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# ASK AUTOMOTIVE LIMITED



(Please scan this QR Code to view the RHP)

Our Company was incorporated on January 18, 1988 as a private limited company under the Companies Act, 1956, with the name "ASK Automotive Private Limited", pursuant to a certificate of incorporation granted by the Registrar of Companies, Delhi and Haryana ("RoC"). Upon the conversion of our Company into a public limited company, pursuant to resolutions passed by our Board of Directors on December 7, 2022 and our Shareholders on December 7, 2022 the name of our Company was changed to "ASK Automotive Limited" and a fresh certificate of incorporation dated January 6, 2023 was issued by the RoC. For details of changes in our name and the registered office of our Company, see "History and Certain Corporate Matters - Brief history of our Company" and "History and Certain Corporate Matters - Changes in the Registered Office" on page 249 of the red herring prospectus dated October 30, 2023 ("RHP" or "Red Herring Prospectus").

Registered Office: Flat No. 104, 929/1, Naiwala, Faiz Road, Karol Bagh, New Delhi 110 005, Delhi, India; Corporate Office: Plot No. 13, 14, Sector 5, IMT Manesar, Gurugram 122 050, Haryana, India; Contact Person: Rajani Sharma, Vice President (Legal), Company Secretary and Compliance Officer; Tel: +91 124 439 6907, E-mail: compliance@askbrake.com; Website: www.askbrake.com; Corporate Identity Number: U34300DL1988PLC030342

## OUR PROMOTERS: KULDIP SINGH RATHEE AND VIJAY RATHEE

INITIAL PUBLIC OFFERING OF UP TO 29,571,390 EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH ("EQUITY SHARES") OF ASK AUTOMOTIVE LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE OF FACE VALUE OF ₹ 2 ("OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION, COMPRISING AN OFFER FOR SALE OF UP TO 20,699,973 EQUITY SHARES OF FACE VALUE OF ₹ 2 AGGREGATING UP TO ₹ [●] MILLION BY KULDIP SINGH RATHEE AND UP TO 8,871,417 EQUITY SHARES OF FACE VALUE OF ₹ 2 AGGREGATING UP TO ₹ [●] MILLION BY VIJAY RATHEE ("PROMOTER SELLING SHAREHOLDERS") (THE "OFFER FOR SALE" OR THE "OFFER"). THE OFFER SHALL CONSTITUTE [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

NAME OF SELLING SHAREHOLDER	TYPE	MAXIMUM NUMBER OF OFFERED SHARES	AGGREGATE PROCEEDS FROM OFFERED SHARES	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (₹)
Kuldip Singh Rathee	Promoter Selling Shareholder	Up to 20,699,973 Equity Shares of face value of ₹ 2 each	Up to ₹ [●] million	0.02
Vijay Rathee	Promoter Selling Shareholder	Up to 8,871,417 Equity Shares of face value of ₹ 2 each	Up to ₹ [●] million	0.02

ASK Automotive Limited specializes in advanced braking systems, aluminium lightweighting precision solutions, wheel assembly for 2W OEMs, and safety control cables, serving both the automotive (including 2 wheelers, 3 wheelers, passenger and commercial vehicles) and non-automotive sectors (like ATVs, power tools, and outdoor equipment).

The Offer is being made pursuant to 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.

PRICE BAND: ₹268 TO ₹282 PER EQUITY SHARE OF FACE VALUE OF ₹2 EACH.

THE FLOOR PRICE IS 134 TIMES THE FACE VALUE OF THE EQUITY SHARES AND THE CAP PRICE IS 141 TIMES THE FACE VALUE OF THE EQUITY SHARES.

THE PRICE TO EARNING RATIO BASED ON DILUTED EPS FOR FISCAL 2023 AT THE FLOOR PRICE IS 43.37 TIMES AND AT THE CAP PRICE IS 45.63 TIMES.

BIDS CAN BE MADE FOR A MINIMUM OF 53 EQUITY SHARES AND IN MULTIPLES OF 53 EQUITY SHARES THEREAFTER.

IN MAKING AN INVESTMENT DECISION, POTENTIAL INVESTORS MUST ONLY RELY ON THE INFORMATION INCLUDED IN THE RED HERRING PROSPECTUS AND THE TERMS OF THE OFFER, INCLUDING THE RISKS INVOLVED AND NOT RELY ON ANY OTHER EXTERNAL SOURCES OF INFORMATION ABOUT THE OFFER AVAILABLE IN ANY MANNER.

