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# AERON COMPOSITE LIMITED

Our Company was originally incorporated as Private Limited Company in the name of "Aeron Composite Private Limited" under the Companies Act, 1956 vide Certificate of Incorporation dated May 13, 2011 issued by, the Registrar of Companies, Gujarat, Dadra and Nagar Haveli with CIN U25209GJ2011PTC065419. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on May 06, 2024 our Company was converted into a Public Limited Company and consequently the name of our Company was changed from "Aeron Composite Private Limited" to "Aeron Composite Limited" vide a fresh certificate of incorporation consequent upon conversion from private company to public company dated June 19, 2024 issued by the Registrar of Companies, Central Processing Centre, bearing CIN U25209GJ2011PLC065419.

**Registered Office:** Saket Ind. Estate, Plot No. 30/31, Sarkhej Bavla Highway, Village Moraiya, Changodar, Ahmedabad- 382213, Gujarat, India,  
**Tel No:** +91 9909988266; **E-mail:** cs@aeroncomposite.com; **Website:** www.aeroncomposite.com;  
**CIN:** U25209GJ2011PLC065419; **Contact Person:** Vijay Mahendrabhai Dakshini, Company Secretary & Compliance Officer

**OUR PROMOTERS: DILIPKUMAR RATILAL PATEL, CHIRAG CHANDULAL PATEL, PANKAJ SHANTILAL DADHANIYA, RAVI PANKAJKUMAR PATEL AND A. INTERNATIONAL PRIVATE LIMITED**

**"THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER IX OF THE SEBI ICDR REGULATIONS (IPO OF SMALL AND MEDIUM ENTERPRISES) AND THE EQUITY SHARES ARE PROPOSED TO BE LISTED ON SME PLATFORM OF NSE (NSE EMERGE)."**

We are engaged in the business of manufacturing and supplying of Fiber Glass Reinforce Polymer Products i.e. FRP products including FRP Pultruded Products, FRP Moulded Gratings & FRP Rods tailored for various industrial applications

## BASIS OF ALLOTMENT

INITIAL PUBLIC OFFER OF 44,88,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (THE "EQUITY SHARES") OF AERON COMPOSITE LIMITED ("OUR COMPANY" OR "THE ISSUER") AT AN ISSUE PRICE OF ₹125 PER EQUITY SHARE (INCLUDING SHARE PREMIUM OF ₹115 PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹5610.00 LAKHS ("PUBLIC ISSUE") OUT OF WHICH 2,28,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AT AN ISSUE PRICE OF ₹125 PER EQUITY SHARE FOR CASH, AGGREGATING ₹285.00 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION") AND 2,10,000 EQUITY SHARES AGGREGATING UP TO ₹262.50 LAKHS FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (AS DEFINED HEREINAFTER) (THE "EMPLOYEE RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION AND EMPLOYEE RESERVATION PORTION I.E. ISSUE OF 40,50,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH AT AN ISSUE PRICE OF ₹125 PER EQUITY SHARE FOR CASH, AGGREGATING ₹5062.50 LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.37% AND 23.80 % RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARE IS RS.10 AND ISSUE PRICE IS RS. 125 EACH. THE ISSUE PRICE IS 12.5 TIMES OF THE FACE VALUE OF THE EQUITY SHARE  
 ANCHOR INVESTOR ISSUE PRICE: RS. 125 PER EQUITY SHARE. THE ISSUE PRICE IS 12.5 TIMES OF THE FACE VALUE

## BID/ ISSUE PERIOD

**ANCHOR INVESTOR BIDDING DATE WAS: TUESDAY, AUGUST 27, 2024**

**BID / ISSUE OPENED ON: WEDNESDAY, AUGUST 28, 2024**

**BID / ISSUE CLOSED ON: FRIDAY, AUGUST 30, 2024**

### RISKS TO INVESTORS:

- a) Our business is capital intensive in nature. If we are unable to raise additional funds whenever required, or on terms acceptable to us, we may be required to scale down or abandon our expansion & growth plans and/or reduce capital expenditures and the size of our operations, any of which could materially and adversely affect our business, financial position and results of operations.
- b) We derive a significant portion of our revenues and a portion of our expenditures from various countries outside India. Any adverse developments in these markets along with fluctuations in Exchange rates, may negatively impact our results of operations.
- c) The Merchant Banker associated with the Issue has handled 53 SME public issues in the past three years out of which 1 SME Issue closed below the Issue Price on listing date.
- d) Average cost of acquisition of Equity Shares held by the Promoter is
- e) The Price/ Earnings ratio based on Diluted EPS for Fiscal 2023 for the company at the upper end of the Price Band is 23.45
- f) Weighted Average Return on Net worth for Fiscals 2023, 2022 and 2021 is 24.31%.
- g) The Weighted average cost of acquisition of all Equity Shares transacted in the last 1 year, 18 months and 3 years from the date of Prospectus is as given below:

