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EPACK DURABLE LIMITED



(Please scan this QR Code to view the RHP)

Our Company was incorporated on April 20, 2019, as 'EPACK Durables Solutions Private Limited' in Greater Noida, Uttar Pradesh, as a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated May 6, 2019, issued by the Registrar of Companies, Uttar Pradesh at Kanpur ("RoC"), upon the conversion of M/s E-Vision, a partnership firm (constituted in 2005 pursuant to the partnership deed dated July 16, 2005), into a private limited company. Subsequently, pursuant to a resolution passed by our Shareholders in the extraordinary general meeting held on July 30, 2021, the name of our Company was changed from 'EPACK Durables Solutions Private Limited' to 'EPACK Durable Private Limited', as part of the corporate rebranding of our Company to reflect the principal business being undertaken by our Company, and consequently, a fresh certificate of incorporation dated September 17, 2021, was issued by the RoC to our Company. Thereafter, our Company was converted from a private limited company to a public limited company, pursuant to a resolution passed by our Shareholders in the extraordinary general meeting held on June 13, 2023, and the name of our Company was changed to 'EPACK Durable Limited', and a fresh certificate of incorporation dated June 28, 2023, was issued to our Company by the RoC. For details of changes in the name and the registered office address of our Company, see 'History and Certain Corporate Matters - Brief history of our Company' and 'History and Certain Corporate Matters - Change in registered office of our Company' on page 212 of the red herring prospectus of our Company dated January 12, 2024 filed with the RoC ("RHP" or "Red Herring Prospectus").

Corporate Identity Number: U74999UP2019PLC116048; Website: www.epackdurable.com
 Registered Office: 61-B, Udyog Vihar, Surajpur, Kasna Road, Greater Noida, Gautam Buddha Nagar 201 306, Uttar Pradesh, India
 Corporate Office: TR - 901, AltF 142 Noida, 9th floor, Plot Number 21 and 21A, Sector 142, Noida 201 304, Uttar Pradesh, India
 Contact Person: Esha Gupta, Company Secretary and Compliance Officer, Telephone: +91 120 496 9771; Email: investors_ed@epack.in

THE PROMOTERS OF OUR COMPANY ARE BAJRANG BOTHRA, LAXMI PAT BOTHRA, SANJAY SINGHANIA AND AJAY DD SINGHANIA

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION ("OFFER"). THE OFFER COMPRISES A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 4,000.00 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 10,437,047 EQUITY SHARES ("OFFERED SHARES") AGGREGATING UP TO ₹ [●] MILLION. THE OFFER WILL CONSTITUTE [●]% OF THE POST-OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

DETAILS OF THE OFFER FOR SALE BY THE SELLING SHAREHOLDERS

NAME OF SELLING SHAREHOLDER	TYPE	NUMBER OF SHARES OFFERED / AMOUNT (₹ IN MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)*
Bajrang Bothra	Promoter	Up to 1,172,976 equity shares of face value of ₹ 10 each aggregating up to ₹ [●] million	14.94
Laxmi Pat Bothra	Promoter	Up to 666,798 equity shares of face value of ₹ 10 each aggregating up to ₹ [●] million	12.10
Sanjay Singhania	Promoter	Up to 748,721 equity shares of face value of ₹ 10 each aggregating up to ₹ [●] million	11.04
Ajay DD Singhania	Promoter	Up to 748,721 equity shares of face value of ₹ 10 each aggregating up to ₹ [●] million	17.16
Pinky Ajay Singhania	Promoter Group	Up to 286,351 equity shares of face value of ₹ 10 each aggregating up to ₹ [●] million	Nil
Preity Singhania	Promoter Group	Up to 286,351 equity shares of face value of ₹ 10 each aggregating up to ₹ [●] million	Nil
Nikhil Bothra	Promoter Group	Up to 442,905 equity shares of face value of ₹ 10 each aggregating up to ₹ [●] million	10.00
Nitin Bothra	Promoter Group	Up to 442,905 equity shares of face value of ₹ 10 each aggregating up to ₹ [●] million	Nil
Rajat Kumar Bothra	Promoter Group	Up to 379,633 equity shares of face value of ₹ 10 each aggregating up to ₹ [●] million	11.57
India Advantage Fund S4 I	Other	Up to 4,630,284 equity shares of face value of ₹ 10 each aggregating up to ₹ [●] million	101.36
Dynamic India Fund S4 US I	Other	Up to 631,402 equity shares of face value of ₹ 10 each aggregating up to ₹ [●] million	101.36

* As certified by N B T and Co, Chartered Accountants, registered with the ICAI and bearing firm registration number 140489W, by way of their certificate dated January 12, 2024.

We manufacture room air conditioners and small domestic appliances, and its components.

The Offer is being made through the Book Building Process 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: ₹218 TO ₹230 PER EQUITY SHARE OF FACE VALUE OF ₹10 EACH.

THE FLOOR PRICE IS 21.8 TIMES THE FACE VALUE OF THE EQUITY SHARES AND THE CAP PRICE IS 23.0 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 46.98 TIMES AND AT THE CAP PRICE IS 49.57 TIMES.

BIDS CAN BE MADE FOR A MINIMUM OF 65 EQUITY SHARES AND IN MULTIPLES OF 65 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 January 12, 2024, 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 130 of the RHP and provided below in the advertisement.

