



**REFRACTORY SHAPES LIMITED**  
CIN: U26921MH1996PLC096012

Registered Office	Corporate Office	Contact Person	Email and Telephone	Website
B 201, Rustomjee Central Park Chakala, Andheri-Kurla Road, Andheri (East), Mumbai-400069, Maharashtra, India	N.A.	Ms. Neelam Mandawat Company Secretary and Compliance Officer	<b>Email:</b> <a href="mailto:investors@refshape.com">investors@refshape.com</a> <b>Telephone:</b> + 91 9819995930	<a href="http://www.refshape.com">www.refshape.com</a>

**THE PROMOTERS OF OUR COMPANY ARE MR. DAYSHANKAR KRISHNA SHETTY, MS. PRATIBHA DAYASHANKAR SHETTY, MS. PRAJNA SHRAVAN SHETTY AND MR. SURAJ SADANAND SHETTY**

**DETAILS OF ISSUE TO PUBLIC, PROMOTERS/SELLING SHAREHOLDERS**

TYPE	FRESH SIZE	ISSUE	OFS SIZE	TOTAL ISSUE SIZE	ELIGIBILITY 229(1) / 229(2) & SHARE RESERVATION AMONG NII & RII
Fresh Issue	Up to 60,00,000 Equity Shares aggregating to ₹ [●] Lakhs.	N.A.		Up to 60,00,000 Equity Shares aggregating to ₹ [●] Lakhs.	The Issue is being made pursuant to Regulation 229(2) of SEBI ICDR Regulations as the Company's post issue face value capital exceeds ₹ 10.00 Crores but does not exceed ₹ 25.00 Crores.

**DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES**

**RISKS IN RELATION TO THE FIRST ISSUE**

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10/- each and the Issue Price is [●] times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company in consultation with the Book Running Lead Manager as stated in "Basis for Issue Price" on page 94 of this Red Herring Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 28 of this Red Herring Prospectus.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

**LISTING**

The Equity Shares Issued through the Red Herring Prospectus are proposed to be listed on Emerge Platform of NSE ("NSE EMERGE"). Our Company has received "In-Principle" approval from the NSE Emerge for using its name in the offer document for the listing of the Equity Shares, pursuant to letter dated April 25, 2024. For the Issue, the Designated Stock Exchange shall be NSE.

**BOOK RUNNING LEAD MANAGER TO THE ISSUE**

Name and Logo	Contact Person	Email & Telephone
<b>SHRENI SHARES LTD</b> <b>SHRENI SHARES LIMITED</b> <i>Formerly Known as Shreni Shares Private Limited</i>	Ms. Tanya Goyal	<b>E-mail:</b> <a href="mailto:shrenishares@gmail.com">shrenishares@gmail.com</a> <b>Telephone:</b> 022 - 2089 7022

**REGISTRAR TO THE ISSUE**

Name and Logo	Contact Person	Email & Telephone
<b>Bigshare Services Pvt. Ltd.</b> <b>BIGSHARE SERVICES PVT LTD</b>	Mr. Sagar Pathare	<b>E-mail:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> <b>Telephone:</b> 022 - 6263 8200

**BID/ISSUE PROGRAMME**

ANCHOR INVESTOR BID/ ISSUE PERIOD: FRIDAY, MAY 03, 2024*	BID/ISSUE OPENS ON: MONDAY, MAY 06, 2024*	BID/ISSUE CLOSES ON: THURSDAY, MAY 09, 2024*

\*Our Company may in consultation with the BRLM may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date.

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## REFRACTORY SHAPES LIMITED

Our company was originally formed as a Proprietorship Firm under the name of "M/s. Refractory Shapes" in the year 1973. "M/s. Refractory Shapes" was thereafter converted into Private Limited Company under the name "Refractory Shapes Private Limited" under the provisions of the Companies Act, 1956 and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Bombay on January 08, 1996. Subsequently, the status of the Company was changed to Public Limited and the name of our Company was changed to "Refractory Shapes Limited" vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting of our Company held on January 18, 2024. The fresh certificate of incorporation consequent to conversion was issued on February 02, 2024 by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U26921MH1996PLC096012.

