



Innovative superconditioning solutions

DIFFUSION ENGINEERS LIMITED



(Please scan this QR code to view the Prospectus.)

Our Company was incorporated under the provisions of the Companies Act, 2013 as "Diffusion Engineers Private Limited" pursuant to certificate of incorporation dated November 05, 1982 issued by Central Registration Centre, Registrar of Companies. Subsequently, our Company has been converted into a public limited company and the name of our Company has changed to "Diffusion Engineers Limited" pursuant to a special resolution passed at the Extra-Ordinary General Meeting of our Company held on May 17, 1995 and a fresh Certificate of Incorporation dated July 03, 1995, consequent upon change of name and upon conversion to public limited company has been issued by the RoC. For details in relation to the changes, if any, in our Registered Office of our Company, see "History and Certain Corporate Matters" beginning on page 276 of the Prospectus dated September 30, 2024 filed with RoC.

Registered Office: T-5 & T-6, Nagpur Industrial Area, MIDC, Hingna, Nagpur - 440016 Maharashtra, India. Telephone: +91 9158317943; Contact Person: Chanchal Jaiswal, Company Secretary and Compliance Officer; E-mail: cs@diffusionengineers.com; Website: www.diffusionengineers.com; Corporate Identity Number: U99999MH2000PLC124154

THE PROMOTERS OF OUR COMPANY ARE PRASHANT GARG, NITIN GARG AND CHITRA GARG

Our Company has filed the Prospectus dated September 30, 2024 with the RoC and the Equity Shares (as defined below) are proposed to be listed on the Main Board platform Stock Exchanges and the trading is expected to commence on October 04, 2024.

BASIS OF ALLOTMENT

INITIAL PUBLIC OFFER OF 9,405,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF DIFFUSION ENGINEERS LIMITED ("COMPANY OR "ISSUER") FOR CASH AT A PRICE OF ₹ 168 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 158 PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING UP TO ₹ 1,579.64 MILLION ("ISSUE").

THIS ISSUE INCLUDED A RESERVATION OF 50,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING TO 8.00% MILLION (CONSTITUTING 0.13% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL) FOR PURCHASE BY ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). THE ISSUE LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WOULD CONSTITUTE 25.13% AND 25.00%, RESPECTIVELY, OF OUR POST-ISSUE PAID-UP EQUITY SHARE CAPITAL. OUR COMPANY IN CONSULTATION WITH THE BRLM, OFFERED A DISCOUNT OF 4.76% (EQUIVALENT TO ₹8.00 PER EQUITY SHARE) TO THE ISSUE PRICE TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT").

THE FACE VALUE OF EQUITY SHARES IS ₹ 10 EACH. THE ISSUE PRICE IS 16.80 TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND, EMPLOYEE DISCOUNT AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN ALL EDITIONS OF BUSINESS STANDARD AND ALL EDITIONS OF BUSINESS STANDARD (WHICH ARE WIDELY CIRCULATED ENGLISH DAILY NEWSPAPER AND HINDI DAILY NEWSPAPER, AND YUVARASHTRA DARSHAN EDITIONS OF THE MARATHI REGIONAL NEWSPAPER (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

ANCHOR INVESTOR ISSUE PRICE: ₹ 168 PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH

ISSUE PRICE: ₹ 168 PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH

THE ISSUE PRICE IS 16.8 TIMES OF THE FACE VALUE

A DISCOUNT OF ₹8 PER EQUITY SHARE WAS OFFERED TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION.

