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(Please scan the QR code to view the RHP)

STANDARD GLASS LINING TECHNOLOGY LIMITED

Our Company was incorporated as "Standard Glass Lining Technology Private Limited" at Hyderabad, as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated September 6, 2012, issued by the Registrar of Companies, Andhra Pradesh. Subsequently, upon the conversion of our Company into a public limited company, pursuant to a special resolution passed by our Shareholders on June 4, 2022, the name of our Company was changed to "Standard Glass Lining Technology Limited" and a fresh certificate of incorporation dated, June 17, 2022, was issued by the RoC. For further details regarding the change of name, please refer to the section titled "History and Certain Corporate Matters" on page 316 of the red herring prospectus dated December 30, 2024 ("RHP" or "Red Herring Prospectus") filed with the ROC.

Registered Office: D.12, Phase-1, IDA Jeelimetla, Hyderabad, Telangana-500055, India; Corporate Office: 10th Floor, PNR High Nest, Hydemagar, KPHB Colony, Hyderabad, Telangana - 500085, India
Contact Person: Kallam Hima Priya, Company Secretary and Compliance Officer; Tel: + 040 3518 2204; E-mail: corporate@standardglr.com; Website: www.standardglr.com

OUR PROMOTERS: NAGESWARA RAO KANDULA, KANDULA KRISHNA VENI, KANDULA RAMAKRISHNA, VENKATA MOHANA RAO KATRAGADDA, KUDARAVALLI PUNNA RAO AND M/S S2 ENGINEERING SERVICES

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE "EQUITY SHARES") OF STANDARD GLASS LINING TECHNOLOGY LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (THE "OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES OF FACE VALUE ₹ 10 EACH AGGREGATING UP TO ₹ 2,100.00 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 14,289,367 EQUITY SHARES OF FACE VALUE ₹ 10 EACH AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER FOR SALE"), COMPRISING AN OFFER FOR SALE OF UP TO 11,316,367 EQUITY SHARES OF FACE VALUE ₹ 10 EACH AGGREGATING UP TO ₹ [●] MILLION BY THE PROMOTER SELLING SHAREHOLDERS UP TO 1,909,000 EQUITY SHARES OF FACE VALUE ₹ 10 EACH AGGREGATING TO ₹ [●] MILLION BY THE PROMOTER GROUP SELLING SHAREHOLDERS AND UP TO 1,064,000 EQUITY SHARES OF FACE VALUE ₹ 10 EACH AGGREGATING TO ₹ [●] MILLION BY THE OTHER SELLING SHAREHOLDERS (TOGETHER, THE "SELLING SHAREHOLDERS", AND SUCH EQUITY SHARES, THE "OFFERED SHARES").

A PRE-IPO PLACEMENT OF EQUITY SHARES AS PERMITTED UNDER APPLICABLE LAWS, WAS UNDERTAKEN BY OUR COMPANY, IN CONSULTATION WITH THE BRLMS, TO SPECIFIED PERSONS, FOR AN AMOUNT AGGREGATING TO ₹ 400.00 MILLION ("PRE-IPO PLACEMENT"). THE PRE -IPO PLACEMENT WAS AT A PRICE AS DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLMS AND WAS COMPLETED PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC. SINCE THE PRE-IPO PLACEMENT WAS UNDERTAKEN, THE AMOUNT RAISED FROM THE PRE-IPO PLACEMENT AGGREGATING TO ₹ 400.00 MILLION WAS REDUCED FROM THE FRESH ISSUE, SUBJECT TO THE OFFER COMPLYING WITH RULE 19(2)(B) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED ("SCRR") AND ACCORDINGLY THE REVISED FRESH ISSUE SIZE AGGREGATES UP TO ₹ 2,100.00 MILLION. THE PRE-IPO PLACEMENT HAS NOT EXCEEDED 20% OF THE FRESH ISSUE. OUR COMPANY HAS APPROPRIATELY INTIMATED THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT, PRIOR TO ALLOTMENT PURSUANT TO THE PRE-IPO PLACEMENT, THAT THERE IS NO GUARANTEE THAT OUR COMPANY MAY PROCEED WITH THE OFFER OR THEOFFER MAY BE SUCCESSFUL AND WILL RESULT INTO LISTING OF THE EQUITY SHARES ON THE STOCK EXCHANGES.FURTHER, RELEVANT DISCLOSURES INRELATION TO SUCH INTIMATION TO THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT HAS BEEN APPROPRIATELY MADE IN THE RELEVANT SECTIONS OF THE RED HERRING PROSPECTUS AND SHALL BE MADE IN RELEVANT SECTIONS OF THE PROSPECTUS. THE AMOUNT RAISED FROM THE PRE-IPO PLACEMENT WILL BE UTILISED FOR GENERAL CORPORATE PURPOSES.

DETAILS OF THE OFFER FOR SALE BY THE SELLING SHAREHOLDERS AND WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE			
NAME OF THE SELLING SHAREHOLDERS	TYPE	MAXIMUM NUMBER OF EQUITY SHARES OFFERED/ AMOUNT (IN ₹ MILLION)	WACA (IN ₹ PER EQUITY SHARE)*#
M/s S2 Engineering Services	Promoter Selling Shareholder	Up to 5,204,000 Equity Shares of face value ₹ 10 each aggregating up to ₹ [●] million	2.32
Kandula Ramakrishna	Promoter Selling Shareholder	Up to 2,870,651 Equity Shares of face value ₹ 10 each aggregating up to ₹ [●] million	1.97
Kandula Krishna Veni	Promoter Selling Shareholder	Up to 2,401,716 Equity Shares of face value ₹ 10 each aggregating up to ₹ [●] million	1.97
Nageswara Rao Kandula	Promoter Selling Shareholder	Up to 765,000 Equity Shares of face value ₹ 10 each aggregating up to ₹ [●] million	2.19
M/s Standard Holdings	Promoter Group Selling Shareholder	Up to 504,000 Equity Shares of face value ₹ 10 each aggregating up to ₹ [●] million	3.50
Katragadda Venkata Ramani	Promoter Group Selling Shareholder	Up to 580,000 Equity Shares of face value ₹ 10 each aggregating up to ₹ [●] million	1.00
Venkata Siva Prasad Katragadda	Promoter Group Selling Shareholder	Up to 350,000 Equity Shares of face value ₹ 10 each aggregating up to ₹ [●] million	1.00
Mahitha Katragadda	Other Selling Shareholder	Up to 350,000 Equity Shares of face value ₹ 10 each aggregating up to ₹ [●] million	1.00
Katragadda Harini	Other Selling Shareholder	Up to 350,000 Equity Shares of face value ₹ 10 each aggregating up to ₹ [●] million	1.00
Likitha Katragadda	Other Selling Shareholder	Up to 350,000 Equity Shares of face value ₹ 10 each aggregating up to ₹ [●] million	1.00

#WACA: Weighted average cost of acquisition. WACA is the total Cost incurred for acquiring the securities of the Company as of date divided by the total number of securities acquired less the amount received pursuant to the transfer/sale of any securities (if any) divided by the total number of securities sold/ transferred.

*As certified by M/s Niranjan & Narayan, Chartered Accountants by way of their certificate dated December 30, 2024.

