reliable operation of railway vehicles.

- Master Controllers

Master controllers are essential components in the control and operation of railway rolling stock, such as locomotives and metro trains. They provide the driver with a centralized interface to control the speed, direction, and braking of the vehicle. It provides drivers with precise control over train speed, direction, and braking. They allow for smooth acceleration and deceleration, facilitate reversals and shunting operations, and offer various braking options. Additionally, master controllers feature notches for adjustable power output and safety features like dead man's handles and emergency stops, ensuring safe and efficient train operation. We offer a comprehensive range of master controllers for railway rolling stock, including mechanical, electrical, and with electronic encoders. Modern controllers offer advanced features like automatic train control, safety features like deadman's control and encoders for signal and feedback control. Our master controllers are designed with precision and user-friendliness in mind, featuring ergonomic controls and advanced feedback systems to ensure smooth and efficient train operations.

- Electro Pneumatic and Magnetic Contactors

Electro-pneumatic and magnetic contactors are essential components in the control and operation of railway rolling stock, such as locomotives and metro trains. These devices are used to switch on and off large electrical currents, controlling the power supply to various systems and components of the vehicle. Electro-pneumatic contactors combine the advantages of electrical and pneumatic control. They use electrical signals to activate a pneumatic mechanism, which in turn operates the contacts. This combination provides precise and reliable control of large currents. Magnetic contactors are simpler in design and use only electromagnetic forces to operate the contacts. They are typically used in applications where lower currents and simpler control are required. They provide high current capacity, reliability, versatility, and ease of maintenance. These features ensure the safe, efficient, and reliable operation of locomotives and metro trains, providing essential control for various electrical systems. Our contactors are built to handle high-current loads and manage electrical power distribution within rolling stock. These are engineered and type tested for reliability and safety, featuring robust construction to withstand the demanding conditions of rail transport.

- Relays

Electromagnetic relays manufactured by us play a crucial role in controlling and protecting electrical circuits ensuring reliable switching and protection against faults, enhancing the overall safety and efficiency of the traction system.

- Busbars

Insulated and Non-Insulated Copper Busbars conduct electrical power within switchgear cabinet assemblies, designed for high conductivity and durability. Made from solid copper flats/copper tubes or laminated foils, these copper busbars provide superior electrical conductivity and thermal management. Being cut or formed in complex shapes with multi-axes bending customized to optimize space utilization within the electrical cabinet avoiding joints, these busbars or connections minimize energy losses and effectively manages heat generation within a cabinet, ensuring reliable performance in high-current applications.

- Driver Desks

Designed for optimal ergonomics and functionality, driver desks manufactured by us integrate advanced digital displays and control interfaces. These desks provide train operators with real-time data and intuitive controls, enhancing operational efficiency and safety.

- Panels for Rolling Stock

We manufacture a variety of panels that organize and protect electrical systems within rolling stock. These panels are custom designed and built using loomed wiring harnesses with efficient end terminations with LV and HV relays, push buttons, meters and other devices being mounted inside the panels and on the doors to conserve space and maximize utility for operation and ease of visibility.

- LED Marker Lights

Designed for visibility and safety, LED marker lights manufactured by us provide bright, reliable side limitation marking illumination for railway vehicles. Besides, marking these lights can be configured to convey certain operating conditions of the locomotive. Our lights are energy-efficient and built and type tested to withstand the harsh conditions of rail operations.

- Flasher Lights

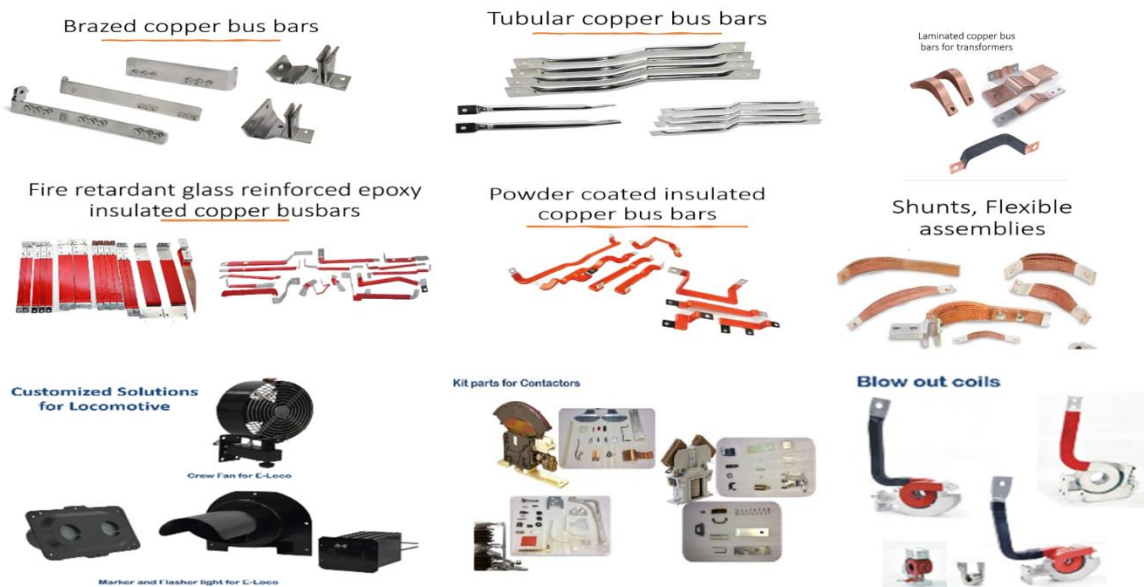
We offer flasher lights that enhance visibility and signalling for railway vehicles. These lights are designed and type tested for high performance and reliability, ensuring effective communication and safety in transit.

- Crew Fans

Providing comfort for train's crew in the driver's cabin, these crew fans are engineered to deliver efficient airflow and cooling, being designed for durability and quiet operation, thus enhancing the comfort for the train operating crew.

- OE Child parts of Contactors

We supply a variety of high precision machined ferrous/non-ferrous components for the assembly of new contactors as well as for after-market maintenance. These parts are supplied individually or as a kit for an OE contactor.



- **Electrical Actuator for EV**



Electrical actuators are essential components in electric vehicles, providing the mechanical force needed to operate various systems and controls. They are used in place of traditional hydraulic or pneumatic actuators, offering advantages such as higher efficiency, lower maintenance requirements, and improved reliability. We specialize in designing and manufacturing custom electrical actuators tailored to the specific requirements of an EV. Our actuators are customized in terms of size and dimensions, force output, speed, voltage, environmental resistance. One common application of electrical actuators in EVs is as an electrical shifter. These actuators replace traditional mechanical gear selectors, providing a smooth and intuitive shifting experience. Electrical shifters actuators provide more precise control over gear shifts compared to mechanical shifters. They are less prone to mechanical failures and require minimal maintenance. It can be easily integrated with other vehicle systems, such as the infotainment system and driver assistance features. Our electrical actuators incorporate molded coils with inbuilt connector construction. This design ensures a secure and reliable electrical connection, reducing the risk of failures and improving the overall durability of the actuator.

### Electrical Actuator



Electrical Actuator

- **Other products**

- Terminal bushing for motor

We manufacture epoxy cast terminal bushings which are essential components in high-voltage (HV) motors, providing a secure and reliable connection between the motor's internal windings and the external power supply. These bushings are designed to withstand the high voltage and temperature conditions encountered in HV motor applications. They are mechanically robust, able to withstand vibrations, shocks, and other mechanical stresses. The epoxy resin casting provides excellent electrical insulation, preventing leakage currents and ensuring the safety of personnel and equipment. Also, it can withstand high temperatures, making these bushings suitable for use in HV motors operating under demanding conditions. They are resistant to moisture, chemicals, and other environmental factors, ensuring long-term reliability. It can be customized to meet specific requirements, such as voltage rating, current capacity, and mounting dimensions.

- Epoxy Cast Slip Ring for Alternators

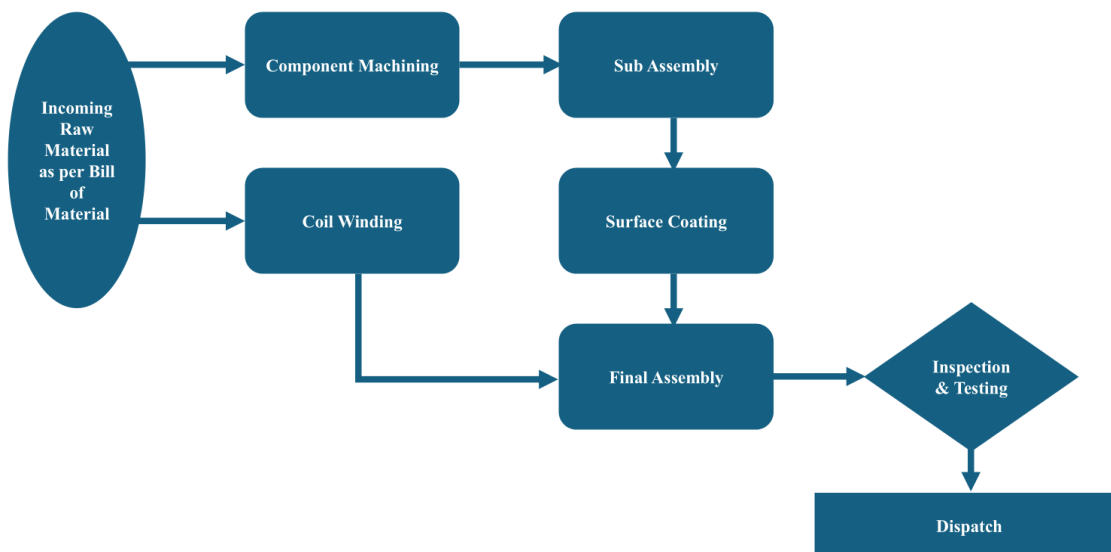
Epoxy cast slip rings are essential components in alternators, providing a reliable means of transferring electrical power and signals between rotating and stationary parts of the system. They play a crucial role in ensuring the efficient operation of various electrical machines, including automotive and industrial alternators.

## Other Products



## Key Manufacturing Process

### Solenoid & Actuator



**Incoming Raw Materials as per bill of materials:** Appropriate materials are selected for the coil, core, housing, and other components based on factors such as strength, durability, and electrical conductivity. The necessary materials are sourced from reliable suppliers, ensuring quality and timely delivery.

**Component machining:** the machining process involves variety of machining processes to create the individual components and assemble them into the final product

**Coil winding:** The appropriate type and gauge of wire are selected based on the desired inductance, current rating, and other specifications. The wire is wound around a core or bobbin to form the coil.

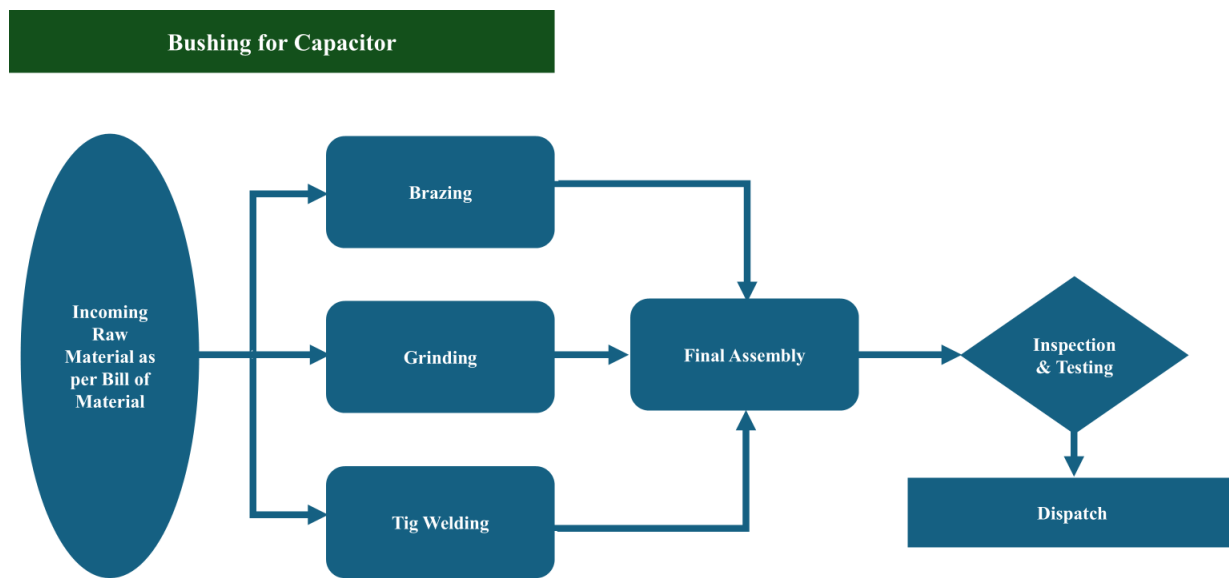
**Sub assembly:** The sub-assembly processes are performed in a sequential manner, with each step building upon the previous one. The specific sequence and techniques vary depending on the design and complexity of the solenoid or actuator.

**Surface coating:** Surface coatings are applied to solenoids and actuators to enhance their performance, durability, and appearance. Surface coating is done through electroplating, powder coating, anodizing, electroless nickel plating and painting

**Final assembly:** Final assembly involves ensuring that all components, including the coil, core, housing, terminals, and other parts, are clean and free of any defects.

**Inspection & testing:** It involves testing the assembled solenoid or actuator to ensure that it operates as intended and meets the specified performance requirements, verifying the electrical properties such as resistance, inductance, and operating voltage and testing the mechanical performance such as force output, speed, and durability. Inspecting the assembled product for any defects, damage, or misalignment and verifying the dimensions of the product meet the design specifications.

**Dispatch:** Arranging for shipment of the finished product to the customer according to their specifications and delivery requirements.



**Incoming raw materials as per bill of materials:** procurement of required raw materials, such as porcelain, epoxy resin, glass fiber, and metal components, are prepared and inspected for quality.

**Brazing:** Brazing is a joining process used in the manufacturing of bushings for capacitors. It involves heating two or more metals to a temperature above the melting point of a filler metal, which flows into the joint between the metals and bonds them together.

**Grinding:** Grinding is a machining process used in the manufacturing of bushings for capacitors. It is used to remove material from the insulator body and achieve the desired shape, size, and surface finish.

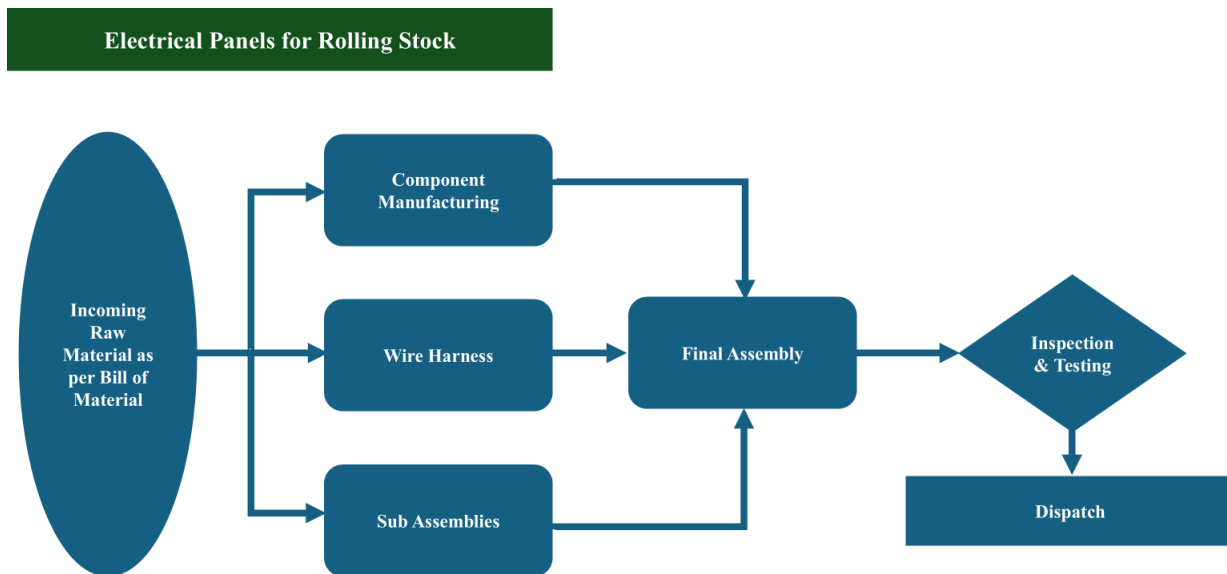
**Tig Welding:** Tig welding is a type of arc welding that is used to join stainless steel components in the manufacturing of bushings for capacitors.

**Final Assembly:** Final assembly process involves ensuring that all components, including the porcelain insulator, epoxy resin, metal components, and any other necessary parts, are clean and free from defects. Further, assembly of porcelain insulator and metal components are also done by assembling the porcelain body with the metal

terminals, connectors, or flanges using appropriate techniques, such as soldering, brazing, or mechanical fastening.

**Inspecting & testing:** Inspection & testing process typically involves a series of tests to verify that the bushing meets the required electrical, mechanical, and environmental specifications. Electrical tests for bushings include measuring insulation resistance, applying high voltage for a specified duration, and detecting partial discharges to assess the bushing's ability to withstand electrical stress and identify potential insulation issues. Mechanical tests for bushings include verifying dimensions, evaluating mechanical strength, and assessing resistance to thermal stress through repeated heating and cooling cycles. Environmental tests for bushings include exposure to high humidity, extreme temperatures, and a salt spray environment to assess their resistance to moisture, temperature variations, and corrosion. Also, a visual inspection is conducted to check for any defects, such as cracks, scratches, or foreign material.

**Dispatch:** Arranging for shipment of the finished product to the customer according to their specifications and delivery requirements.



**Incoming raw material as per bill of materials:** The manufacturing of electrical panels for rolling stock requires a variety of raw materials, including metals, electrical components, wiring and cabling, and other materials. The specific materials used depend on the design and functionality of the panel. Common materials include steel, aluminum, copper, circuit breakers, relays, contactors, fuses, switches, indicators, sensors, control systems, wires, insulation, connectors, enclosures, labels, and fasteners. These materials are assembled into the panel according to the engineering specifications and undergo rigorous testing to ensure quality and safety.

**Component manufacturing:** The manufacturing of electrical panels for rolling stock involves a multi-step process that includes design, component selection, panel fabrication, wiring and cabling, testing, and installation. The panel must comply with industry standards, incorporate safety features, and be designed to withstand harsh operating environments.

**Wire harness:** The manufacturing of wiring harnesses for electrical panels in rolling stock involves designing the harness based on the panel's layout, selecting and cutting appropriate cables, terminating the cables with connectors, assembling the harness, and conducting thorough testing. Proper cable management, shielding, and

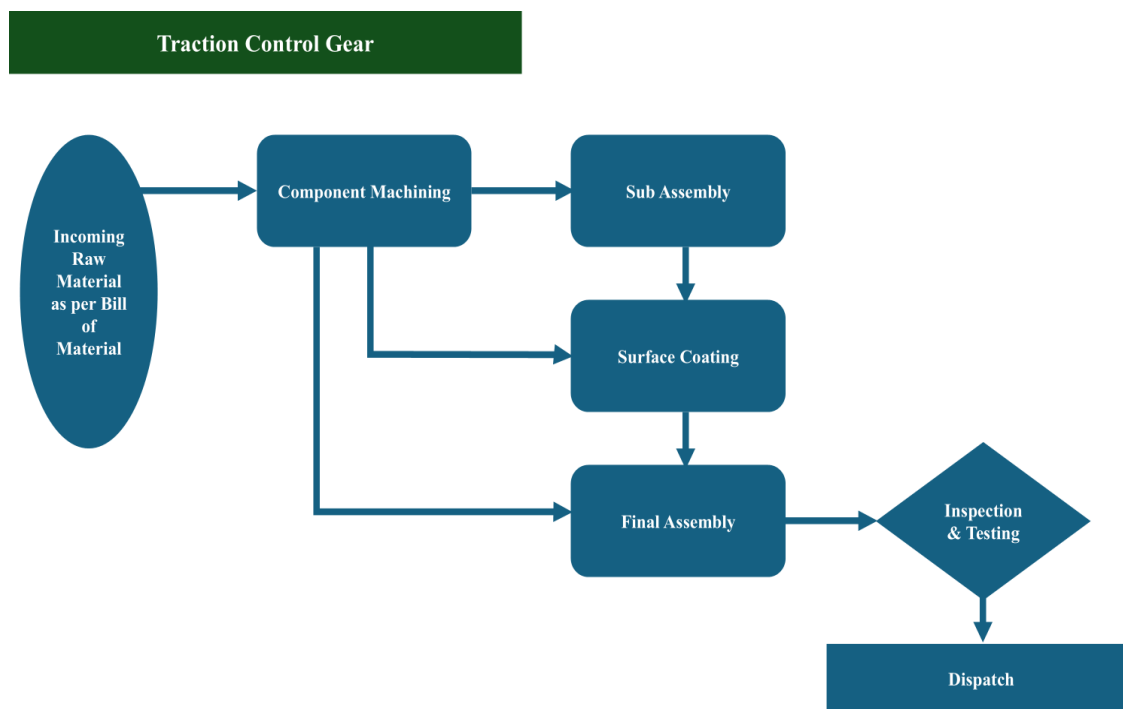
testing are essential to ensure the harness's integrity and reliability in the harsh operating environment of rolling stock.

**Sub-assemblies:** The sub-assembly process for manufacturing electrical panels for rolling stock involves assembling individual components, such as switches, relays, contactors, circuit breakers, and fuses, onto the panel frame. Wiring harnesses are then connected to these components, ensuring proper electrical connections and functionality. The panel is then subjected to rigorous testing and quality control to verify its performance and safety before installation in the rolling stock.

**Final assembly:** The final assembly process for electrical panels for rolling stock involves mounting the assembled components onto the panel frame, connecting the wiring harnesses, and conducting final testing to ensure the panel's functionality and safety. Once the panel passes all tests, it is ready for installation in the rolling stock, where it will serve as the central control hub for various onboard systems.

**Inspection & testing:** The inspection and testing process for electrical panels for rolling stock involves a series of thorough checks to ensure the panel's quality, safety, and functionality. This includes testing the individual components, verifying the wiring connections, assessing the panel's electrical performance, and conducting environmental tests to simulate the harsh operating conditions that the panel will encounter. Quality control measures are implemented throughout the manufacturing process to identify and address any defects or issues before the panel is installed in the rolling stock.

**Dispatch:** It involves steps to ensure that the panels are delivered safely and efficiently to the customer. This typically includes quality control checks, packaging and labeling, coordination with shipping carriers, and documentation of the shipment.



**Incoming raw materials as per bill of materials:** Raw materials, such as metals, insulation parts and electrical components, are sourced based on the bill of materials (BOM) specifications. Incoming materials are thoroughly inspected to ensure they meet the required quality standards and specifications.

**Component machining:** Raw materials are cut into the desired shapes and sizes using CNC machines. Components are formed and shaped using processes such as bending, stamping, or forging. Precision machining techniques, like turning, milling, drilling, and grinding, are used to create intricate shapes and tolerances.

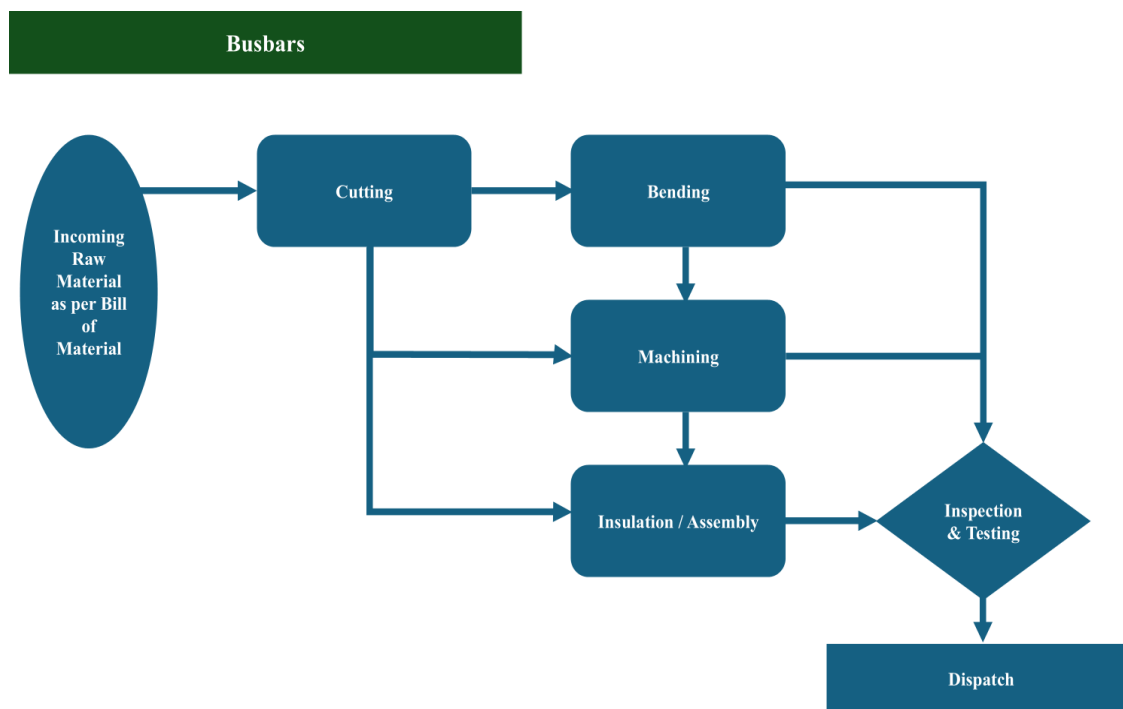
**Sub assembly:** Individual components, such as coils, magnets, and yokes, are assembled into smaller sub-assemblies and tested for their electrical and mechanical properties to ensure they meet specifications.

**Surface coating:** Coatings like paint, zinc, tin or silver electro-plating, powder coating, or anodizing are applied to protect components from corrosion, wear, and other environmental factors. Insulating materials are used to shape components with an objective to prevent electrical grounding, short circuits and ensure safety.

**Final assembly:** Sub-assemblies are integrated into the final traction control gear assembly. and the complete unit is rigorously tested for its electrical, mechanical, and thermal performance.

**Inspection & testing:** Various inspections and tests are conducted to ensure the product meets quality standards, including dimensional checks, electrical performance tests, and environmental testing and tested under simulated operating conditions to verify its functionality and performance.

**Dispatch:** The final product is packaged appropriately for shipment, considering factors like protection, transportation regulations, and labeling requirements and the product is shipped to the customer according to the agreed-upon terms and conditions.



**Incoming raw material as per bill of materials:** Copper raw material is sourced from suppliers typically in the form of flat strips, bars or sheets. The quality and specifications of the copper must meet the requirements of the application, and the incoming copper is inspected to ensure it meets the required standards for purity, dimensions, and surface finish.

**Cutting:** The copper raw material is cut to the desired length using CNC High pressure Water Jet Cutting machines, band saw or circular saws.

**Bending:** Cut copper forms may need to be bent or shaped to fit the specific requirements of the application. Customized bar bending machines, press brakes and hydraulic presses or roll benders, are used to form the desired shapes.

**Machining:** In some cases, machining operations such as drilling, milling, or tapping may be required to create holes, slots, or other features on the bus bars.

**Insulation / assembly:** If the bus bars require insulation, materials such as PVC sleeving or epoxy fibre glass are applied to the surface. Insulation is typically used to provide electrical isolation of bars while mounted in an electrical cabinet or frame, prevent accidental contact and ensure electrical safety. In some cases, the bus bars may need to be assembled with other components, such as connectors or terminals.

**Inspection & testing:** The bus bars are tested to ensure they meet the required electrical specifications, such as current carrying capacity and voltage drop. Mechanical tests are performed to verify the bus bar's strength and durability. Subsequently, it undergoes surface plating treatment to improve corrosion resistance and enhance electrical contact properties.

**Dispatch:** The finished bus bars are packaged for shipment, taking into account their size, weight, and fragility.

### Competitive Strengths

- **A company having a significant global presence**

We are an Electrical Engineering company engaged in manufacture of equipment, components and sub-assemblies used in traction control gear, busbars for electrical cabinets for electric locomotives and metro trainsets, solenoids for circuit breakers and switchgears, non-condenser bushings for HV Capacitors and disconnecting actuators for EVs. These parts are primarily used in railway, industrial machinery, electrical measurement and control equipment, electrical power equipment, and electric vehicles. We believe we have a strong global footprint since we are exporting to more than 22 countries thereby allowing us to tap into diverse markets and customer bases

Our export sales as a percentage of our revenue from operations were 63.07%, 52.37%, 44.43% and 40.59% for the period ended June 30, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, respectively. Our significant export sales demonstrate our ability to compete effectively in international markets and adapt to different business environments.

Over the years, we have gained valuable insights into diverse markets, enabling us to tailor our products to meet specific customer needs and preferences. This ability to understand and meet the needs of a diverse customer base positions us well for continued growth and success.

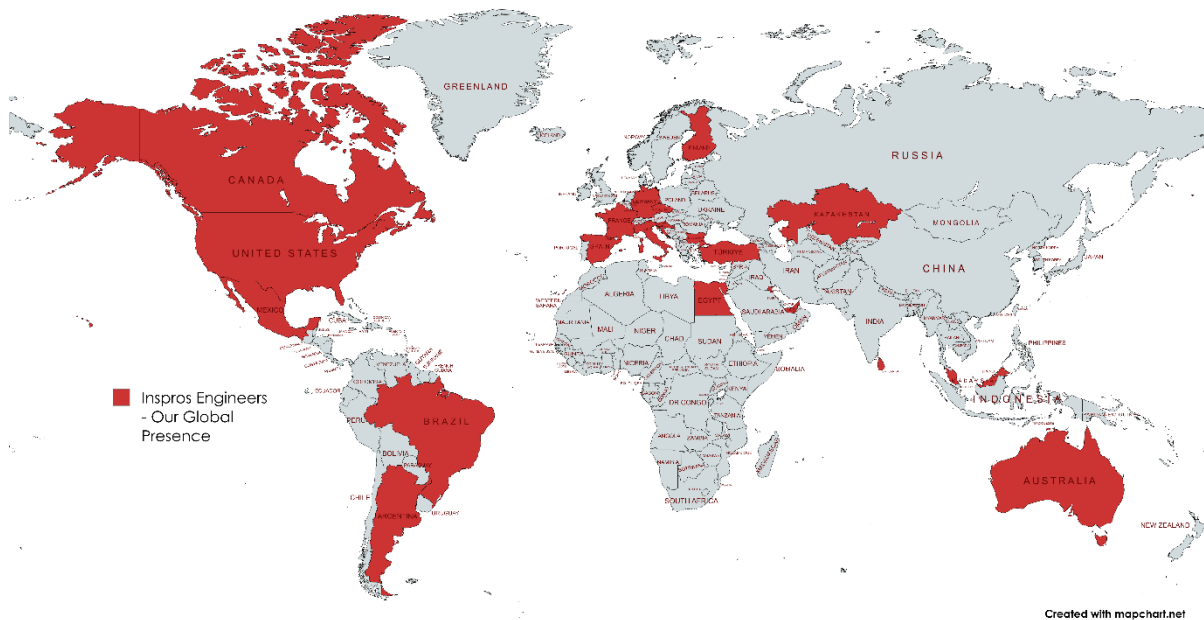
Below is the region wise break-up of our export sales:

(₹ in lakhs, unless stated otherwise)

Particulars	For the period ended June 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 total export sales (%)	Revenue	% of total export sales (%)	Revenue	% of total export sales (%)	Revenue	% of total export sales (%)
United States of America	829.51	74.59%	2,094.46	65.23%	1,727.64	76.76%	1,224.10	68.77%

Particulars	For the period ended June 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 total export sales (%)	Revenue	% of total export sales (%)	Revenue	% of total export sales (%)	Revenue	% of total export sales (%)
European Union	89.19	8.02%	478.55	14.90%	194.26	8.63%	308.22	17.32%
Central Asia	159.35	14.33%	273.38	8.51%	21.63	0.96%	-	0.00%
North America	18.58	1.67%	150.21	4.68%	198.29	8.81%	173.14	9.73%
Latin America	3.04	0.27%	149.00	4.64%	65.06	2.89%	45.23	2.54%
Middle East	11.01	0.99%	36.36	1.13%	36.16	1.61%	21.99	1.24%
Southeast Asia	1.25	0.11%	13.48	0.42%	-	0.00%	7.27	0.41%
Middle East and North Africa	-	0.00%	11.76	0.37%	3.94	0.18%	-	0.00%
Australia	-	0.00%	3.80	0.12%	3.59	0.16%	-	0.00%
South Asia	0.09	0.01%						
<b>Total Export Sales</b>	<b>1,112.02</b>	<b>100.00 %</b>	<b>3,211.00</b>	<b>100.00 %</b>	<b>2,250.57</b>	<b>100.00 %</b>	<b>1,779.95</b>	<b>100.00 %</b>

The below map indicates our global geographical presence in terms of the countries in which we have supplied our products in last three financial year i.e. For the year period ended June 30, 2024 and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022:



*Note: This map is only for the purpose of representation and is not to be considered an accurate geopolitical representation*



- **Strong manufacturing capabilities**

We believe we have a well-equipped production shops, featuring a wide range of advanced machinery including CNC Turning Centers for precision turning and machining of complex components, CNC VMCs (Vertical Machining Centers) and Turning Centres for efficient and accurate machining of various workpiece geometries, Cylindrical Grinding Machines for precise cylindrical surfaces and tolerances, Centerless Grinding Machines for efficient and high-volume grinding of cylindrical parts, Surface Grinding Machines for producing flat surfaces with high precision and accuracy, Thread-Rolling Machines for forming threads in metal parts efficiently and economically, Lathes, Milling Machines, and Drilling Machines for general-purpose machining tasks. In addition to our machine shop, we also have a well-equipped press shop and light fabrication facility including pressing, hydraulic forming, riveting, and welding

We also have a separate coil winding shop, which includes machines such as CNC Wire Winding Machines for precise and efficient winding of various coil configurations, NC Strip Winding Machines for winding flat conductors, such as foils, into coils, Semi-Automatic Layer Winding Machines for automated winding of multiple layers of wire onto a core, Edgewise Strip Winding Machines for winding flat conductors on edge, providing a high current-carrying capacity, Electro-Butt Welding Machine for joining the ends of conductors using an electrical arc, Electro-Brazing Machine for joining dissimilar metals using a brazing alloy

In addition, we also have insulation and processing shop, which includes machines such as Vacuum Pressure Impregnation (VPI) Plants to impregnate electrical components with insulating resins, such as epoxy or varnish, Vacuum-Casting Machines to cast insulating resins around electrical components, Hydraulic Compression Molding Presses to mold insulating materials into various shapes and sizes, and PLC-Controlled Ovens to cure and dry the insulating materials. Our bushing shop is equipped with state-of-the-art machinery, including ultrasonic cleaning machines, hydraulic presses, specialized welding and brazing machines, and in-line testing and assembly equipment. Our marking and packaging shop includes laser marking machines for permanent product identification and box-strapping and palletizing equipment for packaging and shipment preparation.