Period	Weighted Average Cost of Acquisition (in Rs.)	Upper end of the Price Band (Rs. 125) is "X" times the weighted Average cost of Acquisition	Range of acquisition price: Lowest Price – Highest Price (in Rs.)
Last 1 year	2.94	42.52	0-223.5
18 months	8.41	14.86	0-223.5
Last 3 years	11.08	11.28	0-223.5

Sr. No.	Name of the Promoters	Average cost of Acquisition (in ₹)
1.	Dilipkumar Ratilal Patel	4.13
2.	Chirag Chandulal Patel	4.18
3.	Pankaj Shantilal Dadhaniya	4.38
4.	Ravi Pankajkumar Patel	4.14
5.	A. International Private Limited	27.94

and the Issue Price at the upper end of the Price Band is Rs. 125 per Equity Share.

h) The Weighted average cost of acquisition compared to Floor Price and Cap Price.

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price (i.e. ₹ 121)	Cap price (i.e. ₹ 125)
WACA of primary issuance (exceeding 5% of the pre issue capital)	NA <sup>^</sup>	NA <sup>^</sup>	NA <sup>^</sup>
WACA for secondary sale / acquisition (exceeding 5% of the pre issue capital)	27.94	4.33 times	4.47 times

**Note:**  
<sup>^</sup>There were no primary/ new issue of shares (equity/ convertible securities) in last 18 months from the date of Prospectus.

### PROPOSED LISTING: SEPTEMBER 04, 2024\*

The Issue was being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue was available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"). Our Company in consultation with the Book Running Lead Manager has allocated upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"). 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 was made 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. All potential Bidders (except Anchor Investors) were required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amount will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors were not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" beginning on page 247 of the Prospectus.

The investors are advised to refer to the Prospectus for the full text of the Disclaimer clause pertaining to NSE. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited. The trading is proposed to be commenced on or before Wednesday, September 04, 2024\*

\*Subject to the receipt of listing and trading approval from the NSE (NSE Emerge).

### SUBSCRIPTION DETAILS

The bidding for Anchor Investors opened and closed on Tuesday, August 27, 2024. The Company received 10 Anchor Investors applications for 17,74,000 Equity Shares. The Anchor Investor Allocation price was finalized at Rs. 125/- per Equity Share. A total of 12,14,000 Equity Shares were allotted under the Anchor Investors portion aggregating to Rs. 15,17,50,000/-.

The Issue (excluding Anchor Investors Portion) received 53,198 Applications for 11,77,55,000 Equity Shares (after bid not banked cases and removing multiple and duplicate bids and before technical rejection) resulting 35.97 times subscription (including reserved portion of market maker and excluding anchor investor portion). The details of the Applications received in the Issue from various categories are as under (before technical rejections):

**Detail of the Applications Received (excluding Anchor Investors Portion):**

Sr. No.	Category	Number of Applications	No. of Equity Shares applied	Equity Shares Reserved as per Prospectus	No. of times Subscribed	Amount (Rs.)
1	Market Maker	1	2,28,000	2,28,000	1.00	2,85,00,000.00
2	QIB (excluding Anchor investor portion)	21	2,24,97,000	8,10,000	27.77	2,81,21,25,000.00
3	Non-Institutional Investor	4366	4,61,62,000	6,08,000	75.92	5,77,00,16,000.00
4	Retail Individual Investors	48738	4,87,38,000	14,18,000	34.37	6,09,19,22,000.00
5	Eligible Employee	72	1,30,000	2,10,000	0.62	1,62,50,000.00
	<b>TOTAL</b>	<b>53198</b>	<b>11,77,55,000</b>	<b>32,74,000</b>		<b>14,71,88,13,000.00</b>

**Final Demand:**  
 A summary of the final demand as per NSE as on the Bid/ Issue Closing Date at different Bid prices is as under:

Sr. No.	Bid Price	No. of Equity Shares	% to Total	Cumulative Total	Cumulative % of Total
1	121	1,79,000	0.13	1,79,000	0.13
2	122	30,000	0.02	2,09,000	0.16
3	123	55,000	0.04	2,64,000	0.20
4	124	69,000	0.05	3,33,000	0.25
5	125	9,29,05,000	69.11	9,32,38,000	69.35
	CUTOFF	4,11,99,000	30.65	13,44,37,000	100.00
	<b>TOTAL</b>	<b>13,44,37,000</b>	<b>100</b>		

The Basis of Allotment was finalized in consultation with the Designated Stock Exchange, being National Stock Exchange of India Limited (NSE Emerge) on September 02, 2024.