For a complete list of all Selling Shareholders and their weighted average cost of acquisition per Equity Share, please see "Summary of the Offer Document –Average cost of acquisition of Equity Shares by the Promoters and Selling Shareholders" on page 56 of the RHP.

Standard Glass Lining Technology Limited is specialised engineering equipment manufacturer for pharmaceutical and chemical sectors in India. Our capabilities include designing, engineering, manufacturing, assembly, installation and commissioning solutions as well as establishing standard operating procedures for pharmaceutical and chemical manufacturers on a turnkey basis.

The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations.

QIB Portion: Not more than 50% of the Offer | Non-Institutional Portion: Not less than 15% of the Offer | Retail Portion : Not less than 35% of the Offer

Two of the Promoters of the Company, i.e. Kandula Ramkrishna and Kandula Krishna Veni has transferred certain Equity Shares through secondary sale at a price of ₹ 140 per Equity Share on December 11, 2024. For further details, please see next page of this advertisement and "Capital Structure - Secondary transactions of Equity Shares" on page 136 of the RHP.

Our Company, in consultation with the BRLMs, has issued and allotted 2,857,142 Equity Shares by way of a private placement for cash at a price of ₹140.00 per Equity Share (including a premium of ₹130.00 per Equity Share) aggregating to ₹ 400.00 million, in accordance with Section 42 of the Companies Act, 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, each as amended ("Pre-IPO Placement"). The Pre-IPO Placement has been undertaken pursuant to the approval by the Board and Shareholders in their meeting, each held on November 29, 2024 and the Equity Shares through the Pre-IPO Placement have been allotted on December 16, 2024. For further details, please see next page of this advertisement and "Capital Structure - Notes to Capital Structure - Equity Share capital history of our Company - Primary issuances of Equity Shares" on page 126 of the RHP.

PRICE BAND: ₹ 133 TO ₹ 140 PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH

THE FLOOR PRICE IS 13.30 TIMES THE FACE VALUE OF THE EQUITY SHARES AND THE CAP PRICE IS 14 TIMES THE FACE VALUE OF THE EQUITY SHARES

THE PRICE/EARNINGS RATIO BASED ON DILUTED EPS FOR FISCAL 2024 FOR OUR COMPANY AT THE UPPER END OF THE PRICE BAND IS AS HIGH AS 39.77 TIMES AND THE LOWER END OF THE PRICE BAND IS 37.78 TIMES AS COMPARED TO THE AVERAGE INDUSTRY PEER GROUP P/E RATIO FOR FISCAL 2024 OF 55.24 TIMES

THE WEIGHTED AVERAGE RETURN ON NETWORTH FOR LAST THREE FINANCIAL YEARS IS 35.37%.

FOR DETAILS PLEASE REFER TO "BASIS FOR OFFER PRICE" SECTION ON PAGE 176 OF THE RHP

BIDS CAN BE MADE FOR A MINIMUM OF 107 EQUITY SHARES AND IN MULTIPLES OF 107 EQUITY SHARES THEREAFTER

ASBA* Simple, Safe, Smart way of Application!!! *Applications Supported by Blocked Amount ("ASBA") is a better way of applying to offers by simply blocking the fund in the bank account.For further details, check section on ASBA. Mandatory in public issues.No cheque will be accepted.

In accordance with the recommendation of Independent Directors of our Company, pursuant to their resolution dated December 30, 2024, the above provided price band is justified based on quantitative factors/ KPIs disclosed in the "Basis for Offer Price " section on page 176 of the RHP vis-a-vis the weighted average cost of acquisition ("WACA") of primary and secondary transaction(s), as applicable, disclosed in the "Basis for Offer Price" section on page 176 of the RHP and provided below in the advertisement.

In making an investment decision and purchase in the offer, potential investors must only rely on the information included in the RHP and the terms of the offer, including the risks and merits involved and not rely on any other external sources of information about the offer available in any manner.

RISK TO INVESTORS

(For details refer to section titled "Risk Factors" on page 58 of the RHP)

- Risk relating to concentration of manufacturing primarily at one location situated in Telangana, India:** We are dependent on our manufacturing facilities, all of which are situated in Telangana, India. We are subject to risks in relation to our 8 manufacturing process including accidents and natural disasters and also risks arising from changes in the economic or political conditions of Telangana, India which in turn will interfere with our operations and could have an adverse effect on our business, results of operations and financial condition.
- Risk related to dependency on skilled labour and workforce:** Our business is dependent on the availability and retainment of skilled labour and workforce, and if we are unable to hire and engage the appropriate personnel, our business, results of operations and financial condition shall be adversely affected.

The table below provides the attrition rate for our employees for the six months period ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars	As of September 30, 2024	As of March 31, 2024	As of March 31, 2023	As of March 31, 2022
Total number of employees	460	378	307	250
Employees Resigned during the Fiscal / period	65	139	99	52
Employees joined during the Fiscal / period	127	158	156	137
Attrition rate (%)	12.87%	29.89%	24.38%	28.11%

Note:

1. 20 employees of CPK Engineers private limited were transferred to our company in six months ended September 30, 2024 on account of slump sale, 52 employees of M/s Higenic Flora Polymers and M/s Yashasve Glass Lining Industries were transferred to our Company in Fiscal 2024 and 117 employees of M/s S2 Engineering Services and M/s Stanpumps Engineering Industries were transferred to our Company in Fiscal 2022, due to the slump sales during the respective Fiscals;

2. Attrition rate has been calculated as the number of employees who have resigned during the period, divided by the number of employees existing as of the beginning of the period and the numbers of employees who have joined during the period.

3. **Risk related to dependency on suppliers:** We are dependent on a limited number of suppliers for our key raw materials such as stainless steel, carbon/ mild steel, nickel alloy,

forgings, castings, chemicals and polytetrafluoroethylene powder. The loss of one or more of these suppliers could adversely impact our manufacturing processes and supply timelines, in turn adversely impacting our ability to comply with delivery schedules agreed with clients resulting in impact on our financial condition and results of operations.

The table below sets forth our raw material costs from our top 10 suppliers (the identities of which varied between fiscal years) and as a percentage of our raw material costs for the relevant Fiscal/period:

Partic-ulars	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (₹ million)	As a % of our raw material costs	Amount (₹ million)	As a % of our raw material costs	Amount (₹ million)	As a % of our raw material costs	Amount (₹ million)	As a % of our raw material costs
Top 10 supp-liers*	1,035.56	52.61%	1,795.75	46.00%	1,652.56	54.27%	939.88	51.34%

*We are unable to disclose the names of individual suppliers since this information is commercially sensitive to our business.

Further, for certain of our key raw materials, we are dependent on a limited number of suppliers. Our inventory days for our key raw materials for each of the past three fiscals and the six months period ended September 30, 2024 was as follows:

(in number of days)

Raw material	Six months period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Stainless steel	113	56	27	134
Carbon/ mild steel	20	25	29	226
Nickel alloy	186	96	161	43
Pumps	119	134	107	94
Chemicals	210	110	87	133
Others	67	118	83	110

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4. **Risk related to dependency on offerings:** Majority of our customers operate in the pharmaceuticals and chemical sectors. In each of the last three Fiscals and the six months period ended September 30, 2024, more than 88.20% of our revenue from operations were derived from the pharmaceutical and chemical sectors, combined. Factors that adversely affect these sectors or capital expenditure by companies within these sectors may adversely affect our business, results of operations and financial condition.