**Registered Office:** B 201, Rustomjee Central Park Chakala, Andheri-Kurla Road, Andheri (East), Mumbai-400069, Maharashtra, India;

Tel: + 91 9819995930; E-mail: [investors@refshape.com](mailto:investors@refshape.com); Website: [www.refshape.com](http://www.refshape.com);

**Contact Person:** Ms. Neelam Mandawat, Company Secretary and Compliance Officer;

### OUR PROMOTERS: MR. DAYSHANKAR KRISHNA SHETTY, MS. PRATIBHA DAYASHANKAR SHETTY, MS. PRAJNA SHRAVAN SHETTY AND MR. SURAJ SADANAND SHETTY

INITIAL PUBLIC OFFER OF UPTO 60,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ("EQUITY SHARES") OF REFRactory SHAPES LIMITED ("REFRACTORY SHAPES", OR "OUR COMPANY" OR "THE ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹ [●] LAKHS ("THE ISSUE"), OF WHICH UP TO 3,04,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e., NET ISSUE OF UP TO 56,96,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.52 % AND 26.13 % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF EQUITY SHARES IS ₹10/- EACH. THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND 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 FINANCIAL EXPRESS ENGLISH NATIONAL DAILY NEWSPAPER, ALL EDITIONS OF JANSATTA HINDI NATIONAL DAILY NEWSPAPER AND ALL EDITIONS OF PRATAHKAL THE DAILY REGIONAL NEWSPAPER (WHERE OUR REGISTERED OFFICE IS LOCATED) EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO EMERGE PLATFORM OF NSE ("NSE EMERGE"), FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITE IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS, AS AMENDED.

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

### THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH AND THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLMs may allocate up to 60.00% 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 domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the 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) ("Net QIB Portion"). Further, 5.00% 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, other than Anchor Investors, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15.00% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Potential Bidders, other than Anchor Investors, are required to participate in the Issue by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self-Certified Syndicate Banks ("SCSBs") or 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 Issue through the ASBA process. For details, please refer to the chapter titled "Issue Procedure" on page 256 of this Red Herring Prospectus.

### RISK IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the securities of our Company. The face value of the shares is ₹ 10/- per Equity Shares and the Issue price is [●] times of the face value. The Issue Price (as determined by our Company in consultation with the Book Running Lead Manager) as stated in the chapter titled "Basis for Issue Price" beginning on Page No. 89 of this Red Herring Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our Company nor regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on Page No. 28 of this Red Herring Prospectus.

### ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

### LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on EMERGE Platform of National Stock Exchange of India Limited ("NSE EMERGE"), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In-Principle Approval letter dated April 25, 2024 from National Stock Exchange of India Limited ("NSE") for using its name in this offer document for listing our shares on the EMERGE Platform of National Stock Exchange of India Limited ("NSE EMERGE"). For the purpose of this Issue, the designated Stock Exchange is the NSE.

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE	
 <p><b>SHRENI SHARES LTD</b></p> <p><b>SHRENI SHARES LIMITED</b> (FORMERLY KNOWN AS SHRENI SHARES PRIVATE LIMITED)</p> <p>No. 217, Hive 67 Icon, Poisar Gymkhana Road, Lokmanya Tilak Nagar Poisar, Near Raghuleela Mall, Kandivali West, Mumbai - 400067, Maharashtra, India.</p> <p>Telephone: 022 - 2089 7022</p> <p>E-mail: <a href="mailto:shrenishares@gmail.com">shrenishares@gmail.com</a></p> <p>Investors Grievance e-mail: <a href="mailto:info@shreni.in">info@shreni.in</a></p> <p>Contact Person: Ms. Tanya Goyal</p> <p>Website: <a href="http://www.shreni.in">www.shreni.in</a></p> <p>SEBI Registration Number: INM000012759</p>	 <p><b>Bigshare Services Pvt. Ltd.</b></p> <p><b>BIGSHARE SERVICES PRIVATE LIMITED</b></p> <p>Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali CavesRoad, Andheri East, Mumbai – 400 093, Maharashtra, India</p> <p>Tel: 022 - 6263 8200</p> <p>E-mail: <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a></p> <p>Investor grievance e-mail: <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a></p> <p>Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a></p> <p>Contact Person: Mr. Sagar Pathare</p> <p>SEBI Registration No.: INR000001385</p>	
<b>ISSUE PROGRAMME</b>		
<b>ANCHOR INVESTOR BID/ ISSUE PERIOD:</b> <b>FRIDAY, MAY 03, 2024*</b>	<b>BID/ISSUE OPENS ON: MONDAY,</b> <b>MAY 06, 2024*</b>	<b>BID/ISSUE CLOSES ON: THURSDAY,</b> <b>MAY 09, 2024*</b>