RISKS TO INVESTORS

- Negative Cash Flows:** We have had negative cash flows in the past and our net cash used in operating activities for Fiscal 2022 is ₹ (289.41) million.
- Customer Concentration Risk:** The total contribution from top five customers in terms of revenue generation for a year / period shown as percent of revenue from operations for the six months period ended September 30, 2023, and Fiscals 2023, 2022 and 2021 is 79.62%, 82.66%, 76.82% and 71.22%, respectively.
- Supplier Concentration Risk:** We are dependent on third party suppliers for our raw materials. As on September 30, 2023, our supplier network comprised 342 suppliers. The raw materials used by us include copper tubes, steel, aluminium sheets, plastic granules, compressors, controllers and RAC motors. The percentage of total purchases from top 10 suppliers vis-à-vis total purchases for that year / period for the six months period ended September 30, 2023, and Fiscals 2023, 2022 and 2021 is 62.38%, 53.04%, 46.84% and 33.87%, respectively.
- Our Company will not receive any proceeds from the Offer for Sale.
- Growth risk:** We have experienced significant growth over the past three Fiscals. EBITDA for the six months period ended September 30, 2023 and the Financial Years ended March 31, 2023, 2022 and 2021, is ₹369.77 million, ₹1,025.25 million, ₹688.03 million and ₹420.33 million, respectively. We cannot assure that our growth strategy will continue to be successful or that we will be able to continue to grow further, or at the same rate.
- Seasonality of Products:** The demand for RACs typically peak during the first half of the calendar year and reduce in the second half of the calendar year. Erratic weather conditions impacting the warm weather during the peak sales season of summer, may adversely affect our sales volumes, and could therefore have a disproportionate impact on our results of operations and financial condition in the relevant year. The percentage of revenue from sale of RACs (including sale of RAC spares and RAC components) to total revenue from operations for the six months period ended September 30, 2023, and Fiscals 2023, 2022 and 2021 is 78.34%, 83.23%, 81.68% and 86.80%, respectively.
- Trade Receivables Risk:** In the ordinary course of business, we extend credit to our customers. Consequently, we are exposed to the risk of the uncertainty regarding the receipt of the outstanding amounts. As on September 30, 2023, trade receivables is ₹1,377.65 million. The trade receivable days for six months period ended September 30, 2023 are 95 days.
- MOU with East India:** We have entered into a Memorandum of Understanding ("MoU") with East India Technologies Private Limited ("East India"), a member of promoter group and our group company. Pursuant to the MoU, only our Company may (and East India may not) engage in the manufacture of specified products such as air conditioning and refrigeration products, air handling products, kitchen appliances and washing and drying equipment, while only East India may (and our Company may not) engage in the manufacture of specified products such as audio equipment, camera equipment, desktop computers, laptops and computer accessories, renewable energy electronics, industrial engineering products, televisions and lighting equipment. In the event of any breach of the MoU by East India pursuant to which East India manufactures products similar to those manufactured by us, it may result in a material adverse effect on our business and results of operations.
- Import of Raw Material Risk:** We currently import certain of our raw materials from China where in the past there have been conditions imposed by the government in relation to the commerce and trade. China accounted for 34.05%, 21.02%, 17.01% and 14.05% of the total cost of raw materials purchased (including purchase of stock-in-trade) by our Company in the six months period ended September 30, 2023 and in Fiscal 2023, 2022 and 2021, respectively.
- Foreign Exchange Risk:** We import components and materials such as copper and aluminium sheets. The percentage of the cost of raw materials imported to total cost of materials purchased (including purchase of stock-in-trade) for six months period ended September 30, 2023 and the Financial Years ended March 31, 2023, 2022 and 2021 is 39.87%, 39.31%, 36.63% and 26.95%. The Profit / (loss) on foreign exchange fluctuation for six months

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period ended September 30, 2023 and the Financial Years ended March 31, 2023, 2022 and 2021, is ₹11.21 million, ₹(37.43) million, ₹19.00 million and ₹13.92 million, respectively.

11. **Competition Risk:** Our industry is competitive. While there are significant barriers to entry to the RAC and SDA manufacturing industry, our competitors may win market share from us by providing what may be perceived to be more advanced technologies, better designs and quality or lower cost solutions to our customers. Our competitors' actions, including expanding manufacturing capacity, expansion of their operations to newer geographies or product segments in which we compete, or the entry of new competitors into one or more of our markets could cause us to lower prices in an effort to maintain our sales volume.
12. **The Offer Price, market capitalization to revenue from operations multiple, market capitalization to tangible assets multiple and enterprise value to EBITDA multiple, calculated on the basis of Cap price, of our Company may not be indicative of the market price of the Company on listing or thereafter.**

Particulars	Market capitalization to revenue from operations	Market capitalization to tangible assets	Enterprise value to EBITDA
Our Company	1.43*	1.57*	25.56*
Industry Peers			
Dixon Technologies (India) Limited	29.28	11.48	69.53
Amber Enterprises India Limited	1.51	1.84	26.86
PG Electroplast Limited	2.73	3.84	36.38
Elin Electronics Limited	0.70	1.03	11.28

* To be updated in the Prospectus once the Offer Price is finalised. Source: The information for the industry peers has been sourced from NSE and the filings of the respective company available on the website of the Ministry of Corporate Affairs.

- Market capitalization has been computed based on the closing market price of equity shares on NSE on December 8, 2023.
- Tangible Assets = Total assets less intangible assets, intangible assets under development, right of use assets, goodwill and deferred tax assets (net), as applicable plus lease liabilities (non-current and current).
- Enterprise Value (EV) = Market capitalisation plus net debt as on March 31, 2023. Net debt is calculated as sum of current and non-current borrowings as reduced by cash and cash equivalents and bank balances other than cash and cash equivalents.
- EBITDA = Profit before tax, share of profit/(loss) of associate and exceptional items plus finance costs, depreciation and amortisation expense minus other income.

13. **The average cost of acquisition of Equity Shares held by the Selling Shareholders ranges from Nil to ₹101.36 per Equity Share, and the Offer Price at upper end of the Price Band is ₹230.**
14. **Weighted Average Return on Net Worth for Fiscals 2023, 2022 & 2021 is 15.43%.**
15. **The Weighted Average Cost of acquisition of all Equity Shares transacted in last three years and one year preceding the date of the RHP:**

Types of transactions	Number of Equity Shares acquired	Weighted average cost of acquisition (₹ per share)	Cap Price is 'x' times the weighted average cost of acquisition [^]	Range of acquisition price per Equity Share: lowest price – highest price (in ₹) ^{***^#@}
Last 1 year	26,318,375	121.59	1.89	101.36 – 151.90
Last 3 years	31,196,542	120.92	1.90	90.90 – 227.00

[^] As certified by N B T and Co, Chartered Accountants, registered with the ICAI and bearing firm registration number 140489W, by way of their certificate dated January 12, 2024.

^{**} Excluding gift transactions.

[@] Including Equity Shares allotted on the conversion of Preference Shares.

16. **Weighted average cost of acquisition, floor price and cap price:**

Types of transactions	Weighted average cost of acquisition (₹ per share)	Floor price (i.e. ₹218)	Cap price (i.e. ₹230)
Weighted average cost of acquisition of Primary Issuances during 18 months prior to RHP	121.59	1.79 times	1.89 times
Weighted average cost of acquisition of Secondary Transactions during the last three years to RHP	Not applicable	Not applicable	Not applicable

Note: As certified by N B T and Co, Chartered Accountants, registered with the ICAI and bearing firm registration number 140489W, by way of their certificate dated January 12, 2024.

There have been no secondary sale / acquisitions of Equity Shares or any convertible securities, where the Promoters, members of the Promoter Group, Selling Shareholders, or Shareholder(s) having the right to nominate director(s) on the Board of Directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of the Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Offer 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.

17. **The three BRLMs associated with the Offer have handled 87 public issues in the past three Financial Years, out of which 26 issues closed below the Offer price on the listing date.**

Name of the BRLMs	Total Issues	Issues closed below IPO Price on listing date
Axis Capital Limited*	22	4
DAM Capital Advisors Limited*	8	4
ICICI Securities Limited*	26	5
Common issues of above BRLMs	31	13
Total	87	26

*Issues handled where there were no common BRLMs.

