



megatherm MEGATHERM INDUCTION LIMITED

(Formerly known as Megatherm Induction Private Limited)

Our Company was originally incorporated as a Private Limited Company under the name of "Megatherm Transmission & Distribution Private Limited" on October 22, 2010 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Kolkata, West Bengal. Further, pursuant to the special resolution passed by the shareholders in the Extra Ordinary General Meeting held on September 16, 2015 the name of our Company was changed from "Megatherm Transmission & Distribution Private Limited" to "Megatherm Induction Private Limited" and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Kolkata, West Bengal dated September 23, 2015. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on November 15, 2022, our Company was converted into a Public Limited Company and consequently the name of our Company was changed from "Megatherm Induction Private Limited" to "Megatherm Induction Limited" vide a fresh certificate of incorporation dated December 20, 2022, issued by the Registrar of Companies, Kolkata, West Bengal. For further details please refer to chapter titled "History and Corporate Structure" beginning on page 130 of the Prospectus.

Registered Office: Plot- L1 Block GP, Sector V, Electronics Complex, Saltlake City Kolkata-700091, West Bengal, India.
Tel No: + 91 33 4088 6200; **E-mail:** cs@megatherm.com; **Website:** www.megatherm.com; **Contact Person:** Abanti Saha Basu, Company Secretary & Compliance Officer

OUR PROMOTER: SHESADRI BHUSAN CHANDA, SATADRI CHANDA AND MEGATHERM ELECTRONICS PRIVATE LIMITED

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

Our Company is engaged in the business of manufacturing of induction heating and melting products by means of electric induction like induction melting furnace and induction heating equipment.

BASIS OF ALLOTMENT

INITIAL PUBLIC OFFER OF UPTO 49,92,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (THE "EQUITY SHARES") OF MEGATHERM INDUCTION LIMITED ("OUR COMPANY" OR "MIL" OR "THE ISSUER") AT AN ISSUE PRICE OF ₹ 108 PER EQUITY SHARE (INCLUDING SHARE PREMIUM OF 98 PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹ 5391.36 LAKHS ("PUBLIC ISSUE") OUT OF WHICH 2,50,800 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ 108 PER EQUITY SHARE FOR CASH, AGGREGATING ₹ 270.86 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 47,41,200 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ 108 PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ 5120.50 LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.50% AND 25.16% RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARE IS RS.10 AND ISSUE PRICE IS RS. 108 THE ISSUE PRICE IS 10.8 TIMES OF THE FACE VALUE OF THE EQUITY SHARE
ANCHOR INVESTOR ISSUE PRICE: RS. 108 PER EQUITY SHARE
THE ISSUE PRICE IS 10.8 TIMES OF THE FACE VALUE

BID/ ISSUE PERIOD

ANCHOR INVESTOR BIDDING DATE WAS: THURSDAY, JANUARY 25, 2024
BID / ISSUE OPENED ON: MONDAY, JANUARY 29, 2024
BID / ISSUE CLOSED ON: WEDNESDAY, JANUARY 31, 2024

RISKS TO INVESTORS:

- Our loan agreements requires our Corporate Promoter to pledge Equity Shares of our Company with lenders. Any breach by our Company of certain covenants under the financing agreements may entitle these lenders to exercise their rights under the financing agreements and reduce the shareholding of our Corporate Promoter, which may adversely affect our business.
- The Merchant Banker associated with the Issue has handled 39 public issue in the past three years out of which none Issue closed below the Issue Price on listing date.
- Average cost of acquisition of Equity Shares held by the Individual and Corporate Promoter is

Sr. No.	Name of the Promoter	Average cost of Acquisition (in ₹)
1.	Shesadri Bhusan Chanda	6.67
2.	Satadri Chanda	6.39
3.	Megatherm Electronics Private Limited	13.77

and the Issue Price at the upper end of the Price Band is Rs. 108 per Equity Share.

- The Price/ Earnings ratio based on Diluted EPS for Fiscal 2023 for the company at the upper end of the Price Band is 10.68.
- Weighted Average Return on Net worth for Fiscals 2021, 2022, 2023 is 16.30%.
- The Weighted average cost of acquisition of all Equity Shares transacted in the last one year, 18 months and three years from the date of Prospectus is as given below:

Period	Weighted Average Cost of Acquisition (in Rs.)	Upper end of the Price Band (Rs. 108) is "X" times the weighted Average cost of Acquisition	Range of acquisition price: Lowest Price – Highest Price (in Rs.)
Last 1 year	0.00	NA	0-0
Last 18 months	0.00	NA	0-40
Last 3 years	0.85	127.06	0-40

g) The Weighted average cost of acquisition compared to floor price and cap price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price (i.e. ₹ 100)	Cap price (i.e. ₹ 108)
Weighted average cost of acquisition of primary Issuance (exceeding 5% of the pre Issue Capital)	NA [^]	NA [^]	NA [^]
Weighted average cost of acquisition for secondary sale / acquisition (exceeding 5% of the pre Issue Capital)	NA [^]	NA [^]	NA [^]
Weighted average cost of acquisition of past primary issuances / secondary in last 3 years	0.85	117.65 times	127.06 times

Note:

[^] There were no primary or secondary transactions exceeding 5% of the pre Issue Capital in last 18 months from the date of the Prospectus.