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulations, rules, guidelines or policies shall be to such legislation, act, regulations, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Red Herring Prospectus, but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act, and the rules and regulations made thereunder.

Notwithstanding the foregoing, the terms not defined but used in the chapters titled “*Statement of Possible Tax Benefits*”, “*Restated Financial Statements*”, “*Outstanding Litigations and Material Developments*”, “*Key Industry Regulations and Policies*” and section titled “*Main Provisions of the Articles of Association*” on page 103, 200, 217, 160 and 280 respectively of this Red Herring Prospectus, shall have the meanings ascribed to such terms in the respective sections.

#### GENERAL TERMS

Term	Description
Refractory Shapes Limited / Refractory Shapes/ The Company / Our Company / The Issuer	Refractory Shapes Limited, a company incorporated in India under the Companies Act, 1956 having its Registered Office at B 201, Rustomjee Central Park Chakala, Andheri-Kurla road, Andheri (east), Mumbai city, Mumbai- 400069, Maharashtra, India.
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company
“you”, “your” or “yours”	Prospective investors in this Issue

#### COMPANY RELATED TERMS

Term	Description
AOA / Articles / Articles of Association	The Articles of Association of Refractory Shapes Limited as amended from time to time.
Audit Committee	The Audit Committee of our Company, constituted on February 03, 2024 in accordance with Section 177 of the Companies Act, 2013, as described in “ <i>Our Management</i> ” beginning on page 172 of this Red Herring Prospectus
Auditors/ Statutory Auditors	The Statutory Auditors of our Company, currently being M/s Satish Shetty & Co., Chartered Accountants, having their office at 301 Rose Manor CHS Ltd, Mith Chowki, Marve Road, Malad West, Mumbai - 400064.
Bankers to our Company	Bank of Baroda
Board of Directors / the Board / our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled “ <i>Our Management</i> ” beginning on page 172 of this Red Herring Prospectus.
Chairman/ Chairperson	The Chairperson of Board of Directors of our Company being Ms. Prajna Shravan Shetty.
CIN	Corporate Identification Number of our Company i.e. U26921MH1996PLC096012
Chief Financial Officer/CFO	The Chief Financial Officer of our Company being Mr. Ammar Huseni Rangwala.
Companies Act / Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Ms. Neelam Mandawat.
DIN	Directors Identification Number.
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of our Company of Face Value of ₹10/- each fully paid-up
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company.
Executive Directors	Executive Directors are the Managing Director & Whole Time Directors of our Company.
Group Company	In terms of SEBI ICDR Regulations, the term “ <i>Group Company</i> ” includes companies (other than our Promoters and Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the