BID/OFFER PERIOD

**ANCHOR INVESTOR BIDDING DATE:
THURSDAY, JANUARY 18, 2024***

**BID/OFFER OPENS ON:
FRIDAY, JANUARY 19, 2024**

**BID/OFFER CLOSES ON^{#^}:
TUESDAY, JANUARY 23, 2024**

*Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations.

[#]UPI Mandate end time shall be at 5:00 pm on the Bid/Offer Closing Date.

[^]Please refer to "Terms of the Offer-Submission of Bids (other than Bids from Anchor Investors)" on page 418 of the RHP for detailed timeline on submission of Bids.

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Wednesday, January 24, 2024
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account	On or about Thursday, January 25, 2024

Event	Indicative Date
Credit of the Equity Shares to depository accounts of Allottees	On or about Thursday, January 25, 2024
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Monday, January 29, 2024

BASIS FOR THE OFFER PRICE

The Floor Price, Price Band and Offer Price will be determined in compliance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI ICDR Regulations"), on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹ 10, and the Offer Price is 21.8 times the face value at the lower end of the Price Band and 23.0 times the face value at the higher end of the Price Band. The financial information included herein is derived from our Restated Financial Information. Prospective investors should also refer to "Our Business", "Risk Factors", "Restated Financial Information", "Management's Discussion and Analysis of Financial Position and Results of Operations" and "Other Financial Information" on pages 181, 41, 261, 343 and 339 of the RHP, respectively, to have an informed view before making an investment decision.

Qualitative factors

Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are:

- Long-standing relationships with established customers, with potential to expand our customer base;
- Among the key manufacturers in the fast-growing room air conditioners ("RAC") and small domestic appliances ("SDA") manufacturing industries;
- Advanced vertically integrated manufacturing operations with product portfolio aimed at capturing the full spectrum of the RAC and SDA value chain;
- Robust product development and design optimisation capabilities;
- Experienced Promoters supported by senior management team with proven track record of performance.

For further details, see "Our Business – Our Competitive Strengths" on page 184 of the RHP.

Quantitative factors

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

I. Basic and diluted earnings per share ("EPS")

Based on / derived from the Restated Financial Information:

Period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Fiscal ended March 31, 2023	4.71	4.64	3
Fiscal ended March 31, 2022	3.47	3.47	2
Fiscal ended March 31, 2021	1.62	1.62	1
Weighted Average	3.78	3.75	-
Six months ended September 30, 2023*	0.34	0.34	-

*Not annualized.

Notes:

- Basic EPS = Net Profit after tax, as restated, for the year / period divided by weighted average number of equity shares outstanding during the year / period.
- Diluted EPS = Net Profit after tax, as restated, for the year / period divided by weighted average number of diluted equity shares and potential additional equity shares outstanding during the year / period.
- Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights.
- The figures disclosed above are based on the Restated Financial Information of our Company.
- The face value of each Equity Share is ₹ 10 each.
- Basic and diluted earnings per equity share: Basic and diluted earnings per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).

II. Price / Earning ("P/E") ratio in relation to Price Band of ₹ 218 to ₹ 230 per Equity Share:

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
Based on basic EPS for Fiscal 2023	46.28	48.83
Based on diluted EPS for Fiscal 2023	46.98	49.57

Industry Peer Group P/E ratio

Particulars	Industry P/E (number of times)
Highest	139.96
Lowest	24.28
Average	74.45

Notes:

- The industry high and low has been considered from the industry peers set provided below. The industry composite has been calculated as the arithmetic average P/E of the industry peers set disclosed below.
- The industry P/E ratio mentioned above is computed based on the closing market price of equity shares on NSE on December 8, 2023, divided by the Diluted EPS as on for the financial year ended March 31, 2023.

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III. Return on Net Worth ("RoNW")

As derived from the Restated Financial Information:

Period	Return on Net Worth (%)	Weight
Fiscal 2023	14.68	3
Fiscal 2022	18.28	2
Fiscal 2021	12.00	1
Weighted Average	15.43	
Six months ended September 30, 2023*	0.67	-

*Not annualised

Notes:

Return on Net Worth (%) = Restated net profit after tax for the year / period divided by Average Net Worth (Total Equity), as restated.

IV. Net Asset Value per Equity Share ("NAV")

Derived from the Restated Financial Information:

As at	NAV per Equity Share (in ₹)
September 30, 2023	61.00
March 31, 2023	46.21

Notes:

Net Asset Value per share = Net-Worth (Total Equity), as restated divided by total weighted average number of equity shares at the end of year / period.

As at	NAV per Equity Share (in ₹)
After the completion of the Offer:	
(i) At Floor Price	90.78
(ii) At Cap Price	91.68
Offer Price ⁽¹⁾	[-]

⁽¹⁾ Offer Price per Equity Share will be determined on conclusion of the Book Building Process.

V. Comparison with listed industry peers

Name of the company	Consolidated/ Standalone	Face value (₹ per share)	Closing price on December 8, 2023 (₹)	Revenue from Operations (in ₹ million)		EPS (₹)		NAV (₹ per equity share)	P/E	RoNW (%)
				2023	2022	Basic	Diluted			
EPACK Durable Limited	Consolidated	10	NA	15,388.32		4.71	4.64	46.21	NA	14.68
PEER GROUP										
Amber Enterprises India Ltd	Consolidated	10	3,092.40	69,270.95	46.66	46.66	579.94	66.28	8.79	
PG Electroplast Limited	Consolidated	10	2,271.65	21,599.48	35.78	33.77	174.09	67.27	21.88	
Dixon Technologies (India) Ltd	Consolidated	2	5,964.90	121,920.10	42.92	42.62	215.69	139.96	22.36	
Elin Electronics Ltd	Consolidated	5	152.75	10,754.28	6.29	6.29	99.30	24.28	6.73	

Notes:

(a) Financial information for Company is derived from the Restated Financial Information for the year ended March 31, 2023.

For listed peers:

(b) 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/annual results as available of the respective company for the year ended March 31, 2023 submitted to stock exchanges.

(c) P/E Ratio has been computed based on the closing market price of equity shares on NSE on December 8, 2023, divided by the Diluted EPS.

(d) Return on Net Worth (%) = Net Profit for the year divided by Average Net-Worth (Total Equity) for the year.

(e) NAV per share is computed as the Net-Worth (Total Equity) divided by the outstanding number of equity shares at the end of the year.