RISK TO INVESTORS

(For details refer to section titled "Risk Factors" on page 38 of the Prospectus)

- Dependence on domestic market for sales:** Our Company is highly dependent on domestic market for its sales and any downturn in it could dent our business operations. For the Fiscals 2024, 2023 and 2022, our revenue from domestic sales were ₹ 2,307.76 million, ₹ 2,146.40 million, and ₹ 1,795.84 million, respectively, representing 89.75%, 87.94% and 91.74%, respectively of our revenue from operations as per restated standalone financials.
- Risk in relation to objects of the Issue:** Our Company proposes to utilize ₹ 713.80 million for the Proposed Expansion and ₹303.85 million for the Proposed Facility to fund capital expenditure requirements which are subject to the risks of unexpected delays including in relation to receipt of approvals and implementation. If there are delays in setting up the Proposed Facility or Proposed Expansion or if the costs of setting up and the possible time or cost overruns related to them or the purchase of plant and machinery for the aforesaid Objects are higher than expected, it could have a material adverse effect on our financial condition business operations.
- Risk related to sourcing of raw materials:** Our business and profitability is substantially dependent on the availability and cost of our raw materials and any disruption to the timely and adequate supply or volatility in the prices of raw materials may adversely impact our business operations. For the Fiscals 2024, 2023 and 2022, our total cost of raw materials were ₹1,502.92 million, ₹1,582.79 and ₹1,302.04 million, respectively, representing 58.45%, 64.85% and 66.51%, respectively of our standalone revenue from operation.
- Risk relating to insufficient cash flows:** Our business is working capital intensive. Insufficient cash flows from our operations or inability to borrow to meet our working capital requirements may materially and adversely affect our business operations. As on July 31, 2024, our aggregated sanctioned working capital facilities was ₹700.00 million. We intend to utilize ₹220.00 million (as part of the Net Proceeds) towards funding our incremental working capital requirements in Fiscal 2025. For the Fiscals 2024, 2023 and 2022, our net working capital requirements stood at ₹927.85 million, ₹980.92 million and ₹603.86 million, respectively.
- Risk related to absence of long-term arrangements with suppliers:** We do not have long-term agreements with our suppliers for raw materials and an inability to procure the desired quality, quantity of our raw materials in a timely manner and at reasonable costs, or at all, may have a negative impact on our business operations. Purchases of raw materials are concentrated from a few suppliers with our top 10 suppliers contributing of our revenue from operations on restated standalone financial statement for Fiscals 2024, 2023 and 2022 amounted to ₹869.11 million, ₹719.94 million and ₹603.03 million, respectively, representing 31.25%, 29.50% and 30.80%, respectively our revenue from operations as per restated standalone financials.
- Risk related to leasehold property:** Our Units I, II and III admeasuring in aggregate approx. 16,038 sq. mtrs. from where we operate have been given to us on long term lease by MIDC. In the event we lose or are unable to renew such leasehold rights or we are unable to adhere to or comply with the conditions of such lease, our business operations may be adversely affected.
- Risk related to approvals:** We are required to obtain several approvals, licenses, registrations and permits and comply with certain rules, regulations and conditions to operate our business, and failure to obtain, retain or renew such approvals and licenses in a timely manner or to comply with the requisite rules, regulations and conditions may adversely affect our business operations.
- Negative cash flows from operating activities:** We have incurred negative cash flows from operating activities of ₹(47.37) million in the Fiscal 2023 as per restated consolidated financials. Any negative cash flows in the future would adversely affect our business operations.
- Concentration on manufacturing facilities:** Our business is dependent on four Manufacturing Facilities all of which are located in Nagpur, Maharashtra and therefore, any localized social unrest, natural disaster or breakdown of services or any other natural disaster in and around, Nagpur, Maharashtra or any disruption in production at, or shutdown of, all our manufacturing units could have material adverse effect on our business operations.
- Dependence on the performance of certain other industries:** We are dependent on the following five industries for deriving a major portion of our revenues. The following table sets forth revenues generated from the sale of products on restated standalone financial

statement from other industries, for the periods indicated:

End-use segment	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(₹)	(%)	(₹)	(%)	(₹)	(%)
Cement	942.59	36.66%	747.09	30.61%	719.13	36.74%
Engineering	357.93	13.92%	262.36	10.75%	145.50	7.43%
Power	188.02	7.31%	325.82	13.35%	291.76	14.90%
Steel	332.12	12.92%	291.19	11.93%	213.35	10.90%
Sugar	114.97	4.47%	104.00	4.26%	91.60	4.68%
Total	1,935.62	75.28%	1,730.46	70.90%	1,461.34	74.65%

11. **Conflict of Interest with our Group Companies and Subsidiaries:** Conflict of interest may arise as some of our Group Companies and Subsidiaries are authorized to carry on similar line of business as our Company which may lead to real or potential conflicts of interest for our Promoters or Directors.