The following table sets forth our revenues by end user industries for the six months period ended September 30, 2024 and for Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (₹ million)	% of total revenue from operations	Amount (₹ million)	% of total revenue from operations	Amount (₹ million)	% of total revenue from operations	Amount (₹ million)	% of total revenue from operations
Pharmaceuticals	2,307.04	75.10%	4,446.70	81.79%	4,119.79	82.80%	2,054.33	85.53%
Chemicals	402.45	13.10%	681.72	12.54%	713.37	14.34%	324.48	13.51%
Others*	362.47	11.80%	308.27	5.67%	142.72	2.86%	23.06	0.96%
Total	3,071.95	100.00%	5,436.69	100.00%	4,975.88	100.00%	2,401.87	100.00%

Others includes: (i) paint; (ii) bio technology; (iii) food and beverages and (iv) other industries

5. **Risk related to Losses and negative operating cash flows in the past three financial years and stub period:** We have witnessed negative cash flow from operating activities in the past. Any negative cash flows in the future would adversely affect our cash flow requirements, which may adversely affect our ability to operate our business and our financial condition.

The following table sets forth certain information relating to our cash flows from / (used in) operating activities for the periods indicated:

(₹ in million)				
Raw material	Six months period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net cash flow/(used) from/in operating activities	(193.39)	(650.27)	17.51	(71.49)
Net cash flow/(used) from/in investing activities	(314.65)	(1,568.34)	(290.17)	(297.38)
Net cash flow/(used) from/in financing activities	362.39	2,318.95	325.70	369.97
Net increase/(decrease) in cash and cash equivalents	(145.65)	100.34	53.04	1.10

6. **Risk related to Customers and Suppliers:** We do not have long term or exclusive contracts with majority of our customers and suppliers. If such customers choose not to source their requirements from us and or if such suppliers choose not to provide us with the requisite raw materials, there may be a material adverse effect on our business, financial condition, cash flows and results of operations.

7. **Risk related to operational production lines:** Under-utilization of our currently operational production lines at our Manufacturing Facilities and an inability to effectively utilize our expanded manufacturing capacities could have an adverse effect on our business, future prospects, and future financial performance. For detail, refer to section titled “Risk Factors” on page 65 of the RHP.

8. **Risk related to Financial Indebtness:** We have incurred indebtedness and an inability to comply with repayment and other covenants in our financial arrangements could adversely affect our business and financial condition. Further, certain of our financial agreements involve variable interest rates and an increase in interest rates may adversely affect our results of operations and financial condition.

9. **Risk related to untraceable records of Promoters and SMP:** One of our Promoters and SMP, Kudaravalli Punna Rao, and two of our SMPs, Radhakrishna Bandi and Chamala Chandrasekhar Reddy, are unable to trace their educational documents. Accordingly, we have not included the disclosure of their educational qualifications.

10. **Risk related to defaults in payments by customers:** There may be delays or defaults in payment by our customers or the reduction in credit period for payments to be made to third-party service providers which could negatively affect our cash flows. As a result, we experience significant working capital requirements and our inability to meet our working capital requirements may materially and adversely affect our business, cash flows and financial condition

The table below sets forth details relating to holding levels of our trade payables, trade receivables and working capital cycle, as of the dates indicated:

Particulars	Number of days as of			
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Trade receivables days	114	104	67	125
Trade payables days	57	60	55	95
Working capital days	144	151	70	54

11. **Weighted average cost of acquisition of all Equity Shares transacted in the last three years, eighteen months and one year immediately preceding the date of the Red Herring Prospectus:**

Period	Weighted average cost of acquisition (in ₹)*	Cap Price is 'X' times the weighted average cost of acquisition	Range of acquisition price: lowest price – highest price (in ₹)*
Last one year preceding the date of the Red Herring Prospectus	6.75	20.74	Nil^ to ₹ 1,152.00
Last 18 months preceding the date of the Red Herring Prospectus	17.42	8.04	Nil^ to ₹1,152.00
Last three years preceding the date of the Red Herring Prospectus	19.97	7.01	Nil^ to ₹ 1,152.00

*As per certificate dated December 30, 2024, issued by M/s Niranjn & Narayan, Chartered Accountants.

^ The Company has on June 3, 2024 issued Bonus issue in the proportion of nine Equity Shares for every one Equity Share held by the Shareholders as on the record date i.e. May 29, 2024.

12. **Weighted average cost of acquisition compared to Floor Price and Cap Price:**

Sr. No.	Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor price (i.e. ₹133/-)	Cap price (i.e. ₹140/-)
(a)	Weighted average cost of acquisition for last 18 months for primary / new issue of shares	80.20#	1.66	1.75
(b)	Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares	Not Applicable		
	If there were no primary or secondary transactions of equity shares of the Company during the 18 months	Not Applicable		
	(a) Based on primary transactions			
	(b) Based on secondary transactions			

#Our Company has pursuant to our Board resolution dated June 3, 2024 approved the issuance of 163,471,068 equity shares by way of bonus issuance in the ratio of nine Equity Shares for every one Equity Share held by our Shareholders. Basic EPS and Diluted EPS for all the year are considered post issue of the issuance of the bonus equity shares in accordance with Ind AS 33 – Earning Per Share notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended)

13. **The average cost of acquisition for the Selling Shareholders ranges from Nil to ₹ 68.90 and the Offer Price (at upper price band of Price Band) is ₹ 140 per Equity Share**

Name	Face Value (in ₹)	Number of Equity Shares held	Average cost of acquisition per Equity Share (in ₹)*
Promoters/Promoter Selling Shareholders			
Kandula Ramakrishna	10	4,69,34,651	1.97
Kandula Krishna Veni	10	3,95,80,716	1.97
Nageswara Rao Kandula	10	7,650,000	2.19
Venkata Mohana Rao Katragadda	10	1,800,000	1.00
Kudaravalli Punna Rao	10	500,000	1.00
M/s S2 Engineering Services ⁽¹⁾	10	24,030,000	2.32
Selling Shareholders (excluding Promoter Selling Shareholders)			
M/s Standard Holdings ⁽²⁾	10	5,040,000	3.50
Katragadda Venkata Ramani	10	2,080,000	1.00
Venkata Siva Prasad Katragadda	10	1,800,000	1.00
Krishna Kanth Kudaravalli	10	900,000	1.00
Kudaravalli Srikanth	10	900,000	1.00
Balabhavani K	10	520,000	1.00
Likitha Katragadda	10	1,900,000	1.00
Mahitha Katragadda	10	1,900,000	1.00
Katragadda Harini	10	1,860,000	1.00
Shirish Nilkantharao Dhamnekar	10	130,630	68.90

* As per certificate dated December 30, 2024, issued by M/s Niranjn & Narayan, Chartered Accountants.

(1) M/s S2 Engineering Services is represented by its partners Kandula Ramakrishna and Kandula Krishna Veni.