In accordance with the recommendation of the Independent Directors of our Company, pursuant to their resolution dated November 1, 2023, the above provided price band is justified based on quantitative factors/ KPIs disclosed in the "Basis for Offer Price" section of the RHP vis-à-vis the weighted average cost of acquisition of primary and secondary transaction(s) disclosed in the "Basis for Offer Price" section on page 119 of the RHP and provided below in the advertisement.

## RISKS TO INVESTORS

- Dependence on Indian Two-Wheeler ("2W") Automotive Sector:** Our business primarily serves the 2W OEMs and the independent aftermarket for 2W in India, making us heavily reliant on the 2W automotive sector. The 2W automotive sector contributed 88.30%, 91.48%, 90.65%, 89.92% and 92.39% to our total revenue from operations for the three months ended June 30, 2023, June 30, 2022 and Fiscal 2023, 2022 and 2021 respectively.
- Customer Concentration:** We are dependent on our top three customers who contribute more than 50.00% of our revenue from operations with our single largest customer contributing approximately 30.00% or more of our revenue from operations in each of the last three Fiscals and in the three months ended June 30, 2023 and June 30, 2022.
- Dependence on Aluminium as Raw Material:** The majority of the raw material that we consume comprises Aluminium which is a commodity and is subject to fluctuation in commodity prices. The cost incurred towards Aluminium consumption, in the stated periods, is set out below:

Particulars	For the three months ended June 30, 2023		For the three months ended June 30, 2022		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount (₹ million)	% of cost of material consumed	Amount (₹ million)	% of cost of material consumed	Amount (₹ million)	% of cost of material consumed	Amount (₹ million)	% of cost of material consumed	Amount (₹ million)	% of cost of material consumed
Aluminium cost	2,127.17	45.66%	2,076.14	46.15%	7,681.26	42.71%	5,913.78	42.13%	3,833.68	37.75%

- Geographic Concentration of Manufacturing Facilities in Haryana:** Nine out of our sixteen manufacturing units are located in Haryana, with a majority of our brake shoe products and pressure die casting processes and all of disc brake pads and safety control cables being manufactured at our facilities in Haryana. In addition, our Joint Venture also operates one manufacturing facility in Haryana.
- Losses incurred by our Joint Venture, ASK Fras-Le Friction Private Limited in the past:** Our Joint Venture AFFPL, in which we hold 49% of the paid-up share capital, has incurred losses in each of the last three Fiscals and has recently turned profitable in the three months ended June 30, 2023. The net worth of AFFPL has substantially eroded and AFFPL's current liabilities exceeded its current assets by ₹237.79 million, ₹330.30 million, ₹294.69 million, ₹282.57 million and ₹127.21 million as at June 30, 2023, June 30, 2022, March 31, 2023, March 31, 2022 and March 31, 2021, respectively. We have provided in the past and may be required to continue to provide financial support to AFFPL by way of equity infusion, loans and a corporate guarantee to carry out its operations.
- Negative Net Worth Subsidiary:** As of June 30, 2023, the net worth of our wholly owned Subsidiary, ASK Automobiles Private Limited was ₹(53.76) million, as it is in its initial phase of operations, having been incorporated in Fiscal 2022. We have invested ₹7.50 million in our Subsidiary in Fiscal 2022, provided a letter of continued financial support in its favour in Fiscal 2023 and also extended corporate guarantees to enable it to meet its funding requirements.
- Past Association of our Promoters with a Suspended/Voluntarily Delisted Company:** Our Promoters and current Directors, Kuldip Singh Rathee and Vijay Rathee, were promoters and directors of Som Datt Finance Corporation Limited ("Som Datt"). Som Datt's equity shares were suspended from trading by the Calcutta Stock Exchange ("CSE") between March 21, 2014 to August 18, 2021 due to certain non-compliances with the listing agreement. Post revocation of suspension, Som Datt applied for voluntary delisting before CSE and its equity shares were subsequently voluntarily delisted from the CSE on December 20, 2021.
- Evolving Electric Vehicle ("EV") Market:** We have a short operating history of three years in the EV Two-Wheeler ("2W") industry, which is continuously evolving. The EV sector contribution to the total revenue from operations was 4.55%, 1.55%, 2.03%, 0.56%, and 0.00% for the three-month periods ended June 30, 2023, and June 30, 2022, and Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively. There can be no assurance that our limited experience will result in sale of products at a comparable scale in the future, as the market for EVs is relatively new, rapidly evolving, and is characterized by rapidly changing technologies, price competition, additional competitors, evolving government regulation and industry standards, and frequent new vehicle announcements.
- Changing Regulatory Framework:** Changes in government, regulations, schemes and plans, could lead to new compliance requirements that are uncertain such as initiatives introduced in the past like the National Electric Mobility Mission Plan 2020, the FAME India Scheme, and the draft National Auto Policy, all aimed at advancing India's automotive sector. The enforcement of Bharat Stage VI ("BS-VI Standards") emission standards since April 1, 2020 has imposed stricter norms on OEM customers. These regulatory changes could increase our operational costs and demand significant management resources. Non-compliance may adversely affect our business operations and future prospects.
- Competition:** Competition in the two-wheeler industry has intensified across all categories over the past few years due to capacity additions, expansion of dealer network, and model launches at competitive price points. We compete with different companies under each of our business categories. Our key competitors include Endurance Technologies Limited, Uno Minda Limited, Suprajit Engineering Limited and Bharat Forge Limited, details of which are set out below: (₹ in million, unless mentioned otherwise)