<b>Term</b>	<b>Description</b>
	applicable accounting standards, any other companies as considered material by our Board, in accordance with the Materiality Policy and as disclosed in chapter titled “ <i>Our Group Company</i> ” beginning on page 197 of this Red Herring Prospectus
Independent Director(s)	Independent Directors on the Board, and eligible to be appointed as an Independent Director under the provisions of Companies Act and SEBI LODR Regulations. For details of the Independent Directors, please refer to chapter titled “ <i>Our Management</i> ” beginning on page 172 of this Red Herring Prospectus
ISIN	International Securities Identification Number. In this case being INE0TNX01015
Key Management Personnel / KMP	Key Managerial Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, together with the Key Managerial Personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and as disclosed in the chapter titled “ <i>Our Management</i> ” beginning on page 172 of this Red Herring Prospectus
Key Performance Indicators” or “KPIs”	Key financial and operational performance indicators of our Company, as included in “ <i>Basis for Issue Price</i> ” beginning on page 94 of this Red Herring Prospectus.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on February 03, 2024 in accordance with the requirements of the SEBI (ICDR) Regulations, 2018.
MD or Managing Director	The Managing Director of our Company being Ms. Prajna Shravan Shetty.
MOA / Memorandum / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Non-Residents	A person resident outside India, as defined under FEMA Regulations, 2000
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Company, constituted on February 03, 2024 in accordance with Section 178 of the Companies Act, 2013, the details of which are provided in “ <i>Our Management</i> ” beginning on page 172 of this Red Herring Prospectus
Non-Executive Director	A Director not being an Executive Director or an Independent Director
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Peer Review Auditors	M/s. Vinay Bhushan & Associates, Chartered Accountants having its office located at 726, 7 <sup>th</sup> Floor, D Wing, Neelkanth Business Park, Vidyavihar West, Mumbai - 400086
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoter(s)	Shall mean promoters of our Company i.e., Mr. Dayashankar Krishna Shetty, Ms. Pratibha Dayashankar Shetty, Ms. Prajna Shravan Shetty and Mr. Suraj Sadanand Shetty. For further details, please refer to section titled “ <i>Our Promoters and Promoter Group</i> ” beginning on page 191 of this Red Herring Prospectus.
Promoter Group	Includes such Persons and entities constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as enlisted in the section titled “ <i>Our Promoters and Promoter Group</i> ” beginning on page 191 of this Red Herring Prospectus.
Registered Office	The Registered Office of our Company situated at B 201, Rustomjee Central Park Chakala, Andheri-Kurla Road, Andheri (East), Mumbai City, Mumbai-400069, Maharashtra, India
Restated Financial Information	Restated Financial Statements for the period ended December 31, 2023 and Financial Years ended on March 31, 2023, March 31, 2022, and March 31, 2021 prepared in accordance with the Indian GAAP read with Section 133 of the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations which comprises the restated summary statement of assets & liabilities, the restated summary statement of profit and loss and restated summary statement of cash flows along with all the schedules and notes thereto
RoC/ Registrar of Companies	Registrar of Companies, Mumbai, Ministry of Corporate Affairs, 5th Floor, 100, Everest Building, Netaji Subhash Road, Marine Drive, Mumbai - 400 002, Maharashtra, India
Shareholders	Shareholders of our Company
Stock Exchange	Unless the context requires otherwise, refers to, National Stock Exchange of India Limited
Subscriber to MOA / Initial Promoters	Initial Subscriber to MOA & AOA being Ms. N. E. Chaney and Mr. Arish E. Chaney.

Term	Description
Stakeholders Relationship Committee	The Stakeholders' Relationship Committee of our Company, constituted on February 03, 2024 in accordance with Section 178 of the Companies Act, 2013, the details of which are provided in " <i>Our Management</i> " beginning on page 172 of this Red Herring Prospectus
Senior Management	Senior Management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in the chapter titled " <i>Our Management</i> " beginning on page 172 of this Red Herring Prospectus
Whole Time Director	Whole Time Director of our Company being Mr. M Jothiprakash

## KEY PERFORMANCE INDICATORS

Key Financial Performance	Explanations
Revenue from Operations	Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps to assess the overall financial performance of the Company and volume of the business.
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business
PAT Margin	PAT Margin (%) is an indicator of the overall profitability and financial performance of the business
Return on Equity Ratio	Return on equity (ROE) is a measure of financial performance
Debt-Equity Ratio	Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers
Current Ratio	The current ratio is a liquidity ratio that measures our company's ability to pay short-term obligations or those due within one year

## ISSUE RELATED TERMS

Term	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form
Allotment/Allot/Allotted	Unless the context otherwise requires, the issue and allotment of Equity Shares, pursuant to the Issue to the successful applicants.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Allotment Date	Date on which allotment is made
Allottee (s)	The successful bidder to whom the Equity Shares are being / have been allotted.
Anchor Investor	A Qualified Institutional Buyer, who applied under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Bid/Issue Period or Anchor Investor Bidding Date	The date one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to the Anchor Investors shall be completed.
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company in consultation with the Book Running Lead Manager