(2) M/s Standard Holdings is represented by its partners Kandula Krishna Veni and Kandula Ramakrishna

14. **The 2 BRLMs associated with the Offer have handled 50 public Issues in the past three financial years,out of which 14 Issues closed below the offer price on listing date**

Name of BRLMs	Total Issues	Issued Closed below IPO Price on Listing Date [§]
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)*	37	10
Motilal Oswal Investment Advisors Limited*	9	2
Common Issues handled by the BRLMs#	4	2
Total	50	14

*Issues handled where there were no common BRLMs which are part of this IPO.

#Common Issues handed by the BRLMs means IPOs managed by any two or more of the above BRLMs during the period

§ Number of Issues closed below IPO price on listing date are in relation to the IPOs managed by the respective BRLM or common issues managed by two or more BRLMs for which total number of public issue managed are shown in the previous column

15. **The Price/Earnings Ratio Based on Diluted EPS for Fiscal 2024 for Company at the upper end of the price band is as high as our 39.77 times and the lower end of the price band is 37.78 times as compared to the Average Industry Peer Group P/E ratio for Fiscal 2024 of 55.24 times**

16. **The weighted average return on Networth for last three Financial Years is 35.37%.**

17. **Our market capitalization to revenue multiple and price to earnings ratio may not be indicative of the market price of the Equity Shares on listing or thereafter.**

Particulars	Price to earnings ratio (Diluted basis)	Market capitalisation to Revenue from operations
At Floor Price i.e. Rs.133	37.78	4.51 times
At Cap Price i.e. Rs. 140	39.77	4.75 times

Note: Financial information for our Company is derived from the Restated Financial Information for Fiscal 2024.

Market capitalisation has been computed as floor price or cap price, as the case may be, x number of shares outstanding as on the date of the Red Herring Prospectus. Market capitalisation to Revenue from operations is calculated as market capitalisation divided by Revenue from operations for Fiscal 2024.

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DETAILS OF THE SECONDARY TRANSFERS

1. Our Company has received intimations, each dated December 11, 2024, from Kandula Ramakrishna and Kandula Krishna Veni, Promoters of our Company that they have on December 11, 2024, transferred/sold 2,025,349 and 1,729,284 Equity Shares, respectively, for cash at a price of ₹ 140.00 per Equity Share to certain individuals and entities, as detailed below (together the "Secondary Transfers"). The details of the transfers/sale are as follows:

S. No	Date of Transfer	Name of the Transferor	Nature of Relationship with Company	Name of Transferee	Nature of Relationship with Company	Nature of Transfer	Number of Equity Shares	Percentage of pre- Offer share capital of the Company	Transfer price per Equity Share (in ₹)	Total consideration (in ₹)
1.	December 11, 2024	Kandula Ramakrishna	Promoter	M/s. NSN Investments represented by Dr. Satyanarayana Chava	-	Secondary Sale	357,142	0.20	140.00	49,999,880.00
2.				Ashok Kumar Inampudi	-		107,142	0.06	140.00	14,999,880.00
3.				Lakshmaiah Talluri	-		35,712	0.02	140.00	4,999,690.00
4.				Nimmagadda Nageswara Babu	-		35,714	0.02	140.00	4,999,960.00
5.				M/s. Nexsys Automations LLP	-		57,142	0.03	140.00	7,999,880.00
6.				Pallerla Srinivasa Reddy	Existing Shareholder		500,000	0.28	140.00	70,000,000.00
7.				Chereddi Ramachandra Naidu	Existing Shareholder		150,000	0.08	140.00	21,000,000.00
8.				Kallam Subba Reddy	Spouse of Key Managerial Personnel		35,714	0.02	140.00	4,999,960.00
9.				Koneru Lakshmi Kumari	-		71,428	0.04	140.00	9,999,920.00
10.				B Leela Gayatri	-		71,428	0.04	140.00	9,999,920.00
11.				Gorantla Sai Sruthi	-		35,714	0.02	140.00	5,000,000.00
12.				Sai Phanendra Gorantla	-		35,714	0.02	140.00	5,000,000.00
13.				Sowjanya Manne	Existing Shareholder		42,857	0.02	140.00	6,000,000.00
14.				Mallikarjuna Sanga	-		35,714	0.02	140.00	5,000,000.00
15.				Varun Yalamanchi	Existing Shareholder		14,285	0.01	140.00	1,999,900.00
16.				Bhaskar Rao Eloori	Existing Shareholder		21,428	0.01	140.00	2,999,920.00
17.				Suryadevara Srinivasa Rao	-		28,571	0.02	140.00	4,000,000.00
18.				P B Chandana	-		17,857	0.01	140.00	2,499,980.00
19.				Satyanarayanaraju Datla	-		17,857	0.01	140.00	2,499,980.00
20.				Akhilesh Raju Pusapati	-		14,285	0.01	140.00	1,999,980.00
21.				Seetharamaraju Poosapati	-		7,142	Negligible	140.00	999,880.00
22.				Malladi Satish	-		14,285	0.01	140.00	2,000,000.00
23.				Vara Prasad Gudiseva	-		5,357	Negligible	140.00	750,000.00
24.				Somanchi Datta Phani Prabhakar	Senior Managerial Personnel		10,721	0.01	140.00	1,500,960.00
25.				Eshita Chintan Shah	-		17,857	0.01	140.00	2,499,980.00
26.				Lagadapati Rammohan Rao	Existing Shareholder		15,000	0.01	140.00	2,100,000.00
27.				Somagani Pardasaradhi	-		8,571	Negligible	140.00	1,199,940.00
28.				Panakala Rao Katepalli	-		7,142	Negligible	140.00	999,880.00
29.				Sunitha Kancharla	-		35,714	0.02	140.00	4,999,960.00
30.				Sreenivasa Rao Majety	-		10,714	0.01	140.00	1,499,962.00
31.				Vanamareddy Anurag Reddy	-		7,142	Negligible	140.00	999,880.00
32.				M/s. Smilax Corporate Services LLP	-		200,000	0.11	140.00	28,000,000.00
33.	December 11, 2024	Kandula Krishna Veni	Promoter	M/s. Quantum Holdings Represented by Partner: 'Padma Pallerla'	Existing Shareholder	Secondary Sale	218,571	0.12	140.00	30,599,940.00
34.				Kalavathi Bandi	-		1,500,000	0.83	140.00	210,000,000.00
35.				Sai Teja Ghanta	-		3,571	Negligible	140.00	499,940.00
36.				Arunkumar Dadi	-		7,142	Negligible	140.00	999,880.00

DETAILS OF THE PRE-IPO PLACEMENT

1. Our Company, in consultation with the BRLMs, has issued and allotted 2,857,142 Equity Shares by way of a private placement for cash at a price of ₹140.00 per Equity Share (including a premium of ₹130.00 per Equity Share) aggregating to ₹400.00 million, in accordance with Section 42 of the Companies Act, 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, each as amended ("Pre-IPO Placement"). The Pre-IPO Placement has been undertaken pursuant to the approval by the Board and Shareholders in their meeting, each held on November 29, 2024 and the Equity Shares through the Pre-IPO Placement have been allotted on December 16, 2024.
2. The details of the Pre-IPO Placement are as follows:
- | S. No | Date of allotment | Number of Equity Shares allotted | Details of the allottee | Nature of consideration | Reason/ Nature of allotment | Percentage of pre- Offer share capital of the Company | Issue price per Equity Share (in ₹) | Total consideration (in ₹ million) |
|-------|-------------------|----------------------------------|----------------------------|-------------------------|-----------------------------|---|-------------------------------------|------------------------------------|
| 1. | December 16, 2024 | 2,857,142 | Amansa Investments Limited | Cash | Private Placement | 1.55% | 140.00 | 400.00 |
3. Please note that the Equity Shares issued pursuant to the Pre-IPO Placement, being the pre-Offer equity share capital shall be subject to lock-in, in accordance with Regulation 17 of the SEBI ICDR Regulations.
4. Further, the aforementioned allottee is not connected with our Company, Promoter, Promoter Group, Directors, Key Managerial Personnel, Subsidiaries, Group Companies and the directors and key managerial personnel of our Subsidiaries and Group Companies.