Particulars	As at and for the Fiscal Year ended March 31, 2023				
	ASK Automotive Limited	Endurance Technologies Limited	Uno Minda Limited	Suprajit Engineering Limited	Bharat Forge Limited
Revenue from Operations	25,551.67	88,040.46	112,364.90	27,523.55	129,102.59
EBITDA	2,475.45	10,816.93	12,908.70	3,512.66	19,403.80
EBITDA Margin (%)	9.65%	12.22%	11.44%	12.59%	14.83%
Profit after tax for the period/year ("PAT")	1,229.53	4,795.75	7,002.30	1,521.09	5,083.87
PAT Margin (%)	4.79%	5.42%	6.20%	5.45%	3.89%
Return on average equity (RoAE) (%)	19.27%	13.92%	18.99%	14.54%	6.58%
Return on Average Capital Employed (RoACE) (%)	22.06%	14.61%	17.91%	18.74%	12.75%

- Lease of Land:** Our Registered Office and the land on which nine out of our 16 manufacturing facilities are located are leased. Out of such nine facilities, three facilities are located on land leased from Industrial Development Corporations with lease tenure ranging up to 99 years, two facilities are located on land leased from related parties and four on land leased from third parties with lease tenure ranging from three to five years. Our lease arrangements for two of our plants, ASK-14 and ASK-16, are due for renewal over the next one year. There is no assurance that we will be able to renew our leases on commercially acceptable terms or at all.
- Offer for Sale:** Given that the Offer comprises an Offer for Sale by the Selling Shareholders, our Company will not receive any part of the proceeds of the Offer.
- The details of Price/Earnings Ratio, Enterprise Value/EBITDA Ratio, Earnings per share (Diluted), and Net Asset Value per Share as on and for the year ended March 31, 2023 are as follows:

Name of the company	P/E	EV/ EBITDA Ratio	EPS (Diluted) (₹)	Net Asset Value per Equity Share (₹)
ASK Automotive Limited	45.63*	23.74*	6.18	32.66
Listed peers*				
Endurance Technologies Limited	46.36	21.00	34.09	313.67
Uno Minda Limited	52.59	27.52	11.37	72.53
Suprajit Engineering Limited	35.49	17.18	10.98	88.48

Name of the company	P/E	EV/ EBITDA Ratio	EPS (Diluted) (₹)	Net Asset Value per Equity Share (₹)
Bharat Forge Limited	98.86	30.45	11.35	144.02

\*\* All the financial information for listed industry peers is on a consolidated basis and is sourced from the financial information of such listed industry peer as at and for the year ended March 31, 2023 available on the website of the stock exchanges. | \*Computed based on the upper end of the Price Band.

- Average cost of acquisition of equity shares for the Promoter Selling Shareholders is ₹ 0.02 per equity share and offer price at upper end of the price band is ₹ 282 per equity share.
- Weighted Average Return on Net Worth for Fiscals 2023, 2022 & 2021 is 16.75%. The Return on Net Worth for the three months ended June 30, 2023 and June 30, 2022 are 5.13% and 3.45% respectively.
- Details of weighted average cost of acquisition of all Equity Shares transacted in the last three years, 18 months and one year 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	0.00	N.A.	0-240
Last 18 months	0.00	N.A.	0-240
Last three years	0.00	N.A.	0-240

\*Represents cost of Equity Shares issued/transferred pursuant to bonus issue/gift which are issued/acquired at nil consideration