12. **Risk of default in payment of receivables:** Our inability to collect receivables and default in payment from our customers could result in the reduction of our profits and affect our business operations. For the Fiscals 2024, 2023 and 2022, our bad debts written off were ₹9.56 million, ₹3.88 million and ₹1.39 million, respectively, representing 0.34%, 0.15% and 0.06%, respectively of our revenue from operations and further our disputed trade receivables for fiscals 2024, 2023 and 2022, were ₹7.02 million, ₹6.48 million and ₹5.55 million, respectively, representing 0.25%, 0.25% and 0.26%, respectively of our revenue from operations.

13. The Price to Earnings ratio at the Floor Price is 14.53 times and the Cap Price is 15.53 times based on diluted EPS as per Restated Financial Statements for the fiscal 2024.

14. The BRLM associated with the Issue has handled 9 Main board public issues and 9 SME public issues in the past three years, out of which no issue has closed below the issue price on listing date.

15. Average cost of acquisition of our Promoters and Promoter Group Selling Shareholders as on the date of Prospectus:

Name of Promoters	No. of Equity Shares held	Average cost of acquisition (in ₹)
Prashant Garg	10,379,551	10.11
Chitra Garg	6,130,971	6.55
Dr. Nitin Garg	6,876,254	3.31
Prashant Garg jointly with Neelu Garg	65,548	18.48
Dr. Nitin Garg jointly with Dr. Renuka Garg	526,967	6.07

*As certified by M/s. PGS & Associates, Chartered Accountants, our Statutory Auditors, by way of their certificate dated September 16, 2024.

16. Weighted Average Return on Net Worth of our Company for Fiscals 2024, 2023 and 2022 is 17.40%.

17. The weighted average cost of acquisition of all Equity Shares acquired in last three years, 18 months and one year preceding the date of the Prospectus by are as follows:

Period	Weighted Average Cost of Acquisition (in ₹)*	Cap Price (₹168) is 'x'times the Weighted Average Cost of Acquisition	Range of acquisition price: Lowest Price - Highest Price (in ₹)
Last 1 year	12.68	13.25	0-762
Last 18 months	12.68	13.25	0-762
Last 3 years	12.68	13.25	0-762

* As certified by M/s. PGS & Associates, Chartered Accountants, our Statutory Auditors, by way of their certificate dated September 16, 2024.

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

Type of transactions	Weighted Average Cost of Acquisition (in ₹)*	Floor Price (i.e ₹ 159/-)	Cap Price (i.e ₹ 168/-)
Weighted average cost of acquisition (WACA) of Primary issuances 18 month prior to Prospectus	108.86	1.46	1.54
Weighted average cost of acquisition (WACA) of secondary transactions 18 month prior to Prospectus	Nil	NA	NA

* As certified by M/s. PGS & Associates, Chartered Accountants, our Statutory Auditors, by way of their certificate dated September 16, 2024.

BID/ISSUE PROGRAMME

ANCHOR INVESTOR BIDDING DATE OPENED AND CLOSED ON WEDNESDAY, SEPTEMBER 25, 2024

BID/ISSUE OPENED ON THURSDAY, SEPTEMBER 26, 2024 | BID/ISSUE CLOSED ON MONDAY SEPTEMBER 30, 2024

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The Issue was made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 31 of the SEBI ICDR Regulations. The Issue was made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIB Portion"), provided that our Company, in consultation with the Book Running Lead Manager allocated 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, in consultation with the BRLM, 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 were received from the domestic Mutual Funds at or above the price at which allocation was made to Anchor Investors ("Anchor Investor Allocation Price"). In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares were 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 and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation to NII's ("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 ₹0.20 million and up to ₹1.00 million and two-thirds of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹1.00 million and under-subscription in either of these two sub-categories of Non-Institutional Category was 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 Issue Price. Further, not less than 35% of the Net Issue was available for allocation to RII's ("Retail Category"), in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. Further, Equity Shares were allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Issue Price. All Bidders (except Anchor Investors) shall mandatorily participate in this Issue 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 Bank(s), as the case may be. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. Further, Equity Shares were allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Issue Price. For details, see "Issue Procedure" on page 446 of the Prospectus.