BID/OFFER PERIOD

ANCHOR INVESTOR BIDDING DATE# : FRIDAY, JANUARY 3, 2025

BID/ OFFER OPENS ON MONDAY, JANUARY 6, 2025

BID/ OFFER CLOSES ON* WEDNESDAY, JANUARY 8, 2025

#Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date. | *UPI mandate end time and date shall be at 5:00 p.m. on the Bid/Offer Closing Date.

BASIS FOR OFFER PRICE

The Price Band has been determined by our Company, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and the quantitative and qualitative factors as described below and is justified in view of these parameters. The face value of the Equity Shares is ₹ 10 each and Floor Price is 13.30 times the face value and the Cap Price is 14 times the face value of the Equity Shares. Investors should also refer to "Risk Factors", "Our Business", "Restated Consolidated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 58, 276, 372 and 441 of the RHP, respectively, to have an informed view before making an investment decision.

Qualitative factors

We believe the following business strengths allow us to successfully compete in the industry:

- One of the top five specialised engineering equipment manufacturers for pharmaceutical and chemical sectors in India with products across entire value chain;
 - With in house capabilities across the value chain including design, engineering, manufacturing, assembly, installation and commissioning solutions for pharmaceutical and chemical manufacturers on a turnkey basis;
 - Diverse product portfolio with a focus on customisation,
 - Our technical abilities including the quality and experience of our senior management and technically qualified employees, and our Promoters' presence in the industry for over two decades,
 - Ability to deliver highly customised solutions in a timebound manner and our distribution network; and
 - One of the top three manufacturers of glass-lined, stainless steel, and nickel alloy based specialised engineering equipment in Fiscal 2024, in India, in terms of revenue. (Source: F&S Report)
- Customized and innovative product offering across the entire pharmaceutical and chemical manufacturing value chain;
 - One of the few companies in India offering end to end customised solutions in the specialised engineering equipment used in the pharmaceutical and chemical sectors (Source: F&S Report)
 - As of six months period ended September 30, 2024, our comprehensive product portfolio consists of more than 65 and offerings across pharmaceutical and chemical industries.
 - Our portfolio consists of: (i) Reaction Systems; (ii) Storage, Separation and Drying Systems; and (iii) Plant, Engineering and Services (including other ancillary parts).
 - Our products are manufactured using various materials including stainless steel, carbon/ mild steel and nickel alloy, etc. Our capabilities include producing process equipment customised to the requirements of our customers.
 - We can manufacture process equipment using various types of alloys with thickness ranging from 1 mm to 60 mm, which are used in food, pharmaceutical and fine chemical industries.
 - Our service offerings include design, engineering, manufacturing, assembly, installation and commissioning solutions of pharmaceutical and chemical facilities on a turnkey basis. We also provide turnkey automated equipment solutions, optimising processes like vacuum distillation, solvent recovery and gas dispersion.
- Strategically located manufacturing facilities with advanced technological capabilities;
 - Eight manufacturing facilities spread across built-up/floor area of more than 400,000 sq. ft., strategically located in Hyderabad, Telangana, the "Pharma Hub" of India, which accounts for 40.00% of the total Indian bulk drug production (Source: F&S Report).
 - Capabilities to manufacture reactors, receivers, and storage tanks ranging from 30 litres to 40,000 litres in size. We also have the capacity to manufacture around 300-350 equipments per month across our product portfolio.
 - Our manufacturing facility can also produce up to 100 reactors per month. Further, we have an exclusive facility to make 30 ANFDs per month.
 - We also have the capacity to manufacture 9,000 units per month of PTFE lined pipes and fittings.
 - Our manufacturing facilities are equipped with technologies and tools like 3D computer aided design ("CAD"), robotic welding and precision computer numerical control ("CNC") manufacturing.
- Long term relationships with marquee clientele across sectors:
 - We have been able to establish long-standing relationships with some of the marquee clientele present in the pharmaceutical and chemical industries, in a relatively short period of time.
 - Our ability to cater to customised processes addressing the requirements of our customers, technical know-how and our track record of timely fulfilment of customer orders, has helped us to establish these long-standing relationships in each of the product categories.
 - As of September 30, 2024, our customer base included 347 companies.
 - Some of our customers are Apitoria Pharma Private Limited, Auboindio Pharma Limited, CCL Food and Beverages Private Limited, Cohance Lifesciences Limited, Cadila Pharmaceutical Limited, Deccan Fine Chemicals (India) Private Limited, Dasami Lab Private Limited, Laurus Labs Limited, Granules India Limited, Macleods Pharmaceuticals Limited, MSN Laboratories Private Limited, Natco Pharma Limited, Honour Lab Limited, Hetero Drugs Limited, Hetero Labs Limited, Hazelo Lab Private Limited, Piramal Pharma Limited, Sanvira Biosciences Private Limited, Suven Pharmaceuticals Limited, Tagros Chemicals India Private Limited, Vamsi Labs Limited and Viyash Life Sciences Private Limited.
 - We enjoyed long-standing relationships in excess of 3 years with 13 of our top 20 customers, as of September 30, 2024.
- Consistent track record of profitable growth; and
 - We have been able to achieve 50.45% growth of revenue from operations on a consolidated basis from Fiscal 2022 to Fiscal 2024.
 - Having commenced operations in 2012, we have supplied over 11,000 equipment, in the last ten years of our operations.
 - For financial metrics, see "Our Business – Financial and operational metrics" on page 279 of the RHP.
- Experienced promoters and management team
 - We are led by a qualified and experienced management team that we believe has the expertise and vision to manage and grow our business.
 - Our management team is guided by our seasoned Board, who have a extensive experience in the pharmaceutical, chemicals and engineering sectors which allows us unique insight into the manner in which our end customers offerings may be produced.
 - As of September 30, 2024 we had 460 permanent employees. Our Senior Management team has experience in manufacturing and finance functions, with our Promoters having significant experience in the pharmaceuticals and chemicals specialised engineering equipment industry. Our management team has also been able to create value through organic growth, including new business opportunities. The operational and management experience of our management team has also increased our ability to cater to the customized requirements of customers and proactively plan and deliver our products and services. We also have a robust corporate governance system in place to monitor, guide and support our operations, with oversight by an experienced Board of Directors.

For details, please see the section entitled "Our Business – Our Strengths" on page 280 of the Red Herring Prospectus.