PROPOSED LISTING: MONDAY, FEBRUARY 05, 2024*

The Issue was being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue was available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"). Our Company in consultation with the Book Running Lead Manager has allocated upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"). Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue was made available for allocation to Retail Individual Bidders in accordance with the SEBI (ICDR) Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) were required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors were not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" beginning on page 251 of the Prospectus.

The investors are advised to refer to the Prospectus for the full text of the Disclaimer clause pertaining to NSE. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited. The trading is proposed to be commenced on or before Monday, February 05, 2024*

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

The bidding for Anchor Investors opened and closed on Thursday, January 25, 2024. The Company received 6 Anchor Investors applications for 15,04,800 Equity Shares. The Anchor Investor Allocation price was finalized at Rs. 108/- per Equity Share. A total of 14,22,000 Equity Shares were allotted under the Anchor Investors portion aggregating to Rs. 15,35,76,000/-.

The Issue (excluding Anchor Investors Portion) received 296538 Applications for 651994800 Equity Shares (after bid not banked cases and before technical rejection) resulting 182.63 subscription (including reserved portion of market maker). The details of the Applications received in the Issue from various categories are as under (before technical rejections):

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

Sr. No.	Category	Number of Applications	No. of Equity Shares applied	Equity Shares Reserved as per Prospectus	No. of times Subscribed	Amount (Rs.)
1	Market Maker	1	250800	250800	1.0000	27086400
2	Qualified Institutional Buyers (excluding Anchor Portion)	60	97785600	948000	103.1494	10560844800
3	Non-Institutional Bidders	18529	220420800	711600	309.7538	23802252000
4	Retail Individual Investors	277948	333537600	1659600	200.9747	36019248000
	TOTAL	296538	651994800	-	-	70409431200

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

The Basis of Allotment to the Retail Individual Investors, who have Bid at cut-off Price or at or above the Issue Price of Rs. 108 per Equity Share, was finalized in consultation with NSE. The category has been subscribed to the extent of 196.99 times. The total number of Equity Shares Allotted in this category is 16,59,600 Equity Shares to 1383 successful applicants. The details of the Basis of Allotment of the said category are as under:

No. of Shares Applied for (Category wise)	No. of Applications Received	% of Total	Total No. of Shares Applied	% to Total	No. of Equity Shares Allotted per Applicant	Ratio	Total No. of Shares Allotted
Retail Individual Investors	272433	100	326919600	100	1200	1:197	1659600

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

The Basis of Allotment to the Non-Institutional Investors, who have bid at the Issue Price of Rs. 108 per Equity Share or above, was finalized in consultation with NSE. The category has been subscribed to the extent of 303.58 times. The total number of Equity Shares Allotted in this category is 7,11,600 Equity Shares to 460 successful applicants. The details of the Basis of Allotment of the said category are as under (Sample Basis):

No. of Shares applied for (Category wise)	Number of applications received	% of Total	Total No. of Shares applied in each category	% to Total	No. of Equity shares allotted per Applicant	Ratio	Total No. of shares allotted
2400	11539	63.38	27693600	12.81	1200	6:911	91200
3600	1668	9.16	6004800	2.77	1200	9:883	20400
4800	628	3.44	3014400	1.39	1200	2:157	9600
6000	428	2.35	2568000	1.18	1200	7:428	8400
20400	16	0.08	326400	0.15	1200	1:16	1200
21600	30	0.16	648000	0.29	1200	1:15	2400
36000	31	0.17	1116000	0.51	1200	3:31	3600
54000	9	0.04	486000	0.22	1200	1:9	1200
69600	3	0.01	208800	0.09	1200	1:3	1200
86400	3	0.01	259200	0.11	1200	1:3	1200
87600	5	0.02	438000	0.2	1200	1:5	1200
105600	3	0.01	316800	0.14	1200	1:3	1200
156000	2	0.01	312000	0.14	1200	1:2	1200
188400	3	0.01	565200	0.26	1200	2:3	2400
192000	1	0	192000	0.08	1200	1:1	1200
210000	1	0	210000	0.09	1200	1:1	1200
235200	1	0	235200	0.1	1200	1:1	1200
256800	1	0	256800	0.11	1200	1:1	1200
282000	1	0	282000	0.13	1200	1:1	1200
330000	1	0	330000	0.15	1200	1:1	1200
404400	1	0	404400	0.18	1200	1:1	1200
463200	1	0	463200	0.21	1200	1:1	1200
654000	1	0	654000	0.3	2400	1:1	2400
1017600	1	0	1017600	0.47	3600	1:1	3600
1023600	1	0	1023600	0.47	3600	1:1	3600
2289600	1	0	2289600	1.05	7200	1:1	7200
2301600	1	0	2301600	1.06	7200	1:1	7200
2304000	1	0	2304000	1.06	7200	1:1	7200
2371200	9	0.04	21340800	9.87	7200	1:1	64800
2371200		0		0	1200	5:9	6000