The Bidding for Anchor Investors opened and closed on Wednesday, September 25, 2024. The Company received 7 applications from 6 Anchor Investors for 4464680 Equity Shares. The Anchor Investor Issue Price was finalized at ₹168 per Equity Share. A total of 28,06,500 Equity Shares were allocated under the Anchor Investor Portion aggregating to ₹47,14,92,000.

The Issue received 2737079 applications for 94,05,000 Equity Shares (including applications from Anchor Investors and prior to rejections considering only valid bids) resulting in 81.23 times subscription. The details of the applications received in the Issue from various categories (including Anchor Investors) are as under (before rejections):

Sr. No.	CATEGORY	NO. OF APPLICATIONS RECEIVED	NO. OF EQUITY SHARES APPLIED	NO. OF EQUITY SHARES RESERVED AS PER PROSPECTUS	NO. OF TIMES SUBSCRIBED	AMOUNT (₹)
A	Retail Individual Bidders	25,88,820	28,37,13,848	32,74,250	86.65	47,66,39,26,464.00
B	Non-Institutional Bidders – More than ₹ 2 lakhs and upto ₹10 lakhs	78,833	10,24,44,848	4,67,750	219.01	17,21,07,34,464.00
C	Non-Institutional Bidders – More than ₹10 lakhs	30,979	19,17,03,424	9,35,500	204.92	32,20,61,75,232.00
D	Employee Reservation	38,389	47,94,944	50,000	95.90	76,71,91,040.00
E	Qualified Institutional Bidders (excluding Anchors Investors)	51	17,68,99,976	18,71,000	94.55	29,71,91,95,968.00
F	Anchor Investors	7	44,64,680	28,06,500	1.59	75,00,66,240.00
	Total	27,37,079	76,40,21,720	94,05,000	81.24	1,28,31,72,89,408

Final Demand

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

Sr. No.	Bid Price (₹)	No. of Equity Shares	% to Total	Cumulative Total	Cumulative % of Total
1.	159.00	3,75,408	0.05	3,75,408	0.05
2.	160.00	1,93,864	0.02	5,69,272	0.07
3.	161.00	19,096	0.00	5,88,368	0.07
4.	162.00	37,928	0.00	6,26,296	0.08
5.	163.00	33,528	0.00	6,59,824	0.08
6.	164.00	22,264	0.00	6,82,088	0.08
7.	165.00	93,984	0.01	7,76,072	0.09
8.	166.00	21,736	0.00	7,97,808	0.10
9.	167.00	68,464	0.01	8,66,272	0.11
10.	168.00	52,62,02,600	63.80	52,70,68,872	63.90
	CUT OFF	29,77,46,504	36.10	82,48,15,376	100.00
	TOTAL	82,48,15,376	100.00		

The Basis of Allotment was finalized in consultation with the Designated Stock Exchange, being NSE on October 01, 2024.