- **Experienced promoters and management team**

We benefit from the experience of our promoters and management team who have extensive knowledge in the electrical component engineering manufacturing industry, including operations, business development and customer relationships. In particular, our Promoter, Chairman and Managing Director, Vipin Mullick, who continues to provide guidance and oversees overall performance of our Company. Our Promoter and Whole-time Director, Anandita Mullick manages human resources and administrative functions, overseeing duties essential for maintaining an efficient and inspired workforce, while also guaranteeing seamless organizational operations. We also have an experienced management with significant experience in the electrical component manufacturing business and are well supported by professionals with a focus on specialization in this industry. Our promoters and management team's deep understanding of the industry enables them to identify emerging trends, anticipate market needs, and make informed decisions. For further details, please refer to the chapter titled "*Our Management*" on page 164 of this Draft Red Herring Prospectus.

Our management team continues to focus on new growth areas in our service segments. The knowledge and experience of our Promoters, along with Key Managerial Personnel, Senior Management and team of skilled personnel, provides us with a significant competitive advantage as we seek to expand our capacities and service portfolio in our existing markets and new markets. We continue to leverage the experience of our Promoters, Directors, Key Managerial Personnel and senior management team to further grow our business and strategically target new market opportunities.

- **Strong financial performance**

We have demonstrated a strong financial performance in recent years, characterized by significant growth in our Total Revenue, EBITDA, and Profit After Tax (PAT). Our total revenue has increased from ₹ 4,384.94 lakhs to ₹ 6,131.87 lakhs from FY 2022 to FY 2024 giving a CAGR growth of 18.25%. Our EBITDA has increased from ₹ 914.49 lakhs to ₹ 1,664.50 lakhs from FY 2022 to FY 2024 giving a CAGR growth of 34.91%. Our PAT has increased from ₹ 540.09 lakhs to ₹ 1,048.84 lakhs from FY 2022 to FY 2024 giving a CAGR growth of 39.35%. Further, our company has also experienced an increase in net margins in FY 2024 i.e. 17.10% as compared to FY 2022 i.e. 12.32%, indicating improved operational efficiency and cost management. Our Company's strong financial performance over the years is driven by a combination of factors, including successful market expansion, a diversified product portfolio, operational efficiency, strong customer relationships, and effective management. These elements have contributed to the company's growth in revenue, EBITDA, and profit margins.

## **Business strategies**

- **Further expand our global reach**

We embarked on our export journey in 2001 and have since expanded our global reach to over 22 countries, including Argentina, Australia, Brazil, Bulgaria, Canada, Croatia, Czech Republic, Egypt, Finland, France, Germany, Italy, Kazakhstan, Kuwait, Malaysia, Mexico, Nepal, Slovenia, Spain, Sri Lanka, Turkey, United Kingdom, Vietnam, United States of America. Given our company's strong export focus, we intend to explore new markets and regions to expand our global footprint. To achieve this, we intend stepping up efforts to engage with yet untapped production plants of our overseas customers to identify opportunities for New Product Development (NPD) and commercialize those gains into sustainable orders. Similarly, we plan to reach out to new customers in the field of EV personal vehicles and passenger vehicles to identify opportunities for engagement for copper components and actuators. For the year ended March 31, 2024, our export revenue contributed to 52.37% of our total revenue. We would continue to focus on expanding in key international clusters and seek to participate in various international exhibitions and aim to increase our visibility and expand our customer base and operations. We intend to enter new markets where we believe we can provide cost and operational advantages to our customers, and where we will be able to distinguish ourselves from other companies with similar offerings.

- **Strengthen relationships with our existing customers and expand customer base**

We have established long-term relationships with our customers, which has led to recurring business engagements with such customers. We intend to continue to focus on strengthening our existing relationships with our customers with a view of entering into more sophisticated, higher value product ranges with them. We are in the process of evaluating options for comprehensive product ranges in the electrical component engineering manufacturing industry so that the same can address key markets of the customers that we serve within our existing product range. Our strategy is to widen our customer base in the domestic and international market by introducing new quality products and enhanced product range. We believe that our quality product offerings will enable us to increase our share of business amongst our existing customers as well as increase our customer base. We intend to acquire customers that can provide higher value contracts, increase the wallet share with our existing customers through a combined means of marketing strategies and improvement of our manufacturing facility. We will continue to leverage our existing customer relationships to expand into new product categories.

- **Continue to improve operational efficiencies through economies of scale, supply chain rationalization, technology enhancements and effective resource planning**

Currently, our operational efficiencies have been established and refined over the years through an emphasis on economies of scale, incorporating the learnings we have acquired as part of our business operations. We intend to continue to maintain and improve our operational efficiencies by conducting a thorough analysis of the production process to identify and eliminate non-value-adding activities and streamlining the production process to minimize bottlenecks and maximize efficiency. In addition, we also intend to focus on cycle time reduction by

adopting technologies that will also result in process optimization, increasing our Company's capacity to undertake more orders and thereby increasing our revenues and margins. Further, we intend to leverage technology to effectively utilize our machinery through digital solutions, enabling effective monitoring of machines, allowing us to study shop floor patterns to address potential bottlenecks, thereby improving our output efficiency.

We believe these integration measures will allow us to reduce our dependence on select product range, better manage our material inventory, and also contribute to higher margins. With integration, we expect to achieve greater control over our manufacturing process, quality standards and also benefit from cost efficiencies. As a result, we will be able to fulfil our customers' diverse needs in a timely manner, increase our sales per customer and improve our working capital requirements and supply chain processes.

- **Pursue inorganic growth through selective acquisitions**

We intend to pursue inorganic growth opportunities through selective strategic acquisitions in the electrical component manufacturing industry to complement the scale of our operations and growth in recent periods. Going forward, we may initiate discussions for opportunities that will enable us to gain access to new geographies, categories and an opportunity for expanded product range within the industry we operate. We believe that our proposed collaborations will expand our customer base by addressing additional business verticals and augment our service coverage by providing end-to-end customer solutions. Our extensive industry experience and insights enable us to identify suitable target companies for collaboration and effectively evaluate and execute potential opportunities. We intend to have a dedicated team that evaluates inorganic opportunities and assists us in evaluating each potential opportunity in determining how their business model or solution will integrate with our existing product portfolio, and how the companies can mutually benefit from such potential investments, acquisition or collaboration. As on the date of this Draft Red Herring Prospectus, we have neither identified potential target for acquisition, nor have we entered into any definitive agreements.

## **Raw Materials**

We use many raw materials such as mild steel, stainless steel, copper, brass and other non-ferrous metals, enamelled copper wires, copper bars, extruded or drawn sections, strips and sheets, insulating materials like epoxy resins, hardeners and allied chemicals, insulating FRP laminated sheets, insulating varnishes, paints, mechanical parts like bearings, hardware, machined and/or stamped parts, rubber and plastic moulded parts, various types of electrical switches, meters, push buttons, toggle switches, connectors, terminals, lugs etc, PVC and other types of wires, electronic parts like PCBs, transistors, varistors, diodes, ICs etc., various types of ferrous and non-ferrous castings, woven glass cloth and tapes, insulation tapes, porcelain insulators, silver contact tips and silver brazing alloys, etc. We procure raw materials from our suppliers based on purchase orders and we do not have any purchase agreement or firm commitments executed with them. We reserve our right to claim for our rejections that are the result of the raw materials. The cost of raw materials consumed accounted for 58.24%, 52.88%, 53.25% and 55.13% of our revenue from operations for the period ended June 30, 2024, and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022, respectively.

The table set forth below provides top 10 suppliers, for period ended June 30, 2024 and for the Year ended March 31, 2024, March 31, 2023, and March 31, 2022:

(₹ in lakhs, unless stated otherwise)

Particulars	For the period ended June 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 total purchase s of raw material	Revenue	% of total purchase s of raw material	Revenue	% of total purchase s of raw material	Revenue	% of total purchase s of raw material
Supplier 1	203.82	21.83%	862.08	28.78%	663.65	29.14%	614.07	29.89%
Supplier 2	100.17	10.73%	231.56	7.73%	296.08	13.00%	172.39	8.39%
Supplier 3	80.84	8.66%	188.68	6.30%	145.59	6.39%	136.08	6.62%
Supplier 4	60.08	6.43%	154.57	5.16%	87.01	3.82%	106.79	5.20%
Supplier 5	47.91	5.13%	112.52	3.76%	59.70	2.62%	78.60	3.83%
Supplier 6	43.13	4.62%	93.07	3.11%	46.04	2.02%	71.34	3.47%
Supplier 7	32.29	3.46%	85.87	2.87%	45.68	2.01%	48.55	2.36%
Supplier 8	28.82	3.09%	65.46	2.19%	38.48	1.69%	47.09	2.29%
Supplier 9	17.93	1.92%	48.48	1.62%	38.37	1.68%	42.50	2.07%
Supplier 10	17.37	1.86%	46.71	1.56%	36.95	1.62%	33.12	1.61%
<b>Total</b>	<b>632.36</b>	<b>67.72%</b>	<b>1,889.00</b>	<b>63.07%</b>	<b>1,457.55</b>	<b>63.99%</b>	<b>1,350.55</b>	<b>65.74%</b>

### Capacity and capacity utilization

The following table sets forth certain information relating to our capacity utilization calculated on the basis of total installed production capacity and actual production for the periods indicated below:

Business Segment	FY 2024			FY 2023			FY 2022		
	Total capacity (Nos)	Production (Nos)	Utilization (%)	Total capacity (Nos)	Production (Nos)	Utilization (%)	Total capacity (Nos)	Production (Nos)	Utilization (%)
Products for Power Grid Infrastructure	2,80,977	2,44,328	86.96	2,37,386.00	2,06,423.00	86.96	1,22,736.00	98,189.00	80.00
Railways	1,92,957	1,72,283	89.29	1,95,092.00	1,74,189.00	89.29	4,25,102.00	3,79,555.00	89.29
Electric Vehicles	35,019	30,451	86.96	912.00	793.00	86.95	10.00	8.00	80.00
Other Miscellaneous	54	45	83.33	-	-	-	65.00	54.00	83.08
<b>Total</b>	<b>5,09,007</b>	<b>4,47,107</b>	<b>87.84</b>	<b>4,33,390</b>	<b>3,81,405</b>	<b>88.01</b>	<b>5,47,913.00</b>	<b>4,77,806.00</b>	<b>87.20</b>

### Proposed Expansion Plan

Our Company currently has two Manufacturing Facilities, both situated at Mandideep in Bhopal. On an ongoing basis, we invest in the procurement of machinery & equipment, which is utilized by us in carrying out our business, based on our order book and the future requirements estimated by our management and we will continue to expand our operational capabilities at our existing manufacturing facilities. We believe such capital expenditure will enable us to operate effectively and efficiently and meet our increasing business requirements in accordance with our expansion strategy. We propose to utilize ₹ 1,071.52 lakhs out of the Net Proceeds towards purchase of Adhesive Dispensing Machine, Vertical Storage system, Supply, Visual Scanning Machine, Vertical Machining Center, CNC Machine, Test Equipment, Coil winding machine, Welding machine, Pallet Wrapping Machine etc.

By investing in new machinery, we aim to increase production capacity so that we can produce more components to meet the rising demand for our products. Reduce lead times by delivering products to customers more efficiently and quickly. Enhance customer satisfaction by meeting the needs of our customers by ensuring timely delivery and increased availability of products.

For details related to intellectual property, please refer to the section titled “Government and other key approvals” on page 268 of this Draft Red Herring Prospectus.

## Insurance

Details of major insurances taken by us are given below:

Sr. No.	Name of the Insurance Company	Valid till	Type of Insurance Policy	Sum Insured (₹ in lakhs)
1.	IFFCO Tokio General Insurance Co. Ltd	April 6, 2025	Building, Plant Machinery, FFF & other equipment, Stock	4,225.00
2.	IFFCO Tokio General Insurance Co. Ltd	April 6, 2025	Plant & Machinery, FFF & other Equipment, Stock (BURGLARY)	2,425.00
3.	IFFCO Tokio General Insurance Co. Ltd	August 27, 2024	Buildings, Plant & Machinery, FFF & other Equipment, stocks	1,841.00
4.	IFFCO Tokio General Insurance Co. Ltd	August 27, 2024	Plant & Machinery, FFF & other Equipment, stocks (BURGLARY)	1,229.00
5.	Royal Sundaram	July 20, 2024	Marine - Domestic Sale	2,400.00
6.	Royal Sundaram	January 7, 2025	Marine Inward material	1,000.00
8.	Shri Ram General Insurance Company Ltd	September 9, 2025	Workmen Compensation Insurance	313.67
9.	Royal Sundaram	September 30, 2024	Marine Export Sale	300.00

## Material Properties

Below are the details of our material properties as indicated:

Particulars	Address	Description	Relationship with Licensor
Registered Office	126 Sector-A, Industrial Area, Mandideep, Bhopal, Madhya Pradesh – 462046, India	Amendment Lease Deed dated July 25, 2006, between our Company and Madhya Pradesh Audyogik Kendra Vikas Nigam (B) Limited for a period of thirty years.	None
Unit I	125 Sector-A, Industrial Area, Mandideep, Bhopal, Madhya Pradesh – 462046, India	Amendment Lease Deed dated July 25, 2006, between our Company and Madhya Pradesh Audyogik Kendra Vikas Nigam (B) Limited for a period of thirty years.	None
	126 Sector-A, Industrial Area, Mandideep, Bhopal,	Amendment Lease Deed dated March 29, 1984 between our Company and Madhya Pradesh	None

Particulars	Address	Description	Relationship with Licensor
	Madhya Pradesh – 462046, India	Audyogik Kendra Vikas Nigam (B) Limited for a period of ninety-nine years.	
Unit II	Plot No. E-22 Phase-II, New Industrial Area, Mandideep Distt. Raisen Madhya Pradesh, India, 462046	Lease Deed dated February 07, 2011 between our Company and Madhya Pradesh Audyogik Kendra Vikas Nigam (B) Limited for a period of thirty years.	None
	Plot No.E-23 Phase-II, New Industrial Area, Mandideep Distt. Raisen Madhya Pradesh, India, 462046	Lease Deed dated November 15, 2016 between our Company and Madhya Pradesh Audyogik Kendra Vikas Nigam (B) Limited for a period of thirty years.	None

### Human Resources

As of September 30, 2024, we had 147 permanent employees. The following table provides information about our permanent employees, as of September 30, 2024:

Department	No. of Employees
Accounts	6
Admin & HR	4
Design	5
IT & Accounts	2
Legal	1
Production	102
Purchase & Planning	7
Quality Control	15
Sales & Marketing	5
<b>Total</b>	<b>147</b>

Additionally, our Company also appoints independent contractors who in turn engage on-site contract labour for performance of certain of our ancillary operations. As of September 30, 2024, we had 215 contract labours.

Our human resource practices are aimed at recruiting talented individuals, ensuring continuous development and addressing their grievances, if any, in a timely manner. We train our employees in our manufacturing operations, including machine utilization, operations flow, quality management and work safety. Our human resource department continuously focuses on employee engagement and motivation, which further helps in achieving the strategic objectives of the organization.

### Competition

We operate in railway infrastructure manufacturing industry which is highly competitive and fragmented and we compete with a range of unorganized players, at the national and regional level. Further, while we have an expanding portfolio of products, our competitors may have the advantage of focusing on concentrated products. Further, we compete against established players also, which may have greater access to financial, technical and marketing resources and expertise available to them than us in the products and services in which we compete against them.

We believe the principal elements of competition in our industry are quality, price, and range of the products offered. Our presence in the market coupled with the high quality and range of products as well as our product development capabilities, helps us in having a competitive edge in the market.

## **Marketing**

We have a dedicated sales and marketing team of 5 employees to foster strong customer relationships and drive business growth. Our long-standing presence in the industry in which we cater to, coupled with the quality of our products, has enabled us to build trust and secure repeat business. We prioritize customer satisfaction by tailoring our offerings to meet specific needs and maintaining a strong focus on timely delivery. Our B2B business model emphasizes direct customer engagement, with our sales team actively maintaining relationships and understanding evolving requirements. We set annual sales targets for our team and participate in industry exhibition to showcase our capabilities and expand our customer base. Central to our marketing strategy is a customer-centric approach, where we prioritize customer needs and feedback. By adhering to committed delivery schedules and continuously improving our product offerings, we aim to strengthen our position in the market and attract new customers.

## **Information Technology**

We believe that an appropriate information technology infrastructure is important to support the growth of our business. We utilize ERP software SAP which support sales, purchase, inventory management and financial reporting across our Units.

## **Quality Control**

We place significant emphasis on quality control. Our quality management systems at Unit I and Unit II are certified to conform to ISO 9001: 2015, ISO 14001: 2015, and ISO 45001: 2018 standards.

We inspect raw materials upon receipt and final products before dispatch. We have implemented internal procedures to ensure quality control at various stages of production, from the procurement and processing of raw materials to inventory storage. Each unit has dedicated personnel responsible for monitoring equipment parameters, ensuring material stability, reporting production irregularities, and making necessary corrections.

## **Inventory Management**

Our inventory is determined based on a combination of confirmed and expected orders and based on past trends. We manage our inventory based on various parameters for maintaining minimum and maximum stock levels of raw materials and finished products. Further, stock is taken physically at defined intervals and our existing stock is reviewed at regular intervals for quality purposes. Our finished products are stored on-site at our manufacturing Units.

## **Logistics**

Our raw materials and finished products are transported primarily by roadways and waterways. Our suppliers deliver raw materials directly to our units. For product delivery, we outsource to third-party logistics providers and rely on freight forwarders to transport our products from our units to our customers. We do not maintain long-term contracts with these logistics providers or freight forwarders.

## **Health and Employee Safety**

We endeavour to adhere to laws and regulations relating to protection of health and employee safety. We carry out our activities while following appropriate standards of work safety and our working conditions seek to

promote a healthy and safe work environment. We have taken initiatives to reduce the risk of accidents and prevent environmental pollution at our manufacturing facilities, including: (i) ensuring that employee safety manuals covering employee safety and environmental procedures, are in place and that hazard identification and risk assessments with respect to our operations are periodically carried out; (ii) providing training and awareness programs on employee safety and environment to all employees, including training on machines and other operations at shop floors, and the use of first aid and other procedures to deal with emergencies; and (iii) conducting periodic emergency mock drills in our facilities.

### **Utilities**

Our business operations require use of power. The power requirement for our manufacturing facilities are sourced from local authorities. Our manufacturing processes require uninterrupted supply of power in order to ensure that we are able to manufacture quality products. To ensure uninterrupted supply of power we have also installed back-up diesel generators at our manufacturing facility. We require water for our manufacturing activities and rely on the government water supply system.

### **Environmental Commitment and Sustainable Manufacturing**

We believe commercial success should be laced with active initiatives which recognizes the priceless contribution of the world we live in and accordingly, we are committed to protecting the planet and conserving its scarce resources. Our responsibility towards environment and energy is validated to showcase our dedication to sustainability through the recent installation of a solar power plant at our Unit 1 facility. This initiative generates clean, renewable electricity, significantly reducing our reliance on fossil fuels and our overall environmental footprint. By generating our own clean electricity, we lessen our dependence on the grid, potentially leading to lower energy expenditures.

### **Technical Collaborations**

Our Company does not have any technical collaboration as on the date of this Draft Red Herring Prospectus.

### **Intellectual Property**

For details related to intellectual property, please refer to the section titled “Government and other key approvals” on page 268 of this Draft Red Herring Prospectus.



## KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled “*Government and Other Key Approvals*” on page 268 of this Draft Red Herring Prospectus.

### **INDUSTRIAL LAWS**

#### ***The Micro, Small and Medium Enterprises Development Act, 2006 (the “MSME Act”)***

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

#### ***Industrial (Development and Regulation) Act, 1951***

The Industrial (Development and Regulation) Act, 1951 is a key legislation that governs industrial development and regulation in India. The Act gives the Central Government control over the development and regulation of industries specified in the First Schedule. By providing a framework for licensing, investigation, and control over certain industries, the Act enables the government to steer industrial development in line with national priorities and public interest.

#### ***Fire Prevention Laws***

The State legislatures in India have the power to endow the municipalities with the power to implement schemes and perform functions in relation to matters listed in the 12th Schedule to the Constitution of India, which includes fire prevention and firefighting services. Madhya Pradesh Municipal Corporations Act 1956 and Madhya Pradesh Municipalities Act 1961, Urban Local Bodies (ULBs) are responsible for the establishment and maintenance of fire brigade and arrangement for the prevention and extinction of fire. The Fire Officer issues the Fire NOC for Madhya Pradesh Fire License under Madhya Pradesh Land Development Rules. The applicant should comply with the provisions of fire safety measures contained in National Building Code rules. These legislations include provisions in relation to fire safety and life saving measures by occupiers of buildings, procedure for obtaining no objection certificate and penalties for non-compliances. As per the Request letter dated 20.06.2024, serial no. MPSSIO23/2024-25/194-201, to Mr. Kailash Vijayvargiya, the Urban Administration and Development Minister of M.P. regarding providing relaxation in the norms of Fire NOC under section 7 of M.P Municipal Corporation Act 1956. It is stated that the notified Industrial Area of Mandideep does not fall under the jurisdiction of Urban Administration authorities. Hence, any proceeding by the urban authorities/corporation against the said industrial units is against the rules & Law. when the industrial units are already lawfully working under the Act/Rules and they are also abiding by the directions, rules, and regulations relating to fires, then the said industries should not be required to obtain any N.O.C under any other different law, act or rules related to fire safety. Therefore, based

on the abovementioned grounds, Mr. Kailash Vijayvargiya, the Urban Administration and Development Minister of M.P. verbally announced that he will provide the relaxation in the norms for the Fire NOC.

## **CORPORATE AND COMMERCIAL LAWS**

### ***Foreign Exchange Management Act, 1999***

The Foreign Exchange Management Act, 1999 is an Act of the Parliament of India "to consolidate and amend the law relating to foreign exchange with the objective of facilitating external trade and payments and for promoting the orderly development and maintenance of foreign exchange market in India".

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

The Competition Act, 2002 was enacted by the Parliament of India and governs Indian competition law. It replaced the archaic "The Monopolies and Restrictive Trade Practices Act, 1969".

### ***The Indian Stamp Act, 1899***

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act, 1899 which is enacted by the Central Government. All other instruments are required to be stamped, as per the rates prescribed by the respective State Governments. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one State to another. Certain State in India have enacted their own legislation in relation to stamp duty while the other State have adopted and amended the Stamp Act, as per the rates applicable in the State. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act. Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from State to State.

### ***Foreign Trade (Development and Regulation) Act 1992 & Foreign Trade Regulations Rules 1993***

The foreign policy of India is governed and regulated by the Foreign Trade (Development and Regulation) Act, 1992 ("The Foreign Trade Act"). The Foreign Trade Act has empowered the Central Government to make provisions for the developments as well as regulation of foreign trade by the way of facilitating import as well as augmenting exports from the country and in all other matters. It authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. Every importer and exporter requires to obtain a code number under the Foreign Trade Act Called the Importer Exporter Code (IEC) issued by the Ministry of Commerce and Industry which is mandatory for exports and imports.

### ***The Prevention of Money Laundering Act, 2002***

Prevention of Money Laundering Act, 2002 is an Act of the Parliament of India to prevent money-laundering and to provide for confiscation of property derived from money-laundering. PMLA and the Rules notified there under came into force with effect from July 1, 2005.

### ***Indian Contract Act, 1872***

The Indian Contract Act codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed

and breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract.

### ***Sale of Goods Act, 1930 (the “Sale of Goods Act”)***

The Sale of Goods Act governs contracts relating to sale of goods in India. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

### ***The Companies Act, 2013***

The Act deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning and winding up of companies. The Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitutes the main focus of the Act. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between the set of competing factors, namely, management autonomy and investor protection.

### ***The Specific Relief Act, 1963***

The Specific Relief Act, 1963 is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. “Specific performance” means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

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

An Act to consolidate and amend the laws relating to re-organisation and insolvency resolution of corporate persons, partnership firms and individuals in a time bound manner for maximisation of value of assets of such persons, to promote entrepreneurship, availability of credit and balance the interests of all the persons.

### ***The Indian Registration Act, 1908***

The Registration Act, 1908 was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose. The purpose of Registration Act is the conservation of evidence, assurances, title and publication of documents and prevention of fraud. Evidence of registration is available through an inspection of relevant land records, which usually contains details of the registered property.

### ***Consumer Protection Act, 2019 (“CPA”) and rules framed thereunder***

The CPA, which repeals the Consumer Protection Act, 1986, was enacted to provide simpler and quicker access to redress consumer grievances. It seeks to protect and promote the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be

practiced by manufacturers, service providers and traders. Further, the definition of “consumer” has been expanded under the CPA to include persons engaged in online and offline transactions through electronic means or by tele shopping, or direct-selling or multi-level marketing.

In line with the CPA, the Ministry of Consumer Affairs, Food and Public Distribution, Government of India has also notified the Consumer Protection (E-Commerce) Rules, 2020 (“E-Commerce Rules”) which provides a framework to regulate the marketing, sale and purchase of goods and services online. The E-Commerce Rules govern e-commerce entities which own, operate, or manage, a digital or electronic facility or platform for electronic commerce.

### ***Customs Act, 1962***

The Customs Act, 1962 is the primary law governing customs duties and procedures in India. The act provides for the levy and collection of customs duties, but also has other important purposes like regulating imports and exports, protecting domestic industry, preventing smuggling, and conserving foreign exchange. It has twin objective of revenue collection and trade regulation.

### ***The Negotiable Instruments Act, 1881***

In India, the laws governing monetary instruments such as cheques are contained in the Negotiable Instruments Act, 1881. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two year, or with fine which may extend to twice the amount of the cheque, or with both.

### ***The Arbitration and Conciliation Act, 1996***

This act was enacted by Parliament in the Forty-seventh Year of the Republic of India to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation.

### ***The Limitation Act, 1963***

The law relating to Law of Limitation to India is the Limitation Act, 1859 and subsequently Limitation Act, 1963 which was enacted on 5<sup>th</sup> of October, 1963 and which came into force from 1st of January, 1964 for the purpose of consolidating and amending the legal principles relating to limitation of suits and other legal proceedings. The basic concept of limitation is relating to fixing or prescribing of the time period for barring legal actions. According to Section 2 (j) of the Limitation Act, 1963, period of limitation ‘means the period of limitation prescribed for any suit, appeal or application by the Schedule, and prescribed period ‘means the period of limitation computed in accordance with the provisions of this Act.

## **LABOUR LAWS**

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws, including the the Minimum Wages Act, 1948, the Employee’s State Insurance Act, 1948, the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, Payment of Gratuity Act, 1972, the Payment of Bonus Act, 1965, Equal Remuneration Act, 1976, Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, Public Liability Insurance Act, 1991, Trade Union Act, 1926, Child Labour (Prohibition and Regulation) Act, 1986 and the Maternity Benefit Act, 1961

### ***Contract Labour (Regulation and Abolition) Act, 1970 (“CLRA”)***

The CLRA Act was enacted to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances. The CLRA Act is applicable to every establishment in which 20 or more workmen are or were employed in the preceding 12 months as contract labour and to every contractor who employs or employed on any day during the preceding 12 months, 20 or more workmen. Every principal employer of an establishment to which the CLRA Act applies, shall apply for registration of the establishment with the appropriate registering office and get registered. Under the CLRA Act, the principal employer has to provide essential amenities like canteens, rest rooms, drinking water facilities and first aid facilities if the same is not provided by the contractor. Every contractor to whom the CLRA Act applies, is also required to obtain a license and not to undertake or execute any work through contract labour, except under and in accordance with such license. Further under the CLRA Act, the principal employer has to ensure through a nominated representative the Contractor distributes wages within the prescribed time, failing which the principal employer shall be liable to make payment of wages in full or the unpaid balance and recover the amount so paid from the Contractor.

### ***Payment of Wages Act, 1936 (“POW Act”)***

The POW Act was enacted with a view to ensuring that wages payable to employed persons covered by the Act were disbursed by the employers within the prescribed time limit and that no deductions other than those authorised by law were made by them. It applies to the persons employed in a factory, industrial or other establishment, where the monthly wages payable are less than Rs.21,000/- whether directly or indirectly, through a sub-contractor and provides for the imposition of fines on persons responsible for payment of wages and deductions and lays down wage periods. Employers have to compulsorily maintain register of wages, register of fines, register of deduction for damages or loss, and register of advances in the prescribed forms.

### ***Employees’ Compensation Act, 1923 (“EC”)***

The EC Act was enacted to provide for the payment by certain classes of employers to their employees of compensation for injury by accident. The term "employer" under the EC Act includes any body of persons whether incorporated or not and any managing agent of an employer and the legal representative of a deceased employer, and, when the services of an employee are temporarily lent or let on hire to another person by the person with whom the employee has entered into a contract of service or apprenticeship, means such other person while the employee is working for him. Under the EC Act, the amount of compensation to be paid depends on the nature and severity of the injury.

### ***The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“POSH”)***

The POSH Act was enacted to provide protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment and for matters connected therewith or incidental thereto. The POSH Act mandates every employer to provide a safe working environment at the workplace which shall include safety from the persons coming into contact at the workplace. The POSH Act provides that employers must formulate a policy against sexual harassment at workplace and that policy needs to be disseminated. The POSH Act defines sexual harassment to include any unwelcome acts or a sexually determined behaviour (whether directly or by implication). Workplace under the POSH Act has been defined very broadly to include government bodies, private and public sector organisations, non-governmental organisations, organisations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and any place visited by the employee arising out of or during the course of employment.

### ***Industrial Disputes Act, 1947 (“ID Act”)***

The ID Act was enacted to make provisions for, inter alia, the investigation and settlement of industrial disputes. Industrial dispute under the ID Act means any dispute or difference between employers and employees, or between employers and workmen, or between workmen and workmen, which is connected with the employment or non-employment or the terms of employment or with the conditions of labour, of any person. The ID Act

enumerates the contingencies when a strike or lock-out can be lawfully resorted to, when they can be declared illegal or unlawful, conditions for laying off, retrenching, discharging or dismissing a workman, circumstances under which an industrial unit can be closed down and other matters related to industrial employees and employers.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes:

**a) *The Code on Social Security, 2020 (“Social Security Code”)***

The Government of India enacted The Code on Social Security, 2020 which received the assent of the President of India. The provisions of this code will be brought into force on a date to be notified by the Central Government, with certain of the provisions thereunder notified already. The code proposes to subsume, inter alia, the Employees Compensation Act, 1923, the Employees, State Insurance Act, 1948, the Employees Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972. The Ministry of Labour and Employment, Government of India has notified the draft rules relating to Employees Compensation under the Code on Social Security, 2020 on June 3, 2021, inviting objections and suggestions, if any, from the stakeholders. Further, draft rules under the Code on Social Security, 2020 were notified on November 13, 2020. The draft rules propose to subsume, inter alia, the Employees State Insurance (Central) Rules, 1950 and the Payment of Gratuity (Central) Rules, 1972.

**b) *The Industrial Relations Code, 2020***

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

**c) *The Code on Wages, 2019 (the “Wage Code”)***

The Government of India enacted The Code on Wages, 2019 which received the assent of the President of India. The code proposes to subsume the Equal Remuneration Act, 1976, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Payment of Wages Act, 1936. The provisions of this code will be brought into force on a date to be notified by the Central Government, with certain of the provisions thereunder notified already. In pursuance of the code, the Code on Wages (Central Advisory Board) Rules, 2021 have been notified, which prescribe, inter alia, the constitution and functions of the Central Advisory Board set up under the Code on Wages, 2019.