VI. Key financial and operational performance indicators ("KPIs")

The KPIs disclosed below are the KPIs pertaining to our Company that have been disclosed to our investors at any point of time during the three years period prior to the date of the filing of the Red Herring Prospectus and which have been used historically by our Company to understand and analyse our business performance, which in result, helps us analyse the growth of various verticals in comparison to our peers, as well as other relevant and material KPIs of the business of the Company that have a bearing for arriving at the basis for the Offer Price.

The KPIs disclosed herein below have been approved by a resolution of our Audit Committee dated January 12, 2024. The members of the Audit Committee have verified the details of all KPIs pertaining to our Company, and has confirmed that verified and audited details of all the KPIs pertaining to our Company that have been disclosed to our investors at any point of time during the three years period prior to the date of the filing of the Red Herring Prospectus have been disclosed in the section. The KPIs herein have been certified by the N B T and Co, Chartered Accountants, registered with the ICAI and bearing firm registration number 140489W, by their certificate dated January 12, 2024.

The KPIs of our Company have also been disclosed in the sections titled "Our Business", "Management's Analysis and Discussion of Financial Condition and Results of Operations", "Other Financial Information" and "Risk Factors" on pages 181, 343, 339 and 41, respectively. We have described and defined the KPIs, as applicable, in "Definitions and Abbreviations – Conventional and general terms and abbreviations" on page 16 of the RHP.

Our Company confirms that it shall continue to disclose all the KPIs included in the section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the utilisation of the Offer Proceeds as per the disclosure made in the section "Objects of the Offer" on page 111, whichever is later, or for such other duration as may be required under the SEBI ICDR Regulations.

Particulars	Six months ended September 30, 2023*			
	Fiscal 2023	Fiscal 2022	Fiscal 2021	
Financial				
Total Income (in ₹ million) ⁽¹⁾	6,163.22	15,402.53	9,273.41	7,396.58
Revenue from Operations (in ₹ million) ⁽²⁾	6,148.04	15,388.32	9,241.62	7,362.45
Revenue growth (year on year) (%) ⁽³⁾	NA	66.51	25.52	(4.42)
Revenue CAGR (%) ⁽⁴⁾	NA		44.57	
Revenue from Operations (in India) (in ₹ million) ⁽⁵⁾	6,075.35	15,241.10	9,106.04	7,345.74
Revenue from top 10 customers (in ₹ million) ⁽⁶⁾	5,625.71	14,337.23	8,198.76	6,853.11
Revenue contribution from top 10 customers (%) ⁽⁷⁾	91.50	93.17	88.72	93.08
Cash and Cash Equivalents (in ₹ million) ⁽⁸⁾	104.74	600.18	241.47	36.48
Trade Receivables Days ⁽⁹⁾	95	102	118	109
Inventory Days ⁽¹⁰⁾	84	79	96	78
Trade Payable Days ⁽¹¹⁾	110	98	97	78
Cashflow from/ (used in) Operations (₹ million) ⁽¹²⁾	1,580.73	188.28	(289.41)	474.19
Gross Block of Assets (in ₹ million) ⁽¹³⁾	5,601.22	4,871.57	3,690.85	1,429.14
EBITDA (in ₹ million) ⁽¹⁴⁾	369.77	1,025.25	688.03	420.33
EBITDA Growth (year on year) (%) ⁽¹⁵⁾	NA	49.01	63.69	14.97
EBITDA CAGR (%) ⁽¹⁶⁾	NA		56.18	
EBITDA Margin (%) ⁽¹⁷⁾	6.01	6.66	7.44	5.71
Profit for the year / period (in ₹ million) ⁽¹⁸⁾	26.54	319.72	174.34	78.03
Profit for the year CAGR (%) ⁽¹⁹⁾	NA		102.42	
PAT Margin (%) ⁽²⁰⁾	0.43	2.08	1.89	1.06
ROE (%) ⁽²¹⁾	0.67	14.68	18.28	12.00
ROCE (%) ⁽²²⁾	2.71	11.85	13.68	11.72
Debt to Equity Ratio ⁽²³⁾	0.78	1.58	3.15	3.47
Gross Asset Turnover (in times) ⁽²⁴⁾	1.17	3.59	3.61	5.37
Gross Profit (in ₹ million) ⁽²⁵⁾	872.51	2,147.50	1,298.21	871.54
Gross Profit Margin (%) ⁽²⁶⁾	14.19	13.96	14.05	11.84
Gross Profit Growth (year on year) (%) ⁽²⁷⁾	NA	65.42	48.96	10.64
Operational				
Number of employees ⁽²⁸⁾	807	734	622	478
Number of Contract Labourers ⁽²⁹⁾	1,165	3,328	2,375	1,330
Working capital cycle days ⁽³⁰⁾	61	91	118	110
Number of employees in Research and Development department ⁽³¹⁾	57	47	32	30

Notes:

*Not annualised

- Total income is the sum of Revenue from Operations and other income.
- Revenue from Operations means Revenue from contracts with customers and other operating income such as Scrap Sales, Government grants, Export Incentive and Service charges.
- Revenue growth (year on year) means the annual growth in Revenue from Operations.
- Revenue CAGR means the compounded annual growth rate of Revenue from Operations.
- Revenue from Operations is divided by geography into revenue from operations (domestic) and revenue from operations (export) in the Restated Financial Information. Revenue from Operations (in India) means the revenue from operations generated domestically as appearing in the Restated Financial Information.
- Revenue from top 10 customers means the revenue generated from our top 10 customers for the respective Fiscal / period.
- Revenue contribution from top 10 customers is the revenue generated from our top 10 customers for a particular Fiscal / period as a percentage of the revenue from operations for that Fiscal / period.
- Cash and Cash Equivalents means the balance with bank in current accounts, cheques and cash on hand.
- Trade Receivables Days is calculated as 365/183 divided by (Revenue from Contracts with Customers (excluding scrap sales)/ average trade receivables).
- Inventory Days is calculated as 365/183 divided by (cost of goods sold / average inventory). Cost of good sold is the sum of Cost of materials consumed, Purchases of stock-in-trade and Change in inventories of finished goods and work-in-progress
- Trade Payable Days is calculated as 365/183 divided by (total purchase of raw material and stock in trade / average trade payables).
- Cashflow from/ (used in) Operations is the cashflow from operations as appearing in the Restated Financial Information.
- Gross Block is calculated as gross block of property, plant and equipment, other intangible assets and right of use assets.
- EBITDA is calculated as restated profit before tax, share of profit/(loss) of associate, exceptional items plus finance costs, depreciation and amortisation expense minus other income.
- EBITDA Growth (year on year) means the annual growth in EBITDA.
- EBITDA CAGR means the compounded annual growth rate of EBITDA.
- EBITDA Margin is calculated as EBITDA divided by Revenue from Operations.
- Profit for the year / period means the profit for the year / period as appearing in the Restated Financial Information.
- Profit for the year CAGR means the compounded annual growth rate of profit for the year.
- PAT Margin is calculated as restated profit for the year / period divided by Revenue from Operations.
- ROE is calculated as restated profit for the year / period divided by average total equity (net worth).
- ROCE is calculated as EBIT divided by average capital employed. Where EBIT is sum of restated profit before tax, share of profit/(loss) of associate, exceptional items and finance costs. Capital employed is calculated as the sum of Total Equity, Current Borrowings, Non-Current Borrowings, Interest accrued but not due on borrowings.
- Debt to Equity Ratio is calculated as total debt divided by total equity, where total debt is the sum of current borrowings, non-current borrowings (including current maturities) and interest accrued but not due on borrowings.
- Gross Asset Turnover is calculated as Revenue from Operations divided by average Gross Block of Assets.
- Gross Profit is calculated as Revenue from Operations minus Cost of Goods Sold.
- Gross Profit Margin is calculated as Gross Profit divided by Revenue from Operations.
- Gross Profit Growth means the annual growth rate of Gross Profit.
- Number of employees means the number of employees of our Company as on the last date of the respective Fiscal / period.
- Number of Contract Labourers means the number of contract labourers of our Company as on the last date of the respective Fiscal / period.
- Working capital cycle days is calculated as working capital multiplied by 365/183 and divided by Revenue from Operations, where working capital is defined as trade receivables plus inventories minus trade payables.
- Number of employees in Research and Development department means the number of employees in the research and development department of our Company as on the last date of the respective Fiscal / period.