A. Allotment to Retail Individual Bidders (After Rejections) (including ASBA Applications)

The Basis of Allotment to the Retail Individual Bidders, who have bid at cut-off or at the Issue Price of ₹168 per Equity, was finalized in consultation with NSE. This category has been subscribed to the extent of 83.84 times. The total number of Equity Shares Allotted in Retail Individual Bidders category is 32,74,250 Equity Shares to 37,207 successful applicants. The category-wise details of the Basis of Allotment are as under:

Sr. No.	Category	No. of Applications Received	% of Total	Total No. of Equity Shares applied	% to Total	No. of Equity Shares allotted per applicant	Ratio	Total No. of Equity Shares allotted
1.	88	23,01,157	91.89	20,25,01,816	73.76	88	10:673	30,08,896
2.	176	1,03,598	4.13	1,82,33,248	6.64	88	10:673	1,35,432
3.	264	33,712	1.34	88,99,968	3.24	88	10:673	44,088
4.	352	14,185	0.56	49,93,120	1.81	88	10:673	18,568
5.	440	13,574	0.53	59,72,560	2.17	88	10:673	17,776
6.	528	5,462	0.21	28,83,936	1.05	88	10:673	7,128
7.	616	5,561	0.21	34,25,576	1.24	88	10:673	7,304
8.	704	1,989	0.07	14,00,256	0.51	88	10:673	2,552
9.	792	1,519	0.05	12,03,048	0.43	88	10:673	2,024
10.	880	5,249	0.2	46,19,120	1.68	88	10:673	6,864
11.	968	1,034	0.03	10,00,912	0.36	88	10:673	1,320
12.	1056	1,091	0.03	11,52,096	0.41	88	10:673	1,408
13.	1144	15,940	0.63	1,82,35,360	6.64	88	10:673	20,856
							3:266	34
	Grand Total	25,04,071	100	27,45,21,016	100			32,74,250

B. Allotment to Non-Institutional Investors (More than ₹200,000 and up to ₹1,000,000) (after rejections)

The Basis of Allotment to the Non-Institutional Investors (More than ₹200,000 and up to ₹1,000,000), who have bid at the Issue Price of ₹168 per Equity Share was finalized in consultation with NSE. The sub-category of the Non-Institutional Portion comprising Non-Institutional Investors Bidding (More than ₹200,000 and up to ₹1,000,000) has been subscribed to the extent of 214.09 times (after rejections). The total number of Equity Shares Allotted in this category is 4,67,750 Equity Shares to 379 successful Non-Institutional Investors. The category-wise details of the Basis of Allotment are as under: (Sample)

Sr. No.	Category	No. of Applications Received	% of Total	Total No. of Equity Shares applied	% to Total	No. of Equity Shares allotted per applicant	Ratio	Total No. of Equity Shares allotted
1	1232	71,505	92.72	8,80,94,160	87.97	1,232	1:203	4,33,664
2	1320	1,797	2.33	23,72,040	2.36	1,232	3:599	11,088
3	1408	442	0.57	6,22,336	0.62	1,232	1:221	2,464
4	1496	287	0.37	4,29,352	0.42	1,232	2:287	2,464
5	1584	145	0.18	2,29,680	0.22	1,232	1:145	1,232
6	1672	80	0.1	1,33,760	0.13	1,232	0:0	0
7	1760	440	0.57	77,44,000	0.77	1,232	1:220	2,464
8	1848	171	0.22	3,16,008	0.31	1,232	1:171	1,232
9	1936	45	0.05	87,120	0.08	1,232	0:0	0
10	2024	61	0.07	1,23,464	0.12	1,232	0:0	0
11	5192	2	0	10,384	0.01	1,232	0:0	0
12	5280	27	0.03	1,42,560	0.14	1,232	0:0	0
13	5368	3	0	16,104	0.01	1,232	0:0	0
14	5456	4	0	21,824	0.02	1,232	0:0	0
15	5544	2	0	11,088	0.01	1,232	0:0	0
16	5632	7	0	39,424	0.03	1,232	0:0	0
17	5720	20	0.02	1,14,400	0.11	1,232	0:0	0
18	5808	12	0.01	69,696	0.06	1,232	0:0	0
19	5896	180	0.23	10,61,280	1.05	1,232	1:180	1,232
							12:1	810
							12:27	12
	TOTAL							4,67,750