Quantitative factors

Some of the information presented below relating to our Company is derived from the Restated Consolidated Financial Information. For details, please refer to the section titled "Restated Consolidated Financial Information" on page 372 of the Red Herring Prospectus.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

1. Basic and Diluted Earnings per Share

Fiscal / period ended	Basic EPS(₹)	Diluted EPS (₹)	Weight
March 31, 2024	3.52	3.52	3
March 31, 2023	3.49	3.49	2
March 31, 2022	2.22	2.22	1
Weighted Average	3.29	3.29	
Six months ended September 30, 2024*	1.89	1.89	-

2. Price/Earning ("P/E") Ratio in relation to the Price Band of ₹ 133 to ₹ 140 per Equity Share:

Particulars	P/E at Floor Price (no. of times)	P/E at Cap Price (no. of times)
Based on basic EPS for Fiscal 2024 on Restated Consolidated Financial Information	37.78	39.77
Based on diluted EPS for Fiscal 2024 on Restated Consolidated Financial Information	37.78	39.77

3. Industry Peer Group P/E ratio

Particulars	P/E ratio
Highest	81.24
Lowest	30.64
Average	55.24

Notes:

- The highest and lowest industry P/E shown above is based on the peer set provided below under "Comparison with listed industry peers". The industry average has been calculated as the arithmetic average P/E of the peer set provided below.
- P/E figures for the peer are computed based on closing market price as on December 20, 2024 on NSE, divided by Diluted EPS (on consolidated basis) based on the financial results declared by the peers for the financial year ended March 31, 2024 submitted to stock exchanges.

4. Return on Net Worth ("RoNW")

As per the Restated Consolidated Financial Information:

Fiscal ended	RoNW (%)	Weight
March 31, 2024	20.74%	3
March 31, 2023	47.56%	2
March 31, 2022	54.89%	1
Weighted Average	35.37%	-
September 30, 2024*	8.06%	-

Not Annualised.

Notes:

- Return on Net Worth (%) = PAT attributable to owners / Average Net worth
- Net Worth = Aggregate value of equity share capital and other equity (excluding the share of Non- Controlling Interest) created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses but does not include reserves created out of revaluation of assets and write-back of depreciation.

5. Net Asset Value (NAV) per Equity Share on a consolidated basis

NAV Consolidated	(₹)
As on September 30, 2024	24.40
As on March 31, 2024	24.55
After the Offer	
At the Floor Price:	37.19
At the Cap Price:	37.23
At Offer Price	●

Notes:

- Offer Price per Equity Share will be determined on conclusion of the Book Building Process.
- Net asset value per share= Net worth (excluding Non-Controlling Interest) as restated / weighted average number of equity shares outstanding at the end of the year adjusted for the issue of Bonus Shares for all year/period, in accordance with principles of Ind AS 33
- The figures disclosed above are based on the Restated Consolidated Financial Information of the Company.

6. Comparison of accounting ratios with listed industry peers

Following is the comparison with our peer group companies listed in India and engaged in the same line of business as our Company:

Name of the Company	Total Income (₹ in million)	Face Value (₹)	P/E	EPS (Diluted) (₹)	EPS (Basic) (₹)	Return on Net Worth (%)	NAV per share (₹)
Standard Glass Lining Technology	5,496.81	10.00	-	3.52	3.52	20.74%	24.55
GMM Pfaudler Ltd	34,665.00	2.00	30.64	39.79	39.80	20.23%	215.22
HLE Glascoat Ltd	9,767.36	2.00	56.54	6.52	6.52	7.99%	61.06
Thermax Ltd	95,560.30	2.00	81.24	57.28	57.30	15.53%	394.10
Praj Industries	35,097.77	2.00	52.54	15.42	15.42	24.09%	69.36

Source: All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the annual reports/financial statements as available of the respective company for the year ended March 31, 2024 submitted to stock exchanges.

Notes:

- P/E Ratio has been computed based on the closing market price of equity shares on NSE on December 20, 2024 -, divided by the Diluted EPS.
- Return on Net Worth (%) = Net profit after tax (attributable to owners) / Average Net worth
- Net Worth = Aggregate value of equity share capital and other equity created out of the profits (excluding Non- Controlling Interest), securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses but does not include reserves created out of revaluation of assets and write-back of depreciation.
- Net asset value per share= Net worth (excluding Non-Controlling Interest) as restated / weighted average number of equity shares outstanding on a fully diluted basis at the end of the year adjusted for the issue of Bonus Equity Shares for all year/period, in accordance with principles of Ind AS 33

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7. Key Performance Indicators (KPIs) and Accounting Ratios				
The KPIs disclosed below have been used historically by our Company to understand and analyze its business performance, which in result, help us in analyzing the growth of business in comparison to our peers. Our Company considers that the KPIs set forth below are the ones that may have a bearing for arriving at the basis for the Offer Price. The KPIs disclosed below have been approved and confirmed by a resolution of our Audit Committee dated December 30, 2024. 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 years period prior to the date of filing of the Red Herring Prospectus. Further, the KPIs disclosed herein have been certified by Niranjan & Narayan, Chartered Accountants, pursuant to a certificate dated December 30, 2024.				
We have described and defined the KPIs, as applicable, in "Definitions and Abbreviations – Financial and operational Key Performance Indicators" on page 16 of the RHP. For details of our other operating metrics disclosed elsewhere in the Red Herring Prospectus, please refer to the sections titled "Our Business", and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 276 and 441 of the RHP, respectively.				
Our Company confirms that it shall continue to disclose all the KPIs included in herein on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company) for a period of one year after the date of listing of the Equity Shares on the Stock Exchanges or for such other duration as may be required under the SEBI ICDR Regulations.				
The list of our KPIs along with brief explanation of the relevance of the KPI for our business operations are set forth below:				
Sr. No.	KPI	Explanation		
1	Revenue from operations	Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps assess the overall financial performance of the Company and size of the business.		
2	Growth in revenue from operations (%)	Growth in revenue from operations provides information regarding the growth of the business for the respective period.		
3	EBITDA	EBITDA provides information regarding the operational profitability of the business.		
4	EBITDA Margin	EBITDA margin is an indicator of the operational efficiency of the business in comparison to the total income.		
5	Profit for the Year / Period	Profit after tax provides information regarding the overall profitability of the business.		
6	PAT Margin	Tracking PAT margin assists in tracking the margin profile of the business of the Company and allows comparison of results over multiple periods.		
7	ROE	Return on Equity provides how efficiently the Company generates profits from shareholders' funds.		
8	ROCE	Return on Capital Employed provides how efficiently the Company generates earnings from the capital employed in the business.		
9	ROA	Represents the ratio of return on average assets which is profit after tax (PAT) to average loan assets for the relevant fiscal year. It is used to assess the return on the total assets of the company.		
10	Debt to Equity Ratio	Debt to equity ratio is a metric that measures the degree to which the Company is financing its operation with debt compared to its own equity.		
11	Net Debt to Equity Ratio	Debt to equity ratio is a metric that measures the degree to which the Company is financing its operation with net debt compared to its own equity.		
12	Fixed Asset Turnover	This formula helps the Company assess how efficiently sales are being generated from existing fixed assets over multiple periods.		
13	Adjusted ROCE	Adjusted Return on Capital Employed provides how efficiently the Company generates earnings from the capital employed in the business excluding cash and cash equivalents and Bank balances other than cash and cash equivalents and Fixed Deposits excluding Margin Money.		