Explanation for KPI metrics

Set out below are explanations for how the KPIs listed above have been used by the management historically to analyse, track or monitor the operational and/or financial performance of our Company.

KPI	Explanation
Total Income (in ₹ million)	Total Income includes the total revenue of the business after considering income from all sources and helps our Company to assess the scale of the business.
Revenue from Operations (in ₹ million)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Revenue growth (year on year) (%)	Revenue growth (year on year) provides information regarding the growth of our business revenue for the respective period.
Revenue CAGR (%)	Revenue CAGR growth provides information regarding the growth in terms of our business for the respective period; in terms of CAGR.
Revenue from Operations (in India) (in ₹ million)	Revenue from Operations (in India) is used by our management to track the revenue profile from the domestic business undertaken by the Company and in turn helps assess the overall financial performance of our Company.
Revenue from top 10 customers (in ₹ million)	Revenue from top 10 customers is used by our management to track the revenue profile from the major customers of the Company considering all the business. This indicator aids our Company in taking customer centric business decisions.
Revenue contribution from top 10 customers (%)	Revenue contribution from top 10 customers as a percentage of total Revenue from Operations is used by our management to track the revenue profile from the major customers of the Company and in turn helps assess the overall financial performance of our Company. This indicator aids our Company in taking customer centric business decisions.
Cash and Cash Equivalents (in ₹ million)	Cash and Cash Equivalents is the amount available with our Company in the form of cash in hand, balances with banks and deposits maturing within three months.
Trade Receivables Days	Trade Receivables Days is the average number of days required for our Company to receive payments from its customers.
Inventory Days	Inventory Days is the average number of days required for our Company to convert its inventory into sales.
Trade Payable Days	Trade Payable Days is the average number of days required for our Company to pay its suppliers.
Cashflow from/ (used in) Operations (₹ million)	Cashflow from/ (used in) Operations is our Company's ability to generate cash from our core business operations.
Gross Block of Assets (in ₹ million)	Gross Block of Assets is the amount invested in the fixed assets of our Company without considering accumulated depreciation and other adjustments.
EBITDA (in ₹ million)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Growth (year on year) (%)	EBITDA Growth provides information regarding the growth of earnings before interest, tax, depreciation and amortization of our business for the respective period.
EBITDA CAGR (%)	EBITDA CAGR growth provides information regarding the growth of our operational performance for the respective period in CAGR terms.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit for the year (in ₹ million)	Profit for the year provides information regarding the overall profitability of the business.
Profit for the year CAGR (%)	Profit for the year CAGR growth provides information regarding the growth of our operational performance in CAGR terms for the respective period.
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of our business.
ROE (%)	ROE provides how efficiently our Company generates profits from shareholders' funds.
ROCE (%)	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Debt to Equity Ratio	Debt to Equity Ratio is used to measure the financial leverage of our Company and provides comparison benchmark against peers.
Gross Asset Turnover (in times)	Gross Asset Turnover is the efficiency at which our Company is able to deploy its assets (on gross block basis) to generate the Revenue from Operations.
Gross Profit (in ₹ million)	Gross Profit provides information regarding the profits from the manufacturing of products.
Gross Profit Margin (%)	Gross Profit Margin is an indicator of the profitability on sales of products manufactured sold by our Company.
Gross Profit Growth (year on year) (%)	Gross Profit Growth shows the year on year growth in Gross Profit.
Number of employees	Number of employees as of a particular period shows the human capital of the Company.
Number of Contract Labourers	Number of contract labourers as of a particular period shows the number of people involved on contract labour basis by our Company.
Working capital cycle days	Working capital cycle days is the time it takes to convert net current assets and current liabilities into cash.
Number of employees in Research and Development department	Number of employees in Research and Development as of a particular period shows the Research and Development strength of our Company.

Comparison of KPIs of our Company and our listed peers

While the listed peers mentioned below operate in the same industry as us, and may have similar offerings or end use applications, our business may be different in terms of differing business models, different product verticals serviced or focus areas or different geographical presence. Below are details of the KPIs of our Company and our listed peers as at and for the six months ended September 30, 2023 and financial year ended March 31, 2023.