**d) *The Occupational Safety, Health and Working Conditions Code, 2020***

The Act consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labour laws including the Contract Labour (Regulation and Abolition) Act, 1970 and received the presidential assent on September 28, 2020. These provisions of these codes shall become effective on the day that the Government shall notify for this purpose.

**INTELLECTUAL PROPERTY LAWS**

Certain laws relating to intellectual property rights applicable to us are as follows:

***The Trademarks Act, 1999 (“Trade Marks Act”)***

The Trademarks Act governs the law pertaining to the protection of trademarks in India. It provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label

and heading and obtaining relief in case of infringement. Once a mark is registered, it is valid in India only for a period of 10 years and can be renewed from time to time in perpetuity. The Trademarks Act also prohibits any registration of deceptively similar trademarks or compounds, among others. It also provides for infringement, falsifying and falsely applying for trademarks.

### ***The Patents Act, 1970 (“Patents Act”)***

The Patents Act governs the patent regime in India. A patent is an intellectual property right relating to inventions and grant of exclusive right, for limited period, provided by the Government to the patentee, for excluding others from making, using, selling and importing the patented product or process or produce that product. In addition to the broad requirement that an invention must satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act.

## **PROPERTY RELATED LAWS**

### ***Transfer of Property Act, 1882***

It is an Indian legislation which regulates the transfer of property in India. The Transfer of Property Act, 1882 is a comprehensive legal framework that governs property transactions in India. It provides clarity on the rights and responsibilities of parties involved in property transfers, thereby facilitating smoother transactions and protecting the interests of all stakeholders. The Act remains a cornerstone of property law in India, influencing various related legislations and practices.

## **ENVIRONMENTAL LAWS**

### ***The Environment Protection Act 1986 (the “Environment Protection Act”) and Environment Protection Rules, 1986 (the “Environment Protection Rules”)***

The Environment Protection Act was enacted to provide a framework for co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorises the central government to protect and improve environment quality, control and reduce pollution. The Environment Protection Act specifies that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environment pollutants in excess of such standards as prescribed. The contravention or failure to comply with the provisions of the Environment Protection Act may attract penalties in the form of imprisonment or fine. Further, the Environment Protection Rules specifies, amongst others, the standards for emission or discharge of environmental pollutants, and restrictions on the handling of hazardous substances in different areas. Pursuant to the Environment Rules, every person who carries on an industry, operation or process requiring consent under Water (Prevention and Control of Pollution) Act, 1974 or Air (Prevention and Control of Pollution) Act, 1981, shall submit to the concerned Pollution Control Board (“PCB”) an environmental statement for that financial year in the prescribed form.

### ***The Noise Pollution (Regulation & Control) Rules 2000 (“Noise Regulation Rules”)***

The Noise Regulation Rules regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Regulation Rules shall be under the provisions of the Environment (Protection) Act, 1986.

### ***The Air (Prevention of Pollution Control Act) 1981 (the “Air Act”)***

The Air Act was enacted and designed for the prevention, control and abatement of air pollution and establishes central and state boards for the aforesaid purposes. In accordance with the provisions of the Air Act, any

individual, industry or institution responsible for emitting smoke or gases by way of use of fuel or chemical reactions must apply in a prescribed form and obtain consent from the state pollution control board prior to commencing any activity.

***The Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”) and Water (Prevention and Control of Pollution) Cess Act, 1977 (the “Water Cess Act”)***

The Water Act was enacted to provide for the prevention and control of water pollution and the maintaining or restoring of wholesomeness of water. Further, the Water Act also provides for the establishment of central pollution control board and state pollution control board with a view to carry out the aforesaid purpose. Any person establishing or taking steps to establish any industry, operation or process, or any treatment and disposal system or extension or addition thereto, which is likely to discharge sewage or trade effluent into a stream, well, sewer or on land is required to obtain the previous consent of the concerned state pollution control board. In addition, the Water Cess Act was enacted to provide for the levy and collection of a cess on water consumed by persons carrying on certain businesses and by local authorities, with a view to augment the resources of the central board and state boards for the prevention and control of water pollution constituted under the Water Act.

***The Hazardous Wastes (Management and Transboundary Movement) Rules, 2016***

The Hazardous Wastes (Management and Transboundary Movement) Rules, 2016 require every occupier and operator of a facility generating hazardous waste to obtain prior approval from the relevant state pollution control board and in case of recycling the hazardous waste permission from the central pollution control board needs to be obtained. The occupier, the transporter and the operator are liable for damage to the environment resulting from improper handling and disposal of hazardous waste. The operator and the occupier are liable for any fine that may be levied by the relevant pollution control board.

**TAX RELATED LAWS**

***Income Tax***

The Income-tax Act, 1961 (“IT Act”) is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by 30th September of each assessment year.

***Goods and Service Tax (GST)***

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the centre and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017(UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made there under. It replaces following indirect taxes and duties at the central and state levels.

***Professional Tax***



The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

### ***The Madhya Pradesh Professional Tax Act, 1995***

The Madhya Pradesh Professional Tax Act, 1995, known as the Madhya Pradesh Vritti Kar Adhiniyam, 1995, provides the legal framework for levying a professional tax on individuals engaged in various professions, trades, callings, and employments within the state. This Act came into force on April 1, 1995, and applies to the entire state of Madhya Pradesh. The primary objective of the Act is to impose a tax on income earned through professions and trades. It mandates that both salaried and self-employed individuals must pay this tax, which is collected by the state government. The Act outlines the responsibilities of employers to deduct and remit the tax on behalf of their employees.

## HISTORY AND CERTAIN CORPORATE MATTERS

### BRIEF HISTORY OF OUR COMPANY

Our Company was incorporated as private limited Company under the name “*Inspros Engineers Private Limited*”, under the provisions of the Companies Act, 1956 and Certificate of Incorporation was issued by the Registrar of Companies, Madhya Pradesh, Gwalior, on November 14, 1983. Subsequently, the status of our Company was changed to public limited, and the name of our Company was changed to “*Inspros Engineers Limited*” vide Special Resolution dated May 02, 2024. The fresh certificate of Incorporation consequent to conversion was issued on July 26, 2024 by the Registrar of Companies, Central Processing Centre.

### Changes in the Registered Office of our company since Incorporation

We set out below the changes in the registered office of our Company since the date of incorporation:

Date of Change	Registered Office Address	Reason
May 14, 1984	Change in registered office from E7/ 27, Aera Colony Bhopal, Madhya Pradesh, India to 202 Sector- II, Shakti Nagar, Bhopal- 462024, Madhya Pradesh, India.	For administrative convenience
October 10, 1994	Change in registered office from 202 Sector- II, Shakti Nagar, Bhopal- 462024, Madhya Pradesh, India to 126, Sector A, Industrial Area, Mandideep, Dist. Raisen, Bhopal- 462046, Madhya Pradesh, India.	For administrative convenience

### Major Events in the History of our Company

Year	Key Events / Milestone / Achievements
1983-1984	Incorporation of our Company in the name style of ‘Inspros Engineers Private Limited’.
2004-2005	Expansion of existing factory for bushings capacity expansion by acquiring another Plot No. 125, Industrial Area, Mandideep, Bhopal 462046.
2010-2011	Establishment of another factory unit Plot No. E- 22, Industrial Area, Mandideep, Phase- II, Khanpura, Goharganj, Raisen.
2013-2014	Commencement of manufacturing of Drivers Control Consoles Diesel Electric Locomotives for Indian railways.
2016-2017	Expansion of Unit I by acquiring another Plot No. E- 23, Industrial Area, Mandideep, Phase- II, Khanpura, Goharganj, Raisen, dedicated for expansion of Control Panels and Moulding Shop.
2022-2023	Commenced export of Coil Actuator for use in Electric vehicles to a OEM (Original Equipment Manufacturer) customers in USA.
2024-2025	Conversion of Company from Private Limited to Public Limited Company

\*USD rate as on March 31, 2006 was ₹ 44.16 as per the RBI website- <https://www.rbi.org.in/scripts/ReferenceRateArchive.aspx>

### Awards and Accreditations

The table below sets forth some of the key awards received by our Company in its history since its incorporation.

Year	Event
1991-1992	Received an first prize for excellent work in division level works from Madhya Pradesh Government, Industries Directorate Bhopal.
1999-2000	Received an MSME Award from Hon’ble Union Minister Dr. Raman Singh, Deptt. Of Industries,

Year	Event
	Bilaspur, Government of India.
1999-2000	Received an Award from BHEL for Best Supplier Award in Medium/Small Scale Industries Category
2000-2001	Received an Award from BHEL for Best Supplier Award in Medium/Small Scale Industries Category
2003-2004	Received an Award for Regional Highest Exporter's Trophy in Western Region Awards for Export Excellence for Electrical Distribution and Apparatus Control by Engineering Export Promotion Council of India
2003-2004	Received an Certificate for Highest Growth in Exports from Engineering Export Promotion Council
2006-2007	Received an award for managing customer of today at National Seminar held at Madhya Pradesh Bhopal
2008-2009	Received an first prize for excellent work in promotion of micro and small enterprises in the state from Madhya Pradesh Government, Industries Directorate Bhopal.
2012-2013	Received an Award for Star Performance in Western Region Awards for Export Excellence for Electrical Distribution and Apparatus Control by Engineering Export Promotion Council of India
2012-2013	Received an Award for Star Performance in Western Region Awards for Export Excellence for Electrical Distribution and Apparatus Control
2012-2013	Received award for Outstanding Achiever for Export Small Scale Industries from FMPCCI
2013-2014	Received IEEMA SME Quality Certificate
2013-2014	Received an participation award from ELECRAMA
2013-2014	Received an Award for Star Performance in Western Region Awards for Export Excellence for Electrical Distribution and Apparatus Control by Engineering Export Promotion Council of India
2014-2015	Received an 2 <sup>nd</sup> Outstanding Achievement Award for excellence in Outstanding Achiever for Exports in Small Category Enterprise
2014-2015	Received an Outstanding Achievement Award from FMPCCI for Small Enterprise of the Year
2016-2017	Received an Outstanding Achievement Award from FMPCCI for Small Enterprise of the Year
2017-2018	Received an Gold Award from SIEMENS Energy for Zero Defect in Grid Technology Products at India Team Supplier's Meet
2018-2019	Received an Award for Star Performance in Western Region Awards for Export Excellence for Electrical Distribution and Apparatus Control
2018-2019	Received an Special Trophy for High-Technology Products supplier for Medium Enterprises by Engineering Export Promotion Council of India
2019-2020	Received an Award for Star Performance in Western Region Awards for Export Excellence for Electrical Distribution and Apparatus Control by Engineering Export Promotion Council of India
2019-2020	Received an Certificate of Appreciation for Qualified for Gold Category for performance throughout the year
2020-2021	Received an Award for Star Performance in Western Region Awards for Export Excellence for Electrical Distribution and Apparatus Control by Engineering Export Promotion Council of India
2022-2023	Received an Award from Federation of MP Chambers of Commerce and Industry for best small enterprise of the year
2023-2024	Received a Gold Award from SIEMENS Energy for Zero Defect in Grid Technology Products at India Team Supplier's Meet
2023-2024	Received an Award for Star Performance in Western Region Awards for Export Excellence for Electrical Distribution and Apparatus Control by Engineering Export Promotion Council of India

### **Main objects of Our Company**

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

1. To carry on the business as manufacturers, designers, traders, importers and exporters, stockist, distributors and dealers of all kinds engineering goods.
2. To deal in products manufactured using all kinds of metallic, non-metallic & electrical insulation material for all kinds of application, industry or otherwise.
3. To carry on business as manufactures, designers and/or to process in any way or form, to buy, sell, import, export, resell or to otherwise deal in various electrical apparatus, devices / system such as motors, contractors, winding of coils, motor windings, instrument transformers, control transformers, reactors, resistors, relays, timers, switchgear panels or control consoles for electrical applications covering industrial, domestic, rail or urban transportation or other applications. All types of dies, tools, jigs and fixtures and any other mechanical products, components, spares, machinery;
  - a. All types of sheet metal work (ferrous and non-ferrous);
  - b. All types of machining or fabrication works using ferrous and non-ferrous material.
4. To carry on business as producer & distributors of electrical energy produced from non-conventional energy sources such as solar, wind or small- hydro for captive or commercial use by third parties.

The main objects as contained in our Memorandum of Association enable our Company to carry on the business presently being carried on and proposed to be carried on by our Company.

**Amendments in Memorandum of Association:**

The following changes have been made to the Memorandum of Association of our Company in last 10 years:

Sr. No.	Particulars of Amendment	Date of Shareholders' approval
1.	<p>Table A of Schedule I, the Clause III (A), III (B) and Clause IV of the Memorandum of Association of our Company was renamed and read as under:</p> <p><i>Clause III (A)- The objects to be pursued by the company on its incorporation are:</i></p> <p><i>Clause III (B)- Matters which are necessary for furtherance of the objects specified in Clause III (A)</i></p> <p><i>Clause IV- The Liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them</i></p> <p>Wherever it is mentioned as Companies Act, 1956 it was amended as Companies Act, 2013.</p>	April 01, 2024
2.	<p>Clause III of the Memorandum of Association of our Company was amended to include these new clauses which are as follows:</p> <ol style="list-style-type: none"> <li>1. <i>To carry on the business as manufacturers, designers, traders, importers and exporters, stockist, distributors and dealers of all kinds engineering goods.</i></li> <li>2. <i>To deal in products manufactured using all kinds of metallic, non-metallic &amp; electrical insulation material for all kinds of application, industry or otherwise.</i></li> </ol>	

Sr. No.	Particulars of Amendment	Date of Shareholders' approval
	<p>3. <i>To carry on business as manufactures, designers and/or to process in any way or form, to buy, sell, import, export, resell or to otherwise deal in various electrical apparatus, devices / system such as motors, contractors, winding of coils, motor windings, instrument transformers, control transformers, reactors, resistors, relays, timers, switchgear panels or control consoles for electrical applications covering industrial, domestic, rail or urban transportation or other applications.</i></p> <p><i>a. All types of dies, tools, jigs and fixtures and any other mechanical products, components, spares, machinery;</i></p> <p><i>b. All types of sheet metal work (ferrous and non-ferrous);</i></p> <p><i>c. All types of machining or fabrication works using ferrous and non-ferrous material.</i></p> <p>4. <i>To carry on business as producer &amp; distributors of electrical energy produced from non-conventional energy sources such as solar, wind or small- hydro for captive or commercial use by third parties.</i></p>	
3.	Amendment to the MOA to reflect the subdivision from ₹ 10,00,000 comprising 1,000 equity shares of face value of ₹ 100 each to 1,00,000 equity shares of face value of ₹ 10 each	
4.	<p>Clause V of the Memorandum of Association of our Company was further substituted as follows:</p> <p><i>V. The Authorised Share Capital of the company is ₹ 25,00,00,000 (Rupees Twenty-Five Lakhs only) divided into 2,50,00,000 (Two Crore Fifty Lakhs) Equity Shares of ₹ 10/- (Rupees Ten Only) each.</i></p>	
5.	Conversion of private company into public company and subsequent change of name of our Company from “Inspros Engineers Private Limited” to “Inspros Engineers Limited”.	May 02, 2024

### Other details regarding our Company

Details regarding the description of our activities, the growth of our Company, technology, the standing of our Company with reference to the prominent competitors with reference to its products, management, major suppliers and customers, segment, capacity/facility creation, marketing, competition and foreign operations, please refer to the chapter titled “Our Business”, “Our Management” and “Industry Overview” on page 122, 164 and 114 respectively of this Draft Red Herring Prospectus.

### Capital Raising (Debt/Equity)

For details of the equity capital raising of our Company, please refer to the chapter titled “Capital Structure” on page 74 of this Draft Red Herring Prospectus.

### Injunctions or Restraining Orders

There are no injunctions/ restraining orders that have been passed against the Company.

### **Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets etc.**

Our Company has not made any acquisitions or divestments of any business or undertakings, mergers, amalgamation or revaluation of assets in the last ten years preceding the date of this Draft Red Herring Prospectus.

### **Defaults or rescheduling of borrowing with Financial Institutions/Banks**

As on the date of this Draft Red Herring Prospectus, our company has not experienced any defaults or rescheduling of borrowings with any financial institutions/banks.

### **Changes in the activities of our Company during the last five years**

There has been no change in the business activities of our Company during the last five years from the date of this Draft Red Herring Prospectus.

### **Promoters of our Company**

The Promoters of our Company are Vipin Mullick and Anandita Mullick. For details, see “*Our Promoters and Promoter Group*” beginning on page 180 of this Draft Red Herring Prospectus.

### **Details of holding company**

As on the date of this Draft Red Herring Prospectus, our Company does not have any Holding Company.

### **Details of subsidiary or associate company**

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary or associate company.

### **Number of shareholders of our Company**

Our Company has twenty-seven shareholders as on the date of filing of this Draft Red Herring Prospectus.

### **Shareholders Agreements**

Our Company has not entered into any shareholders agreements as on the date of this Draft Red Herring Prospectus.

### **Other Agreements**

Our Company has not entered into any specific or special agreements except those that have been entered into in the ordinary course of business as on the date of filing of this Draft Red Herring Prospectus.

### **Material Agreements**

Our Company has not entered into any material agreement, other than the agreements entered by it in the normal course of its business.

### **Joint Ventures/Collaborations**

As on date, of this Draft Red Herring Prospectus, our Company is not a party to any joint venture or collaboration agreements.

### **Strategic and financial partnerships**

Our Company has no strategic and financial partners as on the date of filing of this Draft Red Herring Prospectus. For details related to business activity please refer to the chapter titled “*Our Business*” on page 122 of this Draft Red Herring Prospectus.

### **Non-Compete Agreement**

Our Company has not entered into any Non-compete Agreement, as on the date of filing this Draft Red Herring Prospectus.

### **Launch of key products or services, entry or exit in new geographies**

For details of launch of key products or services, please refer to the chapter “*Our Business*” on page 122 and “*Objects of the Issue*” on page 90 of this Draft Red Herring Prospectus.

### **Time and Cost Overruns in Setting-up Projects**

There are no Time and Cost Overruns in Setting-up Projects.

### **Lock-out or strikes.**

There have been no lock-outs or strikes in our Company since inception.

### **Corporate Profile of our Company**

For details on the description of our Company’s activities, the growth of our Company, please see “*Our Business*”, “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” and “*Basis of Issue Price*” on page 122, 252 and 104 of this Draft Red Herring Prospectus.

### **Changes in the Management**

For details of change in management, please see chapter titled “*Our Management*” on page 164 of the Draft Red Herring Prospectus.

### **Changes in accounting policies in last three (3) years**

There have been no changes in the accounting policies of our Company in last three years.

### **Guarantees provided by our Promoters**

Save and except as disclosed in this Draft Red Herring Prospectus, our Promoters have not given any guarantees to third parties that are outstanding as on the date of filing of this Draft Red Herring Prospectus. Please refer to the chapter titled “*Financial Indebtedness*” beginning on page 261 of this Draft Red Herring Prospectus.

## OUR MANAGEMENT

### Board of Directors

As on the date of filing of this Draft Red Herring Prospectus, Our Company has 5 (five) directors on our Board, of whom, one Managing Director, one Whole Time Director (Women Director), one Non-Executive Director and two independent directors.

The following table sets forth the details of our Board as on the date of this Draft Red Herring Prospectus:

Name, designation, date of birth, address, occupation, period of directorship, and DIN	Age (years)	Other directorships
<p><b>Vipin Mullick</b></p> <p><i>Designation:</i> Chairman and Managing Director</p> <p><i>DIN:</i> 00910549</p> <p><i>Date of birth:</i> December 23, 1957</p> <p><i>Address:</i> 202, Sector-2, Shakti Nagar, Habibganj, Huzur, Bhopal-462024, Madhya Pradesh, India</p> <p><i>Occupation:</i> Business</p> <p><i>Original Date of Appointment:</i> Director since November 14, 1983</p> <p><i>Current Term:</i> 5 years w.e.f. May 10, 2024</p>	66	<p><b>Indian Companies:</b></p> <ul style="list-style-type: none"> <li>• Engsol Technologies Private Limited</li> </ul> <p><b>Foreign Companies:</b></p> <p>Nil</p>
<p><b>Anandita Mullick</b></p> <p><i>Designation:</i> Whole Time Director</p> <p><i>DIN:</i> 01208644</p> <p><i>Date of birth:</i> July 15, 1963</p> <p><i>Address:</i> 202, Sector-2, Shakti Nagar, Habibganj, Huzur, Bhopal-462024, Madhya Pradesh, India</p> <p><i>Occupation:</i> Business</p> <p><i>Original Date of Appointment:</i> November 11, 1997</p> <p><i>Current Term:</i> 5 years w.e.f. May 10, 2024</p>	61	<p><b>Indian Companies:</b></p> <ul style="list-style-type: none"> <li>• Engsol Technologies Private Limited</li> </ul> <p><b>Foreign Companies:</b></p> <p>Nil</p>
<p><b>Sanjiv Shah</b></p> <p><i>Designation:</i> Non-Executive Director</p> <p><i>DIN:</i> 03113797</p>	66	<p><b>Indian Companies:</b></p> <ul style="list-style-type: none"> <li>• Walko Food Company Private Limited</li> <li>• Fluant Traders Private Limited</li> </ul>



Name, designation, date of birth, address, occupation, period of directorship, and DIN	Age (years)	Other directorships
<p><b>Date of birth:</b> November 28, 1957</p> <p><b>Address:</b> B-802, Lodha Bellissimo, N.M. Joshi Marg, Apolo Mill Compound, Mahalaxmi East, Mumbai- 400011, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Original Date of Appointment:</b> April 29, 2024</p> <p><b>Current Term:</b> Liable to retire by rotation</p>		<ul style="list-style-type: none"> <li>• Walko QSR Company Private Limited</li> <li>• Youfirst Ventures Private Limited</li> <li>• Shark And Ink Entertainment Private Limited</li> <li>• Youfirst Gifting Solutions Private Limited</li> <li>• Walko Frozen Foods Private Limited</li> <li>• X-Biz Techventures Private Limited</li> </ul> <p><b>Foreign Companies:</b></p> <p>Nil</p>
<p><b>Chandrakant Shrikhande</b></p> <p><b>Designation:</b> Non- Executive Independent Director</p> <p><b>DIN:</b> 10580857</p> <p><b>Date of birth:</b> October 31, 1955</p> <p><b>Address:</b> 258, Senior. Hig Katara Hills, Huzur Bag Mungalia, Bhopal- 462043, Madhya Pradesh, India</p> <p><b>Occupation:</b> Professional</p> <p><b>Original Date of Appointment:</b> May 10, 2024</p> <p><b>Current Term:</b> 5 years w.e.f. May 10, 2024</p>	68	<p><b>Indian Companies:</b></p> <p>Nil</p> <p><b>Foreign Companies:</b></p> <p>Nil</p>
<p><b>Kishore Purswani</b></p> <p><b>Designation:</b> Non- Executive Independent Director</p> <p><b>DIN:</b> 10580789</p> <p><b>Date of birth:</b> June 08, 1959</p> <p><b>Address:</b> Om Niwas Super Deluxe 06, J.K. Road, Minal Residency, Huzur, Bhopal- 462022, Madhya Pradesh, India</p> <p><b>Occupation:</b> Professional</p> <p><b>Nationality:</b> Indian</p>	65	<p><b>Indian Companies:</b></p> <p>Nil</p> <p><b>Foreign Companies:</b></p> <p>Nil</p>

Name, designation, date of birth, address, occupation, period of directorship, and DIN	Age (years)	Other directorships
<p><i>Original Date of Appointment:</i> April 08, 2024</p> <p><i>Current Term:</i> 5 years w.e.f. April 08, 2024</p>		

### Brief profiles of our directors

**Vipin Mullick**, aged 66 years, is the Promoter, Chairman, and Managing Director of our company. He has been associated with the company since its inception. He holds a Bachelor of Engineering (Electrical) from Maulana Azad College of Technology, Bhopal. He has over four decades of experience in the engineering industry. He oversees the entire company's operations and sets its strategic direction. His responsibilities include establishing business objectives, devising growth strategies, and ensuring product production.

**Anandita Mullick**, aged 61 years, is the promoter and Whole Time Director of our company. She has been associated with our company as Director since November 01, 1997. She has over 25 years of experience in the engineering industry. She holds a Bachelor of Arts degree from the University of Delhi and Post Graduate Diploma in Marketing from National Productivity Council of India. She manages Human Resources, Organizational Development and Quality and Administrative functions, overseeing duties essential for maintaining an inspired and efficient workforce, leading the company through changes of workplace management systems while assuring that a robust quality management system is effectively practices in the company.

**Sanjiv Shah**, aged 66 years, is Non-Executive Director of our company. He has been associated with our company w.e.f. April 29, 2024 as Additional Non- Executive Director and was re-designated on May 02, 2024. He holds a Bachelor of Engineering (Electrical) from Maulana Azad College of Technology, Bhopal. He also holds a Degree in Master of Business Administration from University of Business School, Chandigarh. He has over 14 years of experience in directorships of Sky Land Power Limited, Transia Ventures Private Limited, X-Biz Techventures Private Limited, Walko Frozen Foods Private Limited, Youngfirst Gifting Solutions Private Limited, Shark And Ink Entertainment Private Limited, Fluant Traders Private Limited.

**Chandrakant Shrikhande**, aged 68 years, is the Non- Executive Independent Director of our company. He has been associated with our company w.e.f. April 08, 2024 as Additional Independent Director and was re-designated on May 02, 2024. He holds a Bachelor of Engineering degree, he holds a Diploma in Financial Management and post graduate diploma in Operations Management. He was associated with Bharat Heavy Electricals Limited since 1977 and retired as Executive Director (PS-NR) in 2015.

**Kishore Purswani**, aged 65 years, is the Non-Executive Independent Director of our Company. He has been associated with our company w.e.f. April 08, 2024 as Additional Independent Director and was re-designated on May 02, 2024. He holds a Bachelor of Science degree in Engineering from D.E.I. Engineering College, Dayalbagh, Agra and is a fellow of the Institution of Engineers (India). He served with Bharat Heavy Electricals Limited for nearly four decades i.e from October 10, 1981 to June 24, 2019 and retired as Executive Director of People Strategy. From July 2019 to August 2021, he served as Director of Human Resources and Administration at IES Group of Institutions and from July 2020, he has been a member of the Academic Advisory Board at IES University.

### Confirmations:

#### a) Details of directorship in companies suspended or delisted.

None of our Directors is or was a director of any listed company, whose shares have been or were suspended from

being traded on any stock exchanges, in the last five years prior to the date of this Draft Red Herring Prospectus, during the term of their directorship in such company.

Further, none of our directors is, or was, a director of any listed company, which has been or was delisted from any stock exchange during the term of their directorship in such company.

**b) Family Relationship between the Directors, Key Managerial Personnel and Senior Management Personnel**

Except as stated below, none of the Directors of our Company are related to each other as per Section 2(77) of the Companies Act, 2013.

<b>Name</b>	<b>Relationship</b>
Vipin Mullick and Anandita Mullick	Vipin Mullick is husband of Anandita Mullick

**c) Arrangements with major Shareholders, Customers, Suppliers or Others**

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a director or member of a senior management as on the date of this Draft Red Herring Prospectus.

We confirm that as on date of this Draft Red Herring Prospectus, our Group Company does not have any conflict of interest with the suppliers of raw materials and third-party service providers (crucial for operations of our Company) and our Directors, KMPs and SMPs.

- d)** None of the Directors are categorized as a wilful defaulter or Fraudulent Borrower, as defined under Regulation 2(1)(III) of SEBI (ICDR) Regulations.
- e)** None of the abovementioned Directors have been declared a Fugitive Economic Offender under section 12 of the Fugitive Economic Offender Act, 2018.
- f)** None of the Promoters or Directors has been or is involved as a promoter or directors of any other Company which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

**Service contracts with Directors**

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

**Borrowing Powers**

In accordance with our Articles of Association and the applicable provisions of the Companies Act, and pursuant to a special resolution of our Shareholders at an EGM held on May 02, 2024, our Board is authorised to borrow monies from time to time in excess of aggregate of paid up share capital and free reserves (apart from temporary loans obtained / to be obtained from the company's bankers in ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed ₹ 100 Crore.

**Terms of employment of our Managing Director**

**Vipin Mullick, Managing Director**

Pursuant to a resolution passed by the Board of Directors at the meeting held on May 04, 2024, Vipin Mullick

was appointed as the Managing Director of our Company for a period of 5 years with effect from May 04, 2024 and approved by the Shareholders of our Company at the EGM held on May 10, 2024 the terms of remuneration, including his salary, allowances and perquisites were approved in accordance with the provisions of Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder. The terms of our Managing Director have been summarized below:

<b>I</b>	<b>Remuneration:</b>	
	A	Monthly Fixed Salary of ₹ 13,25,000/- per month.
	B	Perquisites: Perquisites, allowances, and benefits as the Board of Directors (which includes any Committee thereof) may from time to time.
	C	Reimbursement of hospitalization and major medical expenses incurred including Overseas Medical Expenses.
	D	Leave Travel Concession/Allowance.
	E	Leave and encashment of unutilized leave as per the Rules of the Company.
	F	Car Facility and reimbursement of Travelling Expenses
II	In addition to the Salary, Benefits, Perquisites and Allowances, he may be paid such remuneration by way of annual performance linked bonus. This performance linked bonus would be payable subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board.	

#### **Anandita Mullick, Whole Time Director**

Pursuant to a resolution passed by the Board of Directors at the meeting held on November 01, 1997, Anandita Mullick was appointed as the Whole Time Director of our Company for a period of 5 years with effect from May 10, 2024 and approved by the Shareholders of our Company at the EGM held on May 02, 2024 the terms of remuneration, including his salary, allowances and perquisites were approved in accordance with the provisions of Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder. The terms of our Managing Director have been summarized below:

<b>I</b>	<b>Remuneration:</b>	
	A	Monthly Fixed Salary of ₹ 6,50,000/- per month.
	B	Perquisites: Perquisites, allowances, and benefits as the Board of Directors (which includes any Committee thereof) may from time to time.
	C	Reimbursement of hospitalization and major medical expenses incurred including Overseas Medical Expenses.
	D	Leave Travel Concession/Allowance.
	E	Leave and encashment of unutilized leave as per the Rules of the Company.
	F	Car Facility and reimbursement of Travelling Expenses
II	In addition to the Salary, Benefits, Perquisites and Allowances, he may be paid such remuneration by way of annual performance linked bonus. This performance linked bonus would be payable subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board.	

#### **Sitting fees and commission to Non-Executive Directors and Independent Directors**

Pursuant to a resolution passed by our Board on April 08, 2024, our non-executive director is entitled to receive a sitting fee of ₹ 5,000/- for attending each meeting of our Board and each meeting of our committees, as may be decided by the Board.

Our Company does not pay any remuneration to our Non-Executive and Non-Executive Independent Directors as an annual remuneration/ commission.

None of our Non-Executive and Non-Executive Independent Directors have received any sitting fees in the preceding financial year.

### Payments or benefits to our directors

#### Executive Directors:

The table below sets forth the details of the remuneration by issuer Company (including sitting fees, salaries, commission and perquisites, professional fee, consultancy fee, if any) paid to our Executive Directors:

Name of the Executive Directors	Years	Remuneration (₹ in Lakhs)
Vipin Mullick	2023-24	141.00
	2022-23	141.00
	2021-22	93.00
Anandita Mullick	2023-24	63.00
	2022-23	63.00
	2021-22	39.00

#### Non-Executive Directors:

Non-Executive Directors are not entitled to any remuneration except sitting fees for attending meetings of the Board, or of any committee of the Board.

### Contingent and deferred compensation payable to the Directors

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to the Directors, which does not form part of their remuneration.

### Bonus or profit-sharing plan for our directors

Our Company does not have any performance-linked bonus or a profit-sharing plan in which our directors have participated.

### Shareholding of Directors in our Company

Except as disclosed, none of our directors hold any shares of the company as on the date of this Draft Red Herring Prospectus:

Particulars	Pre- issue		Post- issue	
	Number of shares	Percentage of holding	Number of shares	Percentage of holding
Vipin Mullick	92,11,257	54.96	[●]	[●]
Anandita Mullick	34,01,125	20.29	[●]	[●]

### Interests of our Directors

Our Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of the Board or a committee thereof and as well as to the extent of reimbursement of expenses payable to them under the Articles.

Our Executive Directors are interested to the extent of remuneration payable to them pursuant to the Articles of Company and resolution approved by the Board of Directors/Members of the Company as the case may be, time to time for the services rendered as an Officer or employee of the Company.

The Directors are also members of the Company and are deemed to be interested in the Equity Shares, if any, held by them and/or any Equity Shares that may be held by their relatives, the companies, firms and trusts, in which they are interested as directors, members, partners, trustees, beneficiaries and promoters and in any dividend distribution which may be made by our Company in the future. For the shareholding of the Directors, please refer “*Our Management - Shareholding of Directors in our Company*” beginning on page 169 of this Draft Red Herring Prospectus.

Other than our promoters, none of the other Directors have any interest in the promotion of our Company other than in the ordinary course of business.

#### **Payment of benefits (non-salary related)**

No amount or benefit has been paid or given within the two (2) years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given to any of our directors except the remuneration for services rendered.