Details of KPIs as at/ for the six months period ended on September 30, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022				
Particulars	Six months period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations (₹ in millions)	3,071.95	5,436.69	4,975.88	2,401.87
YoY Growth Rate (%)	-	9.26%	107.17%	-
2Y CAGR (%)	-	50.45%	-	-
EBITDA(1) (₹ in millions)	627.08	1,009.19	882.56	417.79
EBITDA Margin (%) ⁱⁱⁱ	20.09%	18.36%	17.65%	17.30%
PAT ^{iv} (₹ in millions)	362.68	600.11	534.24	251.45
YoY Growth Rate (%)	-	12.33%	112.46%	-
PAT Margin (%) ^{iv}	11.62%	10.92%	10.68%	10.41%
ROCE (%) ⁱⁱⁱ	10.81%	25.49%	43.43%	42.03%
ROE (%) ⁱⁱⁱ	8.06%	20.74%	47.56%	54.89%
RoA (%) ⁱⁱⁱ	5.10%	11.85%	16.54%	13.23%
Total Debt to Equity ⁱⁱⁱ	0.39	0.32	0.53	1.01
Net Debt to Equity ⁱⁱⁱ	0.30	0.19	0.49	1.01
Net Fixed Asset Turnover Ratio ⁱⁱⁱ	2.79	6.08	7.60	6.26
Adjusted ROCE (%) ⁱⁱⁱ	13.09%*	29.41%	44.10%	42.51%

*Not Annualised

As certified by Niranjan & Narayan, Chartered Accountants through their certificate dated December 30, 2024.

Notes:

(1) EBITDA is calculated as profit before tax expenses plus finance costs and depreciation and amortization expense and impairment of property, plant and equipment for the year/period.

(2) EBITDA Margin has been calculated, as EBITDA divided by Total Income

(3) PAT refers to Restated Profit for the year/period

(4) PAT margin refers to PAT divided by Total Income

(5) ROCE calculated as Profit before tax add finance cost divided by Average Capital employed. Capital employed refers to Total Equity plus total borrowings and lease liabilities (long term and short term) excluding cash and cash equivalents and Bank balances other than cash and cash equivalents

(6) Return on Equity has been calculated as net income (owners share) divided by Average Net Worth Net Worth = Aggregate value of equity share capital (excluding non-controlling interest) and other equity created out of the profits, securities premium account and debt or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses but does not include reserves created out of revaluation of assets and write-back of depreciation.

(7) RoA is calculated as PAT divided by Average Total Assets

(8) Debt to equity ratio has been calculated as total borrowings and lease liabilities (including current maturities of long-term debt and lease liabilities) divided by Net Worth (excluding non-controlling interest)

(9) Net debt/ Equity refers to Total borrowings and lease liabilities including current maturities of long-term debt and lease liabilities) less cash and cash equivalents and Bank balances other than cash and cash equivalents divided by Net Worth (excluding noncontrolling interest)

(10) Net Fixed asset turnover ratio calculated as Revenue from Operations/ Average Net Fixed Assets. Net Fixed assets includes Property, plant and equipment, Capital work-in-progress, Other intangible assets, goodwill, right of use assets and Intangible assets under development

(11) Adjusted ROCE calculated as Profit before tax add finance cost divided by Average Capital employed. Capital employed refers to Total Equity plus total borrowings and lease liabilities (long term and short term) excluding cash and cash equivalents and Bank balances other than cash and cash equivalents and Fixed Deposits excluding Margin Money.

8. Comparison of KPIs of our Company and listed peers									
While the Company's listed peers (GMM Plaudler Ltd, HLE Glascoat Ltd, Thermax Ltd and Praj Industries) may have similar service offerings, the Company's business may be different in terms of differing scale, business models, product verticals serviced or focus areas or geographical presence. The following table provides a comparison of the KPIs of the company with its listed peers (GMM Plaudler Ltd, HLE Glascoat Ltd, Thermax Ltd and Praj Industries):									
(A) Comparison for the six months ended September 30, 2024 and for Fiscals 2024, 2023 and 2022									
Particulars	Standard Glass Lining Technology			GMM Plaudler Ltd			HLE Glascoat Ltd		
	Six months periods ended September 30, 2024	FY 2024	FY 2023	FY 2022	Six months periods ended September 30, 2024	FY 2024	FY 2023	FY 2022	Six months periods ended September 30, 2024
Revenue from Operations	3,071.95	5,436.69	4,975.88	2,401.87	15,906.20	34,464.80	31,775.50	25,405.70	4,628.51
YoY Growth Rate (%)	-	9.26%	107.17%	-	-	8.46%	25.07%	-	-
2Y CAGR (%)	-	50.45%	-	-	-	16.47%	-	-	21.82%
EBITDA	627.08	1,009.19	882.56	417.79	1,913.30	4,968.20	4,810.10	2,906.00	591.17
EBITDA Margin (%)	20.09%	18.36%	17.65%	17.30%	11.96%	14.33%	14.90%	11.41%	12.69%
PAT	362.68	600.11	534.24	251.45	411.60	1,741.00	2,103.70	753.60	198.42
YoY Growth Rate (%)	-	12.33%	112.46%	-	-	-17.2%	179.2%	-	-
PAT Margin (%)	11.62%	10.92%	10.68%	10.41%	2.57%	5.02%	6.51%	2.96%	4.26%
ROCE (%)	10.81%	25.49%	43.43%	42.03%	8.09%	23.74%	28.26%	17.18%	5.36%
ROE (%)	8.06%	20.74%	47.56%	54.89%	4.26%	20.23%	24.63%	18.22%	3.80%
RoA (%)	5.10%	11.85%	16.54%	13.23%	1.29%	5.34%	6.91%	2.93%	1.66%
Total Debt to Equity	0.39	0.32	0.53	1.01	0.91	0.94	1.21	1.21	0.83
Net Debt to Equity	0.30	0.19	0.49	1.01	0.52	0.58	0.75	0.58	0.71
Net Fixed Asset Turnover Ratio	2.79	6.08	7.60	6.26	1.26	2.76	2.82	2.46	0.81
Adjusted ROCE	13.09%*	29.41%	44.10%	42.51%	-	23.74%	28.26%	17.18%	-

* Not Annualised

BASIS FOR OFFER PRICE				
Particulars	Thermax Ltd			Praj Industries
	Six months periods ended September 30, 2024	FY 2024	FY 2023	
Revenue from Operations	47,960.00	93,234.60	80,898.10	61,283.30
YoY Growth Rate (%)	-	15.25%	32.01%	-
2Y CAGR (%)	-	23.34%	-	-
EBITDA	5,629.80	10,299.60	7,577.40	5,483.80
EBITDA Margin (%)	11.40%	10.78%	9.18%	8.77%
PAT	3,074.20	6,431.90	4,507.00	3,123.10
YoY Growth Rate (%)	-	42.71%	44.31%	-
PAT Margin (%)	6.22%	6.73%	5.46%	4.99%
ROCE (%)	9.61%	23.02%	19.79%	19.15%
ROE (%)	6.91%	15.53%	12.24%	9.26%
RoA (%)	2.91%	6.77%	5.53%	4.47%
Total Debt to Equity	0.32	0.29	0.21	0.11
Net Debt to Equity	0.15	0.07	(0.08)	(0.17)
Net Fixed Asset Turnover Ratio	1.97	4.53	5.54	4.89
Adjusted ROCE	-	25.47%	22.96%	21.23%