- Details of price at which equity shares were acquired by our Promoters (who are also the Promoter Selling Shareholders) and members of the Promoter Group in the last three years preceding the date of the Red Herring Prospectus:

Name	Face value (in ₹)	Date of acquisition	Number of Equity Shares of face value of ₹ 2 each	Acquisition price per Equity Share (in ₹)
<b>Promoters*</b>				
Kuldip Singh Rathee	2	August 23, 2023	18,528,012	Nil <sup>(1)</sup>
Kuldip Singh Rathee	2	March 30, 2021	65,841,300	Nil <sup>(2)</sup>
Vijay Rathee	2	August 23, 2023	14,130,011	Nil <sup>(3)</sup>
Vijay Rathee	2	March 30, 2021	47,757,150	Nil <sup>(2)</sup>
<b>Promoter Group</b>				
Aman Rathee	2	March 30, 2021	17,842,500	Nil <sup>(2)</sup>
Prashant Rathee	2	March 30, 2021	21,141,000	Nil <sup>(2)</sup>
Sarla Chahal	2	November 22, 2022	1	240.00
Kanika Rathee	2	November 22, 2022	1	240.00
Vijeta Rathee	2	November 22, 2022	1	240.00

\* Also the Promoter Selling Shareholders. | <sup>(1)</sup> Transfer from Prashant Rathee to Kuldip Singh Rathee pursuant to a gift deed dated August 23, 2023 | <sup>(2)</sup> Represents cost of Equity Shares issued pursuant to a bonus issue which are issued at nil consideration.

<sup>(3)</sup> Transfer from Aman Rathee to Vijay Rathee pursuant to a gift deed dated August 23, 2023.

- Weighted average cost of acquisition, floor price and cap price

Past Transactions	Weighted Average Cost of Acquisition per Equity Share (in ₹)	Floor price: ₹ 268	Cap Price: ₹ 282
Weighted average cost of acquisition (WACA) for primary issuances for the last 18 months	N.A.	N.A.	N.A.
Weighted average cost of acquisition (WACA) for secondary issuances for the last 18 months	N.A.	N.A.	N.A.
Since there were no primary or secondary transactions of equity shares of our Company during the 18 months preceding the date of filing of the Red Herring Prospectus which were equivalent to or more than 5% of the fully diluted paid up share capital of our Company, 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 the Red Herring Prospectus irrespective of the size of the transaction, is as below:			
(a) WACA of Equity Shares based on primary issuances undertaken during the three immediately preceding years	Nil	N.A.	N.A.
(b) WACA of Equity Shares based on secondary transactions undertaken during the three immediately preceding years	0.00*	N.A.	N.A.

#Negligible

- Pursuant to gift deeds (i) dated August 23, 2023 by Prashant Rathee in favour of Kuldip Singh Rathee and (ii) dated August 23, 2023 by Aman Rathee in favour of Vijay Rathee, the following transfers of Equity Shares were undertaken by the members of our Promoter Group, Prashant Rathee and Aman Rathee, to our Promoters, Kuldip Singh Rathee and Vijay Rathee:

S. No.	Date of transaction/ transfer	Name of the Transferor	Name of Transferee	Nature of Transfer	Number of Equity Shares	Percentage of pre-Offer share capital of the Company	Transfer price (in ₹)
1.	August 23, 2023	Prashant Rathee	Kuldip Singh Rathee	Gift	18,528,012	9.39%	Nil
2.	August 23, 2023	Aman Rathee	Vijay Rathee	Gift	14,130,011	7.16%	Nil

For further details, please refer to "Capital Structure - Build-up of our Promoters' shareholding in our Company" on page 106 of the RHP.

- The 4 BRLMs associated with the issue have handled 88 public issues in the past three financial years, out of which 28 issues closed below the issue price on listing date:

Name of the BRLMs	Total Public Issues	Issues Closed below the issue price on listing date
JM Financial Limited	5	-
Axis Capital Limited	6	2
ICICI Securities Limited	8	1
IIFL Securities Limited	14	6
Common issues handled by the BRLMs	55	19
Total	88	28

## BID/OFFER PERIOD

**BID/OFFER OPEN**


**BID/OFFER CLOSES ON: THURSDAY, 9 NOVEMBER 2023\***

\*UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.