#### **Changes in our Company’s Board of Directors during the last three (3) years:**

<b>Name of Directors</b>	<b>Date of Appointment</b>	<b>Date of Change in designation</b>	<b>Date of cessation</b>	<b>Reasons for changes in the Board</b>
Chandrakant Shrikhande	April 08, 2024	-	-	Appointment as Additional Independent Director
Kishore Purswani	April 08, 2024	-	-	Appointment as Additional Independent Director
Sanjiv Shah	April 29, 2024	-	-	Appointment as Additional Non- Executive Director
Chandrakant Shrikhande	-	May 02, 2024	-	Re-designated as Independent Director
Kishore Purswani	-	May 02, 2024	-	Re-designated as Independent Director
Sanjiv Shah	-	May 02, 2024	-	Re-designated as Non-Executive Director
Vipin Mullick	-	May 04, 2024	-	Re-designated as Chairman and Managing Director
Anandita Mullick	-	May 04, 2024	-	Re-designated as Whole Time Director

#### **COMPLIANCE WITH CORPORATE GOVERNANCE**

In additions to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI (LODR) Regulations to the extent applicable to the entity whose shares are listed on the SME Exchange will also be applicable to our company immediately upon the listing of Equity Shares on the Stock Exchange. We are in compliance with the requirements of the applicable regulations, including the SEBI ICDR Regulations and the Companies Act in respect of corporate governance including the constitution of the Board and committees thereof.

The corporate governance framework is based on an effective independent Board, separation of the Board’s supervisory role from the executive management team and constitution of the Board committees, each as required

under law. Our Board of Directors is constituted in compliance with the Companies Act, 2013 and the SEBI (LODR) Regulations.

### **Constitutions of Committees**

Our Company has constituted the following committees:

#### **1. Audit Committee**

Our Company has formed the Audit Committee vide resolution passed in the meeting of Board of Directors held on July 29, 2024 as per the applicable provisions of the Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended). The Audit Committee comprises of following members:

<b>Name of the Directors</b>	<b>Designation</b>	<b>Designation in Committee</b>
Chandrakant Shrikhande	Non- Executive Independent Director	Chairperson
Kishore Purswani	Non- Executive Independent Director	Member
Vipin Mullick	Managing Director	Member

The Company Secretary of our Company shall act as Secretary of the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to furnish clarifications to the shareholders in any matter relating to financial statements. The scope and function of the Audit Committee and its terms of reference shall include the following:

#### **Terms of reference:**

#### **Role of Audit Committee**

The scope of audit committee shall include, but shall not be restricted to, the following:

1. oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;
2. recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. formulation of a policy on related party transactions, which shall include materiality of related party transactions;
5. reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
6. examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same;

- c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions; and
  - g. Modified opinion(s) in the draft audit report.
7. reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
  8. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  9. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  10. approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

***Explanation:*** The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.

11. scrutiny of inter-corporate loans and investments;
12. valuation of undertakings or assets of the Company, wherever it is necessary;
13. evaluation of internal financial controls and risk management systems;
14. reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
15. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
16. discussion with internal auditors of any significant findings and follow up there on;
17. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
18. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;



20. looking into the reasons for substantial defaults in the payment to depositors, debenture holders, members (in case of non-payment of declared dividends) and creditors;
21. reviewing the functioning of the whistle blower mechanism;
22. monitoring the end use of funds raised through public offers and related matters;
23. overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
24. approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
25. reviewing the utilization of loans and/or advances from / investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing;
26. carrying out any other functions required to be carried out as per the terms of reference of the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time;
27. consider and comment on rationale, cost- benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its members; and
28. to review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively; and
29. Such roles as may be prescribed under the Companies Act, SEBI Listing Regulations and other applicable provisions.
30. Approve all related party transactions and subsequent material modifications.

#### **Review of information by Audit Committee**

The audit committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Management letters / letters of internal control weaknesses issued by the statutory auditors;
3. Internal audit reports relating to internal control weaknesses;
4. The appointment, removal and terms of remuneration of the chief internal auditor;
5. Statement of deviations in terms of the SEBI Listing Regulations:
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of Regulation 32(1) of the SEBI Listing Regulations; and

b. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

6. review the financial statements, in particular, the investments made by any unlisted subsidiary.

## 2. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per Section 178 of the Companies Act, 2013 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) vide board resolution dated July 29, 2024. The constituted Stakeholders Relationship Committee comprises of following members:

Name of the Directors	Designation	Designation in Committee
Kishore Purswani	Non- Executive Independent Director	Chairperson
Chandrakant Shrikhande	Non- Executive Independent Director	Member
Sanjiv Shah	Non- Executive Director	Member

The Company Secretary of our Company shall act as Secretary to the Stakeholders Relationship Committee.

The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

### Terms of Reference

#### Nomination and Remuneration Committee

1. Considering and specifically looking into various aspects of interest of shareholders, debenture holders and other security holders;
2. Resolving the grievances of the security holders of the listed entity including complaints related to transfer / transmission of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;
3. Review of measures taken for effective exercise of voting rights by members;
4. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures, or any other securities;
5. Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures, and other securities from time to time;
6. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;
7. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the members of the company; and

8. Carrying out such other functions as may be specified by the Board from time to time or specified / provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

### 3. Nomination and Remuneration Committee:

Our Company has formed the Nomination and Remuneration Committee as per Section 178 of the Companies Act, 2013 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) vide board resolution dated July 29, 2024. The Nomination and Remuneration Committee comprises of following members:

Name of the Directors	Designation	Designation in Committee
Kishore Purswani	Non- Executive Independent Director	Chairperson
Vipin Mullick	Managing Director	Member
Anandita Mullick	Whole Time Director	Mether

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

#### The terms of reference:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the “**Board**” or “**Board of Directors**”) a policy relating to the remuneration of the directors, key managerial personnel and other employees (“**Remuneration Policy**”).

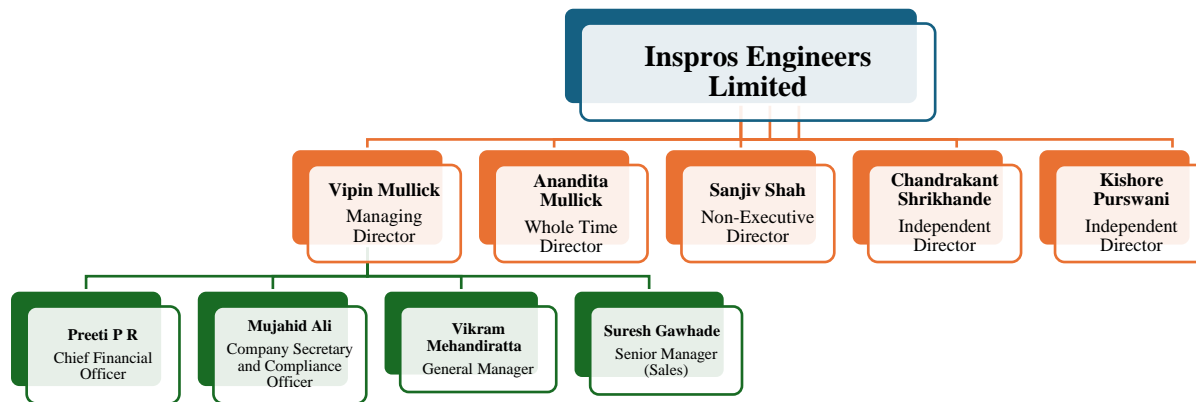
The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
  - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short-term and long-term performance objectives appropriate to the working of the Company and its goals.
2. Formulation of criteria for evaluation of performance of independent directors and the Board;
  3. Devising a policy on Board diversity;
  4. Identifying persons who are qualified to become directors and who may be appointed as senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out effective evaluation of performance of Board, its committees and individual directors (including independent directors) to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
  5. Analysing, monitoring and reviewing various human resource and compensation matters;
  6. Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

7. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
8. Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;
9. Reviewing and approving the Company's compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
10. Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, if applicable;
11. Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
  - (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  - (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
12. Administering monitoring and formulating detailed terms and conditions the employee stock option scheme/ plan approved by the Board and the members of the Company in accordance with the terms of such scheme/ plan ("**ESOP Scheme**"), if any;
13. Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/ or rescinding rules and regulations relating to the administration of the ESOP Scheme;
14. Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.
15. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - (a) use the services of an external agencies, if required;
  - (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - (c) consider the time commitments of the candidates.
16. Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

## **Management Organization Structure**

The following chart depicts our Management Organization Structure



### Our Key Managerial Personnel and Senior Management Personnel

Vipin Mullick, Managing Director, Preeti P R, Chief Financial Officer and Mujahid Ali, Company Secretary & Compliance Officer are the Key Managerial Personnel of our Company as on the date of this Draft Red Herring Prospectus.

In addition to Mujahid Ali, the Company Secretary and Compliance Officer who is also a Key Managerial Personnel of our Company, (i) Vikram Mehandiratta, and (ii) Suresh Gawhade, are the Senior Management Personnel of our Company as on date of this Draft Red Herring Prospectus.

### Profiles of our Key Managerial Personnel

For the profile of Vipin Mullick as a Managing Director, whose details are provided under “*Brief Biographies of our Directors*” in the “*Our Management*” beginning on page 166 of this Draft Red Herring Prospectus. The details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set forth below:

1. **Preeti P R**, aged 50 years, is Chief Financial Officer of our Company. She has been associated with our Company as Chief Financial Officer w.e.f. July 29, 2024. She holds a Bachelor of Science from Government College Sawai, Madhopur and has cleared Master of Commerce from University of Rajasthan and has successfully completed Chief Financial Officer Programme from Indian Institute of Management, Calcutta and she has specialization in Economic Analysis & Financial Management from University of Rajasthan. She has experience of fifteen years and before joining our company, she was associated with M/s. Kavalakat Traders from 2009 to 2015 as chief accountant, Manjilas Food Tech Private Limited as assistant manager (Accounts) from 2015 to 2018, Datamate Infosolutions (P) Limited as Manager- Finance and Accounts from 2018 to 2022, Ocean Polymer Technologies Private Limited as Head (Finance & Accounts) from 2022 to 2024. She is entitled to a remuneration of ₹ 14.64 lakhs per annum.
2. **Mujahid Ali**, aged 32 years, is the Company Secretary and Compliance Officer of our Company. He has been associated with our organization since April 08, 2024 as Company Secretary and Compliance Officer. He has cleared Bachelor of Commerce from Saifia Science College, cleared his Master of Business Administration in Finance from Barkatullah Vishwavidyalaya and is an associate member of Institute of Company Secretaries of India (ICSI). He is responsible for compliance with statutory and regulatory requirements and for ensuring that the decisions of our Board are implemented. He has had previous work experience with Fortcaps Healthcare Limited as Company Secretary and compliance officer since 2021 to 2023 and Sanvira Industries Limited as

Company Secretary from 2023 to 2024. He is entitled to a remuneration of ₹ 6.31 lakhs per annum.

### **Brief Profile of our Senior Management Personnel**

The details of other Senior Management Personnel of our Company, as on the date of this Draft Red Herring Prospectus are set forth below:

1. **Vikram Mehendiratta**, aged 56 years, is the General Manager of our Company. He has been associated with our organization since January 01, 1999 as Manager (Works), later he was promoted to Deputy General Manager (Designs) from April 01, 2011, later he was promoted to General Manager (Engineering) w.e.f. April 01, 2021. He is responsible for leading company's engineering and production departments with a focus on design innovation, lean manufacturing practices, and customer satisfaction.
2. **Suresh Gawhade**, aged 51 years, is the Senior Manager (Sales) of our Company. He has cleared Diploma in Computer Application in September 1995 from Electronics Computer and Technical Training Center (Setup under Department of Electronics, Government of India Scheme for Rural Employment in Electronics), he also cleared Post Graduation in Masters in Arts in May, 1998 from Barkatullah Vishwavidyalaya, Bhopal. He also cleared Export Import Management in August, 2001 from All India Institute of Management Studies. He has been associated with our organization since April 01, 1998 as Office Assistant, later he was promoted to Deputy Manager (Sales) w.e.f. April 01, 2009 later he was promoted to Senior Manager (Sales) in April 01, 2018. since then he is actively working on the position taking responsibilities for end to end management of sales contracts, ensuing compliance with company policies and mitigating risks associated with contract execution.

### **Status of Key Managerial Personnel and Senior Management**

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

### **Relationship amongst the Key Managerial Personnel of our Company**

Except as disclosed in "*Family Relationship between the Directors, Key Managerial Personnel and Senior Management Personnel*" on page 167 of this Draft Red Herring Prospectus, none of our Key Managerial Personnel or Senior Management are related to each other or any of our Directors.

### **Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management**

None of our Key Managerial Personnel and Senior Management were entitled for any contingent or deferred compensation for the year ended March 31, 2024.

### **Arrangement and Understanding with Major Shareholders/Customers/ Suppliers**

None of the Key Managerial Personnel and Senior Management Personnel have entered into to any arrangement/ understanding with major shareholders/customers/suppliers as on the date of this Draft Red Herring Prospectus

### **Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management Personnels**

Our Company does not have profit sharing plans for the Key Management Personnel and Senior Management Personnel.

### **Shareholding of Key Management Personnel and Senior Management Personnel in our Company**

Except for Vipin Mullick who holds 92,11,257 Equity Shares, constituting 54.96% of total paid- up share capital of our company, none of our Key Managerial Personnel and Senior Management Personnel hold Equity Shares

in our Company as on the date of filing of this Draft Red Herring Prospectus. For further details, please refer to section titled “*Capital Structure*” beginning on page 74 of this Draft Red Herring Prospectus.

### **Interest of Key Managerial Personnel and Senior Management Personnel**

Except as disclosed in this Draft Red Herring Prospectus, the Key Managerial Personnel and Senior Management Personnel of our Company do not have any interest in our Company other than to the extent of their shareholding, remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

### **Employee Stock Option or Employee Stock Purchase**

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this Draft Red Herring Prospectus.

### **Payment of Benefits to of our KMPs and SMPs (non-salary related)**

Except as disclosed in this Draft Red Herring Prospectus, other than any statutory payments made by our Company to its KMPs and SMPs, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees.

For further details, please refer section titled “*Restated Financial Statements*” beginning on page 187 of this Draft Red Herring Prospectus.

### **Service Contracts with Key Managerial Personnel and Senior Management**

Our Key Managerial Personnel and Senior Management, other than our Managing Director, are governed by the terms of their respective appointment letters/resolutions of our Board in relation their terms of appointment and have not entered into any other service contracts with our Company. Further, no officer of our Company is entitled to any benefit upon termination of employment or superannuation, other than statutory benefits.

### **Changes in Our Company’s Key Managerial Personnel during the last three (3) years**

<b>Name of KMP</b>	<b>Designation</b>	<b>Date of Appointment/Redesignation</b>	<b>Date of Resignation</b>	<b>Reason</b>
Mujahid Ali	Company Secretary and Compliance Officer	April 08, 2024	-	Appointed as Company Secretary and Compliance Officer
Vipin Mullick	Chairman and Managing Director	May 10, 2024	-	Re-designated as Chairman cum Managing Director
Anandita Mullick	Whole Time Director	May 10, 2024	-	Re-designated as Whole Time Director
Preeti P R	Chief Financial Officer	July 29, 2024	-	Appointed as Chief Financial Officer

## OUR PROMOTERS AND PROMOTER GROUP

### Promoters

Vipin Mullick and Anandita Mullick are the Promoters of our Company.

As on the date of this Draft Red Herring Prospectus, our promoters hold 1,26,12,382 Equity Shares in aggregate, representing 75.25% of the issued, subscribed, and paid-up Equity Share capital of our Company. For details pertaining to our Promoters shareholding, please refer to chapter titled “*Capital Structure*” beginning on page 74 of this Draft Red Herring Prospectus.

The details of our individual promoters are as under:

<b>Vipin Mullick</b>	
	<p><b>Vipin Mullick</b>, aged 66 years, is the promoter of our company designated as Chairman and Managing Director.</p> <p>For further details in respect of his date of birth, address, educational qualifications, professional experience, positions/posts held in the past and other directorships and special achievements, see “<i>Our Management</i>” on page 164.</p>
	<p><b>Date of Birth:</b> December 23, 1957</p>
	<p><b>Address:</b> 202, Sector-2, Shakti Nagar, Huzur, H.E. Hospital, Bhopal- 462024, Madhya Pradesh, India</p>
	<p><b>PAN:</b> AFNPM2428L</p>
	<p><b>Interest in other entities:</b></p> <ul style="list-style-type: none"> <li>• Vipin Mullick HUF</li> <li>• Engsol Technologies Private Limited</li> </ul>
<b>Anandita Mullick</b>	
	<p><b>Anandita Mullick</b>, aged 61 years, is the promoter of our company designated as Whole Time Director.</p> <p>For further details in respect of her date of birth, address, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, see “<i>Our Management</i>” on page 164.</p>
	<p><b>Date of Birth:</b> July 15, 1963</p>
	<p><b>Address:</b> 202, Sector-2, Shakti Nagar, Habibganj, Huzur, Bhopal- 462024, Madhya Pradesh, India</p>
	<p><b>PAN:</b> AFNPM2419P</p>
	<p><b>Interest in other entities:</b></p> <ul style="list-style-type: none"> <li>• Vipin Mullick HUF</li> <li>• Engsol Technologies Private Limited</li> </ul>

### Other Undertakings and Confirmations

Our Company undertakes that the details of Permanent Account Number, Bank Account Number(s), Aadhar Card Number, Driving License Number and Passport Number of the Promoters will be submitted at the time of submission of this Draft Red Herring Prospectus to the NSE for listing of the securities of our Company on EMERGE Platform. of NSE.

Our Promoters and the members of our Promoter Group have confirmed that they have not been identified as a willful defaulter or a fraudulent borrower by the RBI or any other governmental authority. No violations of securities laws have been committed by our Promoters or members of our Promoter Group in the past or are



currently pending against them. None of (i) our Promoters and members of our Promoter Group or persons in control of or on the boards of bodies corporate forming part of our Group Company (ii) the Companies with which any of our Promoters are or were associated as a promoters, director or person in control are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

### **Change in Control of our Company:**

The original promoters of our company were Deepankar Biswas, Panna Lala and Janak Mullick holding 100 shares each. On June 04, 1984, Vipin Mullick was allotted 250 shares and on September 15, 1995 Anandita Mullick was allotted 308 shares. Currently, the Promoters of the Company are Vipin Mullick and Anandita Mullick holding 92,11,257 equity shares and 34,01,125 equity shares, respectively.

### **Experience of our Promoters in the business of our Company**

For details in relation to experience of our Promoters in the business of our Company, please refer the chapter titled "*Our Management*" beginning on page 164 of this Draft Red Herring Prospectus.

### **Interest of Promoters**

None of our Promoters have any interest in our Company except to the extent of compensation payable/ paid, loans given to the company, loans repaid by the Company, commission and reimbursement of expenses, if applicable and to the extent of any equity shares held by them or their relatives to the extent of benefits arising out of such shareholding. For further details please refer the chapters titled "*Capital Structure*", "*Financial Information*" and "*Our Management*" beginning on page 74, 187 and 164 of this Draft Red Herring Prospectus.

Except as stated otherwise in this Draft Red Herring Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoter is directly or indirectly interested, and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in the normal course of business.

### **Interest of Promoters in the Promotion of our Company**

Our Company is currently promoted by the promoters in order to carry on its present business. Our promoters are interested in our Company to the extent of their shareholding and shareholding of their relatives and directorship in our Company and the dividend declared, if any, by our Company. For further details, see "*Capital Structure*", "*Our Management*", "*Summary of the Offer Document - Related Party Transactions*" and "*Financial Information*" beginning on pages 74, 164, 25 and 187, respectively of this Draft Red Herring Prospectus.

### **Interest of Promoters in the Property of our Company**

Our Promoters have confirmed that they do not have any interest in any property acquired by our Company within three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company as on the date of this Draft Red Herring Prospectus.

### **Interest of Promoters in our Company other than as a Promoters**

The Promoters of our Company are also interested in our Company as Managing Director (Vipin Mullick) and Whole Time Director (Anandita Mullick) of our Company and may be deemed to be interested in the remuneration payable to them and the reimbursement of expenses incurred by them in the said capacity. For further details, see "*Our Management*" on page 164.

We confirm that as on date of this Draft Red Herring Prospectus, our Group Company does not have any conflict of interest with the suppliers of raw materials and third-party service providers (crucial for operations of our Company) and our Promoters.

### Related Party Transactions

Except as stated in the Chapter titled “*Financial Information*” on page 187 of this Draft Red Herring Prospectus, our Company has not entered related party transactions with our Promoters.

### Common Pursuits of Promoters and Promoter Group Companies

Our Promoters are interested in Promoter Group Entities i.e. Engsol Technologies Private Limited, that is engaged in a similar line of business. For further information on common pursuits and risks associated, please refer risk factor on ‘conflicts of interest’ in chapter titled “*Risk Factors*” beginning on page 29 of this Draft Red Herring Prospectus.

### Payment of amounts or benefits to the Promoters or Promoter Group during the last two years

Except as stated in the Chapter titled “*Financial Information*” on page 187 of this Draft Red Herring Prospectus, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus.

### OUR PROMOTER GROUP

In addition to our Promoters, the following individuals, companies, partnerships and HUFs, etc. Form part of our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations:

#### A) Natural Persons who are part of the Promoter Group:

Relationship with the Promoters	Vipin Mullick	Anandita Mullick
Father	Late S. N. Mullick	Late Inder Mohanlal Bhasin
Mother	Janak Dulari Mullick	Late Shubh Bhasin
Spouse	Anandita Mullick	Vipin Mullick
Brother	-	-
Sister(s)	Vandana Chakravarty	Sangeeta Bedi
	-	Latika Khanna
	-	Ruchika Bhasin Ohri
Son	Divij Mullick	Divij Mullick
Daughter	Manya Mullick	Manya Mullick
Spouse’s Father	Late Inder Mohanlal Bhasin	Late S. N. Mullick
Spouse’s Mother	Late Shubh Bhasin	Janak Dulari Mullick
Spouse’s Brother	-	-
Spouse’s Sister(s)	Sangeeta Bedi	Vandana Chakravarty
	Latika Khanna	-
	Ruchika Bhasin Ohri	-

#### B) Companies / entities forming part of the Promoter Group

Sr. No.	Name of the entities
1.	Engsol Technologies Private Limited
2.	Vipin Mullick HUF

Sr. No.	Name of the entities
3.	S K Timber Products Private Limited
4.	Packaging Systems (India) Private Limited
5.	Touch Wood Constructions Private Limited
6.	Seven Prospera Landmark LLP
7.	Latique Designs
8.	Latique
9.	S. V. J. Engineers

Other than as disclosed here, our Company has no companies or entities that form part of our Promoter Group.

### **Shareholding of the Promoter Group in our Company**

For details of shareholding of members of our Promoter Group as on the date of this Draft Red Herring Prospectus, please refer the chapter titled “*Capital Structure*” beginning on page 74 of this Draft Red Herring Prospectus.

### **Companies with which the Promoters have disassociated in the last three years**

Our promoters have not been disassociated from any of the entities in preceding three years.

### **Other Ventures of our Promoters**

Except as disclosed in this section titled “*Our Promoters and Promoter Group*” beginning on page 180 of this Draft Red Herring Prospectus, there are no ventures promoted by our Promoter in which they have any business interests/ other interests as on date of this Draft Red Herring Prospectus

### **Collaboration Agreements**

Our Company is not a party to any collaboration agreements.

### **Material Agreement**

Our Company has not entered into any material agreements other than the agreements entered into by it in ordinary course of business.

### **Guarantees provided by our Promoters**

Except as stated in the chapter titled “*Financial Indebtedness*” and section titled “*Restated Financial Statements*” beginning on page 187 and 187 of this Draft Red Herring Prospectus, respectively, there are no material guarantees given by our Promoters to third parties with respect to specified securities of the Company as on the date of this Draft Red Herring Prospectus.

### **Outstanding Litigation**

There is no outstanding litigation against our Promoters except as disclosed in the section titled “*Risk Factors*” and “*Outstanding Litigation and Material Developments*” beginning on page 29 and 264 of this Draft Red Herring Prospectus.

## OUR GROUP COMPANY

In terms of the SEBI ICDR Regulations, the term ‘group company’ for the purpose of disclosure in this Draft Red Herring Prospectus, includes:

- (i) such companies (other than promoters and subsidiaries, if any) with which there were related party transactions, during the period for which the Restated Financial Information has been included in this Draft Red Herring Prospectus i.e., Fiscal 2024, Fiscal 2023 and Fiscal 2022, as covered under applicable accounting standards, and
- (ii) any other companies considered material by the Board, pursuant to the Materiality Policy.

For the purposes of (ii) above, our Board in its meeting held on September 19, 2024, has adopted the Materiality Policy and has considered group companies of our Company to be such companies (other than companies covered under (i) above) that are a part of the Promoter Group (in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations), with which there were transactions with our Company in the most recent financial year and stub period, if any, to be included in the Offer Documents (“**Test Period**”) which individually or in the aggregate in value, exceed 10% of the total restated revenue from operations of our Company from the Test Period.

Accordingly, based on the parameters outlined above, our Company has the following Group Company: (i) Engsol Technologies Private Limited.

In terms of the SEBI ICDR Regulations, the following information based on the audited financial statements, in respect of Group Company, for the last three years shall be hosted on the website of our Company:

- reserves (excluding revaluation reserve)
- sales
- profit after tax
- earnings per share
- diluted earnings per share; and
- net asset value

### **Details of our Group Company**

Engsol Technologies Private Limited

#### ***Registered Office***

The registered office of Engsol Technologies Private Limited is situated at E-21, Phase- II New, Industrial Area, Mandideep, Raisen, Raisen, Madhya Pradesh, India, 462046.

#### ***Financial Information***

The financial information derived from the audited financial statements of Engsol Technologies Private Limited for the last three financial years, as required by the SEBI ICDR Regulations, are available on [www.inspros.net](http://www.inspros.net)

It is clarified that such details available on the websites of our Company do not form part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, including the website of our Group Company, would be doing so at their own risk.

### **Litigation which has a material impact on our Company**

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

### **Nature and extent of interest of Group Company**

### ***Interest in the promotion of our Company***

Our Group Company does not have any interest in the promotion of our Company. Interest in the properties acquired by our Company in the preceding three years before filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

Our Group Company is not interested in the properties acquired by our Company in the three preceding years before the filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

### ***Interest in transactions for acquisition of land, construction of building and supply of machinery***

Our Group Company are not interested in any transactions for acquisition of land, construction of building or supply of machinery, etc.

### ***Common pursuits***

As on the date of this Draft Red Herring Prospectus, our Group Company has common pursuit with our Company and are authorized to engage in business similar to that of our Company. Our Company will adopt the necessary procedure and practices as permitted by law to address any situations of conflict of interest, if and when they arise.

As on the date of this Draft Red Herring Prospectus, our Group Company is not listed in India or abroad.

### ***Related Business Transactions within the group and significance on the financial performance of our Company***

Other than the transactions disclosed in the section “*Financial Information – Note 5 – Related Party Disclosures*” starting on page 187 there are no other business transactions between our Company and Group Company. Further there are no transactions which are significant to the financial performance of our Company. For further details, please see “*Our Promoters and Promoter Group- Companies with which the Promoters have disassociated in the last three years*” on page 183.

### ***Business interests or other interests***

Except in the ordinary course of business and as disclosed in section “*Financial Information – Note 5– Related Party Disclosures*” starting on page 187, our Group Company do not have any business interest in our Company.

### ***Other Confirmations***

Our Company hereby confirms that:

1. Our Group Company do not hold any Equity Shares, warrants/convertible securities in our Company as of the date of this Draft Red Herring Prospectus.
2. Our Group Company is not a listed entity on any stock exchange in India or abroad and have not made any public or rights issue in preceding three years.
3. Our Group Company is not interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, or any other contract, agreement or arrangement entered into by our Company, and no payments have been made or are proposed to be made in respect of any such contracts, agreements or arrangements, by any of our Group Company.
4. Our Group Company is interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.
5. We confirm that as on date of this Draft Red Herring Prospectus, our Group Company does not have any conflict of interest with the suppliers of raw materials and third-party service providers (crucial for operations of our Company).

## DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the Annual General Meeting. The shareholders of our Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

Except as disclosed below, our Company has not declared and paid any dividends on the Equity Shares during the period from July 01, 2024 until the date of this Draft Red Herring Prospectus and financial years for the period June 30, 2024 and March 31, 2024, March 31, 2023 and March 31, 2022:

Particulars	July 01, 2024 till the date of this Draft Red Herring Prospectus	June 30, 2024	Financial Year 2024	Financial Year 2023	Financial Year 2022
Face value per equity share (in ₹)*	10	10	100	100	100
Dividend paid (including withholding tax) (in ₹ lakhs)	Nil	Nil	74.99	74.99	69.99
Dividend per equity share (in ₹)	Nil	Nil	750	750	700
Rate of dividend (%)**	Nil	Nil	750%	750%	700%
Dividend distribution tax (in %)	-	-	-	-	-
Dividend distribution tax (in ₹)	-	-	-	-	-

*Note:*

*Final dividend declared at the end of a Fiscal Year is paid to our Shareholders in the ensuing Fiscal Year after the approval of such dividend payout at the annual general meeting of our Shareholders.*

*\*At the time of payment of dividend.*

*\*\* Rate of dividend per equity share (%) is calculated as (total dividend per equity share divided by face value per equity share at the time of payment of dividend) multiplied by 100.*

The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on several factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

For further details, please refer to section titled “*Financial Information*” beginning on page 187 of this Draft Red Herring Prospectus.

**SECTION VI- FINANCIAL INFORMATION  
RESTATED FINANCIAL STATEMENTS**

**Independent Auditor’s Examination Report on the Restated Financial Statements**

To  
**The Board of Directors**  
**Inspros Engineers Limited**  
126, Sector-A Industrial Area  
Mandideep, 462046

**Dear Sirs/Madams,**

**1. Introduction**

We, M/s Baheti & Co, Chartered Accountants, have conducted an examination of the Restated Financial Information of **Inspros Engineers Limited** (the “Company”) comprising the Restated Statement of Assets and Liabilities as of June 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, Restated Statement of Profit and Loss (including Other Comprehensive Income), Restated Statement of Changes in Equity, Restated Statement of Cash Flows for the years ended March 31, 2024, March 31, 2023, and March 31, 2022 and period ended 30 June 2024, Statement of Significant Accounting Policies and other explanatory information (collectively, the “Restated Financial Information”) as approved by the Board of Directors at their meeting held on October 11, 2024 for the purpose of inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus (hereinafter “Offer Documents”), prepared by the Company in connection with the Company’s proposed initial public offer of equity shares (the “IPO”) and prepared in terms of the requirement of:-

- Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the “Act”);
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations (ICDR Regulations); and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India (“SEBI”);
- The Guidance Note on Reports in the Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India as amended from time to time. (“The Guidance Note”).

**2. Management’s Responsibility**

The Company’s Board of Directors is responsible for the preparation of the Restated Financial Statements for the purpose of inclusion offer document to be filed with the Securities and Exchange Board of India (“SEBI”), and the National Stock Exchange of India Limited - Emerge Ltd (collectively, “Stock Exchanges”) and Registrar of Companies, Gwalior in connection with the IPO. The Restated Financial Statements have been prepared by the management of the Company for the period ending 30th June 2024, 31st March 2024, 31st March 2023 and 31st March 2022. The Board of Directors of the Company are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of these Restated Financial Information. The Board of Directors of the Company are also responsible for identifying and ensuring that the Company complies with the Act, the ICDR Regulations and the Guidance Note, as applicable.

**3. Auditors’ Responsibilities**

Our responsibility was to examine the Restated Financial Information and to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations, and the Guidance Note. We have examined such Restated Financial Statements taking into consideration:

- The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter in connection with the proposed IPO of equity shares of the Company;
- The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements; and
- The requirements of Section 26 of The Companies Act, 2013 and the ICDR Regulations issued by SEBI. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

#### **4. These Restated Financial Information have been compiled by the management from:**

- Audited financial statements of the company for the year ended March 31, 2024, March 31, 2023, and March 31, 2022 and period ended 30 June 2024, prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, The comparative information included in such financial statements have been prepared by making Ind AS adjustments to the audited financial statements of the Company as at and for the year ended March 31, 2024, March 31, 2023, and March 31, 2022 and period ended 30 June 2024, prepared in accordance with the accounting standards notified under the section 133 of the Act (“Indian GAAP”).
- The Restated Financial Information also contains the proforma Ind AS financial information as at and for the year ended March 31, 2024, March 31, 2023, and March 31, 2022 and period ended 30 June 2024. The proforma Ind AS financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2024, March 31, 2023, and March 31, 2022 and period ended 30 June 2024.

We have audited the special purpose financial information for the year ended March 31, 2024, March 31, 2023, and March 31, 2022 and period ended 30 June 2024, prepared by the Company in accordance with the Ind AS for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the “Peer Review Board” of the ICAI as required by ICDR Regulations in relation to proposed IPO.

#### **5. Basis of Examination**

For the purposes of our examination, we have relied on

- The restated financial statements of the Company as at and for the year ended March 31, 2024, March 31, 2023, and March 31, 2022 and period ended 30 June 2024 prepared in accordance with Ind AS prescribed under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015 and other accounting principles accepted in India
- The restated financial statements of the Company have been prepared after incorporating proforma Ind AS adjustments to the audited Indian GAAP financial statements as at March 31, 2024, March 31, 2023, and March 31, 2022 and period ended 30 June 2024 as described in Note 1 to the Restated Financial Information.
- Auditors’ report issued by us on the audited financial statements of the Company as at March 31, 2024, March 31, 2023 and March 31, 2022.