Particulars	Company		Dixon Technologies (India) Limited		Amber Enterprises India Limited		PG Electroplast Limited		Elin Electronics Limited	
	As at and for the six months ended September 30, 2023*	Fiscal 2023	As at and for the six months ended September 30, 2023*	Fiscal 2023	As at and for the six months ended September 30, 2023*	Fiscal 2023	As at and for the six months ended September 30, 2023*	Fiscal 2023	As at and for the six months ended September 30, 2023*	Fiscal 2023
Financial										
Total Income (in ₹ million) ⁽¹⁾	6,163.22	15,402.53	82,182.50	121,976.20	26,611.10	69,797.57	11,426.10	21,643.33	5,320.15	10,776.95
Revenue from Operations (in ₹ million) ⁽²⁾	6,148.04	15,388.32	82,146.80	121,920.10	26,290.50	69,270.95	11,380.30	21,599.48	5,271.73	10,754.28
Revenue growth (year on year) (%) ⁽³⁾	NA	66.51	NA	13.98	NA	64.68	NA	94.30	NA	(1.68)
Revenue CAGR (%) (Fiscal 2021 to Fiscal 2023) ⁽⁴⁾	NA	44.57	NA	37.51	NA	51.19	NA	75.26	NA	11.67
Revenue from Operations (in India) (in ₹ million) ⁽⁵⁾	6,075.35	15,241.10	82,146.80	121,920.10	26,290.50	69,270.95	11,380.30	21,599.48	5,320.15	10,776.95
Revenue from top 10 customers (in ₹ million) ⁽⁶⁾	5,625.71	14,337.23	NA	NA	NA	NA	NA	NA	NA	NA
Revenue contribution from top 10 customers (%) ⁽⁷⁾	91.50	93.17	NA	NA	NA	NA	NA	NA	NA	NA
Cash and Cash Equivalents (in ₹ million)	104.74	600.18	1,266.10	2,170.40	463.10	3,231.80	1,545.61	86.71	3.94	3.90
Trade Receivables Days ⁽⁸⁾	95	102	42	46	85	81	50	55	67	64
Inventory Days ⁽⁹⁾	84	79	32	35	79	60	70	66	60	55
Trade Payable Days ⁽¹⁰⁾	110	98	76	79	129	125	65	68	55	52
Cashflow from Operations (₹ million)	1,580.73	188.28	1,516.00	7,257.50	(710.50)	3,205.50	2,075.12	457.40	110.35	623.19
Gross Block of Assets (in ₹ million) ⁽¹¹⁾	5,601.22	4,871.57	NA	14,870.00	NA	27,346.57	NA	6,129.00	3,846.03	2,510.00
EBITDA (in ₹ million) ⁽¹²⁾	369.77	1,025.25	3,362.80	5,127.50	1,914.60	4,179.33	1,033.68	1,760.40	196.46	651.07
EBITDA Growth (year on year) (%) ⁽¹³⁾	NA	49.01	NA	35.25	NA	51.76	NA	95.69	NA	(17.60)
EBITDA CAGR (%) (Fiscal 2021 to Fiscal 2023) ⁽¹⁴⁾	NA	56.18	NA	33.76	NA	37.74	NA	88.09	NA	(1.04)
EBITDA Margin (%) ⁽¹⁵⁾	6.01	6.66	4.09	4.21	7.28	6.03	9.08	8.15	3.73	6.05
Profit for the year (in ₹ million)	26.54	319.72	1,805.00	2,550.80	409.50	1,637.76	461.90	774.69	76.90	268.02
Profit for the year CAGR (%) (Fiscal 2021 to Fiscal 2023) ⁽¹⁶⁾	NA	102.42	NA	26.34	NA	40.23	NA	158.29	NA	(12.31)
PAT Margin (%) ⁽¹⁷⁾	0.43	2.08	2.20	2.09	1.56	2.36	4.06	3.59	1.46	2.49
ROE (%) ⁽¹⁸⁾	0.67	14.68	13.08	22.36	2.09	8.79	6.92	21.88	1.55	6.73
ROCE (%) ⁽¹⁹⁾	2.71	11.85	17.04	27.87	4.03	10.85	8.03	17.76	2.74	9.99
Debt to Equity Ratio ⁽²⁰⁾	0.78	1.58	0.17	0.12	0.74	0.69	0.29	1.37	0.04	0.16
Gross Asset Turnover (in times) ⁽²¹⁾	1.17	3.59	5.21	9.19	0.97	2.99	1.60	3.79	NA	2.97
Gross Profit (in ₹ million) ⁽²²⁾	872.51	2,147.50	7,898.20	11,712.70	5,038.20	10,593.31	2,176.22	3,954.40	1,370.78	2,751.49
Gross Profit Margin (%) ⁽²³⁾	14.19	13.96	9.61	9.61	19.16					

...continued from previous page.

- (17) PAT Margin is calculated as profit for the year / period divided by Revenue from Operations.
- (18) ROE is calculated as profit for the year divided by average total equity (net worth).
- (19) ROCE is calculated as EBIT divided by Average Capital Employed. Where EBIT is sum of profit before tax, share of profit/(loss) of associate, exceptional items and finance costs. Capital Employed is calculated as the sum of Total Equity, Current Borrowings, Non-Current Borrowings, Interest accrued but not due on borrowings.
- (20) Debt to Equity Ratio is calculated as total debt divided by total equity, where total debt is the sum of current borrowings, non-current borrowings (including current maturities) and interest accrued but not due on borrowings.
- (21) Gross Asset Turnover is calculated as Revenue from Operations divided by Average Gross Block of Assets
- (22) Gross Profit is calculated as Revenue from Operations minus cost of goods sold.
- (23) Gross Profit Margin is calculated as Gross Profit divided by Revenue from Operations.
- (24) Gross Profit Growth means the annual growth rate of Gross Profit.
- (25) Number of employees means the number of employees as on the last date of the respective Fiscal / period.
- (26) Number of Contract Labourers means the number of contract labourers as on the last date of the respective Fiscal / period.
- (27) Working capital cycle days is calculated as working capital multiplied by 365/183 and divided by Revenue from Operations, where working capital is defined as trade receivables plus inventories minus trade payables.
- (28) Number of employees in Research and Development department means the number of employees in the research and development department as on the last date of the respective Fiscal / period.

(NA) Not available

VII. Weighted average cost of acquisition

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

Details of the Equity Shares or convertible securities during the 18 months preceding the date of filing of the Red Herring Prospectus, excluding shares issued under the ESOP Scheme and issuance of bonus shares, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Offer 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 30 days, are as follows:

Date of allotment	Details of allottee	Nature of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration
December 16, 2023	14,522,253 Equity Shares were allotted to India Advantage Fund S4 I and 1,262,804 Equity Shares were allotted to Dynamic India Fund S4 US 1	Allotment pursuant to conversion of CCPSS	15,785,057	10.00	101.36*	Cash*
	10,533,318 Equity Shares were allotted to Augusta Investments Zero Pte. Ltd.	Allotment pursuant to conversion of Series A CCPSS	10,533,318	10.00	151.90**	Cash**

*Cash was paid at the time of allotment of 17,317,647 CCPSS to India Advantage Fund S4 I and 1,505,882 CCPSS to Dynamic India Fund S4 US I by our Company. Our Company undertook a private placement of 17,317,647 CCPSS to India Advantage Fund S4 I and 1,505,882 CCPSS to Dynamic India Fund S4 US I, each for cash at a price of ₹ 85.00 per CCPSS (including a premium of ₹ 75.00) aggregating to ₹ 1,600.00 million on September 24, 2021.