9. Weighted average cost of acquisition ("WACA"), floor price and cap price

(a) Price per share of the Company based on primary/ new issue of Equity Shares or convertible securities (excluding Equity Shares issued pursuant to a bonus issue) during the 18 months preceding the date of the RHP, where such issuance is equal to or more than 5% of the fully diluted paid up share capital of the Company in a single transaction or multiple transactions combined together over a span of rolling 30 days

Name of the Shareholder	Date of Acquisition	No. of Equity Shares (Adjusted for Bonus Issue)	Price per Equity Share* (₹)	Total Cost(₹)	Consideration	Type
Asahi Glassplant INC.	November 16, 2023	69,66,000 ⁱⁱ	80.20	558,673,200.00	Cash	Allotment
GL Hakkco Co., Ltd	November 16, 2023	34,83,000 ⁱⁱ	80.20	279,336,600.00	Cash	Allotment
Monoform Management Support Co., Ltd	December 22, 2023	1,04,49,000 ⁱⁱ	80.20	838,009,800.00	Cash	Allotment
Total		2,08,98,000 ⁱⁱ		1,67,60,19,600.00		

Weighted Average Cost of Acquisition ("WACA")ⁱ

80.20

ⁱPrice Per Equity Share is adjusted for Bonus Issue

^{*} WACA: Weighted average cost of acquisition. WACA is the total Cost incurred for acquiring the securities of the Company as of date divided by the total number of securities acquired less the amount received pursuant to the transfer/sale of any securities (if any) divided by the total number of securities sold/ transferred.

#Our Company has pursuant to our Board resolution dated June 3, 2024 approved the issuance of 163,471,068 equity shares by way of bonus issuance in the ratio of nine Equity Shares for every one Equity Share held by our Shareholders. Basic EPS and Diluted EPS for all the year are considered post issue of the issuance of the bonus equity shares in accordance with Ind AS 33 – Earning Per Share notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended)

(b) Price per share of Company based on secondary sale or acquisition of Equity Share or convertible securities, where any of the Promoters, members of the Promoter Group, the Selling Shareholders or Shareholders having the right to nominate director(s) to the Board of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of the RHP, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company in a single transaction or multiple transactions combined together over a span of rolling 30 days

Not Applicable. There are no secondary sale or acquisition of Equity Share or convertible securities, where any of the Promoters, members of the Promoter Group, the Selling Shareholders or Shareholders having the right to nominate director(s) to the Board of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of the RHP, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company in a single transaction or multiple transactions combined together over a span of rolling 30 days.

"Primary transactions" refers to a primary issue of Equity Shares or securities convertible into Equity Shares ("Equity Securities") if any. "Secondary transactions" refers to any secondary sale or acquisition of Equity Securities (excluding gifts, if any).

The Floor Price is 1.66 times and the Cap Price is 1.75 times the weighted average cost of acquisition at which the Equity Shares were issued by our Company, or acquired or sold by our Promoters or members of our Promoter Group or Selling Shareholders or shareholder(s) having the right to nominate director(s) on the Board" in the last 18 months or three years preceding the date of the Red Herring Prospectus are disclosed below:

Past Transactions	Weighted average cost of acquisition (in ₹)	Floor Price (in ₹)	Cap Price (in ₹)
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/ convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of the RHP, where such issuance is equal to or more than five percent of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	80.20 ⁱ	1.66 times	1.75 times
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares (equity/convertible securities), where promoter / promoter group entities or Selling Shareholders or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of the RHP, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	Not Applicable		
If there were no primary or secondary transactions of equity shares of the Company during the 18 months preceding the date of filing of the RHP, where either issuance or acquisition/ sale is equal to or more than five per cent of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), the information has been disclosed for price per share of the Company based on the last five secondary transactions where promoter / promoter group entities or Selling Shareholders or shareholder(s) having the right to nominate director(s) on the Board, are a party to the transaction, during the last three years preceding to the date of filing of the RHP irrespective of the size of the transaction	Not Applicable		
(a) Based on primary transactions			
(b) Based on secondary transactions			

#Our Company has pursuant to our Board resolution dated June 3, 2024 approved the issuance of 163,471,068 equity shares by way of bonus issuance in the ratio of nine Equity Shares for every one Equity Share held by our Shareholders. Basic EPS and Diluted EPS for all the year are considered post issue of the issuance of the bonus equity shares in accordance with Ind AS 33 – Earning Per Share notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended)

10. Justification for Basis of Offer Price

The following provides an explanation to the Cap Price being 1.75 times of the weighted average cost of acquisition of Equity Securities that were issued by our Company or acquired or sold by our Promoters, members of our Promoter Group, the Investor Selling Shareholders or other shareholders with rights to nominate directors or other rights by way of primary transactions or secondary transactions in the 18 months or three years preceding the date of the Red Herring Prospectus compared to our Company's KPI and financial ratios for the six months period ended on September 30, 2024 and for the Financial Years 2024, 2023 and 2022 and in view of external factors which may have influenced the pricing of the Offer

- One of the top five specialised engineering equipment manufacturers for pharmaceutical and chemical sectors in India with products across entire value chain;
- Customized and innovative product offering across the entire pharmaceutical and chemical manufacturing value chain;
- Strategically located manufacturing facilities with advanced technological capabilities;
- Established long-standing relationships with some of the marquee clientele present in the pharmaceutical and chemical industries, in a relatively short period of time;
- Qualified and experienced management team that we believe has the expertise and vision to manage and grow our business;
- Able to achieve 50.45% growth of revenue from operations on a consolidated basis from Fiscal 2022 to Fiscal 2024.

11. The Offer Price is [●] times of the face value of the Equity Shares.

The Offer Price of ₹ [●] has been determined by our Company in consultation with the BRLMs, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Investors should read the abovementioned information along with "Risk Factors", "Our Business", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 58, 276, 372 and 441 of the RHP, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in "Risk Factors" on page 58 and you may lose all or a part of your investment.

The trading price of the Equity Shares could decline due to the factors mentioned in the section entitled "Risk Factors" on page 58 of the RHP and any other factors that may arise in the future and you may lose all or part of your investments.

The Offer Price of ₹ [●] has been determined by our Company, in consultation with the BRLMs, on the basis of the demand from investors for the Equity Shares through the Book Building Process. Our Company, in consultation with the BRLMs, is justified of the Offer Price in view of the above qualitative and quantitative parameters. Investors should read the abovementioned information along with the sections entitled "Risk Factors", "Our Business" and "Financial Information" on pages 58, 276 and 372 of the RHP, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the section entitled "Risk Factors" or any other factors that may arise in the future and you may lose all or part of your investments.

For further details, please see "BASIS FOR OFFER PRICE" beginning on page 176 of the RHP.