Term	Description
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/ Issue Closing Date
Anchor Investor Portion	<p>Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations.</p> <p>One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations</p>
Applicant/ Investor	Any prospective investor who makes an application for Equity Shares in terms of this Red Herring Prospectus.
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of Red Herring Prospectus.
Application Form	The form in terms of which the Applicant shall make an Application, including ASBA Form, and which shall be considered as the application for the Allotment pursuant to the terms of this Red Herring Prospectus.
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form.
ASBA Bidders	Any prospective investor who makes a bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form including through UPI mode (as applicable).
ASBA Form	A bid cum application form, whether physical or electronic, used by ASBA bidders, which will be considered as the bid for Allotment in terms of the Red Herring Prospectus.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bankers to the Issue	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being ICICI Bank Limited
Banker to the Issue Agreement	Agreement dated April 03, 2024 entered into amongst the Company, Book Running Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted, described in "Issue Procedure" on page 256 of this Red Herring Prospectus.
Bid	An indication to make an Issue during the Bid/ Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term "Bidding" shall be construed accordingly.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid / Issue Closing Date	<p>Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be published in all editions of Financial Express (a widely circulated English national daily newspaper), and all editions of Janasatta (a widely circulated Hindi national daily newspaper) and all editions of the Pratahkal, a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation.</p> <p>Our Company, in consultation with the BRLM, may, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations</p>

Term	Description
Bid/Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, all editions of Financial Express (a widely circulated English national daily newspaper), all and editions of Janasatta (a widely circulated Hindi national daily newspaper) and all editions of the Pratahkal, a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation.
Bid/ Issue Period	Except in relation to Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors.
	Our Company, in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with the SEBI ICDR Regulations.
	In cases of force majeure, banking strike or similar circumstances, our Company may, in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of this Red Herring Prospectus.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Red Herring Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Red Herring Prospectus.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made
BRLM / Book Running Lead Manager	The Book Running Lead Manager to the Issue, namely, Shreni Shares Limited ( <i>Formerly Known as Shreni Shares Private Limited</i> )
Broker Centers	Broker Centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchange ( <a href="http://www.nseindia.com">www.nseindia.com</a> )
Business Day	Monday to Friday (except public holidays).
CAN / Confirmation of Allocation Note	A notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated Equity Shares, on or after the Anchor Investor Bid/Issue Period
Cap Price	The higher end of the Price Band, i.e. ₹ [●] per Equity Share
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular No. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the respective websites of the Stock Exchanges, as updated from time to time
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Cut-off Price	The Issue Price finalised by our Company in consultation with the Book Running Lead Manager which shall be any price within the Price Band. Only Retail Individual Bidders Bidding in the Retail Portion are entitled to Bid at the Cut-Issue Price. QIBs (including the Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the applicant father/husband, investor status, occupation and Bank Account details.

<b>Term</b>	<b>Description</b>	
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.	
Designated Date	On the Designated Date, the amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Issue Account and/ or unblocked in terms of this Red Herring Prospectus.	
Designated Branches	SCSB	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/</a> Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated Locations	CDP	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants.  The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated Locations	RTA	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated Intermediaries Collecting Agent	/	Collectively, the members of the Syndicate, sub-syndicate or agents, SCSBs (other than in relation to RIBs using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the relevant Bidders, in relation to the issue.  In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs.  In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated Maker	Market	Shreni Shares Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
Designated Exchange	Stock	National Stock Exchange of India Limited (SME Platform) ("NSE EMERGE")
DP		Depository Participant
DP ID		Depository Participant's Identity Number
Draft Red Herring Prospectus		Draft Red Herring Prospectus dated March 28, 2024 issued in accordance with Section 23, 26 and 32 of the Companies Act, 2013 and SEBI ICDR Regulation.
Eligible NRI		A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.
Emerge Platform of NSE		The SME Platform of NSE for Listing of Equity Shares offered under Chapter IX of SEBI (ICDR) Regulations which was approved by SEBI as an NSE EMERGE on March 13, 2012.
Equity Shares		Equity Shares of our Company of face value ₹ 10.00 each
Electronic Transfer of Funds		Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs		QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depositary participants.
Eligible NRI(s)		An NRI(s) from such a jurisdiction outside India where it is not unlawful to make an Issue or invitation under this Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to purchase the equity shares.
Escrow Account		Accounts opened with the Banker to the Issue