**Cash was paid at the time of allotment of 11,034,484 CCPSS to Augusta Investments Zero Pte. Ltd. by our Company. Our Company undertook a private placement of 11,034,484 CCPSS to Augusta Investments Zero Pte. Ltd., each for cash at a price of ₹ 145.00 per CCPSS (including a premium of ₹ 135.00) aggregating to ₹ 1,600.00 million on September 7, 2022.

- b) The price per share of our Company based on the secondary sale / acquisition of shares (equity / convertible securities)

There have been no secondary sale / acquisitions of Equity Shares or any convertible securities, where the Promoters, members of the Promoter Group, Selling Shareholders, or Shareholder(s) having the right to nominate director(s) on the Board of Directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of the Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Offer 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.

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

Past transactions	Weighted average cost of acquisition (in ₹)	Floor Price (₹218)	Cap Price (₹230)
Weighted average cost of acquisition of primary issuances as set out in (a) above	121.59	1.79 times	1.89 times
Weighted average cost of acquisition of secondary issuances as set out in (b) above	Not applicable	Not applicable	Not applicable

As certified by N B T and Co, Chartered Accountants, registered with the ICAI and bearing firm registration number 140489W, by way of their certificate dated January 12, 2024.

VIII. Justification for Basis of Offer price:


Provided below is a detailed explanation for the Cap Price being 1.87 times of weighted average cost of acquisition of Equity Shares that were issued by our Company in the last eighteen months preceding the date of the Red Herring Prospectus as disclosed in paragraph VII above, compared to our Company's KPIs and financial ratios for the six month period ended September 30, 2023 and for the Financial Years 2023, 2022 and 2021 and in view of the external factors which may have influenced the pricing of the Offer.

- We are the second largest room air conditioner original design manufacturer ("ODM") in India in terms of number of units (indoor units + outdoor units) manufactured in Fiscal 2023 through the ODM route. (Source: F&S Report).
- We have dedicated R&D centres in Greater Noida, Bhiwadi and Dehradun, which are equipped with various equipment such as endurance test labs for RACs and SDAs, induction coil - automatic voltage tester, induction coil - breakdown tester, needle flame tester, customized glow wire tester.
- Our Dehradun Manufacturing Facility and Bhiwadi Manufacturing Facility have an aggregate installed annual manufacturing capacity as on March 31, 2023 to manufacture (i) 0.90 million IDUs, 0.66 million ODU, 0.36 million ODU Kits and 0.42 million WACs, and (ii) 0.11 million water dispensers, 1.2 million induction cooktops and 0.30 million mixer grinders, and components thereof.
- We also commenced operations at the Sri City Manufacturing Facility in December 2023. The annual manufacturing capacity of the Sri City Manufacturing Facility as on December 15, 2023, is (i) 0.66 million IDUs and 0.66 million ODU, and (ii) 0.65 million induction cooktops, and components thereof.
- Our customers include four of the top six RAC brands in the Indian market (in terms of RAC sales in Fiscal 2023 in India) (Source: F&S Report).
- Our Promoters have over 100 years of cumulative experience in the electronics manufacturing industry, and a demonstrated ability to successfully create, build and grow businesses.
- In the six months ended September 30, 2023 and Fiscals 2023, 2022 and 2021, our top five customers contributed to ₹ 4,894.86 million, ₹ 12,720.25 million, ₹ 7,099.85 million and ₹ 5,243.56 million, amounting to 79.62%, 82.66%, 76.82% and 71.22% of our revenue from operations, respectively.
- The Indian RAC industry has grown at a rate of 8.8% in the last five years (Fiscal 2018 to Fiscal 2023) in volume terms and at a rate of 11.2% in value terms, despite the disruption due to the COVID-19 pandemic which impacted two consecutive seasons for the industry (Source: F&S Report). The Indian RAC industry is forecasted to grow at a rate of 12.1% by volume and 15.1% by value from Fiscal 2023 till Fiscal 2028. (Source: F&S Report).
- According to a DGFT notification dated October 15, 2020, import of all types of split air-conditioners and window air-conditioners with "refrigerants" have been now put in the "prohibited" category from the "free" category. (Source: F&S Report)
- The market for mixer grinders is forecast to grow at a CAGR of 6.9% to reach ₹ 67 billion in Fiscal 2028. (Source: F&S Report)

The Offer Price of ₹ [•] has been determined in compliance with the SEBI ICDR Regulations, on the basis of market demand from investors for Equity Shares, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Investors should read the aforementioned information along with "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Position and Results of Operations" and "Restated Financial Information" on pages 41, 181, 343 and 261 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 "Risk Factors" and you may lose all or part of your investments.

FOR FURTHER DETAILS, SEE "BASIS FOR THE OFFER PRICE" BEGINNING ON PAGE 130 OF THE RHP

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



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.**

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 and CBDT circular no. 7 of 2022, dated March 30, 2022, read with press release dated March 28, 2023.

ASBA has to be availed by all the investors except Anchor Investors. UPI may be availed by (i) Retail Individual Investors in the Retail Portion; (ii) Non-Institutional Investors with an application size of up to ₹ 500,000 in the Non-Institutional Portion. 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 425 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/OtherAction.do?doRecognisedFpi=yes&intml=35 and <https://www.sebi.gov.in/sebiweb/OtherAction.do?doRecognisedFpi=yes&intml=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. 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 and HDFC 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.

In case of any revision in the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, the Promoter Selling Shareholders and the Investor 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 public notice, and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Member and by intimation to the Designated Intermediaries and the Sponsor Banks, as applicable.

This Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 ("SCRR") read with Regulation 31 of the SEBI ICDR Regulations and in compliance 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"), and such portion, the "QIB Portion", provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for the domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the price at which allocation will be made to Anchor Investors ("Anchor Investor Allocation Price") in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) (the "Net QIB Portion"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, 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 QIB Bidders (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 Bidders (out of which one-third of the portion available to Non-Institutional Bidders shall be reserved for Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds shall be reserved for Bidders with an application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category) and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Bidders, other than Anchor Investors, are required to participate in the Offer by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) and UPI ID in case of UPI Bidders (as defined hereinafter), as applicable, pursuant to which their corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or by the Sponsor Banks under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For further details, see "Offer Procedure" on page 425 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 212 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 480 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 ₹1,050,000,000 divided into 105,000,000 Equity Shares of face value of ₹ 10 each, ₹ 200,000,000 divided into 20,000,000 CCPSS of face value of ₹ 10 each and ₹ 111,000,000 divided into 11,100,000 Series A CCPSS of face value of ₹ 10 each. The issued, subscribed and paid-up share capital of the Company is ₹ 784,073,870 divided into 78,407,387 Equity Shares of face value of ₹10 each. For details, please see the section titled "Capital Structure" beginning on page 98 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 Bajrang Bothra, Ajay DD Singhania and Nikhil Bothra who subscribed to 48,172,261 equity shares each bearing face value of ₹10. For details of the share capital history and capital structure of our Company, please see the section entitled "Capital Structure" beginning on page 98 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 the listing of the Equity Shares pursuant to their respective letters each dated October 6, 2023. For the purposes of the Offer, BSE is the Designated Stock Exchange. A copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 480 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 403 of the RHP for the full text of the disclaimer clause of SEBI.