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**THE EQUITY SHARES OF OUR COMPANY WILL GET LISTED ON MAIN BOARD PLATFORM OF BSE AND NSE.**

<b>ASBA<sup>#</sup></b>	<b>Simple, Safe, Smart way of Application!!!</b>	<b>*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.</b>
	UPI-Now available in ASBA for all individual investors applying in public issues where the application amount is up to ₹500,000, applying through Registered Brokers, Syndicate, CDPs & RTAs. Retail Individual Bidders and Non-Institutional Bidders also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the bank account used for bidding is linked to their PAN. Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and read with press release dated September 17, 2021.	

ASBA has to be availed by all the investors except Anchor Investors. UPI may be availed by UPI Bidders. For details on the ASBA and UPI process, please refer to the details given in the Bid Cum Application Form and abridged prospectus and also please refer to the section "Offer Procedure" on page 450 of the RHP. The process is also available on the website of Association of Investment Bankers of India ("AIBI") and Stock Exchanges and in the General Information Document. The Bid Cum Application Form and the Abridged Prospectus can be downloaded from the websites of BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), and together with BSE, the "Stock Exchanges" and can be obtained from the list of banks that is displayed on the website of SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?do=RecognisedFPIyes&intmid=35](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?do=RecognisedFPIyes&intmid=35) and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?do=RecognisedFPIyes&intmid=43>, respectively as updated from time to time. For the list of UPI apps and banks live on IPO, please refer to the link: [www.sebi.gov.in](http://www.sebi.gov.in). UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appear on the website of SEBI, as updated from time to time. Axis Bank Limited, ICICI Bank Limited have been appointed as the Sponsor Banks for the Issue, in accordance with the requirements of SEBI circular dated November 1, 2018 as amended. For issue related queries, please contact the Book Running Lead Managers ("BRLMs") on their respective email IDs as mentioned below. For UPI related queries, investors can contact NPCI at the toll free number: 18001201740 and mail id: [ipo.upi@npci.org.in](mailto:ipo.upi@npci.org.in).

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

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR"), read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations (the "Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("Anchor Investor Allocation Price"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids being received at or above the Offer Price, and the remainder of the Net 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 Offer Price. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors ("Non-Institutional Category") of which one-third of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000 and two-thirds of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹ 1,000,000 and under-subscription in either of these two sub-categories of Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Offer shall be available for allocation to Retail Individual Investors ("Retail Category"), in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Bidders (except Anchor Investors) shall mandatorily participate in this Offer only through the Application Supported by Blocked Amount ("ASBA") process and shall provide details of their respective bank account (including UPI ID (defined hereinafter) in case of UPI Bidders (defined hereinafter)) in which the Bid Amount will be blocked by the Self Certified Syndicate Banks ("SCSBs") or the Sponsor Banks, as the case may be. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see "Offer Procedure" beginning on page 450 of the RHP.

Bidders/ Applicants should ensure that DP ID, PAN, Client ID and UPI ID (for RIBs bidding through the UPI mechanism) are correctly filled in the Bid cum Application Form. The DP ID, PAN and Client ID provided in the Bid cum Application Form should match with the DP ID, PAN, Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/ Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Bidders/Applicants should note that on the basis of the PAN, DP ID, Client ID and UPI ID (for RIBs bidding through the UPI mechanism) as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorised the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving Allotment Advice or unblocking of ASBA Account or for other correspondence(s) related to the Offer. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk. Investors must ensure that their PAN is linked with

Aadhaar and are in compliance with the notification issued by Central Board of Direct Taxes notification dated February 13, 2020 and read with press releases dated June 25, 2021, September 17, 2021 and March 28, 2023 and any subsequent press releases in this regard.

**CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AS REGARDS ITS OBJECTS:** For information on the main objects of the Company, please see the section "History and Certain Corporate Matters" on page 249 of the RHP. The Memorandum of Association of the Company is a material document for inspection in relation to the Offer. For further details, please see the section titled "Material Contracts and Documents for Inspection" on page 482 of the RHP.

**LIABILITY OF THE MEMBERS OF THE COMPANY:** Limited by shares.

**AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE:** As on the date of the RHP, the authorised share capital of the Company is ₹450,000,000 divided into 225,000,000 Equity Shares of face value of ₹2 each. The issued, subscribed and paid-up share capital of the Company is ₹394,285,200 divided into 197,142,600 Equity Shares of face value of ₹2 each. For details, please see the section titled "Capital Structure" beginning on page 100 of the RHP.