#### 1) Allotment to Retail Individual Investors (After Technical Rejections):

The Basis of Allotment to the Retail Individual Investors, who have Bid at cut-off Price or at or above the Issue Price of Rs. 125 per Equity Share, was finalized in consultation with NSE. The category has been subscribed to the extent of 33.14 times. The total number of Equity Shares allotted in this category is 14,48,000\* Equity Shares to 1448 successful applicants. The details of the Basis of Allotment of the said category are as under:

No. of Shares Applied for (Category wise)	No. of Applications Received	% of Total	Total No. of Shares Applied	% to Total	No. of Equity Shares Allotted per Applicant	Ratio	Total No. of Shares Allotted
1000	47,990	100	4,79,90,000	100	1000	724:23995	14,48,000

\*Includes unsubscribed portion of 30,000 shares from Eligible Employees Category.

#### 2) Allotment to Non-Institutional Investors (After Technical Rejections):

The Basis of Allotment to the Non-Institutional Investors, who have bid at the Issue Price of Rs. 125 or above per Equity Share was finalized in consultation with NSE. The category has been subscribed to the extent of 73.74 times (after technical rejection). The total number of Equity Shares Allotted in this category is 6,21,000\* Equity Shares to 433 successful applicants. The details of the Basis of Allotment of the said category are as under (Sample Basis):

No. of Shares applied for (Category wise)	Number of applications received	% to total	Total No. of Shares applied in each category	% to total	No of Equity Shares allotted per applicant	Ratio of allottees to applicants	Total No. of shares allocated/allotted
2000	2263	52.81	4526000	9.88	1000	61:2263	61000
3000	398	9.26	1194000	2.6	1000	8:199	16000
4000	293	6.82	1172000	2.55	1000	16:293	16000
5000	185	4.3	925000	2.01	1000	13:185	13000
6000	88	2.05	528000	1.15	1000	7:88	7000
123000	1	0.02	123000	0.26	2000	1:1	2000
125000	1	0.02	125000	0.27	2000	1:1	2000
126000	1	0.02	126000	0.27	2000	1:1	2000
130000	1	0.02	130000	0.28	2000	1:1	2000
136000	1	0.02	136000	0.29	2000	1:1	2000
244000	1	0.02	244000	0.53	3000	1:1	3000
248000	1	0.02	248000	0.54	3000	1:1	3000
251000	1	0.02	251000	0.54	3000	1:1	3000
252000	1	0.02	252000	0.55	3000	1:1	3000

\*Including Unsubscribed portion of 13,000 Equity Shares from Employee Category.

3) Allotment to Employee Investors (After Technical Rejections): The Basis of Allotment to the Employee Investors, who have bid at the Issue Price of Rs. 125 or above per Equity Share was finalized in consultation with NSE. The category has been subscribed to the extent of 0.60 times (after technical rejection). The total number of Equity Shares Allotted in this category is 1,25,000\*\* Equity Shares to 70 successful applicants. The details of the Basis of Allotment of the said category are as under:

Sr. No.	Category	No. of Applications received	% to total	Total No. of Equity Shares applied	% to Total	No. of Equity Shares allotted per applicant	Ratio	Total No. of Equity Shares allotted
1	1000	38	54.28	38000	30.4	1000	1:1	38000
2	2000	17	24.29	34000	27.2	2000	1:1	34000
3	3000	7	10	21000	16.8	3000	1:1	21000
4	4000	8	11.43	32000	25.6	4000	1:1	32000
	<b>Total</b>	<b>70</b>	<b>100.00</b>	<b>125000</b>	<b>100.00</b>			<b>125000</b>

\*\* Unsubscribed portion of 85,000 Equity Shares spilled over to QIBs, NIB and Retail Individual Investor Categories in the ratio of 50:15:35

4) Allotment to Market Maker : The Basis of Allotment to Market Maker who have bid at Issue Price of ₹125/- per Equity Shares or above, was finalized in consultation with NSE. The category was subscribed by 1.00 times i.e. for 2,28,000 Equity shares the total number of shares allotted in this category is 2,28,000 Equity Shares. The category wise details of the Basis of Allotment are as under:

No. of Shares Applied for (Category wise)	No. of Applications received	% to total	Total No. of Equity Shares applied in this Category	% of total	No. of Equity Shares allocated/ allotted per Applicant	Ratio	Total Number of shares allotted	Surplus/Deficit
2,28,000	1	100.00	2,28,000	100.00	2,28,000	1:1	2,28,000	-

#### 5) Allotment to QIBs excluding Anchor Investors (After Technical Rejections):

Allotment to QIBs, who have bid at the Issue Price of Rs. 125 or above per Equity Share has been done on a proportionate basis in consultation with NSE. This category has been subscribed to the extent of 26.40 times of QIB portion. The total number of Equity Shares allotted in the QIB category is 8,52,000\* Equity Shares, which were allotted to 21 successful Applicants.