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

Allotment to QIBs, who have bid at the Issue Price of Rs. 108 per Equity Share or above, has been done on a proportionate basis in consultation with NSE. This category has been subscribed to the extent of 103.15 times of QIB portion. The total number of Equity Shares allotted in the QIB category is 948000 Equity Shares, which were allotted to 58 successful Applicants.

CATEGORY	FIS/BANKS	MF'S	IC'S	NBFC'S	AIF	FPI	VC'S	TOTAL
QIB	158400	-	15600	324000	204000	246000	-	948000

4) Allotment to Anchor Investors (After Technical Rejections):

The Company in consultation with the BRLM has allocated 14,22,000 Equity Shares to 6 Anchor Investors at the Anchor Investor Issue Price of Rs. 108 per Equity Shares in accordance with the SEBI (ICDR) Regulations. This represents upto 60% of the QIB Category.

CATEGORY	FIS/BANKS	MF'S	IC'S	NBFC'S	AIF	FPI	OTHERS	TOTAL
ANCHOR	-	-	-	556800	298800	566400	-	1422000

The Board of Directors of our Company at its meeting held on February 01, 2024 has taken on record the basis of allotment of Equity Shares approved by the Designated Stock Exchange, being NSE and has allotted the Equity Shares to various successful applicants. The Allotment Advice Cum Refund Intimation will be dispatched to the address of the investors as registered with the depositories. Further, instructions to the SCSBs have been dispatched / mailed for unblocking of funds and transfer to the Public Issue Account on or before February 02, 2024. In case the same is not received within ten days, Investors may contact the Registrar to the Issue at the address given below. The Equity Shares allotted to the successful allottees shall be uploaded on February 02, 2024 for credit into the respective beneficiary accounts subject to validation of the account details with the depositories concerned. The Company is in the process of obtaining the listing and trading approval from NSE and the trading of the Equity Shares is expected to commence trading on February 05, 2024.

Note: All capitalized terms used and not defined herein shall have the respective meanings assigned to them in the Prospectus dated February 01, 2024 filed with the Registrar of Companies, Kolkata ("RoC").

INVESTORS, PLEASE NOTE

The details of the allotment made has been hosted on the website of the Registrar to the Issue, Bigshare Services Private Limited at website: www.bigshareonline.com
TRACK RECORD OF BOOK RUNNING LEAD MANAGER: The Merchant Banker associated with the issue has handled 39 public issues in the past 3 years all of which were SME IPOs.

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



BIGSHARE SERVICES PRIVATE LIMITED

Address : S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093, Maharashtra, India. Telephone: +91 22 6263 8200; Facsimile: +91 22 6263 8299
 Email: ipo@bigshareonline.com; Investor Grievance Email: investor@bigshareonline.com
 Website: www.bigshareonline.com; Contact Person: Babu Raphael.
 SEBI Registration Number: MB/INR00001385; CIN: U99999MH1994PTC076534

On behalf of Board of Directors
 Megatherm Induction Limited

Sd/-
 Abanti Saha Basu
 Company Secretary and Compliance Officer

Place: Kolkata, West Bengal
 Date: February 02, 2024

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

Disclaimer: Megatherm Induction Limited has filed the Prospectus with the RoC on February 01, 2024 and thereafter with SEBI and the Stock Exchange. The Prospectus is available on the website of the BRLM, Hem Securities Limited at www.hemsecurities.com and the Company at: www.megatherm.com, and shall also be available on the website of the NSE and SEBI. Investors should note that investment in Equity Shares involves a high degree of risk and for details relating to the same, please see "Risk Factors" beginning on page 25 of the Prospectus.
 The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or any state securities laws in the United States, and unless so registered, and may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with any applicable U.S. state securities laws. The Equity Shares are being issued and sold outside the United States in "offshore transactions" in reliance on Regulation under the Securities Act and the applicable laws of each jurisdiction where such issues and sales are made. There will be no public issuing in the United States.