#### **6. Our Findings**

In accordance with the requirements of Part I of Chapter III of the Act including rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:



- The “Restated Statement of Assets and Liabilities” of the Company as at 30<sup>th</sup> June 2024, 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 is prepared by the Company and approved by the Board of Directors. These Restated Statement of Assets and Liabilities have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts
- The “Restated Statement of Profit and Loss Account” of the Company for the period ending 30<sup>th</sup> June 2024, 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 is prepared by the Company and approved by the Board of Directors. These Restated Statement of Profit and Loss Account have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts.
- The "Restated Statement of Cash Flows" of the Company for period ending 30<sup>th</sup> June 2024, 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 is prepared by the Company and approved by the Board of Directors. These Restated Statement of Cash Flows have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts.
- There were no qualifications in the Audit Reports issued by us for the period ended 30<sup>th</sup> June 2024, 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 which would require adjustments in this Restated Financial Statements of the Company.
- Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/ restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in Point-of this report.
- Adjustments in Restated Financial Statements have been made in accordance with the correct accounting policies and the corresponding impact of restatement has been charged / reversed to profit and loss account for the period ended 30<sup>th</sup> June 2024, 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022.
- There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements.
- There are no modifications requiring further adjustments.
- The Restated Financial Information has been prepared in accordance with the Act, the ICDR Regulations, and the Guidance Note.

7. In our opinion and to the best of information and explanation provided to us, the Restated Financial Statement of the Company, read with Significant Accounting Policies and Notes to Accounts as Appearing Above are prepared after providing appropriate adjustments and regroupings as considered appropriate.

## 8. Peer Review

We, M/s Baheti & Co., Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI

## 9. Quality Control

We have adhered to the applicable requirements of Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements. which ensures quality control in audit and assurance engagements.

## 10. Subsequent Events

The Restated Financial Information does not reflect the effects of events occurring after the respective dates of the reports on the financial statements. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

## **11. Limitations**

The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

## **12. Intended Use**

This report is intended solely for the use of the Board of Directors for inclusion in the offer document in connection with the IPO for Proposed Issue of Equity Shares of the Company. It is not suitable for any other purpose, and we accept no liability for any other use or to any other person.

**For, BAHETI & CO.**  
Chartered Accountants  
**FRN No.:** 006287C

**CA. DEEPAK BAHETI**  
(PARTNER)  
**M. No.:** 075063

**Place:** Bhopal  
**Date:** 11/10/2024  
**UDIN No:** 24075063BKBIIG2019

## OTHER FINANCIAL INFORMATION

### SUMMARY OF ACCOUNTING RATIOS

Particulars	Period ended June 30, 2024	FY 2023-2024	FY 2022-2023	FY 2021-2022
Basic EPS (in ₹)	2.08	6.32	5.64	3.25
Diluted EPS (in ₹)	2.08	6.32	5.64	3.25
Return on Net worth (%)	5.92%	19.20%	20.96%	15.17%
Net asset value per equity share (in ₹)	35.11	32.91	26.93	21.45
EBITDA (in ₹ lakhs)	521.89	1,664.50	1,421.20	914.49

Notes: The ratios have been computed as under:

1. Basic and diluted EPS: Restated profit for the year of the Company divided by total weighted average number of equity shares outstanding at the end of the year. Basic and diluted EPS are computed in accordance with IND AS 33 - Earnings per share.
2. Return on Net Worth: Net Profit after tax, as restated, divided by net-worth, as restated.
3. Net asset value per equity share is calculated as net worth as of the end of relevant year divided by the weighted average number of equity shares outstanding at the end of the year. Net worth represents the aggregate value of equity share capital, instruments entirely equity in nature and other equity and are based on Restated Financial Information.
4. EBDITA means Profit before depreciation, finance cost, tax.
5. Accounting and other ratios are derived from the Restated Financial Statements.

## CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at June 30, 2024, on the basis of the Restated Financial Statements, and as adjusted for the Issue. This table should be read in conjunction with "Risk Factors", "Financial Statements" and "Management's Discussion and Analysis of Financial condition and Results of Operations" on pages 29, 187, and 252.

Statement of Capitalization as on June 30, 2024:

(₹ In Lakhs)

Particulars		Pre-Issue	Post-Issue
<b>Total Borrowings:</b>			
Current borrowings		-	[●]
Non-current borrowings (including current maturity)	(A)	374.79	[●]
<b>Total borrowings</b>	<b>(B)</b>	<b>374.79</b>	<b>[●]</b>
<b>Shareholders' funds:</b>			[●]
Equity Share capital		1,659.83	[●]
Other equity		4,168.20	[●]
<b>Total Equity</b>	<b>(C)</b>	<b>5,828.05</b>	<b>[●]</b>
<b>Total Capital</b>	<b>(B+C)</b>	<b>6,202.83</b>	<b>[●]</b>
<b>Ratio: Non-Current borrowings / Total equity</b>	<b>(A)/(C)</b>	<b>0.064</b>	<b>[●]</b>
<b>Ratio: Total Borrowings / Total equity</b>	<b>(B)/(C)</b>	<b>0.064</b>	<b>[●]</b>

## **MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS**

The following discussion is intended to convey management’s perspective on our financial condition and results of operations for the year ended on March 31, 2022, March 31, 2023, March 31, 2024, and period ended on June 30, 2024. You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Draft Red Herring Prospectus. You should also read the section entitled “*Risk Factors*” beginning on page 29 of this Draft Red Herring Prospectus, which discusses several factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and is based on our restated financial statements, which have been prepared in accordance with Indian accounting standard (“Ind AS”), the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year (“Fiscal Year”) are to the twelve-month period ended March 31 of that year and the stub period ended on June 30, 2024.

In this section, unless the context otherwise requires, any reference to “we”, “us” or “our” refers to INSPROS ENGINEERS LIMITED (erstwhile " Inspros Engineers Private Limited"), our Company. Unless otherwise indicated, financial information included herein are based on our “*Restated Financial Statements*” for Financial Year ended on March 31, 2022, March 31, 2023, March 31, 2024, and the period ended June 30, 2024, included in this Draft Red Herring Prospectus beginning on page 187.

### **BUSINESS OVERVIEW**

We are an Electrical Engineering company engaged in manufacture of equipment, components and sub-assemblies used in traction control gear, busbars for electrical cabinets for electric locomotives and metro trainsets, solenoids for circuit breakers and switchgears, non-condenser bushings for HV Capacitors and disconnecting actuators for EVs. These parts are primarily used in railway, industrial machinery, electrical measurement and control equipment, electrical power equipment, and electric vehicles.

Incorporated in 1983, our Company, was established with the goal of reducing India's dependence on imported electrical equipment. Over the years, our company has successfully catered to both domestic and international markets. We embarked on our journey to export our products in 2001 and have since expanded our global reach to over 22 countries, including Argentina, Australia, Brazil, Bulgaria, Canada, Croatia, Czech Republic, Egypt, Finland, France, Germany, Italy, Kazakhstan, Kuwait, Malaysia, Mexico, Slovenia, Spain, Sri Lanka, Turkey, United Arab Emirates, United States of America. Our customers are industry leaders in their respective segment both India and globally.

### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST REPORTING PERIOD:**

In the opinion of the Board of Directors of our Company, there have not arisen, since the date of June 30, 2024 as disclosed in this Draft Red Herring Prospectus, any significant developments or any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

### **KEY FACTORS AFFECTING THE RESULTS OF OPERATION:**

Our Company’s future results of operations could be affected potentially by the following factors:

1. General economic conditions in India, changes in laws and regulations
2. Changes in revenue mix, including geographic mix of our revenues.
3. Changes in Fiscal, Economic or Political conditions in India.
4. Availability and cost of raw materials.
5. Increased market fragmentation.
6. Competition with existing and new entrants

## 7. Technology System and Infrastructure Risks

### OUR SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer Significant Accounting Policies, “Annexure IV” beginning under Chapter titled “*Financial Information*” beginning on page 187 of the Draft Red Herring Prospectus.

### RESULTS OF KEY OPERATIONS

The following table sets forth select financial data from our restated financial statement of profit and loss for the period ended June 30, 2024, and for the financial years ended March 31, 2024, 2023 and 2022 the components of which are also expressed as a percentage of total revenue for such period and financial years

(₹ in lakhs)

Particulars	For the period ended		For the year ended					
	June 30, 2024	% of Total Income	March 31, 2024	% of Total Income	March 31, 2023	% of Total Income	March 31, 2022	% of Total Income
Revenue from operation	1,763.11	96.30%	6,131.87	97.03%	5,065.78	95.81%	4,384.94	97.30%
Other income	67.65	3.70%	187.56	2.97%	221.33	4.19%	121.60	2.70%
<b>Total Income</b>	<b>1,830.75</b>	<b>100.00%</b>	<b>6,319.42</b>	<b>100.00%</b>	<b>5,287.10</b>	<b>100.00%</b>	<b>4,506.54</b>	<b>100.00%</b>
Consumption– Manufacturing Expenses	863.95	47.19%	2,705.31	42.81%	2,100.72	39.73%	2,144.16	47.58%
Changes in inventories of Finished goods, WIP and Stock-in-trade	-63.54	-3.47%	-109.18	-1.73%	62.09	1.17%	-57.46	-1.28%
Employee Benefits Expenses	195.62	10.69%	745.78	11.80%	673.82	12.74%	597.75	13.26%
Finance Cost	11.22	0.61%	48.49	0.77%	18.93	0.36%	25.59	0.57%
Depreciation and Amortisation Cost	54.23	2.96%	206.12	3.26%	176.44	3.34%	167.14	3.71%
Other Expenses	312.83	17.09%	1,313.01	20.78%	1,029.27	19.47%	907.61	20.14%
<b>Total Expenses</b>	<b>1,374.31</b>	<b>75.07%</b>	<b>4,909.54</b>	<b>77.69%</b>	<b>4,061.27</b>	<b>76.81%</b>	<b>3,784.78</b>	<b>83.98%</b>
<b>Profit Before Tax</b>	<b>456.45</b>	<b>24.93%</b>	<b>1,409.88</b>	<b>22.31%</b>	<b>1,225.84</b>	<b>23.19%</b>	<b>721.76</b>	<b>16.02%</b>
Tax Expenses	111.66	6.10%	361.04	5.71%	288.97	5.47%	181.66	4.03%
<b>Profit (Loss) for the Year</b>	<b>344.79</b>	<b>18.83%</b>	<b>1,048.84</b>	<b>16.60%</b>	<b>936.86</b>	<b>17.72%</b>	<b>540.09</b>	<b>11.98%</b>

### Review of Restated Financials

**Revenue from Operations:** Revenue from operations mainly consists of sale of products. Sale of products are from following segments: Railways, Power Grid Infrastructure, Electric Vehicles and other products.

**Other Income:** Other income includes Export Incentives, Interest Income, Gain on sale of Investments and Net gain on foreign currency transactions and translations.

**Total Income:** Our total income comprises revenue from operations and other income.

**Total Expenses:** Company's total expenses consist of Purchases of material, Changes in inventories of Finished goods, WIP and Stock-in-trade, Employee benefit expenses, finance costs, depreciation and amortization expenses, and other expenses.

**Changes in inventories of Finished goods, WIP and Stock-in-trade:** Changes in inventories consists of costs attributable to an increase or decrease in inventory levels during the relevant financial period in Finished goods, WIP and Stock-in-trade.

**Employee Benefits Expense:** Employee benefit expense includes Salary & Wages, Staff Welfare Expenses, Bonus, Director's Remuneration.

**Finance Cost:** Finance cost includes interest expense.

**Other expenses:** Other expenses mainly consist of Freight Outwards, Insurance charges, Software Maintenance, Travelling and conveyance expense, Consultancy charges, Security services, etc.

## **REVIEW OF OPERATION FOR THE PERIOD ENDED JUNE 30, 2024:**

### ***Revenue from Operations***

The Company's revenue from operations for the period ended June 30, 2024, is ₹ 1,763.11 lakhs. This is represented by sale of ₹ 838.89 from railways, ₹ 451.73 from power grid infrastructure, ₹ 367.92 from electric vehicles and ₹ 104.56 from other products among the revenue bifurcation.

### ***Other Income***

Other Income for the period ended June 30, 2024, amounted to ₹67.65 lakhs representing 3.70% of total income. This is represented by ₹ 14.99 lakhs of Export incentives, ₹ 19.68 lakhs of interest income, ₹ 9.22 lakhs of gain from sale of investment, ₹ 10.71 related to income from sale of scrap and other non-operating income.

### ***Consumption and Manufacturing expenses***

Consumption and Manufacturing expenses for the period ended June 30, 2024, amounted to ₹ 863.95 lakhs constituting 47.19% of total income.

### ***Changes in inventories of Finished goods, WIP and Raw materials***

There was a increase of ₹ 45.63 lakhs for period ended June 30, 2024 as compared to an decrease of ₹ (109.18) lakhs for Fiscal 2024, primarily attributable to a higher inventory of Finished goods at the end of period on June 30, 2024

### ***Employee Benefits Expenses***

Employee benefit expenses for the period ended June 30,2024 were ₹ 195.62 lakhs representing 10.69% of total income for that period. Employee benefit expenses consisted of Salaries and wages of ₹ 128.47, Director's remuneration of ₹ 56.23 and statutory payments of ₹ 10.91 lakhs.

### ***Finance Costs***

Finance Costs for the period ended June 30,2024 were ₹ 11.22 lakhs representing 0.61% of total income for that period. Finance cost includes interest expenses to bank of ₹ 5.18 lakhs and interest on related party loans of ₹ 4.81 lakhs. Other bank charges and commission were ₹ 1.23 lakhs.

#### ***Depreciation and amortization expenses***

Depreciation and amortization for the period ended June 30,2024 were ₹ 54.23 lakhs representing 2.96% of total income for that period. Depreciation was calculated on Property plant and equipment.

#### ***Other Expenses***

Other expenses for the period ended June 30,2024 were ₹ 312.83 lakhs representing 17.09% of total income for that period. Other expenses consisted of Job Work charges of ₹ 76.89 lakhs, Labour charges of ₹ 49.35 lakhs, Power charges of ₹ 16.70 lakhs, Consultancy charges of ₹ 11.99 lakhs, Insurance charges of ₹ 28.72 lakhs, freight charges of ₹ 9.26 lakhs, Security services charges of ₹ 9.00 lakhs, Legal charges for public offering of ₹ 23.88 lakhs and rest of ₹ 87.04 lakhs were for various miscellaneous expenses.

#### ***Tax Expenses***

Tax expenses for the period ended June 30,2024 were ₹ 111.66 lakhs. Current tax expenses of ₹ 115.45 lakhs and deferred tax expense of ₹ (3.79) lakhs were incurred.

#### ***Profit after Tax (PAT)***

Due to the aforementioned factors, the profit for the period ended June 30, 2024 was ₹ 344.79 lakhs representing 6.10% of total income after tax which comes to 18.83%.

### **COMPARISON OF F.Y. 2024 WITH F.Y. 2023:**

#### ***Revenue from Operations***

The Company's revenue from operations in the financial year 2023-24 is ₹ 6,131.87 lakhs. This represents ₹ 1,066.09 lakhs or 21.04% increase compared to the previous financial year's revenue from operations of ₹ 5,065.78 lakhs. This is represented by sale of ₹ 3,351.82 from railways, ₹ 1,906.91 from power grid infrastructure, ₹ 825.04 from electric vehicles and ₹ 48.1 from other products among the revenue bifurcation.

#### ***Other Income***

Other Income in the financial year 2023-24 decreased by ₹ 33.77 lakhs or by 15.26%, reaching ₹ 187.56 lakhs in comparison to the ₹ 221.33 lakhs earned in the Financial Year 2022-23.

#### ***Consumption and Manufacturing expenses***

Consumption and Manufacturing expenses for the financial year 2023-24 amounted to ₹ 2,705.31 lakhs constituting 42.81% of total income.

#### ***Changes in inventories of Finished goods, WIP and Raw materials***

There was a decrease of ₹ 109.18 lakhs for Fiscal 2024 as compared to an increase of ₹ 62.09 lakhs for Fiscal 2023, primarily attributable to a lower inventory of Finished goods at the end of Fiscal 2024.

#### ***Employee Benefits Expenses***



Employee benefit expenses in the Financial Year 2023-24 increased by 10.68%, reaching ₹ 745.78 lakhs in comparison to the ₹ 673.82 lakhs incurred in the Financial Year 2022-23. This rise in employee expenses primarily stemmed from increases in salaries and wages, which went up by ₹ 78.81 lakhs.

### ***Finance Costs***

Finance Costs in the Financial Year 2023-24 increased by 156.24%, reaching ₹ 48.49 lakhs in comparison to the ₹ 18.93 lakhs incurred in the Financial Year 2022-23. This rise in finance costs primarily stemmed from increases in Interest expense on borrowings, which went up by ₹ 20.13 lakhs and increases in Interest paid to others, which went up by ₹ 5.54 lakhs.

### ***Depreciation and amortization expenses***

Depreciation and amortization in the Financial Year 2023-24 increased by 16.82%, reaching ₹ 206.12 lakhs in comparison to the ₹ 176.44 lakhs incurred in the Financial Year 2022-23. The increase in depreciation was primarily due to addition in assets.

### ***Other Expenses***

Other expenses in the Financial Year 2023-24 increased by 27.57%, reaching ₹ 1,313.01 lakhs in comparison to the ₹ 1,029.27 lakhs incurred in the Financial Year 2022-23. This rise in other expenses was primarily attributed to several factors, including ₹ 192.80 lakhs increase in Job Work Charges, ₹ 47.75 lakhs increase in Labour Charges, ₹ 16.09 lakhs increase in Insurance expenses, ₹ 15.91 lakhs increase in Consultancy charges.

### ***Tax Expenses***

Tax expenses increased by 24.94%, reaching a total of ₹ 361.04 lakhs in the financial year 2023-24, in contrast to the ₹ 288.97 lakhs in the financial year 2022-23.

### ***Profit after Tax (PAT)***

Due to the aforementioned factors, the profit experienced an upswing, primarily driven by the growth in total income and a consequent increase in total expenses as a percentage of total income. The Profit After Tax (PAT) for the financial year 2023-24 reached ₹ 1,048.84 lakhs, marking an increase from ₹ 936.86 lakhs in the financial year 2022-23. In the financial year 2023-24, PAT constituted 16.60% of the total income, in contrast to 17.72% in the fiscal year 2022-23.

## **COMPARISON OF F.Y. 2023 WITH F.Y. 2022:**

### ***Revenue from Operations***

The Company's revenue from operations in the financial year 2022-23 is ₹ 5,065.78 lakhs. This represents ₹ 680.84 lakhs or 15.53% increase compared to the previous financial year's revenue from operations of ₹ 4,384.94 lakhs. This is represented by sale of ₹ 2,807.74 from railways, ₹ 2,140.23 from power grid infrastructure, ₹ 26.31 from electric vehicles and ₹ 91.5 from other products among the revenue bifurcation.

### ***Other Income***

Other Income in the financial year 2022-23 increased by ₹ 99.73 lakhs or by 82.02%, reaching ₹ 221.33 lakhs in comparison to the ₹ 121.60 lakhs incurred in the Financial Year 2021-22. This increase was primarily due to sale of MEIS Script of ₹ 28.55 lakhs, net gain on foreign exchange transactions of ₹ 79.67 lakhs and gain on sale of property plant and equipment of ₹ 53.37 lakhs.

### ***Consumption and Manufacturing expenses***

Consumption and Manufacturing expenses for the financial year 2022-23 amounted to ₹ 2,100.72 lakhs constituting 39.73% of total income.

### ***Changes in Inventories of Finished goods, WIP and Raw materials***

There was an increase of ₹ 62.09 lakhs for Fiscal 2023 as compared to a decrease of ₹ (57.46) lakhs for Fiscal 2022, primarily attributable to a higher inventory of WIP at the end of Fiscal 2023.

### ***Employee Benefits Expenses***

Employee benefit expenses in the Financial Year 2022-23 increased by 12.73%, reaching ₹ 673.82 lakhs in comparison to the ₹ 597.75 lakhs incurred in the Financial Year 2021-22. This rise in employee expenses primarily stemmed from increases in Director's remuneration, which went up by ₹ 72.00 lakhs.

### ***Finance Costs***

Finance Costs in the Financial Year 2022-23 decreased by (26.03%), reaching ₹ 18.93 lakhs in comparison to the ₹ 25.59 lakhs incurred in the Financial Year 2021-22. This decrease in finance costs primarily stemmed from decrease in Interest expense on borrowings, which went down by ₹ (7.42) lakhs.

### ***Depreciation and Amortisation Expenses***

Depreciation and amortization in the Financial Year 2022-23 increased by 5.56%, reaching ₹ 176.44 lakhs in comparison to the ₹ 167.14 lakhs incurred in the Financial Year 2021-22. The increase in depreciation was primarily due to addition in assets.

### ***Other Expenses***

Other expenses in the Financial Year 2022-23 increased by 13.40%, reaching ₹ 1,029.27 lakhs in comparison to the ₹ 907.61 lakhs incurred in the Financial Year 2021-22. This rise in other expenses was primarily attributed to several factors, including ₹ 50.53 lakhs increase in Insurance expenses, ₹ 29.98 lakhs increase in Repairs of plant and machinery and ₹ 48.33 lakhs increase in Anti-Dumping duty.

### ***Tax Expenses***

Tax expenses increased by 59.07%, reaching a total of ₹ 288.97 lakhs in the financial year 2022-23, in contrast to the ₹ 181.66 lakhs in the financial year 2021-22.

### ***Profit after Tax (PAT)***

Due to the aforementioned factors, the profit experienced an upswing, primarily driven by the growth in total income and a decrease in total expenses as a percentage of total income. The Profit After Tax (PAT) for the financial year 2022-23 reached ₹ 936.86 lakhs, marking a notable increase from ₹ 540.09 lakhs in the financial year 2021-22. In the financial year 2022-23, PAT constituted 17.72% of the total income, in contrast to 11.98% in the fiscal year 2021-22.

### ***Cash Flow***

The table below summaries our cash flows from our Restated Financial Information for the period ended June 30,2024 and for the financial years ended in 2024, 2023, and 2022:

Particulars	Period ended June 30, 2024	FY 2024	FY 2023	FY 2022
Net cash (used in)/ Generated from operating activities	206.61	355.42	980.04	459.95
Net cash (used in)/ Generated from investing activities	33.91	(512.02)	(1,164.72)	(164.32)
Net cash (used in)/ Generated from finance activities	(35.37)	180.95	(139.57)	(241.52)
Net increase/ (decrease) in cash and cash equivalents	205.16	24.35	(324.25)	54.10
Cash and Cash Equivalents at the beginning of the period	94.96	70.61	394.86	340.76
Cash and Cash Equivalents at the end of period	300.12	94.96	70.61	394.86

### ***Cash Flow from / (used in) Operating Activities***

Net cash generated from operating activities for the period ended June 30, 2024 was ₹ 206.61 lakhs and our profit before tax that period was ₹ 456.45 lakhs. The difference was primarily attributable to depreciation of ₹ 54.23 lakhs, Interest expense of ₹ 11.22 lakhs, and thereafter change in working capital of ₹ (189.28) lakhs respectively, resulting in gross cash generated from operations at ₹ 301.34 lakhs. We have income tax paid of ₹ 94.73 lakhs.

Net cash generated from operating activities in the Fiscal 2024 was ₹ 355.42 lakhs and our profit before tax that period was ₹ 1,409.88 lakhs. The difference was primarily attributable to depreciation of ₹ 206.12 lakhs, Interest expense of ₹ 48.49 lakhs, and thereafter change in working capital of ₹ (859.63) lakhs respectively, resulting in gross cash generated from operations at ₹ 718.33 lakhs. We have income tax paid of ₹ 362.91 lakhs.

Net cash generated from operating activities in the Fiscal 2023 was ₹ 980.04 lakhs and our profit before tax that period was ₹ 1,225.84 lakhs. The difference was primarily attributable to depreciation of ₹ 176.44 lakhs, Interest expense of ₹ 18.93 lakhs, and thereafter change in working capital of ₹ (75.52) lakhs respectively, resulting in gross cash generated from operations at ₹ 1,271.96 lakhs. We have income tax paid of ₹ 291.92 lakhs.

Net cash generated from operating activities in the Fiscal 2022 was ₹ 459.95 lakhs and our profit before tax that period was ₹ 721.76 lakhs. The difference was primarily attributable to depreciation of ₹ 167.14 lakhs, Interest expense of ₹ 25.59 lakhs, and thereafter change in working capital of ₹ (248.71) lakhs respectively, resulting in gross cash generated from operations at ₹ 644.32 lakhs. We have income tax paid of ₹ 184.37 lakhs.

### ***Cash Flow from / (used in) Investing Activities***

In the period ended June 30, 2024, our net cash used in investing activities was ₹ 33.91 lakhs, which was primarily for Purchase of PPE of ₹ (59.00) lakhs, Decrease in Investments of ₹ 48.69 lakhs and subsequent gain on sale of ₹ 9.22 lakhs, Sale of PPE of ₹ 15.00 lakhs and Interest received of ₹ 19.83 lakhs during the said period.

In the Fiscal 2024, our net cash used in investing activities was ₹ (512.02) lakhs, which was primarily for Purchase of PPE of ₹ (455.92) lakhs, Increase in Investments of ₹ (186.78) lakhs, Sale of PPE of ₹ 12.65 lakhs and Interest received of ₹ 60.94 lakhs during the said period.

In the Fiscal 2023, our net cash used in investing activities was ₹ (1,164.72) lakhs, which was primarily for Purchase of PPE of ₹ (257.64) lakhs, Increase in Investments of ₹ (1,066.85) lakhs and Interest received of ₹ 12.48 lakhs during the said period.

In the Fiscal 2022, our net cash used in investing activities was ₹ (164.32) lakhs, which was primarily for Purchase of PPE of ₹ (255.51) lakhs, Increase in Investments of ₹ (57.01) lakhs, Decrease in Non-current Assets of ₹ 100.63 lakhs and Interest received of ₹ 1.31 lakhs during the said period.

### ***Cash Flow from / (used in) Financing Activities***

In the period ended June 30,2024, our net cash generated from financing activities was ₹ (35.37) lakhs. This was primarily due to repayment of borrowings of ₹ (24.15) lakhs, and interest expense of ₹ (11.22) lakhs.

In the Fiscal 2024, our net cash generated from financing activities was ₹ 180.95 lakhs. This was primarily due to proceeds from borrowings of ₹ 322.64 lakhs, dividend expense of ₹ (74.99) lakhs and interest expense of ₹ (48.49) lakhs.

In the Fiscal 2023, our net cash generated from financing activities was ₹ (139.57) lakhs. This was primarily due to proceeds from borrowings of ₹ 44.00 lakhs, repayment of borrowings of ₹ (89.66) lakhs, dividend expense of ₹ (74.99) lakhs and interest expense of ₹ (18.93) lakhs.

In the Fiscal 2022, our net cash used in financing activities was ₹ (241.52) lakhs. This was primarily due to repayment of borrowings of ₹ (145.94) lakhs, dividend expense of ₹ (69.99) lakhs and interest expense of ₹ (25.59) lakhs.

**Information required as per Item 11 (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:**

**1. Unusual or infrequent events or transactions**

To our knowledge there have been no unusual or infrequent events or transactions that have taken place during the last three years and the period ended June 30, 2024

**2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in ‘Factors Affecting our Results of Operations’ and the uncertainties described in the section entitled “*Risk Factors*” beginning on page 29 of this Draft Red Herring Prospectus. To our knowledge, except as we have described in this Draft Red Herring Prospectus, there are no known factors which we expect to bring about significant economic changes.

**3. Income and Sales on account of major product/main activities**

Income and sales of our Company mainly consists of sale of products from following segments:

Particulars	For the period ended June 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 revenue from operations	Revenue	% of revenue from operations	Revenue	% of revenue from operations	Revenue	% of revenue from operations
Power Grid Infrastructure	838.89	47.58	3,351.82	54.66	2,807.74	55.43	2,357.90	53.77
Railways	451.73	25.62	1,906.91	31.10	2,140.23	42.25	1,978.95	45.13
Electric Vehicle	367.92	20.87	825.04	13.45	26.31	0.52	0.86	0.02
Other Miscellaneous	104.56	5.93	48.10	0.78	91.50	1.81	47.24	1.08
<b>Total</b>	<b>1,763.11</b>	<b>100.00</b>	<b>6,131.87</b>	<b>100.00</b>	<b>5,065.78</b>	<b>100.00</b>	<b>4,384.94</b>	<b>100.00</b>

**4. Whether the company has followed any unorthodox procedure for recording sales and revenues**

Our Company has not followed any unorthodox procedure for recording sales and revenues.

**5. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section titled “*Risk Factors*” beginning on page 29 in this Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**6. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.**

Increases in revenues are by and large linked to increases in volume of business.

**7. Total turnover of each major industry services in which the issuer company operated.**

The Company is in the business of, the relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page 114 of this Draft Red Herring Prospectus.

**8. Status of any publicly announced new products or business services.**

Our Company has not announced any new services or business services.

**9. The extent to which business is seasonal.**

Our Company’s business is not seasonal.

**10. Any significant dependence on a single or few suppliers or customers.**

The % of contribution of our Company’s suppliers vis-à-vis the total purchases from operations respectively for the Fiscal 2022, 2023 and 2024 is as follows:

Particulars	Top Suppliers as a percentage (%) of total purchases			
	Period ended June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Top 5	52.78	51.73	54.97	53.93
Top 10	67.72	63.07	63.99	65.74

The % of contribution of our Company’s customers vis-à-vis the total revenue from operations respectively for the Fiscal 2022, 2023 and 2024 is as follows:

Particulars	Top Customers as a percentage (%) of total revenue			
	Period ended June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Top 5	61.49	60.84	66.26	64.58
Top 10	80.99	73.60	78.35	78.26

**11. Competitive conditions.**

Competitive conditions are as described under the Chapters titled “*Industry Overview*” and “*Our Business*” beginning on pages 114 and 122, respectively of this Draft Red Herring Prospectus.

## FINANCIAL INDEBTEDNESS

Our Company has availed certain credit facilities in the ordinary course of business to meet our working capital requirements and for general corporate purposes. As of October 11, 2024, our outstanding borrowings aggregated to ₹ 787.49 lakhs.

Set forth below, is a summary of our Company's borrowings as on October 11, 2024, together with a brief description of certain significant terms / material covenants of the relevant financing arrangements.

Category of borrowing	Interest (in % p.a.)	Sanctioned Amount (in Lakhs)	Outstanding amount as on October 11, 2024	Remaining tenure (in Months)
<b>Fund Based:</b>				
<b>Secured(A)</b>				
<b>Term Loans</b>				
HDFC WC Term loan	9.19% <sup>(1)</sup>	311.00	181.34	20
<b>Total (A)</b>		<b>311.00</b>	<b>181.34</b>	<b>20</b>
<b>Unsecured (B)</b>				
<b>Loan against Insurance Policies</b>				
ICICI Prudential Life Insurance Co	8.25%	210.85	210.85	6
Life Insurance Corporation of India	9.78%	225.00	225.00	6
<b>Loan from Director &amp; Relatives</b>				
Vipin Mullick	12%	40.00	40.00	Repayable on demand
Anandita Mullick	12%	9.00	9.00	Repayable on demand
J.D. Mullick	12%	77.00	77.00	Repayable on demand
Manya Mullick	12%	22.00	22.00	Repayable on demand
Divij Mullick	12%	20.50	20.50	Repayable on demand
Vipin Mullick (HUF)	12%	1.80	1.80	Repayable on demand
<b>Total (B)</b>		<b>606.15</b>	<b>606.15</b>	
<b>Total (A+B)</b>		<b>917.15</b>	<b>787.49</b>	

*\*As certified by peer review auditor, M/s. Baheti & Co. pursuant to their certificate dated October 11, 2024.*

*Notes: In the absence of specific sanction limits, outstanding amount of borrowing (including interest payable) has been considered as sanction amount.*

### Principal terms of the borrowings availed by our Company:

The details provided below are indicative, and there may be additional terms, conditions and requirements under various documentation executed by our Company in relation to our indebtedness:

- Interest:** In terms of the facilities sanctioned to us, the interest rate shall be agreed with the lender at the time of disbursement. Additionally, the interest rate for secured term loan is based on the reference rate or change of the spread by the bank. The annualised percentage rate given by the bank is 9.19% p.a. charged on the statement provided to the company.