C. Allotment to Non-Institutional Bidders (more than ₹1 million)

The Basis of Allotment to the Non-Institutional Investors (More than ₹1,000,000), who have bid at the Issue Price of ₹168 Equity Share was finalized in consultation with the NSE. The sub-category of the Non-Institutional Portion comprising Non-Institutional Investors Bidding above 1,000,000 has been subscribed to the extent of 201.84 times (after rejections). The total number of Equity Shares Allotted in this category is 9,35,500 Equity Shares to 759 successful applicants Non-Institutional Investors. The category-wise details of the Basis of Allotment are as under: (Sample)

Sr. No.	Category	No. of Applications Received	% of Total	Total No. of Equity Shares applied	% to Total	No. of Equity Shares allotted per applicant	Ratio	Total No. of Equity Shares allotted
1	5984	28,638	93.51	17,13,69,792	90.75	1,232	3:121	8,74,720
2	6072	494	1.61	29,99,568	1.58	1,232	6:247	14,784
3	6160	498	1.62	30,67,680	1.62	1,232	13:498	16,016
4	6248	111	0.36	6,93,528	0.36	1,232	1:37	3,696
5	6336	103	0.33	6,52,608	0.34	1,232	3:103	3,696
6	6424	49	0.15	3,14,776	0.16	1,232	1:49	1,232
7	6512	42	0.13	2,73,504	0.14	1,232	1:42	1,232
8	6600	83	0.27	5,47,800	0.29	1,232	2:83	2,464
9	6688	19	0.06	1,27,072	0.06	1,232	1:19	1,232
10	6776	10	0.03	67,760	0.03	1,232	0:0	0
11	6864	8	0.02	54,912	0.02	1,232	0:0	0
12	6952	12	0.03	83,424	0.04	1,232	0:0	0
13	32472	1	0	32,472	0.01	1,232	0:0	0
14	34408	1	0	34,408	0.01	1,232	0:0	0
15	35200	2	0	70,400	0.03	1,232	0:0	0
16	35640	4	0.01	1,42,560	0.07	1,232	0:0	0
17	35904	1	0	35,904	0.01	1,232	0:0	0
18	40040	1	0	40,040	0.02	1,232	0:0	0
	TOTAL						412:759	412
								9,35,500

D. Allotment to Eligible Employees (After Rejections) (including ASBA Applications)

The Basis of Allotment to the Eligible Employees, who have bid at the cut-off or at the Issue Price net of Employee Discount of ₹8, i.e. ₹168, was finalized in consultation with NSE. Overall Employee category has been subscribed to the extent of 1.37 times. The total number of Equity Shares allotted in this category is 50,000 Equity Shares to 146 successful applicants. The category-wise details of the Basis of Allotment are as under:

Sr. No.	Category	No. of Applications Received	% of Total	Total No. of Equity Shares applied	% to Total	No. of Equity Shares allotted per applicant	Ratio	Total No. of Equity Shares allotted
1	88	61	38.85	5368	8.94	88	50:61	4400
2	176	30	19.1	5280	8.79	147	1:1	4410
3	264	7	4.45	1848	3.07	220	1:1	1540
4	352	11	7.01	3872	6.45	293	1:1	3223
5	440	9	5.73	3960	6.59	367	1:1	3303
6	528	3	1.91	1584	2.63	440	1:1	1320
7	616	6	3.82	3696	6.15	513	1:1	3078
8	704	1	0.63	704	1.17	587	1:1	587
9	792	1	0.63	792	1.31	660	1:1	660
10	880	1	0.63	880	1.46	733	1:1	733
11	968	1	0.63	968	1.61	806	1:1	806
12	1056	1	0.63	1056	1.75	880	1:1	880
13	1144	9	5.73	10296	17.15	953	1:1	8577
14	1232	10	6.36	12320	20.52	1026	1:1	10260
15	1320	1	0.63	1232	2.05	1026	1:1	1026
16	2552	1	0.63	1232	2.05	1026	1:1	1026
17	2904	1	0.63	1232	2.05	1026	1:1	1026
18	3080	3	1.91	3696	6.15	1026	1:1	3078
							67:96	67
	TOTAL	157	100	60016	100			50000