Term	Description
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI.
GIR Number	General Index Registry Number.
IPO/ Issue/ Issue Size/ Public Issue	Initial Public Offering
Issue Agreement	The agreement dated March 26, 2024 entered amongst our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	The date after which the Book Running Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in a English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being May 08, 2024
Issue Opening Date	The date on which the Book Running Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being May 06, 2024
Issue Price	The Price at which the Equity Shares are being issued by our Company under this Red Herring Prospectus being ₹ [●] per equity share.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their applications.
Issue Size	The Public Issue of up to 60,00,000 Equity shares of ₹10/- each at issue price of ₹ [●] per Equity share, including a premium of ₹ [●] per equity share aggregating to ₹ [●] Lakhs
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled “ <i>Objects of the Issue</i> ” page 83 of this Red Herring Prospectus
Market Making Agreement	The Market Making Agreement dated March 26, 2024 and Addendum to Market Making Agreement dated April 26, 2024 between our Company, Book Running Lead Manager and Market Maker.
Market Maker Reservation Portion	The reserved portion of Upto 3,04,000 Equity Shares of ₹10 each at an Issue price of ₹ [●] each aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this issue.
Memorandum of Understanding / MOU	The Memorandum of Understanding dated March 26, 2024 between our Company and BRLM.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Mutual Fund Portion	Up to 5% of the Net QIB Portion (other than anchor allocation), or up to 52,000 Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of up to 56,96,000 equity Shares of ₹ 10.00 each at a price of ₹ [●] per Equity Share (the “ <b>Issue Price</b> ”), including a share premium of ₹ [●] per equity share aggregating to ₹ [●] Lakhs.
Net Proceeds	The proceeds from the Issue less the Issue related expenses applicable to the Fresh Issue.

<b>Term</b>	<b>Description</b>
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.
Non-Institutional Investors/ Applicant	Investors other than Retail Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value of more than ₹ 2,00,000/-
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
NSE	National Stock Exchange of India Limited
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Pay-in-Period	The period commencing on the Bid/Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●] and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid / Issue Opening Date
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the ASBA Applicant, on the Designated Date.
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI.
Qualified Institutional Buyers/ QIBs	A Mutual Fund, Venture Capital Fund and Foreign Venture Capital Investor registered with the SEBI, a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with the SEBI; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of ₹ 25.00 Crore; a pension fund with minimum corpus of ₹ 25.00 Crore; National Investment Fund set up by resolution No. F. No. 2/3/2005 – DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.
Red Herring Prospectus / RHP	The Red Herring Prospectus issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto
Refund Account (s)	Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur.
Registrar/ Registrar to the Issue/RTA/ RTI	Registrar to the Issue being Bigshare Services Private Limited

<b>Term</b>	<b>Description</b>
Registrar Agreement	The agreement dated March 26, 2024 entered into between our Company, and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Reserved Categories	Category/ Categories
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Retail Investors	Individual
Registered Broker	Individuals or companies registered with SEBI as “Trading Members”(except Syndicate/ Sub-Syndicate Members) who hold valid membership of either BSE or NSE having right to trade in stocks listed on Stock Exchanges ,through which investors can buy or sell securities listed on stock exchanges, a list of which is available on <a href="http://www.nseindia.com/membership/content/cat_of_mem.htm">http://www.nseindia.com/membership/content/cat_of_mem.htm</a>
Reserved Categories	Category/ Categories
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s)
Registrar and Share Transfer Agents or RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI and available on the websites of the Stock Exchanges at <a href="http://www.nseindia.com">www.nseindia.com</a>
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SCORES	SEBI Complaints Redress System, a centralized web-based complaints redressal system launched by SEBI
Self-Certified Syndicate Bank(s) / SCSB(s)	<p>The banks registered with SEBI, offering services, (i) in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or such other website as updated from time to time, and (ii) in relation to ASBA through the UPI Mechanism, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time.</p> <p>In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> and updated from time to time.</p> <p>In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, UPI Bidders using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> and <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> respectively, as updated from time to time</p>
SME Exchange	SME Platform of the NSE i.e. NSE EMERGE
Specified Locations	The Bidding Centres where the Syndicate shall accept ASBA Forms from Bidders and in case of RIBs only ASBA Forms with UPI
Sponsor Bank	Shall mean a Banker to the Issue registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchanges and National Payments Corporation of India in order to push the mandate collect requests and/or payment instructions of the retail investors into the UPI.