CATEGORY	FIS/BANK'S	MF'S	IC'S	NBFC'S	AIF	FPC/FII	OTHERS	TOTAL
QIB	-	-	46000	454000	47000	305000	-	8,52,000

\*Includes unsubscribed portion of 42,000 shares from Eligible Employees Category.

#### 6) Allotment to Anchor Investors (After Technical Rejections):

The Company in consultation with the BRLM has allocated 12,14,000 Equity Shares to 10 Anchor Investors at the Anchor Investor Issue Price of Rs.125 per Equity Shares in accordance with the SEBI (ICDR) Regulations. This represents upto 60% of the QIB Category.

CATEGORY	FIS/BANKS	MF'S	IC'S	NBFC'S	AIF	FPI	OTHERS	TOTAL
ANCHOR	-	-	-	-	560000	654000	-	12,14,000

The Board of Directors of our Company at its meeting held on September 02, 2024 has taken on record the basis of allotment of Equity Shares approved by the Designated Stock Exchange, being NSE and has allotted the Equity Shares to various successful applicants. The Allotment Advice Cum Refund Intimation will be dispatched to the address of the investors as registered with the depositories. Further, instructions to the SCSBs have been dispatched / mailed for unblocking of funds and transfer to the Public Issue Account on or before September 03, 2024. In case the same is not received within ten days, Investors may contact the Registrar to the Issue at the address given below. The Equity Shares allotted to the successful allottees shall be uploaded on September 03, 2024 for credit into the respective beneficiary accounts subject to validation of the account details with the depositories concerned. The Company is in the process of obtaining the listing and trading approval from NSE and the trading of the Equity Shares is expected to commence trading on September 04, 2024.

**Note:** All capitalized terms used and not defined herein shall have the respective meanings assigned to them in the Prospectus dated August 31, 2024 filed with the Registrar of Companies, Ahmedabad ("RoC").

Continued on next page

SIZE : 33X50

**INVESTORS, PLEASE NOTE**

The details of the allotment made has been hosted on the website of the Registrar to the Issue, Maashitla Securities Private Limited at website: [www.maashitla.com](http://www.maashitla.com)

**TRACK RECORD OF BOOK RUNNING LEAD MANAGER:** The Merchant Banker associated with the Issue has handled 53 SME Public Issues in the past three years out of which 1 SME Public Issue was closed below the Issue Price on listing date.

All future correspondence in this regard may kindly be addressed to the Registrar to the Issue quoting full name of the First/ Sole Bidder Serial number of the ASBA form, number of Equity Shares bid for, Bidder DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and copy of the Acknowledgment Slip received from the Designated Intermediary and payment details at the address given below:

Place: Ahmedabad  
Date: September 03, 2024



**MAASHITLA SECURITIES PRIVATE LIMITED**  
Address: 451, Krishna Agra Business Square, Netaji Subhash Place, Pitampura, New Delhi, 110034, Delhi, India  
Tel No.: +91-11-45121795; Email: [ipo@maashitla.com](mailto:ipo@maashitla.com); Contact Person: Mukul Agrawal; Website: [www.maashitla.com](http://www.maashitla.com);  
SEBI Registration Number: INR000004370; CIN: U67100DL2010PTC208725

On behalf of Board of Directors  
**AERON COMPOSITE LIMITED**  
Sd/-  
Vijay Mahendrabhai Dakshini  
Company Secretary and Compliance Officer

**THE LEVEL OF SUBSCRIPTION SHOULD NOT BE TAKEN TO BE INDICATIVE OF EITHER THE MARKET PRICE OF THE EQUITY SHARES ON LISTING OR THE BUSINESS PROSPECTS OF AERON COMPOSITE LIMITED**

**Disclaimer:** Aeron Composite Limited has filed the Prospectus with the RoC on August 31, 2024 and thereafter with SEBI and the Stock Exchange. The Prospectus is available on the website of the BRLM, Hem Securities Limited at [www.hemsecurities.com](http://www.hemsecurities.com) and the Company at: [www.aeroncomposite.com](http://www.aeroncomposite.com), and shall also be available on the website of the NSE and SEBI. Investors should note that investment in Equity Shares involves a high degree of risk and for details relating to the same, please see "Risk Factors" beginning on page 28 of the Prospectus.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or any state securities laws in the United States, and unless so registered, and may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with any applicable U.S. state securities laws. The Equity Shares are being Issued and sold outside the United States in "offshore transactions" in reliance on Regulation under the Securities Act and the applicable laws of each jurisdiction where such Issues and sales are made. There will be no public Issuing in the United States.

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