E. Allotment to QIBs (Excluding Anchor Investors) (After Rejections)

Allotment to QIBs (excluding Anchor Investors), who have bid at the Issue Price of ₹168 per Equity Share has been done on a proportionate basis in consultation with NSE. This category has been subscribed to the extent of 94.54 times of Net QIB Portion. As per the SEBI ICDR Regulations, Mutual Funds were Allotted 5% of the Equity Shares of Net QIB Portion available i.e. 93550 Equity Shares and other QIBs including Mutual Funds were Allotted the remaining available Equity Shares i.e. 1777450 Equity Shares on a proportionate basis. The total number of Equity Shares Allotted in the Net QIB Portion is 18,71,000 Equity Shares, which were allotted to 51 successful QIB Bidders. The category-wise details of the Basis of Allotment are as under:

CATEGORY	FIS/BANKS	MF'S	IC'S	NBFC'S	AIF	FPC	VC'S	TOTAL
QIB	8,53,634	1,16,545	60,887	3,81,203	1,88,053	2,70,678	-	18,71,000

F. Allotment to Anchor Investors

The Company, in consultation with the BRLM has allotted 28,06,500 Equity Shares to 5 Anchor Investors (through 7 Anchor Investor Application Forms, including 1 domestic Mutual Funds through 2 Mutual Fund schemes) at an Anchor Investor Issue Price of ₹168 per Equity Share in accordance with the SEBI ICDR Regulations. This represents 60% of total QIB portion.

CATEGORY	FIS/BANKS	MF'S	IC'S	NBFC'S	AIF	FPC	VC'S	TOTAL
ANCHOR	-	10,80,328	-	-	8,92,936	8,33,236	-	28,06,500

The Board of Directors in its meeting held on October 01, 2024 has taken on record the Basis of Allotment of Equity Shares approved by the Designated Stock Exchange, being NSE and allotment resolution was passed on October 01, 2024. The Allotment Advice-cum-Unblocking intimations have been dispatched to the email id of the Investors as registered with the depositories. Further, the instructions to the Self Certified Syndicate Banks for unblocking of funds, transfer to Public Issue Account have been issued on October 01, 2024 and payments to non-Syndicate brokers have been issued on October 03, 2024. In case the same is not received within ten days, investors may contact the Registrar to the Issue at the address given below. The Equity Shares Allotted to the successful Allottees have been uploaded on October 03, 2024 for credit into the respective beneficiary accounts subject to validation of the account details with the depositories concerned. The Company filed the Listing application with NSE and BSE on October 03, 2024. The Company has received listing and trading approval from NSE and BSE and the trading will commence on October 04, 2024.

CORRIGENDUM: NOTICE TO INVESTORS

Potential Bidders may note the following as a corrigendum ("Corrigendum") to the red herring prospectus dated September 20, 2024 ("RHP"), filed by our Company with SEBI and the Stock Exchanges:

1. On page 178 of the RHP, the last sentence under Note (3) shall be substituted as follows:

"In case the total processing charges payable exceeds ₹ 1.00 million, the amount payable would be proportionately distributed based on the number of valid applications such that the total processing charges payable does not exceed ₹ 1.00 million (Based on valid Bid cum Application Forms)".

2. On pages 284, 285, 286, 287, 288, 289 and 290 of the RHP, the following paragraph below the "Brief financial information" table shall be substituted as follows:

"The audited financial statements for Fiscals 2024, 2023 and 2022 for our material subsidiary, if any, are available at <https://www.diffusionengineers.com/investors-relation>."

The above changes are to be read in conjunction with the RHP and accordingly their references in RHP, as applicable stands updated pursuant to this Corrigendum. The information in this corrigendum supersedes the information in the RHP to the extent inconsistent with the information in the RHP. Please note that the changes pursuant to this Corrigendum has been included in the Prospectus.

Note: All capitalized terms used and not defined herein shall have the respective meanings assigned to them in the Prospectus.

INVESTORS PLEASE NOTE