Term	Description
Syndicate Agreement	Syndicate agreement dated April 09, 2024 to be entered into between our Company, the Registrar and the members of the Syndicate in relation to collection of Bid cum Application Forms by the Syndicate
Syndicate Member(s)	Intermediaries (other than the Book Running Lead Manager) registered with SEBI who are permitted to accept bids, applications and place order with respect to the Issue, namely Shreni Shares Limited (Formerly Known as Shreni Shares Private Limited)
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the Book Running Lead Manager and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Syndicate / Members of the Syndicate	Together, the Book Running Lead Manager and the Syndicate Members.
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the applicants, as proof of registration of the Application
Underwriters	The BRLM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement dated March 26, 2024 and Addendum to Underwriting Agreement dated April 26, 2024 entered between the Underwriters, BRLM and our Company.
Unified Payments Interface (UPI)	UPI is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two person's bank accounts using a payment address which uniquely identifies a person's bank Account.
UPI Bidders	<p>Collectively, individual investors applying as Retail Individual Bidders in the Retail Portion, and individuals applying as Non-Institutional Bidders with a Bid Amount of up to ₹500,000 in the Non-Institutional Portion.</p> <p>Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹500,000 shall use the UPI Mechanism and shall provide their UPI ID in the Bid cum Application Form submitted with: (i) a Syndicate Member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)</p>
UPI Circulars	<p>The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent that such circulars pertain to the UPI Mechanism), the SEBI Master Circular for Issue of Capital and Disclosure Requirements, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, along with the circular issued by NSE bearing reference no. 25/2022 dated August 3, 2022 and the circular issued by NSE bearing reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI and Stock Exchanges in this regard.</p>
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI application and by way of a SMS for directing the UPI Bidder to such UPI mobile application) to the UPI Bidder initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI mechanism	Process for applications by UPI Bidders submitted with intermediaries with UPI as mode of payment, in terms of the UPI Circulars

<b>Term</b>	<b>Description</b>
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Wilful Defaulter or Fraudulent Borrower	Wilful defaulter or a fraudulent borrower as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Working Day	Any day, on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price Band; and (ii) Bid / Issue Period, “Working Day” shall mean any day, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and with reference to (iii) the time period between the Bid / Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI circular number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, including the UPI Circulars

#### **INDUSTRY RELATED TERMS**

<b>Term</b>	<b>Description</b>
HFIs	High-Frequency Indicators
GII	Global Innovation Index
GST	Goods and Services Tax
MoSPI	Ministry of Statistics & Programme Implementation
FPI	Foreign Portfolio Investment
CPI	Consumer Price Index
PM-DevINE	Prime Minister’s Development Initiative for North-East Region
AAY	Antodaya Ann Yojna
PMGKAY	Pradhan Mantri Garib Kalyan Ann Yojana
DPIIT	Department for Promotion of Industry and Internal Trade
SEBI	Securities and Exchange Board of India
AIFs	Alternative Investment Funds
CGSS	Credit Guarantee Scheme for Start-ups
TTDF	Telecom Technology Development Fund
ICAR	Indian Council of Agricultural Research
CAZRI	Central Arid Zone Research Institute
NABARD	National Bank for Agriculture and Rural Development
MFP	Mega Food Parks
DPA	Deendayal Port Authority
BOT	Build-Operate-Transfer
PPP	Public-Private Partnership
MoU	Memorandum of Understanding
RBI	Reserve Bank of India
AI	Artificial Intelligence
IISR	Indian Institute of Spices Research
FTAs	Free Trade Agreements
CEPA	Comprehensive Partnership Agreement
GDP	Gross Domestic Product
SPI	Strengthening of Pharmaceutical Industry
PLI	productivity linked incentive
BSNL	Bharat Sanchar Nigam Limited
ACC	Advanced chemistry cell
DoS	Department of Space
SDLs	State Development Loans
NARCL	National Asset Reconstruction Company Ltd
NaBFID	National Bank for Financing Infrastructure and Development
FICCI	Federation of Indian Chambers of Commerce and Industry
FDI	Foreign Direct Investment
ICEA	Indian Cellular and Electronics Association
ML	Machine Learning