During the tenure of the loan the interest rate has been reset by the bank once in three months or such intervals as may be permissible under the RBI guidelines/regulations from time to time. The details of rate change are as follows:

Period	Rate of Interest
July 2023 – Aug 2023	9.00%
Sept 2023 – Nov 2023	9.08%
Dec 2023 – Feb 2024	9.16%
Mar 2024 – May 2024	9.28%
June 2024 – Aug 2024	9.20%
Sept 2024 – Oct 2024	8.82%
<b>Average rate from period July 23– Oct 24</b>	<b>9.09%</b>

2. **Tenure and Sanction amount:** The tenor of Term loan from HDFC Bank has been 37 months and at the inception of the loan, the company was provided with a sanctioned amount of ₹ 300.00 lakhs for term loan and additional ₹ 11.00 lakhs as a cash credit facility. The company has not availed the cash credit facility as on the date of this certificate.
3. **Loan against Insurance Policies:** The company was granted loan by ICICI Life Prudential Life Insurance and Life Insurance Corporation of India against the respective policies taken by the company during the fiscal year.  
The company will be using this facility for working capital purpose.
4. **Security:** In terms of the borrowings availed by our Company where security needs to be created, security is created by registered mortgage of on following Immovable Property as mentioned below:
  - a) *Primary Security:* - Factory land and building – i) One Industrial lease hold plot no. 126-A Industrial Area Phase 2, Mandideep Tehsil, Goharganj Dist-Raisen 462046.  
ii) One Industrial lease hold plot no. 125-A Industrial Area Phase 2, Mandideep Tehsil, Goharganj Dist-Raisen 462046.
  - b) *Secondary security:* - Hypothecation charge on all the present & future raw material, finished goods, goods in process of manufacturing and other goods, movable assets or merchandise, book debts, amount outstanding, monies receivables, claims and bills & plant & machinery of the company.
5. **Guarantee:** Guarantees given by Vipin Mullick and Anandita Mullick, the directors of the company.
6. **Covenants:**
  - a) **Interest Servicing:** In case of a CC/OD facility, last day of every month. Interest to be serviced within 3 days of the applicable due date even if the utilization is within the sanctioned limits.
  - b) **Interest Levy:** Charged @ 18.00% p.a. on overdue/ delays/ defaults of any monies payable. :
  - c) **Commitment Charges:** Charged @0.50 % p.a. on quarterly basis, on the entire unutilized portion, if average utilization is less than 60%. <Only for CC/OD facility>
  - d) **Additional Interest levy:** @ 2% p.a. additional interest levy over existing rate of interest on account of:
    - I. Maintaining Current Account with Other Bank while facility is granted under Sole Banking (applicable where specific permission is not taken by the customer).

- II. Deterioration in account conduct. a) Interest Servicing: In case of a CC/OD facility, last day of every month. Interest to be serviced within 3 days of the applicable due date even if the utilization is within the sanctioned limits.
- e) Penal Interest levy: @ 2% p.a. Penal interest levy over existing rate of interest for:
- I. non-submission of documents for renewal of credit facilities.
  - II. non-submission of Stock statement.
  - III. non submission of Stock and Property Insurance policy including renewal policy.
  - IV. non-compliance with documentation for the credit facility.
- f) Service Charges - for processing Physical Stock Statement: ₹ 500 for every physical stock statement collected or submitted.
- g) Stock Audit Charges: For Sanctioned Limits up to Rs. 5 Cr: ₹ 8,000/- plus taxes as applicable. For Sanctioned Limits above Rs 5 Cr: Rs.12,000/- plus taxes as applicable. (\*\*For the customers having multiple locations, stock audit charges to paid per number of visits at each factory, office, godown etc.).
- h) Conversion Charges (For revising rate of interest): @ 0.25% plus taxes as applicable on loan outstanding in case of Term loan and on sanctioned amount for other Working Capital Facility (e.g. Cash Credit / Overdraft etc.) or Rs. 5, 000 plus taxes as applicable, whichever is higher.
- i) Cersai Charges for creation / modification of security interest on collateral securities: ₹100/- per Collateral security for each creation/ modification of charges.



## **SECTION VII – LEGAL AND OTHER INFORMATION OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

*Except as stated in this section, there are no (i) outstanding criminal proceedings; (ii) actions taken by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; or (iv) Material Litigation (as defined below), involving our Company, Directors or Promoters; (v) outstanding dues to MSMEs and other creditors; (vi) Material Dues (as defined below) to creditors.*

*In relation to (iv) above, our Board, at its meeting held on September 19, 2024 has determined Material Litigation as:*

*All pending litigation/arbitration proceedings, including any litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or Stock exchange against the promoters in the last five financial years including any outstanding actions, and tax matters (direct or indirect), would be considered 'material' if -*

- a. the aggregate monetary amount of claim by or against the Company, its Directors and/or Promoters (individually or in aggregate) in any such pending litigation/arbitration proceeding is in excess of 5% (Note: Materiality threshold to be discussed with the working group) of profit after tax of the last audited financial statements of the Company;*
- b. in the event monetary liability is not quantifiable, such pending proceeding shall be considered material if the outcome of any such pending proceedings may have a material bearing on the business, operations, performance, prospects or reputation of the Company.*

*Except as stated in this section, there are no outstanding litigation, the outcome of which would have a material impact on our Company.*

*In relation to (vi) above, our Board, at its meeting held on September 19, 2024 has determined 'Material Dues' as:*

*Outstanding dues to any creditor of the Company having monetary value which exceed 15% of the trade payables of the Company as on date of latest financial statements of the Company disclosed in the Offer Documents.*

*Details of Material Dues to creditors as required under the SEBI ICDR Regulations have been disclosed on our website at [www.inspors.net](http://www.inspors.net)*

*It is clarified that for the purposes of the above, pre-litigation notices received by our Company, Directors or Promoter shall, unless otherwise decided by the Board, not be considered as litigation until such time that our Company or any of its Directors or Promoter, as the case may be, is impleaded as a defendant in litigation before any judicial forum.*

*Except as disclosed herein, our Company, its Directors and Promoter are not Wilful Defaulters and there have been no violations of securities laws in the past or pending against them.*

### **PART I- LITIGATION RELATING TO THE COMPANY**

#### **1. CASES FILED AGAINST THE COMPANY:**

##### **A. Litigation Involving Criminal Laws**

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings against our Company.

## B. Litigation Involving Actions by Statutory/Regulatory Authorities

As on the date of this Draft Red Herring Prospectus, there are no actions by Statutory and Regulatory Authorities against the Company.

## C. Litigation Involving Tax Liabilities

Below are the details of pending tax cases involving the Company, specifying the number of cases pending and the total amount involved:

Particulars	Number of Cases	Amount involved (in ₹ Lakhs)
<b>Indirect Taxes</b>		
Sale Tax/VAT	NIL	NIL
Central Excise	NIL	NIL
Customs	NIL	NIL
Service Tax	NIL	NIL
<b>Total</b>	<b>NIL</b>	<b>NIL</b>
<b>Direct Tax</b>		
Cases filed against the Company	1	0.32 <sup>^</sup>
Cases filed by the Company	NIL	NIL

<sup>^</sup>As per website of Income Tax, the above e-proceedings are shown as pending with “open” or “pending” status. However, Assessment u/s 143(3) for AY 2018-19 was completed and demand of ₹ 0.27 lakhs was raised. For the Assessment year 2021-22, a refund was determined by the Income Tax department. Refund kept on hold for adjustment of old demands of AY 2018-19, and that Refund is kept on hold for adjustment of old demands. There exists no outstanding demand against the Director and the Director has raised grievance with the Income Tax Department for the same.

## D. Other Pending Litigations

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

## 2. CASES FILED BY OUR COMPANY:

### A. Litigation Involving Criminal Laws

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings filed by the Company.

### B. Litigation Involving Actions by Statutory/ Regulatory Authorities

As on the date of this Draft Red Herring Prospectus, there are no other pending actions initiated by the Company.

### C. Other Pending Litigations

As on the date of this Draft Red Herring Prospectus, there are no other pending Litigations filed by the Company.

## PART II- LITIGATION RELATING TO THE DIRECTORS AND PROMOTERS OF OUR COMPANY

### 1. CASES FILED AGAINST OUR PROMOTER AND DIRECTORS:

#### A. Litigation Involving Criminal Laws

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings filed against our Promoters and the Directors.

#### **B. Litigation Involving Actions by Statutory/Regulatory Authorities**

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions initiated by Statutory Authorities or Regularity Authorities against our Promoters and the Directors.

#### **C. Litigation Involving Tax Liabilities**

Below are the details of pending tax cases involving our Promoters, specifying the number of cases pending and the total amount involved:

<b>Particulars</b>	<b>Number of Cases</b>	<b>Amount involved (in ₹ Lakhs)</b>
<b>Indirect Taxes</b>		
Income Tax	NIL	NIL
Central Excise	NIL	NIL
Customs	NIL	NIL
Service Tax	NIL	NIL
<b>Total</b>	<b>NIL</b>	<b>NIL</b>
<b>Direct Tax</b>		
Cases filed against the Promotor and Director	NIL	NIL
Cases filed by the Promotor and Director	NIL	NIL

#### **D. Other Pending Litigations**

As on the date of this Draft Red Herring Prospectus, there are no other pending Litigations filed against the Promoters and the Directors.

### **2. CASES FILED BY OUR PROMOTER AND DIRECTORS**

#### **A. Litigation Involving Criminal Laws**

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings filed by our Promoters and Directors.

#### **B. Litigation Involving Actions by Statutory/Regulatory Authorities**

As on the date of this Draft Red Herring Prospectus, there are no pending civil and other material litigations proceedings filed by our Promoters and Directors.

#### **C. Other Pending Litigations**

As on the date of this Draft Red Herring Prospectus, there are no other pending Litigations filed by the Promoters and the Directors.

### **PART III – LITIGATION RELATED TO OUR SUBSIDIARIES**

As on date of this Draft Red Herring Prospectus, the Issuer Company does not have any Subsidiary Company.

## OUTSTANDING DUES TO THE CREDITORS

Our Board has, pursuant to its resolution dated *September 19, 2024*, approved that all other creditors of our Company to whom the amount due by our Company exceeds 10% of trade payables of our Company as on the date of latest restated financial statements of our Company shall be considered “material” creditors of our Company.

The outstanding dues owed to small scale undertakings and such other material creditors, separately, giving details of number of cases and amounts for all such dues as on June 30, 2024, is set out below:

<b>Particulars</b>	<b>No. of Creditors</b>	<b>Amount Outstanding (amount in ₹ Lakhs)</b>
<b>Total Outstanding dues to Material Creditors</b>	<b>3</b>	<b>104.64</b>
Outstanding dues to small scale undertakings	-	-
Outstanding dues to other creditors	3	104.64
<b>Total Outstanding dues to other than Material Creditors</b>	<b>71</b>	<b>112.49</b>
<b>Total Creditors</b>	<b>74</b>	<b>217.13</b>

For further details, refer to the section titled “*Financial Information*” on page 187 of this Draft Red Herring Prospectus.

## MATERIAL DEVELOPMENTS SINCE JUNE 30, 2024

Except as mentioned under the section “*Management’s Discussion and Analysis of Financial Position and Result of Operation*” on page 252 of this Draft Red Herring Prospectus, there have been no material developments, since the date of the last audited balance sheet.

## OTHER MATTERS

Details of any inquiry, inspection or investigation initiated under present or previous Companies laws in last five years against the company: NIL

Disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoter in the last five financial years including outstanding action: NIL

Our Company or its promoter or its directors has never been declared as a Wilful Defaulter.

## GOVERNMENT AND OTHER KEY APPROVALS

*Our Company have received the necessary consents, licenses, permissions and approvals from the Central and State Governments and various governmental agencies/ regulatory authorities/ certificate bodies required to undertake this Issue and for our present business and except as mentioned below, no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.*

*The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing business activities.*

### 1) Approvals for the Proposed Issue:

1. The Board of Directors has, pursuant to a resolution passed at its Meeting held on July 29, 2024, authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.
2. The shareholders of the Company have, pursuant to a special resolution passed in Extra-ordinary general meeting held on August 03, 2024, authorized the Issue under Section 62(1)(c) of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.
3. Our Board approved this Draft Red Herring Prospectus pursuant to its resolution dated October 29, 2024;
4. The Company has obtained in-principle listing approval dated [●] from NSE for using its name in this offer document for a listing of our shares on the SME Platform of the National Stock Exchange of India Limited (NSE EMERGE).
5. The Company has entered into an agreement dated September 17, 2024, with the Central Depository Services (India) Limited (“CDSL”) and Link Intime India Private Limited the Registrar and Transfer Agent for the dematerialization of its shares.
6. The Company has entered into an agreement dated September 19, 2024, with the National Securities Depository Limited (“NSDL”) and Link Intime India Private Limited, the Registrar and Transfer Agent for the dematerialization of its shares.
7. The Company’s International Securities Identification Number (“ISIN”) is INE15G001018.

The following table sets out the details of licenses, permissions, and approvals obtained under various Central and State Laws for carrying out its business.

### 2) Approvals/Licenses related to our Business Activities\*:

Sr. No.	Nature of Registration/License	Registration No./ Reference No./ License No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	UDYAM Registration Certificate	UDYAM-MP-35-0000478	The Micro, Small and Medium Enterprises	Ministry of Micro, Small and Medium Enterprises,	October 07, 2020	Valid till Cancelled

Sr. No.	Nature of Registration/License	Registration No./ Reference No./ License No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
			Development Act, 2006	Government of India		

### 3) Registration obtained under the Companies Act, 2013:

Sr. No.	Nature of Registration/License	Registration /License No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Certificate of Incorporation	U02422MP1983PTC002289	The Companies Act, 1956	Registrar of Companies, Gwalior, Madhya Pradesh	November 14, 1983	Valid till Cancelled
2.	Fresh Certificate of Incorporation upon Conversion from Inspros Engineering Private Limited to Inspros Engineering Limited	U02422MP1983PLC002289	The Companies Act, 2013	Registrar of Companies, Gwalior, Madhya Pradesh	July 26, 2024	Valid till Cancelled

### 4) Registration under various Tax related Acts/Rules relating

Sr. No.	Nature of Registration/License	Registration/License No.	Issuing Authority	Initial date of issue	Date of Expiry
1.	Permanent Account Number (PAN)	AAACI6645N	Income Tax Department, GOI	November 14, 1983	Valid till Cancelled
2.	Tax Deduction Account Number (TAN)	BPLI00046E	Income Tax Department, GOI	November 14, 1983	Valid till Cancelled
3	Certificate of Goods & Service Tax	23AAACI6645N2ZB	Government of India	July 18, 2018	Valid till Cancelled
4	Certificate of Registration under Service Tax in the name of Inspros Engineers Private Limited	R- I/D/II/ST/MRS/02/200	Central Excise division-II, Bhopal	October 30, 2004	Valid till Cancelled
5	Certificate of Registration for Professional Tax under Madhya Pradesh Professional Tax Act, 1995	79539008465	Commercial Tax Officer, Mandideep	July 13, 2016	Valid till Cancelled
6.	Certificate of Enrolment for Professional Tax under	78059074798	Commercial Tax Officer, Mandideep	February 2, 2017	Valid till Cancelled

Sr. No.	Nature of Registration/License	Registration/License No.	Issuing Authority	Initial date of issue	Date of Expiry
	Madhya Pradesh Professional Tax Act, 1995				
7.	Importer- Exporter Code (IEC)	1198001984	Directorate General of Foreign Trade, Ministry of Commerce and Industry	August 19, 1998	Valid till Cancelled
8.	Legal Entity Identifier (LEI) Certificate	984500A2F6D4SE5NJV42	India LEI, LEI Registration Agent	July 2, 2024	Valid till July 2, 2025

#### 5) Licenses/Approvals under Industrial and Labour Laws\*

Sr. No.	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Employee State Insurance Corporation Registration	18-9284-64	ESI Act 1948	Employee State Insurance Corporation, Indore	November 3, 1986	Valid till Cancelled
2.	Factory License- Unit 1	60/9108/RSN/2MI	Factories Act, 1948	Directorate of Industrial Safety and Health, Government of Madhya Pradesh	November 28, 2019	December 31, 2024
3.	Factory License- Unit 2	155/15044/RSN/2MI/NH	Factories Act, 1948	Directorate of Industrial Safety and Health, Government of Madhya Pradesh	November 11, 2019	December 31, 2024
4.	Employee Provident Fund Registration	No- 6398	The Employee Provident Fund and Miscellaneous Provisions Act, 1952	Central Provident Fund Commissioner Madhya Pradesh	November 27, 1989	Valid till Cancelled

#### 6) Other Business-related Approvals\*


Sr. No.	Description	Registration No./ License No./Application No.	Authority	Date of Issue	Date of Expiry
1.	ISO 9001: 2015 – Unit I & Unit 2	IND.24.1910/IM/U	Quality Management System	September 18, 2018	September 17, 2027

Sr. No.	Description	Registration No./ License No./Application No.	Authority	Date of Issue	Date of Expiry
2.	ISO 14001: 2015 – Unit 1 & Unit 2	IND.24.1910/IM/U	Quality Management System	September 18, 2018	September 17, 2027
3.	ISO 45001: 2018 – Unit 1 & Unit 2	IND.24.1910/IM/U	Quality Management System	February 24, 2024	September 17, 2027
4.	Generator License under Madhya Pradesh Electricity Act and Rules 1948.	3091/30/129/642	Chief Electrical Inspector, Madhya Pradesh	January 1, 2001	Valid till Cancelled
5.	Consent Order of renewal of consent under Section 25 of the Water (Prevention & Control of Pollution) Act,1974 under Section 21 of the Air (Prevention & Control of Pollution) Act,1981	Consent No-AW-111755	M.P Pollution Control Board, Mandideep	March 21, 2023	Valid till March 31, 2028
6.	Consent Order of expanded capacity under Section 25 of the Water (Prevention & Control of Pollution) Act,1974 under Section 21 of the Air (Prevention & Control of Pollution) Act,1981	Consent No-AW-101828	M.P Pollution Control Board, Mandideep	May 5, 2022	Valid till April 14, 2027
7.	Verification Certificate of Legal Metrology- Unit 1	RS/446/2920/2126/2024	Govt. of Madhya Pradesh ,Officer of the Controller Weights and Measures (Legal Metrology)	October 16, 2024	October 16, 2025
8.	Verification Certificate of Legal Metrology- Unit 2	RS/446/2920/2127/2024	Govt. of Madhya Pradesh ,Officer of the Controller Weights and Measures (Legal Metrology)	October 16, 2024	October 16, 2025

### 7) Intellectual Property\*

Sr. No.	Particulars of the Mark	Application No.	Class	Registration/Application date	Status/Validity
1.	INSPROS	6667268	09	October 14, 2024	Formalities Check Pass



Sr. No.	Particulars of the Mark	Application No.	Class	Registration/Application date	Status/Validity
2.	INSPROS	6667269	12	October 14, 2024	Formalities Check Pass
3.		6679471	09	October 21, 2024	Applied

*\* Some of the above-mentioned approvals are in the previous name of the Company i.e., Inspros Engineers Private Limited. The Company is in the process of changing its name from Inspros Engineers Private Limited to Inspros Engineers Limited in all its approvals.*

#### 8) Domain Registration Details

Sr. No.	Domain Name and ID	Sponsoring Registrar and IANA ID	Creation Date	Expiry Date
1.	INSPROS.NET	GoDaddy.com LLC - 2155	January 2024	December 2027

#### 9) Approvals applied for but not yet received/ Renewals made in the usual course of business:

NIL

#### 10) Material licenses/ approvals for which our Company is yet to apply for:

NIL

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

#### *Corporate Approvals*

The Issue has been authorized by our Board of Directors pursuant to the resolution passed at its meeting dated July 29, 2024 and the Issue has been authorised by our Shareholders pursuant to a special resolution passed at their EGM dated August 03, 2024 authorised the Issue under Section 62(1)(c) of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary. This DRHP has been approved by our Board for filing with the SEBI and the Stock Exchange pursuant to the resolution passed at its meeting held on October 29, 2024. For further details, see “*The Issue*” on page 57.

#### **In-principle Listing Approvals**

We have received in principle approval from National Stock Exchange of India Limited vide their letter dated [●] to use the name of National Stock Exchange of India Limited in the Draft Red Herring Prospectus for listing of our Equity Shares on EMERGE Platform of National Stock Exchange of India Limited. National Stock Exchange of India Limited is the Designated Stock Exchange for the purpose of this Issue.

#### **Prohibition by SEBI or Governmental Authorities**

Our Company, Promoters, members of the Promoter Group, Directors or persons in control of the Promoters or the Company are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court on the date of this Draft Red Herring Prospectus.

#### **Prohibition By RBI**

Neither our Company nor our Promoters, or Directors have been identified as a wilful defaulter or Fraudulent Borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.

None of our Company, Promoters or Directors have been declared as a fraudulent borrower by any bank, financial institution or lending consortium, in accordance with the ‘Master Directions on Fraud-Classification and Reporting by commercial banks and select FIs’ dated July 01, 2016, as updated, issued by the RBI.

#### **Compliance under Companies (Significant Beneficial Owners) Rules, 2018**

Our Company, Promoters, or members of the Promoter Group severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable, as on the date of this Draft Red Herring Prospectus. Further, in view of the General Circular No. 07/2018 dated *September 06, 2018* and General Circular No. 08/2018 dated *September 10, 2018* issued by the Ministry of Corporate Affairs, Government of India (“MCA”), our Company, our Promoters and our Promoter Group will ensure compliance with the SBO Rules, upon notification of the relevant forms, as may be applicable to them.

#### **Directors associated with the Securities Market**

None of our Directors are, in any manner, associated with securities market. Further there has been no outstanding actions initiated by the SEBI against our Directors in the five years preceding the date of this Draft Red Herring Prospectus except as stated under the chapters titled “*Risk factors*”, “*Our Promoter and Promoter Group*” and “*Outstanding Litigations and Material Developments*” beginning on page 29, 180 and 264 respectively, of this Draft Red Herring Prospectus.

## Eligibility for the Issue

Our Company is an “Unlisted Company” in terms of the SEBI (ICDR) Regulation; and this Issue is an “Initial Public Issue” in terms of the SEBI (ICDR) Regulations.

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our Company whose post issue face value capital will be more than ten crores rupees and up to twenty-five crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”), in this case being the SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE.

As per Regulation 229(3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of SME platform of the NSE in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations as below:

**(a) The Issue should be a company incorporated under the Companies Act 1956/2013.**

Our Company was incorporated on November 14, 1983 under the Companies Act, 1956.

**(b) The post issue paid up capital of the company (face value) shall not be more than ₹ 25.00 Crores.**

The present paid-up capital of our Company is ₹ 16,75,93,400 and we are proposing issue up to 64,00,000 equity shares of face value of ₹ 10 each (“equity shares”) of the Company for cash at a price of ₹ [●] per equity share (including a share premium of ₹ [●] per equity share) (“issue price”) aggregating up to ₹ [●] lakhs. Hence, our Post Issue Paid up Capital will be approximately ₹ [●] Lakh which will be less than ₹ 25 Crore.

**(c) Track Record**

Our Company has a track record of three as on date of filing of this Draft Red Herring Prospectus.

**(d) Operating Profits from Operations and Net-worth**

The Company has operating profit (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net worth as on June 30, 2024 is ₹ 5,828.04 lakhs.

Our Company’s net worth and Operating profits from operations (earnings before depreciation and tax), based on the Restated Financial Statements included in this Draft Red Herring Prospectus for the last three Fiscals and stub period ended June 30, 2024, March 31, 2024, 2023 and 2022 are set forth below:

### From Restated Financial Statements

(₹ in Lakhs)

Particulars	As at			
	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Operating Profit (earnings before interest, depreciation and tax)	521.89	1,664.50	1,421.20	914.49
Particulars	As at			
	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Share Capital	1,659.83	9.99	9.99	9.99
Add: Reserves & Surplus	4,168.20	5,452.54	4,459.41	3,550.91

Particulars	As at			
	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Net Worth</b>	<b>5,828.04</b>	<b>5,462.54</b>	<b>4,469.41</b>	<b>3,560.91</b>

- (e) **The company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the tripartite agreements with the Depositories and the Registrar and Share Transfer Agent.

- (f) **Company shall mandatorily have a website.**

Our Company has a live and operational website- [www.inspors.net](http://www.inspors.net)

- (g) **The Company should have positive Free cash flow to Equity (FCFE) for at least 2 out of 3 financial years preceding the application**

(₹ in lakhs)

Particulars	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Cash flow from operating	355.42	980.04	459.95
Less: Purchase of FA (Net)	443.27	165.01	226.32
Add: Net Borrowings	304.43	(45.66)	(145.94)
Less: Interest (Net of tax)	36.08	14.46	19.15
<b>FCFE</b>	<b>180.51</b>	<b>754.91</b>	<b>68.54</b>

\* As certified by Baheti & Co., Chartered Accountant by way of their certificate dated October 11, 2024.

- (h) Other Listing Conditions:

- i. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR) and no proceedings have been admitted under Insolvency and Bankruptcy Code against our Company.
- ii. There is no winding up petition against the company that has been admitted by the Court and accepted by a court or a Liquidator has not been appointed.
- iii. There has been no change in the Promoters of the Company in preceding one year from the date of filing application to EMERGE Platform of NSE Limited ('NSE EMERGE') segment.
- iv. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the company.
- v. There is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group company, companies promoted by the promoters/promoting company(ies) of the applicant company.
- vi. There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company, Promoters, companies promoted by the Promoters during the past three years.
- vii. There are no Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting Company(ies), Company(ies), companies promoted by the promoters/promoting Company(ies) during the past three years. An auditor's certificate will be provided by the issuer to the exchange, in this regard.

- viii. We have disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting Company(ies), group Company(ies), subsidiaries companies promoted by the promoters/promoting Company(ies) of the applicant Company in the Draft Red Herring Prospectus.
- ix. We have disclosed the details of the applicant, Promoters/Promoting Company(ies), Group Company(ies), subsidiaries, companies promoted by the promoters/promoting Company(ies) litigation record, the nature of litigation, and status of litigation, For details, please refer the chapter "*Outstanding Litigation & Material Developments*" on page 264 of this Draft Red Herring Prospectus.
- x. There has been no track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of our Directors and its effect on the business of our Company, where all or any of the directors of our Company have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences.
- xi. We have disclosed all details of the track record of the directors. For Details, refer the chapter "*Outstanding Litigation & Material Developments*" on page 264 of this Draft Red Herring Prospectus.
- xii. We have not been rejected by the Exchange in the last 6 complete months.
- xiii. There have been no instances of our BRLM to the Offer, where any of their IPO draft offer document filed with the NSE being returned in the past 6 months from the date filing of this DRHP.

**As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:**

- The Draft Red Herring Prospectus has been filed with NSE and our Company has made an application to NSE for listing of its Equity Shares on the NSE EMERGE platform. NSE is the Designated Stock Exchange.
- To facilitate trading in demat securities; the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:
  - a. Tripartite agreement dated September 19, 2024 with NSDL, our Company and Registrar to the Issue;
  - b. Tripartite agreement dated September 17, 2024 with CDSL, our Company and Registrar to the Issue;
  - c. The Company's shares bear an ISIN: INE15G001018.
- The entire pre-issue capital of our Company has shares fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- The entire Equity Shares held by the Promoter will be in dematerialised form before opening of the issue for subscription.
- The entire fund requirement is to be funded from the proceeds of the issue, there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed issue. The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. For details, please refer the chapter "*Objects of the Issue*" on page 90 of this Draft Red Herring Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- A. Neither our Company nor our Promoters, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
- B. None of our Promoters or Directors is Promoters or Directors of companies which are debarred from accessing the capital markets by the SEBI.
- C. Neither our Company nor our Promoters or Directors is a wilful defaulter or Fraudulent Borrower.
- D. None of our Promoters or Directors has been declared as fugitive economic offender under Economic Offenders Act, 2018.

We further confirm that we shall be complying with all the other requirements as laid down for such issue under Chapter IX of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

In accordance with regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTICTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY THE SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER UNISTONE CAPITAL PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, UNISTONE CAPITAL PRIVATE LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, UNISTONE CAPITAL PRIVATE LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED OCTOBER 29, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI ICDR REGULATIONS 2018, AS AMENDED.**

**THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE**

**REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.**

**Note:**

All legal requirements pertaining to the issue will be complied with at the time of registration of the Draft Red Herring Prospectus with the Registrar of Companies, Gwalior in terms of Section 26 and 32 of the Companies Act, 2013.

**Disclaimer from our Company, Directors, and the Book Running Lead Manager**

Our Company, Directors, and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

**Disclaimer in respect of Jurisdiction**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹ 2,500 Lakhs, pension funds with minimum corpus of ₹ 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Red Herring Prospectus does not, however, constitute an invitation to purchase shares issued hereby in any jurisdiction other than India to any person to whom it is unlawful to make an issue or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public issue in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with National Stock Exchange of India Limited for its observations and National Stock Exchange of India Limited shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be issued or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a

transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Draft Red Herring Prospectus in each jurisdiction, including India.

### **Disclaimer Clause of the Emerge Platform of NSE**

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: [●] dated [●], permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription / acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

### **Disclaimer Clause under Rule 144A of the U.S. Securities Act, 1993**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in 205 Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those Issues and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

### **Listing**

Application will be made to the "National Stock Exchange of India Limited" for obtaining permission to deal in and for an official quotation of our Equity Shares. National Stock Exchange of India Limited will be the Designated StockExchange, with which the Basis of Allotment will be finalized.

The National Stock Exchange of India Limited has given its in-principle approval for using its name in the Offer



Document vide its letter no. [●] dated [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of National Stock Exchange of India Limited, our Company will forthwith repay, without interest, all moneys received from the bidders in pursuance of the Draft Red Herring Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of National Stock Exchange of India Limited mentioned above are taken within six Working Days from the Issue Closing Date.

### **Disposal of Investor Grievances by our Company**

Our Company has constituted a Stakeholders' Relationship to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and Issue of duplicate shares. For details, please refer to the chapter titled "*Our Management*" beginning on page 164 of this Draft Red Herring Prospectus.

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be Ten (10) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mujahid Ali, as the Company Secretary & Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

Mujahid Ali

#### **Inspros Engineers Limited**

126 Sector-A Industrial Area Mandideep, Bhopal- 462046, Madhya Pradesh, India

**Telephone:** +91 9755032465

**Website:** [www.inspros.net](http://www.inspros.net)

**Email id:** [cslgl@inspros.net](mailto:cslgl@inspros.net)

Investors can contact the Compliance Officer or the Registrar to the issue in case of any pre-issue or post-issue related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode. Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system "SCORES".

This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

The Company must obtain authentication on the SCORES and comply with the SEBI circular no. *CIR/OIAE/1/2013* dated *December 18, 2014* in relation to redressal of investor grievances through SCORES. As on the date of this Draft Red Herring Prospectus there are no pending investor complaints. Our Company has not received any investor complaint in the three years prior to the filing of this Draft Red Herring Prospectus.

### **Impersonation**

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013, which is reproduced below:

*“Any person who –*

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name*

*shall be liable for action under section 447.”*

The liability prescribed under Section 447 of the Companies Act 2013 includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

## **Consents**

Consents in writing of: (a) Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Banker to the Company and (b) Book Running Lead Manager, Registrar to the Issue, the Syndicate Members\*, Bankers to the Issue/Escrow Bank\*, Public Issue Account Bank(s)\*, Sponsor Bank(s)\* and Refund Bank(s)\*, Underwriter\*, Market Maker\*, Banker to the Issue\*, and Legal Advisor to the Issue, to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Draft Red Herring Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Red Herring Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Draft Red Herring Prospectus and Draft Red Herring Prospectus for filing with the RoC.

*\* The aforesaid will be appointed prior to filing of the Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.*

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, M/s Baheti & Co., Chartered Accountants, have provided their written consent to the inclusion of their (1) Examination Report on Restated Financial Statements dated October 11, 2024, (2) Restated Financial Statements dated October 11, 2024, and (3) Report on Statement of Possible Special Tax Benefits dated October 11, 2024, which may be available to the Company and its shareholders, included in this Draft Red Herring Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Draft Red Herring Prospectus.

## **Expert Opinion**

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

Except the report of the Statutory Auditor on statement of tax benefits and report of the peer review auditor on restated financial statements for the Financial Years for the period of June 30, 2024, March 2024, 2023 and 2022 and Independent Chartered Engineer Certificate dated October 11, 2024, as included in this Draft Red Herring

Prospectus, our Company has not obtained any other expert opinion.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

**Stock Market data for our Equity Shares of our Company**

Our Company is an “*Unlisted Issuer*” in terms of the SEBI (ICDR) Regulations, and this Issue is an “*Initial Public Issue*” in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

**Price information and the track record of the past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by the BRLM**

Sr. No.	Issue Name	Issue Size (₹ in Lakhs)	Issue price	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
<b>Main Board</b>								
1	Valiant Laboratories Limited	15,246.00	140	October 06, 2023	162.15	37.75% [-2.15%]	24.89% [10.20%]	12.04% [14.15%]
2	BLS E-Services Limited	30,929.29	135	February 06, 2024	305.00	138.04% [2.57%]	117.59% [2.34%]	64.86% [12.71%]
3	Exicom Tele-Systems Limited	42,899.90	142	March 05, 2024	265.00	46.41% [0.71%]	113.49% [4.06%]	171.51% [12.88%]
4	Platinum Industries Limited	23,531.69	171	March 05, 2024	225.00	19.36% [0.71%]	15.32% [4.06%]	143.19% [12.88%]
5	Saraswati Saree Depot Limited	16,001.28	160	August 20, 2024	194.00	6.98% [2.90%]	-	-
6	Shree Tirupati Balajee Agro Trading Company Limited	16,965.20	83	September 12, 2024	90.00	-	-	-
7	Arkade Developers Limited	41,000.00	128	September 24, 2024	175.00	-	-	-
8	Diffusion Engineers Limited	15,796.40	168	October 04, 2024	193.50	-	-	-
<b>SME Platform</b>								
1	Manglam Infra & Engineering Limited	2,761.92	56	July 31, 2024	106.40	19.73% [1.14%]	-	-
2	Deccan Transcon Leasing Limited	6,505.92	108	September 24, 2024	116.00	-	-	-

Source: [www.nseindia.com](http://www.nseindia.com)

(1) NSE as Designated Stock Exchange.