**NAMES OF SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM:** The initial signatories to the Memorandum of Association are Kuldip Singh Rathore, Ajay Kumar Gupta and Sushil Kumar Singhal who subscribed to 1 equity share each, bearing face value of ₹100. For details of the share capital history and capital structure of our Company, please see the section entitled "Capital Structure" beginning on page 100 of the RHP.

**LISTING:** The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received in-principle approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters, each dated September 11, 2023. For the purposes of the Offer, NSE shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) 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/Offer Closing Date, see "Material Contracts and Documents for Inspection" beginning on page 482 of the RHP.

**DISCLAIMER CLAUSE OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"):** SEBI only gives its observations on the offer documents and this does not constitute approval of either the Offer or the specified securities or the offer document. The investors are advised to refer to page 426 of the RHP for the full text of the disclaimer clause of SEBI.

**DISCLAIMER CLAUSE OF NSE (DESIGNATED STOCK EXCHANGE):** It is to be distinctly understood that the 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 certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to page 429 of the RHP for the full text of the disclaimer clause of NSE.

**DISCLAIMER CLAUSE OF BSE:** It is to be distinctly understood that the permission given by BSE should not in any way be deemed or construed that the RHP has been cleared or approved by BSE nor does it certify the correctness or completeness of any of the contents of the RHP. The investors are advised to refer to page 429 of the RHP for the full text of the disclaimer clause of BSE.

**GENERAL RISKS:** Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer 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 Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares offered in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does the SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page 33 of the RHP.

BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER
				Rajani Sharma Vice President (Legal), Company Secretary and Compliance Officer Tel: +91 124 439 6907, E-mail: <a href="mailto:compliance@askbrake.com">compliance@askbrake.com</a> ;
<b>JM Financial Limited</b> 7 <sup>th</sup> Floor, Energy, Appasaheb Marathe Marg Prabhadevi, Mumbai 400 025 Maharashtra, India Tel.: +91 22 6630 3030 E-mail: <a href="mailto:askauto ipo@jmf.com">askauto ipo@jmf.com</a> Investor grievance E-mail: <a href="mailto:grievance.ibd@jmf.com">grievance.ibd@jmf.com</a> Contact person: Prachee Dhuri Website: <a href="http://www.jmf.com">www.jmf.com</a> SEBI Registration: INM000010361	<b>Axis Capital Limited</b> 1 <sup>st</sup> Floor, Axis House, C-2 Wadia International Centre Pandurang Budhkar Marg, Worli, Mumbai 400 025 Maharashtra, India Tel.: +91 22 4325 2183 E-mail: <a href="mailto:askauto.ipo@axiscap.in">askauto.ipo@axiscap.in</a> Investor grievance E-mail: <a href="mailto:complaints@axiscap.in">complaints@axiscap.in</a> Contact Person: Simran Gadh/Pavan Naik Website: <a href="http://www.axiscapital.co.in">www.axiscapital.co.in</a> SEBI Registration: INM000012029	<b>ICICI Securities Limited</b> ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, Maharashtra, India Tel.: +91 22 6807 7100 E-mail: <a href="mailto:askauto.ipo@icicisecurities.com">askauto.ipo@icicisecurities.com</a> Investor grievance e-mail: <a href="mailto:customercare@icicisecurities.com">customercare@icicisecurities.com</a> Contact person: Ashik Joisar/Harsh Thakkar Website: <a href="http://www.icicisecurities.com">www.icicisecurities.com</a> SEBI Registration: INM000011179	<b>IIFL Securities Limited</b> 24 <sup>th</sup> Floor, One Lodha Place, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013 Maharashtra, India Tel.: +91 22 4646 4728 E-mail: <a href="mailto:askauto.ipo@iiflcap.com">askauto.ipo@iiflcap.com</a> Investor grievance E-mail: <a href="mailto:ig_ib@iiflcap.com">ig_ib@iiflcap.com</a> Contact person: Pawan Jain/Pinkesh Soni Website: <a href="http://www.iiflcap.com">www.iiflcap.com</a> SEBI Registration: INM000010940	<b>Link Intime India Private Limited</b> C-101, 1 <sup>st</sup> Floor, 247 Park, L.B.S. Marg, Vikhroli West Mumbai 400 083, Maharashtra, India Tel.: +91 810 811 4949 E-mail: <a href="mailto:askauto.ipo@linkintime.co.in">askauto.ipo@linkintime.co.in</a> Investor Grievance E-mail: <a href="mailto:askauto.ipo@linkintime.co.in">askauto.ipo@linkintime.co.in</a> Contact Person: Shanti Gopalkrishnan Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> SEBI Registration No: INR000004058