DISCLAIMER CLAUSE OF NSE: 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 405 of the RHP for the full text of the disclaimer clause of NSE.

DISCLAIMER CLAUSE OF BSE (DESIGNATED STOCK EXCHANGE): 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 405 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 have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 41 of the RHP.

BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER
 AXIS CAPITAL	 DAM CAPITAL	 ICICI Securities	 KFINTECH	Esha Gupta TR - 901, AIF 142 Noida, 9 th Floor, Plot Number 21 and 21A, Sector 142, Noida 201 304, Uttar Pradesh, India Telephone: +91 120 496 9771; Email: investors_ed@epack.in
Axis Capital Limited 1 st Floor, Axis House, C-2 Wadia International Centre Pandurang Budhkar Marg, Worli Mumbai 400 025, Maharashtra, India Telephone: +91 22 4325 2183 Email: epack.ipo@axiscap.in Investor grievance email: complaints@axiscap.in Website: www.axiscapital.co.in Contact Person: Sagar Jatakiya / Mayuri Arya SEBI Registration No.: INM000012029	DAM Capital Advisors Limited One BKC, Tower C, 15th Floor, Unit No. 1511, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India Telephone: +91 22 4202 2500 Email: epack.ipo@damcapital.in Investor grievance email: complaint@damcapital.in Website: www.damcapital.in Contact Person: Anurag Byas SEBI Registration No.: MB/INM000011336	ICICI Securities Limited* ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi Mumbai 400 025, Maharashtra, India Telephone: + 91 22 6807 7100 Email: epack.ipo@icicisecurities.com Investor grievance email: customercare@icicisecurities.com Website: www.icicisecurities.com Contact Person: Ashik Joisar / Gaurav Mittal SEBI Registration No.: INM000011179	KFin Technologies Limited (formerly known as KFin Technologies Private Limited) Selenium, Tower B, Plot No - 31 and 32, Gachibowli, Financial District Nanakramguda, Serilingampally, Hyderabad 500 032, Telangana, India Telephone: + 91 40 6716 2222 / 1800 3094001 Email: epack.ipo@kfintech.com Investor grievance email: einward.ris@kfintech.com Website: www.kfintech.com Contact person: M Murali Krishna SEBI Registration No.: INR000000221	Investors may contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of letters of Allotment, noncredit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Investors may also write to the BRLMs.

*In compliance with the proviso to regulation 21A and explanation (iii) to regulation 21A of the SEBI (Merchant Bankers) Regulations, 1992, and regulation 23(3) of the SEBI ICDR Regulations, ICICI Securities Limited will be involved in only the marketing of the Offer. ICICI Securities Limited has signed the due diligence certificate and has been disclosed as a BRLM for the Offer

Availability of the RHP: Investors are advised to refer to the RHP and the "Risk Factors" beginning on page 41 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 and is available on the websites of the BRLMs, i.e. Axis Capital Limited at www.axiscapital.co.in, DAM Capital Advisors Limited at www.damcapital.in, ICICI Securities Limited at www.icicisecurities.com, respectively and on the websites of BSE and NSE at www.bseindia.com and 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.epackdurable.com, www.axiscapital.co.in, www.damcapital.in, www.icicisecurities.com and www.kfintech.com.

Availability of Bid-cum-Application Forms: Bid-cum-Application Forms can be obtained from the Registered Office of the Company, EPACK DURABLE LIMITED, Telephone: +91 120 496 9771; Axis Capital Limited, Telephone: +91 22 4325 2183; DAM Capital Advisors Limited, Telephone: +91 22 4202 2500; ICICI Securities Limited, Telephone: + 91 22 6807 7100 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 Limited, Anand Rathi Share & Stock Brokers Limited, Anand Rathi Share & Stock Brokers Limited, Anand Share Consultancy, ANS Pvt Limited, Ashwani Dandia & Co. Axis Securities Limited, Centrum Broking Limited, Centrum Wealth Management Ltd, Choice Equity Broking Private Limited, DB(International) Stock Brokers Ltd, Eureka Stock & Share Broking Services Ltd, G Raj & Co. (Consultants) Limited, Jobanputra Fiscal Services Pvt. Ltd, HDFC SECURITIES Limited, Inventure Growth & Securities Ltd, IDBI Capital Markets & Securities Ltd, Jhaveri Securities, JM Financial Services Limited, Kalpataru Multiplier

Limited, Keynote Capitals Limited, KJMC Capital Market Services Limited, Kotak Securities Limited, LKP Securities Limited, Marwadi Shares & Finance, Motilal Oswal Financial Services Limited, Nirmal Bang Securities Pvt Limited, Nuama Wealth and Investment Limited (Edelweiss Broking Limited), Patel Wealth Advisors Pvt Limited, Prabhudas Lilladher Pvt Limited, Pravin Ratilal Share & Stock Brokers Limited, Religare Broking Limited, RR Equity Brokers Pvt Limited, SBICAP Securities Limited, SMC Global Securities Limited, Systematic Shares and Stocks (India) Limited, Tanna Financial Services, Trade Bulls Securities (P) Ltd, Yes Securities (India) Limited.

Syndicate member: Sharekhan Limited.**Escrow Collection Bank:** HDFC Bank Limited.**Refund Bank:** HDFC Bank Limited.**Public Offer Bank:** Axis Bank Limited.**Sponsor Banks:** Axis Bank Limited and HDFC 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.

For EPACK DURABLE LIMITED

On behalf of the Board of Directors

S/-

Esha Gupta

Company Secretary and Compliance Officer

Place: Noida

Date: January 15, 2024

EPACK DURABLE 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. The RHP shall be available on the website of the Company at www.epackdurable.com, the website of the SEBI at 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 and www.nseindia.com, respectively, and websites of the BRLMs, i.e., Axis Capital Limited, at www.axiscapital.co.in, DAM Capital Advisors Limited, at www.damcapital.in and ICICI Securities Limited at www.icicisecurities.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 41. Potential investors should not rely on the DRHP for making any investment decision instead investors shall rely on RHP filed with the RoC.

The Equity Shares 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 securities laws in the United States, and unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U. S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of each jurisdiction where such offers and sales are made. There will be no public offering of Equity Shares in the United States.

Aifactors