Notes:

- Issue size derived from Prospectus/final post issue reports, as available.
- The CNX NIFTY is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.
- Price on NSE is considered for all of the above calculations as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.
- In case 30th/90th/180th day is not a trading day, closing price of the previous trading day has been considered.
- Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.
- Restricted to last 10 issues

**Summary statement of price information of past public issues handled by Unistone Capital Private Limited**

Financial year	Total no. of IPO*	Total funds Raised (₹ in Lakhs)	Nos of IPOs trading at discount on 30th Calendar day from listing date			Nos of IPOs trading at premium on 30 <sup>th</sup> Calendar day from listing date			Nos of IPOs trading at discount on 180 <sup>th</sup> Calendar day from listing date			Nos of IPOs trading at premium on 180 <sup>th</sup> Calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less Than 25%
<b>Main Board</b>														
FY 2022-23	1	15,498.00	-	-	-	1	-	-	-	-	-	-	1	-
FY 2023-24	5	1,29,110.09	-	-	-	1	2	2	-	-	-	3	1	1
FY 2024-25	4	89,762.88	-	-	-	-	-	1	-	-	-	-	-	-
<b>SME Platform</b>														
FY 2022-23	2	6,094.08	-	-	-	-	1	1	-	-	-	-	1	1
FY 2023-24	5	16,925.97	-	-	-	-	2	3	-	-	1	2	1	1
FY 2024-25	2	9,267.84	-	-	-	-	-	1	-	-	-	-	-	-

*\*The information is as on the date of the document. The information for each of the financial years is based on issues listed during such financial year.*

#### **Track record of past issues handled by the Book Running Lead Manager**

For details regarding the track record of the BRLM, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website [www.unistonecapital.com](http://www.unistonecapital.com)

### **Previous Rights and Public Issues**

Except as stated in the section titled “*Capital Structure*” beginning on page 74 of this Draft Red Herring Prospectus, we have not made any previous rights and/or public issues during last 5 years and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is first “Initial Public Issuing” in terms of the SEBI (ICDR) Regulations.

### **Commission and Brokerage on Previous Issues**

Since this is the initial public issue of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the last 5 years.

### **Capital Issue during the Previous Three Years by Issuer Company and Listed Group Companies / Subsidiaries / Associates**

Neither our Company nor our Group Company/Associates have undertaken any capital Issue or any public or rights Issue in the last three years preceding the date of this Draft Red Herring Prospectus. Further, as of the date of this Draft Red Herring Prospectus our Company has no listed subsidiary.

### **Performance Vis-A-Vis Objects for our Company and/or Listed Subsidiary Company and/or Listed Promoters Company**

Our Company is an “*Unlisted Issuer*” in terms of the SEBI (ICDR) Regulations and this Issue is an “*Initial Public Issuing*” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding performance vis-à-vis objects is not applicable to us. Further, as on the date of this Draft Red Herring Prospectus our Company has no listed corporate promoters and no listed subsidiary company.

### **Outstanding Debentures, Bonds, Redeemable Preference Shares and Other Instruments issued by the Company**

The Company has no outstanding debentures or bonds. The Company has not issued any redeemable preference shares or other instruments in the past.

## SECTION VIII – ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being allotted pursuant to this Issue shall be subject to the provisions of the Companies Act, 2013, SEBI (ICDR) Regulations, 2018, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of the Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Application Form, any Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the FIPB, the Stock Exchange, the RBI, RoC and/or other authorities, as in force on the date of the issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the FIPB, the Stock Exchange, the RoC and any other authorities while granting their approval for the Issue.

Please note that, in terms of SEBI Circular No. *CIR/CFD/POLICYCELL/11/2015* dated *November 10, 2015* and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (Except Anchor investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, pursuant to SEBI Circular No. *SEBI/HO/CFD/DCR2/CIR/P/2019/133* dated *November 08, 2019*, and the circular no. *SEBI/HO/CFD/DIL2/CIR/P/2020/50* dated *March 30, 2020* (together, the “UPI Circular”) Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.

Further vide the said circular Registrar to the issue and Depository Participants have also been authorized to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by the Registrar to the issue and Depository Participants as and when the same is made available.

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum and Articles of Association, SEBI ICDR Regulations, SCRA and shall rank pari-passu in all respects including dividend with the existing Equity Shares including rights in respect of dividends and other corporate benefits, if any, declared by after the date of Allotment Companies Act, 2013 and the Articles. For further details, please refer to the section titled “*Main Provisions of Articles of Association*” beginning from page 338 of this Draft Red Herring Prospectus.

#### **Authority for the Issue**

This Issue has been authorized by a resolution of the Board passed at their meeting held on July 29, 2024, subject to the approval of shareholders through a special resolution to be passed pursuant to section 62(1)(c) of the Companies Act, 2013. The shareholders have authorized the issue by a special resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the EGM of the Company held on August 03, 2024.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend, if declared, will be as per the provisions of Companies Act, 2013, SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard, the Memorandum and Articles of Association, and recommended by the Board of Directors and approved by the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. For further details, refer to the section “*Dividend Policy*” and “*Main Provisions of Articles of Association*” beginning on page 186 and 338 respectively of this Draft Red Herring

Prospectus.

### **Face Value, Issue Price, Floor Price, and Price Band**

The face value of each Equity Share is ₹ 10 and the issue price at the lower end of the Price Band is ₹ [●] per Equity Share and at the higher end of the Price Band is ₹ [●] per Equity Share. The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the Bid Lot will be decided by our Company, in consultation with the BRLM, and published by our Company in all edition of [●] (a widely circulated English national daily newspaper) and [●] edition of [●] (a widely circulated Hindi national daily newspaper, Hindi being the regional language of Madhya Pradesh, where our Registered Office is located) at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading the same on their website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid-cum-Application Forms available at the website of the Stock Exchange. The Issue Price shall be determined by our Company, in consultation with the BRLM, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares issued by way of the Book Building Process.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

### **Compliance with SEBI (ICDR) Regulations, 2018**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
- Right to receive Issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations, and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation or splitting, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page 338 of this Draft Red Herring Prospectus.

### **Allotment only in Dematerialized Form**

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialized form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form. In this context, two agreements have been signed amongst our Company, the respective Depositories, and the Registrar to the Issue:



- a. Tripartite agreement dated September 19, 2024, with NSDL, our Company and Registrar to the Issue;
- b. Tripartite agreement dated September 17, 2024, with CDSL, our Company and Registrar to the Issue;
- c. The Company's shares bear an ISIN: INE15G001018

### **Market Lot and Trading Lot**

Trading of the Equity Shares will happen in dematerialised form, the minimum contract size of [●] Equity Shares in terms of the SEBI circular no. *CIR/MRD/DSA/06/2012* dated *February 21, 2012* and the same may be modified by NSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful Applicants. Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

### **Minimum Number of Allottees**

In accordance with Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of Issue.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Mumbai.

The Equity Shares have not been and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be Offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be Offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those Offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Joint Holders**

Where two or more persons are registered as the holders of the Equity Shares, they shall be deemed to hold the same as joint with benefits of survivorship.

### **Nomination facility to Bidders**

In accordance with Section 72(1) & 72(2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72(3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance with Section 72(4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- a. to register himself or herself as the holder of the Equity Shares; or
- b. to make such a transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board of Directors may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board of Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Applicant would prevail. If the Applicant wants to change the nomination, they are requested to inform their respective Depository Participant.

### **Withdrawal of the Issue**

Our Company in consultation with the Book Running Lead Manager, reserve the right not to proceed with the Fresh Issue Reserve, in whole or in part thereof, to the extent of their portion of the issued Shares at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice within two (2) Working Days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-issue advertisements have appeared, and the Stock Exchanges will also be informed promptly.

The BRLM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) Working Day from the day of receipt of such instruction. If our Company withdraws the Issue after the Issue Closing Date and subsequently decide to proceed with an Issue of the Equity Shares, our Company will file a fresh Draft Offer Document with the stock exchanges where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges with respect to the Equity Shares issued through the Draft Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) the final ROC approval of the Prospectus.

### **Bid/Issue Program**

<b>BID/ISSUE OPENS ON</b>	[●]day, [●], 2024
<b>BID/ISSUE CLOSES ON</b>	[●]day, [●], 2024

The Anchor Investor Bid/ Issue Period will be one Working Day prior to the Bid/ Issue Opening Date i.e., [●], in accordance with the SEBI ICDR Regulations.

1. *In terms of regulation 265 of SEBI (ICDR) Regulation, 2018, the Issue shall be open after at least three working days from the date of filing the Red Herring Prospectus with the Registrar of Companies.*
2. *In terms of regulation 266(1) of SEBI (ICDR) Regulation, 2018, except as otherwise provided in these regulations, the public issue shall be kept open for at least three working days and not more than ten working days.*
3. *In terms of regulation 266(2) of SEBI (ICDR) Regulation, 2018, in case of a revision in the price band, the issuer shall extend the bidding (Issue) period disclosed in the Draft red herring prospectus, for a minimum period of three working days, subject to the provisions of sub regulation (1) is not applicable to our company as this is fixed price issue.*
4. *In terms of regulation 266(3) of SEBI (ICDR) Regulation, 2018, In case of force majeure, banking strike or similar circumstances, our company may, for reasons to be recorded in writing, extend the Issue*

period disclosed in the Draft Red Herring Prospectus, for a minimum period of three working days, subject to the provisions of sub-regulation 266(1).

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Issue Closing Date	[●] day, [●], 2024
Finalization of Basis of Allotment with NSE	On or about, [●] day, [●], 2024
Initiation of Refunds / unblocking of funds from ASBA Account*	On or about, [●] day, [●], 2024
Credit of Equity Shares to demat account of the Allottees	On or about, [●] day, [●], 2024
Commencement of trading of the Equity Shares on NSE	On or about, [●] day, [●], 2024

**\*\* In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Issue Closing Date for cancelled/withdrawn/deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/withdrawal/deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/partially allotted Bids, exceeding four Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.**

*The processing fees for applications made by the UPI Bidders using the UPI Mechanism may be released to the remitter bank0073 (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.*

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on NSE is taken within three Working Days from the Issue Closing Date, the time table may change due to various factors, such as extension of the Issue Period by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

SEBI is in the process of streamlining and reducing the post issue timeline for initial public issue and has through its circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023, reduced the time period for listing of shares in public issue from existing 6 days to 3 days. The revised timeline of T+3

days shall be made applicable in two phases i.e., voluntary for all public issues opening on or after September 1, 2023, and mandatory on or after December 01, 2023. Please note that we may need to make appropriate changes in the Red Herring Prospectus and Prospectus depending upon the prevailing date of this Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the issue procedure is subject to change to any revised circulars issued by the SEBI to this effect.

In terms of the UPI Circulars, in relation to the issue, the BRLM will be required to submit reports of compliance with listing timelines and activities prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Applications and any revision to the same shall be accepted only between **10.00 a.m. and 5.00 p.m.** (IST) during the Issue Period. On the Issue Closing Date, the Applications and any revision to the same shall be accepted between **10.00 a.m. and 5.00 p.m.** (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchange. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Red Herring Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public issues, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Working Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/Issue Closing Date by obtaining the same from the Stock Exchange. The SCSB's shall unblock such applications by the closing hours of the Working Day.

In terms of the UPI Circulars, in relation to the Issue, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/ Issue Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the bidding (Issue) period disclosed in the Draft Red Herring Prospectus (in case of a book built issue) or the Issue period disclosed in the prospectus (in case of a fixed price issue), for a minimum period of three working days, subject to the Bid/ Issue Period not exceeding 10 working days.**

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding four Working Days from the Bid / Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid / Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Separately, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

<b>Scenario</b>	<b>Compensation amount</b>	<b>Compensated on period</b>
Delayed unblock for cancelled / withdrawn/ deleted applications	₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	Instantly revoke the blocked funds other than the original application amount and ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and ₹ 100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non-Allotted/ partially Allotted applications	₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalization of the Basis of Allotment till the date of actual Unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the BRLM shall be liable to compensate the investor ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Bids and any revision in Bids shall be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”)) during the Bid / Issue Period (except on the Bid / Issue Closing Date) at the Bidding Centers as mentioned on the Application Form except that:

On the Bid / Issue Closing Date:

- (i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- (ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or the electronic Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSB or the member of the Syndicate for rectified data.

### **Minimum Subscription**

In terms of Regulation 260(1) of the SEBI (ICDR) Regulations, 2018, the Issue is 100% underwritten,

so this Issue is not restricted to any minimum subscription level. For details of underwriting arrangement, kindly refer the chapter titled “*General Information*” beginning on page 62 of this Draft Red Herring Prospectus.

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this Offer Document including devolvement of Underwriter within sixty days from the date of closure of the Issue, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond fifteen days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under section 40 of the Companies Act, 2013.

Further, in accordance with Regulation 268 of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI Circular No. *CIR/MRD/DSA/06/2012* dated *February 21, 2012*. However, in terms of Regulation 261(5) of the SEBI ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the EMERGE platform of NSE.

### **New Financial Instruments**

As on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue.

### **Market Making**

The shares issued through this issue are proposed to be listed on the NSE EMERGE (SME Platform of NSE) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on NSE EMERGE. For further details of the market making arrangement please refer the chapter titled “*General Information*” beginning on page 62 of this Draft Red Herring Prospectus.

### **Option to receive Securities in Dematerialised Form**

In accordance with the SEBI ICDR Regulations, allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity

Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

### **Restrictions, if any on transfer and transmission of Equity Shares**

Except for lock-in of the pre-issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page 74 of this Draft Red Herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details, please refer to the section titled "*Main Provisions of Articles of Association*" beginning on page 338 of this Draft Red Herring Prospectus.

*Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus.*

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of the Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our post Issue face value capital more than ten crores rupees and up to twenty-five crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the EMERGE Platform of NSE). For further details regarding the salient features and terms of such this Issue, please see the chapters titled “*Terms of the Issue*” and “*Issue Procedure*” beginning on page 286 and 299 respectively, of this Draft Red Herring Prospectus.

### Issue Structure

Initial public issue of up to 64,00,000 equity shares of face value of ₹ 10 each of the company for cash at a price of ₹ [●] per equity share (including a share premium of ₹ [●] per equity share) (“**issue price**”) aggregating up to ₹ [●] lakhs of which 64,00,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per equity share including share premium of ₹ [●] per equity share aggregating to ₹ [●] lakhs will be reserved for subscription by market maker to the issue (the “**market maker reservation portion**”). The issue less the market maker reservation portion i.e. net issue of 64,00,000 equity shares of face value of ₹ 10 each at a price of ₹ [●] per equity share including a share premium of ₹ [●] per equity share aggregating to ₹ [●] Lakhs is herein after referred to as the “**net issue**”.

Particulars	QIB's <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders	Market Maker
<b>Number of Equity Shares*</b>	[●] Equity Shares	[●] Equity Shares	[●] Equity Shares	[●] Equity Shares
<b>Percentage of Issue Size Available for allocation</b>	Not more than 50.00% of the Net Issue size shall be available for allocation to QIBs. However, up to 5.00% of net QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Fund only. Up to 60.00% of the QIB Portion may be available for <b>allocation</b> to Anchor Investors and one third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only	Not less than 15.00% of the Issue or the Issue less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation	Not less than 35.00% of the Issue or the Issue less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation	[●] % of the Issue Size



Particulars	QIB's <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders	Market Maker
<b>Basis of Allotment / Allocation if respective category is oversubscribed</b>	Proportionate as follows (excluding the Anchor Investor Portion: (a) up to [●] Equity Shares, shall be available for allocation on a proportionate basis to Mutual Funds only; and; (b) [●] Equity shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors For further details please refer to the section titled "Issue Procedure" beginning on page 299.	Proportionate	Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details see, "Issue Procedure" on page 299.	Firm Allotment
<b>Mode of Application</b>	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Investors using Syndicate ASBA).			
<b>Minimum Bid Size</b>	[●] Equity Shares of Face Value of ₹ 10.00 each	Such number of Equity shares in multiple of [●] Equity shares such that Application size exceeds ₹ 2,00,000	[●] Equity Shares of Face Value of ₹ 10.00 each	[●] Equity Shares of Face Value of ₹ 10.00 each
<b>Maximum Bid Size</b>	Not exceeding the size of the Issue, subject to limits as applicable to the Bidder	Not exceeding the size of the Issue, subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000	[●] Equity Shares

\*Assuming full subscription in the Issue

1. *Our Company may, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the QIB Portion. For further details, see “Issue Procedure” on page 299.*
2. *Subject to valid Bids being received at or above the Issue Price. The Issue is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 253 of the SEBI ICDR Regulations. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, please see “Terms of the Issue” on page 286.*
3. *Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Issue Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.*

**In case of joint Applications, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders.**

In case of ASBA Applicants, the SCSB shall be authorised to block such funds in the bank account of the ASBA Applicant (including retail applicants applying through UPI mechanism) that are specified in the Application Form. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

### **Withdrawal of the Issue**

The Company in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

1. The final listing and trading approvals of National Stock Exchange of India Limited for listing of Equity Shares issued through this issue on its SME Platform, which the Company shall apply for after Allotment and,
2. In case, the Company wishes to withdraw the issue after issue opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (One each in English and Hindi) and one in regional newspaper.
3. The Book Running Lead Manager, through the Registrar to the issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-issue advertisements have appeared, and the Stock Exchange will also be informed promptly.
4. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public issuing of Equity Shares, our Company will file a fresh Offer Document with the stock exchange where the Equity Shares may be proposed to be listed.

### **Issue Programme**

<b>ISSUE OPENING DATE</b>	[●] day, [●], 2024
<b>ISSUE CLOSING DATE</b>	[●] day, [●], 2024

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m.

(Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form.

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1.00 p.m. IST on the Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public issues, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under this issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Issue Closing Date, the Bidder shall be compensated in accordance with the applicable law by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in our Company with the SCSBs, to the extent applicable.*

### **Lot Size**

SEBI vide circular no. *CIR/MRD/DSA/06/2012* dated *February 21, 2012* (“Circular”) standardized the lot size for Initial Public issue proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

<b>Issue Price (in ₹)</b>	<b>Lot Size (No. of shares)</b>
Up to 14	10,000
More than 14 up to 18	8,000
More than 18 up to 25	6,000
More than 25 up to 35	4,000
More than 35 up to 50	3,000
More than 50 up to 70	2,000
More than 70 up to 90	1,600
More than 90 up to 120	1,200
More than 120 up to 150	1,000
More than 150 up to 180	800
More than 180 up to 250	600
More than 250 up to 350	400
More than 350 up to 500	300
More than 500 up to 600	240
More than 600 up to 750	200
More than 750 up to 1,000	160
Above 1,000	100

Further to the circular, at the Initial Public Issue stage the Registrar to issue in consultation with Book Running Lead Manager, our Company and NSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO Lot Size at the application/allotment stage, facilitating secondary market trading.

## ISSUE PROCEDURE

*All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and the UPI Circulars, notified by SEBI (the “General Information Document”), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI (ICDR) Regulations. The General Information Document shall be made available on the websites of the Stock Exchanges, the Company and the Book Running Lead Manager before opening of the issue. Please refer to the relevant provisions of the General Information Document which are applicable to this issue.*

*Additionally, all Applicants may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Applicants eligible to participate in the issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Applicants and Retail Individual Investors applying through the United Payments Interface channel; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the issue; (vi) price discovery and allocation; (vii) general instructions (limited to instructions for completing the Application Form); (viii) Designated Date; (ix) disposal of Applications; (x) submission of Application Form; (xi) other instructions (limited to joint Applications in cases of individual, multiple Applications and instances when an application would be rejected on technical grounds); (xii) applicable provisions of Companies Act, 2013 relating to punishment for fictitious Applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.*

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 01, 2019, the UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by the SEBI. Pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023, the final reduced timeline of T+3 days using the UPI Mechanism for applications by UPI Bidders has been made voluntary for public issues opening on or after September 1, 2023, and mandatory for public issues opening on or after December 01, 2023 (“T+3 Circular”). This Draft Red Herring Prospectus has been drafted in accordance with UPI Phase II framework and also reflects additional measures for streamlining the process of initial public issues. Please note that we may need to make appropriate changes in the Red Herring Prospectus and Prospectus depending upon the prevailing conditions at the time of the opening of the Issue.*

*Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 has introduced certain additional measures for streamlining the process of initial public issues and redressing investor grievances. The provisions of these circulars are deemed to form part of this Draft Red Herring Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 05,*

2022, all individual bidders in initial public issues (opening on or after May 01, 2022) whose application sizes are up to ₹ 5,00,000 shall use the UPI Mechanism. This circular has come into force for initial public issues opening on or after May 01, 2022 and the provisions of these circular are deemed to form part of this Draft Red Herring Prospectus.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public issues (opening on or after September 01, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Stock Exchanges shall, for all categories of investors and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. Additionally, SEBI vide its circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 has reduced the time period for refund of application monies from 15 days to four days.

Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus.

Further, our Company and BRLM are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Issue.

## **PART A**

### **Book Built Process**

The Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company may, in consultation with the BRLM, allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15.00% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange subject to receipt of

valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spillover from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

**Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, for UPI Bidders using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares dematerialised subsequent to Allotment of the Equity Shares in the Issue, subject to applicable law.**

**Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020, and press release dated June 25, 2021, and September 17, 2021.**

### **Phased implementation of UPI for Bids by RIBs as per the UPI Circulars**

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, inter alia, equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced and implemented the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 01, 2019, until March 31, 2019, or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 01, 2019, and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI, vide its circular no. *SEBI/HO/CFD/DCR2/CIR/P/2019/133* dated *November 08, 2019*, has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. 456

Subsequently, SEBI, vide its circular no. *SEBI/HO/CFD/DIL2/CIR/P/2020/50* dated *March 30, 2020*, extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

**Phase III:** Pursuant to SEBI circular no. *SEBI/HO/CFD/TPD1/CIR/P/2023/140* dated *August 09, 2023*, Phase III has been notified, and accordingly the revised timeline of T+3 days has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 01, 2023; and (ii) mandatory on or after December 01, 2023. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Circular, once Phase III becomes applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

Pursuant to the SEBI circular no. *SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M* dated *March 16, 2021* issued by SEBI, as amended by the SEBI circular no. *SEBI/HO/CFD/DIL2/P/CIR/2021/570* dated *June 02, 2021* and the SEBI circular no. *SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M* dated *April 20, 2022* (the "UPI Streamlining Circulars"), SEBI has set out specific requirements for redressal of investor

grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – issue BRLM will be required to compensate the concerned investor.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No. *SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M* dated *March 16, 2021* read with SEBI Circular No: *SEBI/HO/CFD/DIL2/CIR/P/2021/570* dated *June 02, 2021* read with SEBI Circular No: *SEBI/HO/CFD/DIL2/CIR/P/2022/51* dated *April 20, 2022* NPCI vide circular reference no. *NPCI/UPI/OC No. 127/ 2021-22* dated *December 09, 2021*, inter alia, has enhanced the per transaction limit in UPI from more than ₹0.20 million to ₹0.50 million for UPI based ASBA in initial public issues.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will appoint two SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Bidders using the UPI.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges, and the BRLM.

### **Bid and Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, our Registered Office an electronic copy of the Bid cum Application Form will also be available for download on the websites of and NSE ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/ Issue Opening Date. UPI Bidders may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process, which shall include the UPI Mechanism in the case of UPI Bidders.

UPI Bidders must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection.

Anchor Investors are not permitted to participate in the Issue through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. For all initial public issues opening on or after September 01, 2022, as specified in SEBI vide its circular no. *SEBI/HO/CFD/DIL2/P/CIR/2022/75* dated *May 30, 2022*, the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. This circular shall be applicable for all categories of investors, i.e. RIB, QIB, NIB and other reserved categories and also for all modes through which the applications are processed. Since the issue is made under Phase III of the UPI Circulars,

ASBA Bidders may submit the ASBA Form in the manner below:

- (a) RIBs and NIBs (other than NIBs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (b) UPI Bidders may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (c) QIBs and NIBs (not using the UPI Mechanism) may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.
- (d) ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked including details as prescribed in Annexure II of SEBI circular no. *SEBI/HO/CFD/DIL2/CIR/P/2022/51* dated April 20, 2022.

For all IPOs opening on or after September 01, 2022, as specified in SEBI circular no. *SEBI/HO/CFD/DIL2/P/CIR/2022/75* dated May 30, 2022, all the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The circular shall be applicable for all categories of investors viz. RIB, QIB and NIB and also for all modes through which the applications are processed.

UPI Bidders must provide the UPI ID in the relevant space provided in the Bid cum Application Form. UPI Bidders may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the BRLM.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Categories	Color*
Resident Indians, including resident QIBs, NIBs, RIBs and Eligible NRIs applying on a non-repatriation basis	[●]
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis	[●]
Anchor Investors	[●]

\*Excluding Electronic Application Form

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. For ASBA Forms (other than UPI Bidders) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchange shall validate the electronic bids with the records of the CDP for DP ID / Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchange. Stock Exchange shall allow modification of either DP ID / Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For UPI Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis through API integration to enable the Sponsor Bank(s) to initiate UPI



Mandate Request to the UPI Bidders, for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to the UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank(s), NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions / investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Issue shall provide the audit trail to the BRLM for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. *SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M* dated *March 16, 2021* as amended pursuant to *SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570* dated *June 02, 2021* and SEBI circular no. *SEBI/HO/CFD/DIL2/CIR/P/2022/51* dated *April 20, 2022*. In accordance with BSE Circular No. *20220803-40* and NSE Circular No. *25/2022*, each dated *August 03, 2022*, for all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on after the Bid/Issue Closing Date (“Cut-Off Time”). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

Pursuant to NSE circular dated August 03, 2022, the following is applicable to all initial public issues opening on or after September 01, 2022:

- (a) Cut-off time for acceptance of UPI Mandate shall be up to 5:00 pm on the initial public issue closure date and existing process of UPI bid entry by syndicate members, registrars to the issue and depository participants shall continue till further notice.
- (b) There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued.
- (c) Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 5:00 pm on the initial public issue closure day.
- (d) Exchanges shall display bid details of only successful ASBA blocked applications i.e. Application with latest status as RC 100 – Block Request Accepted by Investor/ Client.

An Investor, intending to subscribe to this issue, shall submit a completed application form to any of the following intermediaries (Collectively called – “**Designated Intermediaries**”)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stockbroker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ( <b>‘broker’</b> )
4.	A depository participant ( <b>‘DP’</b> ) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent ( <b>‘RTA’</b> ) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retail investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “**Intermediaries**”), and intending to use UPI, shall also enter their UPI ID in the Application Form. It is clarified that Retail Individual Bidders may continue to submit physical ASBA Forms with SCSBs without using the UPI Mechanism.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by Investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For application submitted by investors to intermediaries other than SCSBs:</b>	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	<p>After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange.</p> <p>Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds.</p> <p>Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.</p>

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re- submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Applicants. Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorising blocking of funds that are available in the bank account specified in the Application Form used by ASBA Applicants. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms/ Application Forms to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

#### **Availability of Draft Red Herring Prospectus and Application Forms**

The Application Forms and copies of the Draft Red Herring Prospectus may be obtained from the Registered Office of our Company and Book Running Lead Manager to the issue as mentioned in the Application Form. The application forms may also be downloaded from the website of NSE [www.nseindia.com](http://www.nseindia.com).

#### **Who can apply?**

In addition to the category of Applicants as set forth under "General Information Document for Investing in Public Issues-Category of Investors Eligible to participate in an Issue", the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations, and guidelines, including:

- a. Indian national resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the

Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship).

- b. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals.
- c. Companies, corporate bodies, and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents.
- d. Mutual Funds registered with SEBI.
- e. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this issue.
- f. Indian Financial Institutions scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable).
- g. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion.
- h. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares.
- i. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non-Institutional applicant's category;
- j. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI, State Industrial Development Corporations.
- k. Foreign Venture Capital Investors registered with the SEBI.
- l. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares.
- m. Scientific and/or Industrial Research Organizations authorized to invest in equity shares.
- n. Insurance Companies registered with Insurance Regulatory and Development Authority, India.
- o. Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares.
- p. Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares.
- q. National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005, of Government of India published in the Gazette of India.
- r. Insurance funds set up and managed by army, navy, or air force of the Union of India.
- s. Multilateral and bilateral development financial institution.
- t. Eligible QFIs.
- u. Insurance funds set up and managed by army, navy or air force of the Union of India.
- v. Insurance funds set up and managed by the Department of Posts, India.
- w. Any other persons eligible to apply in this issue, under the laws, rules, regulations, guidelines, and policies applicable to them.

#### **Applications not to be made by:**

- a. Minors (except through their Guardians)
- b. Partnership firms or their nominations
- c. Foreign Nationals (except NRIs)
- d. Overseas Corporate Bodies

As per the existing RBI regulations, OCBs cannot participate in this issue.

#### **Maximum And Minimum Application Size**

##### **For Retail Individual Applicants**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed ₹ 2,00,000.

##### **For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

### **Basis of Allotment**

Allotment will be made in consultation with the Stock Exchange. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).
- b) The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).

For applications where the proportionate allotment works out to less than [●] Equity shares the allotment will be made as follows:

- i. Each successful applicant shall be allotted [●] Equity shares; and
  - ii. the successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- c) If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] Equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of [●] Equity shares subject to a minimum allotment of [●] Equity shares.
  - d) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity shares, results in the actual allotment being higher than the shares issued, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Draft Red Herring Prospectus.

- e) The above proportionate allotment of shares in an issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
- As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
  - The balance net issue of shares to the public shall be made available for allotment to Individual applicants other than retails individual investors and other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
  - The unsubscribed portion of the net issue to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

Retail Individual Investor means an investor who applies for shares of value of not more than ₹ 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with Stock Exchange. The Executive Director / Managing Director of Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

#### **Participation by Associates /Affiliates of BRLM and the Market Makers**

The BRLM, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this issue in any manner except towers fulfilling their underwriting and market making obligations. However, associates/affiliates of the BRLM/ Underwriters and Market Maker, if any may subscribe to Equity Shares in the issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Promoters and Promoter Group and any persons related to our Promoters and Promoter Group cannot participate in the issue.

#### **Bids by eligible NRIs**

Eligible NRIs may obtain copies of Application Form from the members of the Syndicate, the sub-Syndicate, if applicable, the SCSBs, the Registered Brokers, RTAs and CDPs. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Application Form.

Bids by Eligible NRIs and Category III FPIs for a Bid Amount of less than ₹ 2,00,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 2,00,000 would be considered under the Non-Institutional Category for allocation in the issue.

In case of Eligible NRIs bidding under the Retail Category through the UPI mechanism, depending on the nature of the investment whether repatriable or non-repatriable, the Eligible NRI may mention the appropriate UPI ID in respect of the NRE account or the NRO account, in the Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Application Form for residents (white in colour). Eligible NRIs bidding on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour). For details of restrictions on investment by NRIs, please refer to the chapter titled “*Restrictions on Foreign Ownership of Indian Securities*” beginning on page 337 of this Draft Red Herring Prospectus.

## **Bids by HUFs**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta." Bids by HUFs may be considered at par with Bids from individuals.

## **Bids By FPIs Including FIIs**

On January 07, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely 'foreign institutional investors' and 'qualified foreign investors' are subsumed under a new category namely 'foreign portfolio investors' or 'FPIs'. RBI on March 13, 2014, amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

## **Option to Subscribe in the Issue**

As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.

The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

## **Information for the Applicants:**

Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Draft Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in the prescribed format.

Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.

Copies of the Application Form along with Abridged Prospectus and copies of the Draft Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange.

Any applicant who would like to obtain the Draft Red Herring Prospectus and/ or the Application Form can obtain the same from our Registered Office.

Applicants who are interested in subscribing for Equity Shares should approach Designated Intermediaries to register their applications.

Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.

The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. Retail Individual Applicants have to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such application forms that do not contain

such details are liable to be rejected.

Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.

Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating in transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.

The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

#### **Application by Indian Public including eligible NRIs applying on Non-Repatriation Basis**

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors, Foreign Nationals, Non Residents Indian (except for those applying on non-repatriation), trusts, (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families, Partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares issued to the public. Eligible NRIs applying on a non-repatriation basis should authorize their SCSB to block their NRE/FCNR accounts as well as NRO accounts.

#### **Applications by eligible NRIs on Repatriation Basis**

Application Forms have been made available for eligible NRIs at our registered office.

Eligible NRIs applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under reserved category. The Eligible NRIs who intend to get the amount blocked in the Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and shall not use the forms meant for reserved category.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated May 03, 2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis.

Allotment of Equity shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity shares will be allowed to be repatriated along with the income thereon subject to the permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

#### **Application by FPIs (including FIIs)**

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI

shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this issue in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

Further, pursuant to the Master Directions on Foreign Investment in India issued by the RBI dated January 04, 2018 (updated as on March 8, 2019) the investments made by a SEBI registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid-up value of each series of debentures or preference shares or warrants.

FPIs are permitted to participate in the issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

- a. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may Issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and such offshore derivative instruments are issued after compliance with 'know your client' norms. Further, pursuant to a Circular dated November 24, 2014, issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations; and
- b. Prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

#### **Application by SEBI registered Alternative Investment Fund (AIF), Venture Capital Funds and Foreign Venture Capital Investors**

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors: Accordingly, the holding



by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investors can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Issue. The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's. The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public issue of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations.