**Availability of the RHP:** Investors are advised to refer to the RHP and the "Risk Factors" beginning on page 33 of the RHP, before applying in the Offer. A copy of the RHP shall be available on website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) and is available on the websites of the BRLMs, i.e. JM Financial Limited at [www.jmf.com](http://www.jmf.com), Axis Capital Limited at [www.axiscapital.co.in](http://www.axiscapital.co.in), ICICI Securities Limited at [www.icicisecurities.com](http://www.icicisecurities.com), IIFL Securities Limited at [www.iiflcap.com](http://www.iiflcap.com) respectively and on the websites of BSE and NSE at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively.

**Availability of the Abridged Prospectus:** A copy of the abridged prospectus is available on the website of the Company, the BRLMs and the Registrar to the offer at [www.askbrake.com](http://www.askbrake.com), [www.jmf.com](http://www.jmf.com), [www.axiscapital.co.in](http://www.axiscapital.co.in), [www.icicisecurities.com](http://www.icicisecurities.com), [www.iiflcap.com](http://www.iiflcap.com) and [www.linkintime.co.in](http://www.linkintime.co.in)

**Availability of Bid-cum-Application Forms:** Bid-cum-Application Forms can be obtained from the Registered Office of the Company ASK AUTOMOTIVE LIMITED, Tel: +91 124 439 6907 the BRLMs: JM Financial Limited, Tel.: +91 22 6630 3030, Axis Capital Limited, Tel.: +91 22 4325 2183, ICICI Securities Limited, Tel.: +91 22 6807 7100, IIFL Securities Limited, Tel.: +91 22 4646 4728 and at the select locations of the Sub-syndicate Members (as given below), SCSBs, Registered Brokers, RTAs and CDPs participating in the Offer. ASBA Forms will also be available on the websites of BSE and NSE and the Designated Branches of SCSBs, the list of which is available at websites of the Stock Exchanges and SEBI.

**Sub-syndicate members:** Almondz Global Securities Ltd, Amrapali Capital & Finance Services Limited, Anand Rathi Share & Stock Brokers Ltd., Anand Share Consultancy, ANS Pvt Limited, Ashwani Dandia & Co., Axis Securities Limited, Bajaj Financial Securities Ltd., Centrum Broking Ltd., Centrum Wealth Management Ltd., Choice Equity Broking Private Limited, Dalal & Broacha Stock Broking Pvt Limited, DB(International) Stock Brokers Ltd., Edelweiss Broking Ltd., Eureka Stock & Share Broking Services Ltd., G Raj & Co. (Consultants) Limited, Globe Capital Markets Ltd., HDFC Securities Ltd., IDBI Capital Markets and Securities Ltd., IIFL Securities Limited, Jhaveri Securities, JM Financial Services Limited, Jobanputra Fiscal Services Pvt. Ltd., Kalpataru Multiplier Limited, Keynote Capitals Limited, KJMC Capital Market Services

Limited, Kotak Securities Limited, Lakshminshree Investment & Securities Pvt Limited, LKP Securities Limited, Inventure Growth & Securities Ltd., Marwadi Shares & Finance, Motilal Oswal Financial Services Limited, Nirmal Bang Securities Pvt Limited, Nuvama Wealth and Investment Limited (Edelweiss Broking Limited), Patel Wealth Advisors Pvt Limited, Prabhudas Liladhar Pvt Ltd., Pravin Ratilal Share and Stock Brokers Ltd., Religare Broking Ltd., RR Equity Brokers Pvt. Ltd., SBICAP Securities Ltd., Sharekhan Ltd., SMC Global Securities Limited, Systematic Shares and Stocks (India ) Limited, Tradebulls Securities (P) Ltd., YES Securities Ltd.

**Syndicate member:** JM Financial Services Limited.

**Bankers to the Offer/ Escrow Collection Bank and Refund Bank/Public Offer Account Bank:** Axis Bank Limited, ICICI Bank Limited

**Sponsor Banks:** Axis Bank Limited, ICICI Bank Limited

**UPI:** UPI Bidders can also bid through UPI Mechanism.

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

**Place:** Delhi  
**Date:** November 7, 2023

For ASK AUTOMOTIVE LIMITED  
On behalf of the Board of Directors  
Sd/-  
**Rajani Sharma**  
Vice President (Legal), Company Secretary and Compliance Officer

ASK AUTOMOTIVE LIMITED is proposing, subject to applicable statutory and regulatory requirements and receipt of requisite approvals, market conditions and other considerations, to undertake an initial public offer of its Equity Shares and has filed the RHP with the RoC, SEBI and the Stock Exchanges. The RHP shall be available on the website of the Company at [www.askbrake.com](http://www.askbrake.com), the website of the SEBI at [www.sebi.gov.in](http://www.sebi.gov.in), the websites of the Stock Exchanges, i.e., the BSE Limited and the National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively, and websites of the BRLMs, i.e., JM Financial Limited, Axis Capital Limited, ICICI Securities Limited and IIFL Securities Limited at [www.jmf.com](http://www.jmf.com), [www.axiscapital.co.in](http://www.axiscapital.co.in), [www.icicisecurities.com](http://www.icicisecurities.com) and [www.iiflcap.com](http://www.iiflcap.com), respectively. Any potential investor should note that investment in equity shares involves a high degree of risk and for details relating to such risk, please see the section entitled "Risk Factors" of the RHP on page 33. Potential investors should not rely on the DRHP for making any investment decision and instead should place reliance only on the RHP.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act, as amended (the "U.S. Securities Act") or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) pursuant to Rule 144A of the U.S. Securities Act or another available exemption from the registration requirements of the U.S. Securities Act, and (b) in "offshore transactions" as defined in, and in reliance on, Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offer and sales are made.

Adfactors

# India's largest manufacturer of brake-shoe and advanced braking systems\* for two-wheelers with approx. 50%<sup>#</sup> market share.



- Market Leader:** ASK Automotive has a market share of approximately 50%<sup>#</sup> in the brake-shoe and advanced braking systems segment for two-wheelers in India, which is the world's largest two-wheeler market. (Source: CRISIL Report).
- Innovation:** Technology & Innovation-driven manufacturing process with an extensive suite of systems and solutions for EV & ICE sector.
- Extensive Product Portfolio:** Comprehensive suite of Powertrain agnostic offerings, including Advanced Braking Systems, Aluminium Lightweight Precision Solutions, and Safety Control Cables backed by in-house R&D, Technology, Design and Engineering capabilities.
- Long-standing Relationships with OEMs:** The long-standing customer relationships with top two-wheeler Indian OEM\* (more than 16 years), Two-wheeler EV OEMs and global players in automotive and non-automotive sector.
- Manufacturing Capabilities:** Operates 16 strategically located manufacturing facilities, majority of which are in close proximity to OEM's across five states in India, including one new manufacturing facility in Bhiwadi, Rajasthan.



**DRIVING SAFETY THROUGH INNOVATION**

**ASK Automotive Limited**  
[www.askbrake.com](http://www.askbrake.com)

\*In Fiscal 2023 in terms of production volume for Original Equipment Manufacturer and the Branded Independent Aftermarket\*\* on a combined basis. (Source: CRISIL Report). | \*The advanced braking systems for two-wheeler segment includes brake panel assembly, brake-shoe, Disc Brake Pad (DBP) and mission case. | \*\*Branded Aftermarket includes Original Equipment Spares (OES) and branded components sold in the aftermarket. Unbranded and imported components are not included. | #Top 6 two-wheeler OEMs in India as of June 30, 2023.

ASK Automotive Ltd, is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offering of its Equity Shares and has filed the RHP dated October 30, 2023 with the Registrar of Companies, Delhi and Haryana at New Delhi, Delhi ("RoC"). The RHP shall be available on the website of the Company at [www.askbrake.com/inspection-material-document1](http://www.askbrake.com/inspection-material-document1), the website of the SEBI at [www.sebi.gov.in](http://www.sebi.gov.in), websites of the book running lead managers JM Financial Limited at [www.jmf.com](http://www.jmf.com), AxisCapital.Limited at [www.axiscapital.co.in](http://www.axiscapital.co.in), ICICI Securities Limited at [www.icicisecurities.com](http://www.icicisecurities.com), IIFL Securities Limited at [www.iiflcap.com](http://www.iiflcap.com) and websites of the Stock Exchanges i.e. BSE and NSE at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively. Potential investors should note that investment in equity shares involves a high degree of risk. For details, potential investors should refer to the RHP which has been filed with the RoC, including the section titled "Risk Factors". Potential investors should not rely on the DRHP filed with the SEBI in making any investment decision. The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act"), or any state law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold, outside of 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 sales occur. There will be no offering of the Equity Shares in the United States.

Adfactors