All FIIs and FVCIs should note that refunds, dividends, and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company and BRLM will not be responsible for loss, if any, incurred by the Applicant.

### **Application by Mutual Funds**

As per the current regulations, the following restrictions are applicable for investments by Mutual fund:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid-up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

### **Applications by Limited Liability Partnerships**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the LLP Act, 2008 must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

### **Applications by Insurance Companies**

In the case of applications made by insurance companies registered with IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (the "IRDAI Investment Regulations"), as amended (the "IRDA Investment Regulations"), are broadly set forth below:

- i. Equity shares of a company: the lower of 10% of the outstanding Equity Shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer.
- ii. The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- iii. The industry sector in which the investee company belong to not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.
- iv. The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) and (iii) above, as the case may be.

The above limit of 10.00% shall stand substituted as 15.00% of outstanding equity shares (face value) for insurance companies with investment assets of ₹25,00,000 million or more and 12.00% of outstanding equity shares (face value) for insurers with investment assets of ₹5,00,000.00 million or more but less than ₹25,00,000.00 million.

Insurance companies participating in this issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

### **Applications under Power of Attorney**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹ 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 Lakhs, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason, therefore.

With respect to the applications by VCFs, FVCIs and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason, therefore.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason, therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason, therefore.

In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of ₹ 2,500 Lakhs and pension funds with minimum corpus of ₹ 2,500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or

reject any Application in whole or in part, in either case, without assigning any reason thereof.

The Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that the Company and the Book Running Lead Manager may deem fit.

### **Application by Provident Funds/Pension Funds**

In case of Applications made by provident funds with minimum corpus of ₹ 2,500 Lakhs (subject to applicable law) and pension funds with minimum corpus of ₹ 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of filing of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied for, or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in this Draft Red Herring Prospectus.

### **Applications by Banking Companies**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserve the right to reject any Application without assigning any reason. The investment limit for banking companies in non-financial services Companies as per the Banking Regulation Act, 1949, and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services companies cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee Company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

### **Applications by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012, and January 02, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered with the IRDA, a certified copy of certificate of registration issued by IRDA must SCSBs. Further, such an account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Applications by Systemically Important Non-Banking Financial Companies In case of Applications made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. Systematically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time. Issue Procedure for Application Supported by Blocked Account (ASBA) Applicants

In accordance with the SEBI Circular No. *CIR/CFD/POLICYCELL/11/2015* dated *November 10, 2015* all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes). For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

### **Bids by Anchor Investors**

In accordance with the SEBI ICDR Regulations, the key terms for participation by Anchor Investors are provided below.

- 1) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 200 lakhs. A Bid cannot be submitted for over 60.00% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 200 lakhs.
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date.
- 5) Our Company in consultation with the BRLM will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:
  - a. maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to Rupees Two Crore.
  - b. minimum of two and maximum of fifteen Anchor Investors, where the allocation under the Anchor Investor Portion is more than Rupees Two crore but up to Rupees Twenty-Five crore, subject to a minimum Allotment of Rupees One Crore per Anchor Investor; and
  - c. in case of allocation above Rupees Twenty-Five crore under the Anchor Investor Portion, a minimum of five such investors and a maximum of fifteen Anchor Investors for allocation up to Rupees Twenty-Five Crore, and an additional 10 Anchor Investors for every additional Rupees Twenty-Five Crore, subject to minimum allotment of Rupees One Crore per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation will be made available in the public domain by the BRLM before the Bid/ Issue Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If

the Issue Price is lower than the Anchor Investor Allocation Price, the Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.

- 9) One half of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.
- 10) Neither the BRLM or any associate of the BRLM (other than mutual funds sponsored by entities which are associate of the BRLM, or insurance companies promoted by entities which are associate of the BRLM or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the BRLM or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the BRLM shall apply under the Anchor Investors category. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

For more information, please read the General Information Document.

### **Method and Process of Applications**

- 1) The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.
- 2) The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.
- 3) During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
- 4) The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this issue.
- 5) Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries there than SCSBs:</b>	After accepting the application form, respective Designated Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.

Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.

If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.

If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

### **Terms of payment**

The entire issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

### **Payment mechanism**

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. *CIR/CFD/POLICYCELL/11/2015* dated *November 10, 2015* and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. *SEBI/HO/CFD/DIL2/CIR/P/2018/138* dated *November 01, 2018*, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **Unblocking of ASBA Account**

On the basis of instructions from the Registrar to the issue, the SCSBs shall transfer the requisite amount

against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40 (3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case maybe.

### **Maximum and Minimum Application Size**

The applications in this issue, being a Book Built issue, will be categorized into two, For Retail Individual Applicants. The Application must be for a minimum of [●] Equity Shares so as to ensure that the Application amount payable by the Applicant does not exceed ₹ 2,00,000

### **For Other Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter.

A person shall not make an application in the net issue category for a number of specified securities that exceeds the total number of securities issued to the public. Further, the maximum application by non-institutional investors shall not exceed total number of specified securities issued in the issue less total number of specified securities issued in the issue to qualified institutional buyers.

Further, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus.

### **Option to Receive Equity Shares in Dematerialized Form**

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

Furnishing the details depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

### **Pre-Issue Advertisement**

Please note that, in terms of SEBI Circular No. *CIR/CFD/POLICYCELL/11/2015* dated *November 10, 2015* and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. *SEBI/HO/CFD/DIL2/CIR/P/2018/138* dated *November 01, 2018*, Retail Individual Investors applying

in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Draft Red Herring Prospectus with the RoC, publish a pre-issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation.

The information set out above is given for the benefit of the Bidders/applicants. Our Company and BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for does not exceed the prescribed limits under applicable laws or regulations.

### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - i. The applications accepted by them,
  - ii. The applications uploaded by them.
  - iii. The applications accepted but not uploaded by them or with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - i. The applications accepted by any Designated Intermediaries
  - ii. The applications uploaded by any Designated Intermediaries or
  - iii. The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sr. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code



Sr. No.	Details*
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchange shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:

- Name of the Applicant.
- IPO Name:
- Application Form Number.
- Investor Category.
- PAN (of First Applicant, if more than one Applicant).
- DP ID of the demat account of the Applicant.
- Client Identification Number of the demat account of the Applicant.
- Number of Equity Shares Applied for.
- Bank Account details.
- Locations of the Banker to the issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained, and Bank account number.

8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.

9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.

Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

10. In case of Non-Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Draft Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.

11. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

12. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is

available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

13. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.

The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

### **Allocation of Equity shares**

1. The Issue is being made through the Book Built Process wherein [●] Equity Shares shall be reserved for Market Maker and [●] Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non-Retail Applicants.
2. Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange.
3. Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
4. In terms of SEBI Regulations, Non-Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
5. Allotment status details shall be available on the website of the Registrar to the Issue.

### **Signing of Underwriting Agreement and Filing of Prospectus with ROC**

Our Company will enter into an Underwriting Agreement after the finalisation of the Issue Price. After signing the Underwriting Agreement, our Company will file the Prospectus with the RoC. The Prospectus will contain details of the Issue Price, the Anchor Investor Issue Price, the Issue size, and underwriting arrangements and will be complete in all material respects.

### **Issuance of Allotment Advice**

Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload on its website.

On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.

The Book Running Lead Manager or the Registrar to the issue will dispatch an Allotment Advice to the Applicants who have been allocated Equity Shares in the issue. The dispatch of Allotment Advice shall be deemed a valid, binding, and irrevocable contract for the Allotment to such Applicant.

The issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

### **Designated Date**

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will Issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

### **Advertisement regarding Issue price and Draft Red Herring Prospectus**

Our Company will issue a statutory advertisement after the filing of the Draft Red Herring Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the floor Price and cap price.

### **Minimum Subscription**

This issue is not restricted to any minimum subscription level. This issue is 100% underwritten. As per section 39 of the Companies Act, 2013, if the “Stated Minimum Amount” has not been subscribed and the sum payable on application is not received within a period of thirty days from the date of Issue of the Draft Red Herring Prospectus, or such other period as may be specified by the Securities and Exchange Board, the amount received under sub-section (1) shall be returned within such time and manner as maybe prescribed under that section. If the Issuer does not receive the subscription of 100% of the Issue through this Offer document including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall Forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 39 of the Companies act, 2013.

### **General Instructions**

#### **Do’s:**

1. Check if you are eligible to apply.
2. Read all the instructions carefully and complete the applicable Application Form.
3. Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only.
4. All Bidders should submit their Bids through the ASBA process only.
5. Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Application Form;
7. Bidders (other than RIIs bidding through the non-UPI Mechanism) should submit the Application Form only at the Bidding Centers, i.e., to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations. RIIs bidding through the non-UPI Mechanism should either submit the physical Application Form with the SCSBs or Designated Branches of SCSBs under Channel I (described in the UPI Circulars) or submit the Application Form online using the facility of 3-in 1 type accounts under Channel II (described in the UPI Circulars);
8. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than RIBs using the UPI Mechanism) in the Application Form;

9. RIBs using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Application Form;
10. RIBs using UPI Mechanism through the SCSBs, and mobile applications shall ensure that the name of the Bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. *SEBI/HO/CFD/DIL2/COR/P/2019/85* dated July 26, 2019;
11. RIBs bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the Issue;
12. RIBs submitting an Application Form using the UPI Mechanism, should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid is listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
13. RIBs submitting a Bid-cum Application Form to any Designated Intermediary (other than SCSBs) should ensure that only UPI ID is included in the Field Number 7: Payment Details in the Application Form;
14. RIBs using the UPI Mechanism shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI;
15. If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
16. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Application Forms;
17. QIBs and Non-Institutional Bidders should submit their Bids through the ASBA process only. Pursuant to SEBI circular dated November 01, 2018 and July 26, 2019, RII shall submit their bid by using UPI mechanism for payment;
18. Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
19. Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your Bid options;
20. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
21. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment.
22. Bidders, other than RIBs using the UPI Mechanism, shall ensure that they have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries
23. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim,

who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the I.T. Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

24. Ensure that the Demographic Details are updated, true and correct in all respects;
25. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
26. Ensure that the category and the investor status is indicated;
27. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
28. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
29. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
30. Ensure that the Application Forms are delivered by the Bidders within the time prescribed as per the Application Form and the Draft Red Herring Prospectus;
31. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Application Form;
32. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
33. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
34. Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Application Form at the time of submission of the Bid;
35. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
36. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Application Form;

37. RIBs shall ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid / Issue Closing Date.
38. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
39. RIBs using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner; and
40. Bids by Eligible NRIs and HUFs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Portion, and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Issue.

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. *SEBI/HO/CFD/DIL2/CIR/P/2019/85* dated *July 26, 2019* is liable to be rejected.

**Don'ts:**

1. Do not apply for lower than the minimum Application size.
2. Do not apply for a price different from the price mentioned herein or in the Application Form;
3. Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest;
4. RIBs should not submit a Bid using the UPI Mechanism, unless the name of the bank where the bank account linked to your UPI ID is maintained, is listed on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
5. RIB should not submit a Bid using the UPI Mechanism, using a Mobile App or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
6. Do not send Application Forms by post, instead submit the Designated Intermediary only;
7. Do not submit the Application Forms to any non-SCSB bank or our Company.
8. Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
9. Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
10. Do not apply for an Application Amount exceeding ₹ 2,00,000 (for applications by Retail Individual Applicants);
11. Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
12. Do not submit the General Index Register number instead of the PAN as the application is liable to be rejected on this ground;

13. Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
14. Do not submit applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant;
15. All Investors submit their applications through the ASBA process only except as mentioned in SEBI Circular No. *SEBI/HO/CFD/DCR2/CIR/P/2019/133* dated *November 08, 2019* & *SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M* dated *March 16, 2021*;
16. Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
17. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RIB Bidders using the UPI Mechanism;

The Applications should be submitted on the prescribed Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Other instructions for the Bidders**

##### **Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidder whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such First Bidder would be required in the Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.

All communications may be addressed to such Bidders and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

##### **Multiple Bids**

A Bidder should submit only one Application Form. Submission of a second Application Form to either the same or to another member of the Syndicate, the sub-Syndicate, SCSB, Registered Broker, RTA and CDP and duplicate copies of Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

##### **Investor Grievance**

In case of any pre-issue or post-issue related problems regarding demat credit/refund orders/unblocking etc., the Investors can contact the Compliance Officer of our Company.

##### **Nomination Facility to Bidders**

The nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In the case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

##### **Submission of Bids**

- I. During the Bid/ Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.

- II. In case of Bidders (excluding NIIs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- III. For Details of the timing on acceptance and upload of Bids in the Stock Exchange Platform Bidders are requested to refer to the Draft Red Herring Prospectus.

### **Grounds of Technical Rejections**

Bidders are advised to note that SEBI, vide Circular No. *CIR/CFD/14/2012* dated *October 04, 2012* has introduced an additional mechanism for investors to submit Application forms in public issues using the stock-broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. *CIR/CFD/POLICY CELL/11/2015* dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of ETA and DPs centres for collecting the application is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com).

### **Applicant's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.

**Please note that furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicant's bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Book Running Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### **Submission of Application Form**

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

### **Disposal of Application and Application Moneys and Interest in Case of Delay**



The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of NSE where the Equity Shares are proposed to be listed are taken within 3 (three) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- i. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing date;
- ii. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
- iii. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

### **Right to Reject Applications**

In case of QIB Applicants, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

### **Grounds for Rejection**

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of [●];
- The amounts mentioned in the Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Applications as defined in the Draft Red Herring Prospectus;

- Applications made using a third party bank account or using third party UPI ID linked bank account
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Draft Red Herring Prospectus and as per the instructions in the Draft Red Herring Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulations or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications by Applicants, other Retail Individual Applicants, not submitted through ASBA process and Applications by Retail Individual Applicants not submitted through ASBA process or the UPI process;
- Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000, received after 3.00 pm on the Issue Closing Date;
- Applications not containing the details of Bank Account and/or Depositories Account.
- In case of Retail Individual Applicants applying through the UPI mechanism, details of UPI ID, not provided in the Application form
- For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GID and UPI Circular.

#### **Equity Shares in Dematerialized Form with NSDL or CDSL**

- a. An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
- b. The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's Identification number) appearing in the Application Form or Revision Form.
- c. Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).
- d. Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- e. If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- f. The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis- à-vis those with their Depository Participant.
- g. It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange platform where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- h. The trading of the Equity Shares of our Company would be only in dematerialized form.

### Communications

Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

### Equity Shares in Dematerialised Form with NSDL Or CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

Agreement dated September 19, 2024, among NDSL, the Company and the Registrar to the Issue; and

Agreement dated September 17, 2024, among CDSL, the Company and the Registrar to the Issue.

The Company's shares bear ISIN no: INE15G001018

<p>To,  <b>Mujahid Ali</b>  Company Secretary &amp; Compliance Officer  <b>Inspros Engineers Limited</b>  126 Sector-A Industrial Area Mandideep,  Bhopal- 462046, Madhya Pradesh, India  <b>Telephone:</b> +91 9755032465  <b>Website:</b> <a href="http://www.inspros.net">www.inspros.net</a>  <b>Email id:</b> <a href="mailto:cslgl@inspros.net">cslgl@inspros.net</a></p>	<p>To,  <b>Link Intime India Private Limited</b>  C-101, 247 Park, L B S Marg, Vikhroli West,  Mumbai- 400083, Maharashtra, India  <b>Telephone:</b> +91 810 811 4949  <b>Fax No.:</b> NA  <b>Email:</b>  <a href="mailto:insprosenengineering.smeipo@linkintime.co.in">insprosenengineering.smeipo@linkintime.co.in</a>  <b>Investor Grievance Email:</b>  <a href="mailto:insprosenengineering.smeipo@linkintime.co.in">insprosenengineering.smeipo@linkintime.co.in</a>  <b>Website:</b> <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>  <b>SEBI Registration No.:</b> INR000004058</p>
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### Payment into Escrow Account(s) for Anchor Investors

Our Company, in consultation with the BRLM, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- (a) In case of resident Anchor Investors: “[●]-IPO-Anchor Investor-R”; and
- (b) In case of Non-Resident Anchor Investors: “[●]-IPO-Anchor Investor-NR”.

Anchor Investors should note that the escrow mechanism is not prescribed by the SEBI and has been established as an arrangement between our Company and the Syndicate, if any the Escrow Collection Bank and the Registrar to the Issue to facilitate collections of Bid amounts from Anchor Investors.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a Pre-issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national and [●] edition of [●], Hindi being the regional language of Madhya Pradesh, where our Registered Office is located). In the Pre-issue advertisement, we shall state the Bid/issue Opening Date and the Bid/issue Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations

### **Disposal of Applications and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.

The Company shall use best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 (six) working days of closure of the issue.

### **Impersonation**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

*“Any person who—*

- a. Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b. Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c. Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

Shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.

### **Procedure and time for allotment and demat credit**

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. **Bidders are advised to instruct their Depository.**

### **Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders who have been Allotted Equity Shares in the Issue.

- a) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- b) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Bidders Depository Account which will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Bidder depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

### **Basis of Allotment**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue.

### **Flow of Events from the closure of bidding period (T DAY) Till Allotment:**

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file/ Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSBs to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+ 1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below:

### **Process for generating list of allottees: -**

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket/batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th Application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the over subscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- On the basis of the above, the RTA will work out the allottees, partial allottees and non-allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

Allotment will be made in consultation with NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).
- b) The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).

For applications where the proportionate allotment works out to less than [●] Equity shares the allotment will be made as follows:

- i. Each successful applicant shall be allotted [●] Equity shares; and
  - ii. the successful applicants out of the total applicants for that category shall be determined by the draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- c) If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] Equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of [●] Equity shares subject to a minimum allotment of [●] Equity shares.
  - d) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity shares, results in the actual allotment being higher than the shares issued, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the issue specified under the Capital Structure mentioned in this Draft Red Herring Prospectus.
  - e) The above proportionate allotment of shares in an issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
    - As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
    - The balance net issue of shares to the public shall be made available for allotment to Individual applicants other than retails individual investors and other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
    - The unsubscribed portion of the net issue to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

Retail Individual Investor means an investor who applies for shares of value of not more than ₹ 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with Stock Exchange. The Executive Director / Managing Director of Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

Since present issue is a Book Built Issue, the allocation in the net issue to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

- a) *not less than thirty-five per cent. to retail individual investors;*
- b) *not less than fifteen per cent. to non-institutional investors;*
- c) *not more than fifty per cent. to qualified institutional buyers, five per cent. of which shall be allocated to mutual funds:*

*Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in any other category:*

*Provided further that in addition to five per cent. allocation available in terms of clause (c), mutual funds shall be eligible for allocation under the balance available for qualified institutional buyers.*

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

Names of entities responsible for finalizing the Basis of Allotment in the event of Under Subscription. In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 90% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the SME Platform of NSE-the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

As per the RBI regulations, OCBs are not permitted to participate in the Issue.

There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

#### **Flow of Events from the closure of bidding period (T DAY) Till Allotment:**

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file/ Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSBs to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+ 1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below:

#### **Process for generating list of allottees: -**

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket/batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3<sup>rd</sup> and 5<sup>th</sup> Application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the over subscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.

On the basis of the above, the RTA will work out the allottees, partial allottees and non-allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

### **Undertakings by Our Company**

We undertake as follows:

- That the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (six) Working days of closure of the Issue;
- That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- That our Promoter's contribution in full has already been brought in;
- That no further Issue of Equity Shares shall be made till the Equity Shares issued through the Draft Red Herring Prospectus are listed or until the Application monies are unblocked on account of non-listing, under subscription etc. and That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh Offer document with the ROC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;
- That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
- That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the Issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- That Company shall not have recourse to the issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received;
- Adequate arrangements shall be made to collect all Application Forms from the Applicants;
- That the certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time; and that none of the promoters or directors of the company is wilful defaulter or Fraudulent Borrower under Section 5(c) of SEBI (ICDR) Regulations, 2018.



### **Utilization of Issue Proceeds**

The Board of Directors of our Company certifies that:

- a) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- b) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our company indicating the purpose for which such monies have been utilized;
- c) Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
- d) Our Company shall comply with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- e) Our Company shall not have recourse to utilize the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- f) Our Company undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 has prescribed the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government of India has from time to time made policy pronouncements on foreign direct investment (“FDI”) through press notes and press releases.

The Government of India makes policy announcements on FDI through press notes and press releases. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The DPIIT (formerly Department of Industrial Policy & Promotion) issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 (the “FDI Circular”), which consolidates and supersedes all previous press note, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see “*Issue Procedure - Bids by Eligible NRIs*” and “*Issue Procedure - Bids by FPIs*” on pages 308 and 309. As per the existing policy of the Government of India, OCBs cannot participate in this issue.

As per the existing policy of the Government of India, OCBs cannot participate in this issue.

The Equity Shares 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 securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers, and sale occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for the Issue do not exceed the applicable limits under applicable laws or regulations.

For further details, see “*Issue Procedure*” beginning on page 299 of this Draft Red Herring Prospectus.

## SECTION IX-MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

OF

**INSPROS ENGINEERS LIMITED**

**A COMPANY LIMITED BY SHARES**

### *Preliminary*

Subject to the regulations hereinafter provided, the regulations contained in Table 'F' in the First Schedule to the Companies Act, 2013 shall apply to the Company, except in so far as they are otherwise expressly incorporated herein below.

### *Interpretation*

I. In these regulations—

- (a) “**Act**” means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and any previous Company Law, so far as may be applicable.
- (b) “**Articles**” means these Articles of Association of the Company or as altered from time to time.

Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of Companies Act, 2013 even where such subsidiary company continues to be a private company in its articles;

- (c) “**Associate Company**”, in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.

Explanation: For the purposes of this clause, "significant influence" means control of at least twenty per cent of total share capital, or of business decisions under an agreement;

- (d) “**Board of Directors**” or “**Board**”, means the collective body of the directors of the Company and shall include a Committee thereof.
- (e) “**Company**” means **INSPROS ENGINEERS LIMITED**.
- (f) “**Control**” shall include the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner.
- (g) “**Depositories Act**” means the Depositories Act, 1996, or any statutory modification or re-enactment thereof, for the time being in force.
- (h) “**Depository**” means a depository as defined under Section 2(1)(e) of the Depositories Act.
- (i) “**Director**” means a member of the Board appointed in accordance with these Articles, including any additional and/or alternate director.
- (j) “**Debenture**” includes Debenture stock, bonds or any other instrument of a Company evidencing a debt, whether constituting a charge on the assets of the Company or not.
- (k) “**Document**” includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of this Act or under any other law for the time

being in force or otherwise, maintained on paper or in electronic form.

- (l) “**General Meeting**” means a general meeting of the Shareholders of the Company, whether an annual general meeting or an extraordinary general meeting.
- (m) “**Independent Director**” shall have the meaning ascribed to it in the Act.
- (n) “**Key Managerial Personnel**” means the Chief Executive officer or the managing director or the manager; the company secretary; whole-time director; Chief Financial Officer; and such other officer as may be notified from time to time in the Rules.
- (o) “**Ordinary & Special Resolution**” shall have the meanings assigned to these terms by Section 114 of the Act.
- (p) “**Public Company**” means a company which,
  - (i) is not a private company and
  - (ii) has a minimum paid-up share capital as may be prescribed:
- (q) “**Promoter**” means a person—
  - (i) who has been named as such in a prospectus or is identified by the company in the annual return referred to in Section 92; or
  - (ii) who has control over the affairs of the Company, directly or indirectly whether as a shareholder, director or otherwise; or
  - (iii) in accordance with whose advice, directions or instructions the Board of Directors of the Company is accustomed to act:

Provided that nothing in sub-clause (c) shall apply to a person who is acting merely in a professional capacity;

- (r) “**Rules**” means the applicable rules for the time being in force as prescribed under relevant Sections of the Act.
- (s) “**the seal**” means the common seal of the company;
- (t) “**Secretary**” is a Key Managerial Person appointed by the Directors to perform any of the duties of a Company Secretary.
- (u) “**The office**” means the Registered Office for the time being of the Company.

Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.

Reference in these articles to any provision of the Act shall, where the context so admits, be construed as a reference by any statute for the time being in force.

Unless the context otherwise requires words or expressions contained in these Articles shall bear the same meaning as in the Act or Rules, or any statutory modification thereof in force at the date at which these Articles become binding on the Company

### *Share capital and variation of rights*

**II. 1.** Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

**2.** (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided, —

(a) One certificate for all his shares without payment of any charges; or

(b) Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

**3.** (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall *mutatis mutandis* apply to debentures of the company.

**4.** Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

**5** (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rule made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

**6.** (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

**7.** The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further share ranking *pari-passu* therewith.

**8.** Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

### *Lien*

**9. (i)** The company shall have a first and paramount lien—

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividend bonuses declared from time to time in respect of such shares.

**10.** The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

(a) Unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

**11. (i)** To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

**12. (i)** The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

### *Calls on shares*

**13. (i)** The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board

**14.** A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

**15.** The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

**16. (i)** If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

**17. (i)** Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

**18.** The Board—

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

### *Transfer of shares*

**19. (i)** The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

**20.** The Board may, subject to the right of appeal conferred by section 58 decline to register—

(a) The transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) Any transfer of shares on which the company has a lien.

**21.** The Board may decline to recognize any instrument of transfer unless—

(a) The instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

(b) The instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) The instrument of transfer is in respect of only one class of shares.

**22.** On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

### *Transmission of shares*

**23.** (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a shareholder, shall be the only persons recognized by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

**24.** (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(a) To be registered himself as holder of the share; or

(b) To make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

**25.** (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

**26.** A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have complied with.

**27.** In case of a One Person Company—

(i) On the death of the sole member, the person nominated by such member shall be the person recognized by the company as having title to all the shares of the member;

(ii) The nominee on becoming entitled to such shares in case of the member's death shall be informed of such event by the Board of the company;



(iii) Such nominee shall be entitled to the same dividends and other rights and liabilities to which such sole member of the company was entitled or liable;

(iv) On becoming member, such nominee shall nominate any other person with the prior written consent of such person who, shall in the event of the death of the member, become the member of the company.

### *Forfeiture of shares*

**28.** If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

**29.** The notice aforesaid shall—

(a) Name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

**30.** If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect

**31.** (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

**32.** (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

**33** (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favor of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

**34.** The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

### *Alteration of capital*

**35.** The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

**36.** Subject to the provisions of section 61, the company may, by ordinary resolution, —

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

**37.** Where shares are converted into stock, —

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

**38.** The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, —

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

### *Capitalization of profits*

**39.** (i) The company in general meeting may, upon the recommendation of the Board, resolve—

(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

**40.** (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

#### ***Buy-back of shares***

**41.** Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

#### ***General meetings***

**42.** All general meetings other than annual general meeting shall be called extraordinary general meeting.

**43.** (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

### *Proceedings at general meetings*

**44** (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

**45.** The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

**46.** If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

**47.** If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

### *Adjournment of meeting*

**48.** (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

### *Voting rights*

**49.** Subject to any rights or restrictions for the time being attached to any class or classes of shares, —

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

**50.** A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

**51.** (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

**52.** A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

**53.** Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

**54.** No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

**55.** (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

### ***Proxy***

**56.** The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

**57.** An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

**58.** A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

### ***Board of Directors***

**59.** The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.

**60.** (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

**61.** The Board may pay all expenses incurred in getting up and registering the company.

**62.** The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that (section) make and vary such regulations as it may think fit respecting the keeping of any such register.

**63.** All cheques, promissory notes, drafts, *hundis*, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

**64.** Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

**65. (i)** Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

*(ii)* Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

### *Proceedings of the Board*

**66. (i)** The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

*(ii)* A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

**67. (i)** Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

*(ii)* In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

**68.** The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

**69. (i)** The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

*(ii)* If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

**70. (i)** The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

*(ii)* Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

**71. (i)** A committee may elect a Chairperson of its meetings.

*(ii)* If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

**72. (i)** A committee may meet and adjourn as it thinks fit.

*(ii)* Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

**73.** All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or

any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

**74.** Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

**75.** In case of a One Person Company—

(i) where the company is having only one director, all the businesses to be transacted at the meeting of the Board shall be entered into minutes book maintained under section 118;

(ii) such minutes book shall be signed and dated by the director;

(iii) the resolution shall become effective from the date of signing such minutes by the director.

#### ***Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer***

**76.** Subject to the provisions of the Act, -

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

**77.** A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

#### ***The Seal***

**78.** (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

#### ***Dividends and Reserve***

**79.** The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

**80.** Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

**81.** (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

**82.** (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

**83.** The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

**84.** (i) Any dividend, interest or other monies payable in cash in respect of shares maybe paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

**85.** Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

**86.** Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

**87.** No dividend shall bear interest against the company.

#### *Accounts*

**88.** (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorized by the Board or by the company in general meeting.

#### *Winding up*

**89.** Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.



(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

### *Indemnity*

**90.** Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favor or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

## SECTION X – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts, not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Red Herring Prospectus, which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Draft Red Herring Prospectus, will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company from date of filing the Draft Red Herring Prospectus with RoC to Issue Closing Date on Working Days from 10.00 a.m. to 5.00 p.m.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable laws.

#### Material Contracts:

- 1) Issue Agreement dated October 29, 2024, between our Company and BRLM.
- 2) Registrar Agreement dated October 29, 2024, between our Company and the Registrar to the Issue.
- 3) Public Issue Account and sponsor bank agreement dated [●] amongst our Company, the Registrar to the Issue, the BRLM, Banker to the Issue, Sponsor Bank, Refund Bank and Syndicate Member.
- 4) Syndicate agreement dated [●] entered into amongst our Company, the BRLM, the Syndicate Member and RTA.
- 5) Underwriting Agreement dated [●] between our Company the BRLM and Underwriter.
- 6) Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated dated September 19, 2024.
- 7) Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated dated September 19, 2024.
- 8) Market Making Agreement dated [●] between our Company, BRLM and Market Maker.

#### Material Documents

- 1) Certified true copy of Certificate of Incorporation, Memorandum and Articles of Association of our Company as amended from time to time;
- 2) Board resolution and special resolution passed pursuant to Section 62 (1)(c) of the Companies Act, 2013 by the Board and shareholders of our Company approving the Issue, at their meetings held on July 29, 2024 and August 03, 2024, respectively;
- 3) Resolution of the Board of Directors of our Company dated October 29, 2024, approving the Draft Red Herring Prospectus and amendments thereto.
- 4) Copies of the annual reports of our Company for the preceding three Fiscals;
- 5) Resolution of shareholders of our company dated May 10, 2024 approving re-designation of Managing Director and Whole Time Director;
- 6) Consent dated October 11, 2024, from the peer review auditor, M/s Baheti & Co., Chartered Accountants, to include their name as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as the Peer Review Auditor and in respect of the: (i) Restated Financial Statements and their examination report, and (ii) the Statement of Possible tax benefits included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

- 7) Consent dated October 11, 2024 from ESEN Valuers and Chartered Engineers (Membership no. F- 111181-3), as Chartered Engineer to include its name as an “expert” as defined under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus as an “expert” as defined under Section 2 (38) of the Companies Act, 2013, to the extent and in his capacity as a chartered engineer.

our Company has received written consent dated October 11, 2024 from ESEN Valuers and Chartered Engineers (Membership no. F- 111181-3)

- 8) Consents of Promoters, Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Review Auditor, Banker to the Company, Legal Advisor to the Issue, Book Running Lead Manager, Registrar to the Issue, Syndicate Member, the Escrow Collection Bank(s), Market Maker, Underwriter and Bankers to the Issue/Public Issue Bank/Refund Banker and Sponsor Banker to act in their respective capacities;
- 9) Certificate from the Peer Review Auditor, Chartered Accountants dated October 23, 2024, verifying the key performance indicators (KPI).
- 10) Resolution of Audit Committee dated October 23, 2024, verifying the key performance indicators.
- 11) Due Diligence Certificate from Book Running Lead Manager dated October 29, 2024 addressed to SEBI from the BRLM.
- 12) Copy of In- Principle Approval from NSE by way of letter dated [●], to use the name of NSE in this offer document for listing of Equity Shares on NSE EMERGE (SME Platform of The National Stock Exchange of India Limited).

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## **DECLARATION**

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE MANAGING DIRECTOR**

**Sd/-**  
**Vipin Mullick**  
**Managing Director**

**Place:** Bhopal  
**Date:** October 29, 2024

## **DECLARATION**

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE WHOLE TIME DIRECTOR**

**Sd/-**

**Anandita Mullick**

**Whole Time Director**

**Place:** Bhopal

**Date:** October 29, 2024

## **DECLARATION**

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE NON-EXECUTIVE DIRECTOR**

**Sd/-**

**Sanjiv Shah**

**Non-Executive Director**

**Place:** Mumbai

**Date:** October 29, 2024

## **DECLARATION**

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE NON- EXECUTIVE INDEPENDENT DIRECTOR**

**Sd/-**

**Chandrakant Shrikhande**

**Non- Executive Independent Director**

**Place:** Bhopal

**Date:** October 29, 2024

## **DECLARATION**

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE NON- EXECUTIVE INDEPENDENT DIRECTOR**

**Sd/-**

**Kishore Purswani**

**Non- Executive Independent Director**

**Place:** Bhopal

**Date:** October 29, 2024



## **DECLARATION**

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER**

**Sd/-**

**Preeti P R**

**Place:** Bhopal

**Date:** October 29, 2024

## **DECLARATION**

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER**

**Sd/-**  
**Mujahid Ali**  
**Company Secretary and Compliance Officer**

**Place:** Bhopal  
**Date:** October 29, 2024