<b>Term</b>	<b>Description</b>
APO	Automated Process Optimization
IBEF	India Brand Equity Foundation

## ABBREVIATIONS

<b>Term</b>	<b>Description</b>
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
Amt	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B. A	Bachelor of Arts
BBA	Bachelor of Business Administration
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BRLM	Book Running Lead Manager
BSE	BSE Limited
BSE SENSEX	Sensex in an index; market indicator of the position of stock that is listed in the BSE
Banking Regulation Act	The Banking Regulation Act, 1949
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
Category I Alternate Investment Fund / Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I Foreign Portfolio Investor(s) / Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II Alternate Investment Fund / Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category II Foreign Portfolio Investor(s) / Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III Alternate Investment Fund / Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CA	Chartered Accountant
CB	Controlling Branch
CDSL	Central Depository Services (India) Limited
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CSR	Corporate social responsibility.
CFA	Chartered Financial Analyst
CS & CO	Company Secretary & Compliance Officer

<b>Term</b>	<b>Description</b>
CFO	Chief Financial Officer
CENVAT	Central Value Added Tax
CIBIL	Credit Information Bureau (India) Limited
CST	Central Sales Tax
COVID – 19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CWA/ICWA/CMA	Cost and Works Accountant
CMD	Chairman and Managing Director
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification
Depository or Depositories	NSDL and CDSL.
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non-Resident Account
FIPB	Foreign Investment Promotion Board
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FCNR Account	Foreign Currency Non-Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations.
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FV	Face Value
GOI/Government	Government of India
GDP	Gross Domestic Product
GAAP	Generally Accepted Accounting Principles in India
GST	Goods and Service Tax
GVA	Gross Value Added
HNI	High Net Worth Individual
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICAI/ICMAI (Previously known as ICWAI)	The Institute of Cost Accountants of India
IMF	International Monetary Fund
INR / ₹/ Rupees/Rs.	Indian Rupees, the legal currency of the Republic of India
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards

<b>Term</b>	<b>Description</b>
i.e	That is
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
Ltd.	Limited
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, Government of India
MIDC	Maharashtra Industrial Development Corporation
MSEDCL	Maharashtra State Electricity Distribution Co. Ltd
MoF	Ministry of Finance, Government of India
M-o-M	Month-On-Month
MOU	Memorandum of Understanding
M. A	Master of Arts
M. B. A	Master of Business Administration
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
MRP	Maximum Retail Price
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MAPIN	Market Participants and Investors Database
MSMEs	Micro, Small and medium Enterprises
MoA	Memorandum of Association
NA	Not Applicable
Networth	The aggregate of paid-up Share Capital and Share Premium account and Reserves and Surplus (Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit & Loss Account
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NPV	Net Present Value
NRIs	Non-Resident Indians
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
RBI	The Reserve Bank of India
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth

<b>Term</b>	<b>Description</b>
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self-Certified Syndicate Banks
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended from time to time
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI (PFUTP) Regulations/PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations, as amended
SICA	Sick Industrial Companies (Special provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
SPV	Special Purpose Vehicle
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TAN	Tax Deduction Account Number
TDS	Tax Deducted at Source
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
US/United States	United States of America
UPI	Unified Payments Interface as a payment mechanism through National Payments Corporation of India with Application Supported by Block Amount for applications in public issues by retail individual investors through SCSBs
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds as defined under the SEBI AIF Regulations
VAT	Value Added Tax
w.e.f.	With effect from
WIP	Work in process
Wilful Defaulter	An entity or person categorized as a willful defaulter by any bank or financial institution or consortium thereof, in terms of regulation 2(1)(III) of the SEBI ICDR Regulations
YoY	Year over Year

## PRESENTATION OF FINANCIAL INDUSTRY AND MARKET DATA

### CERTAIN CONVENTIONS

All references in this Red Herring Prospectus to ‘India’ are to the Republic of India and its territories and possessions and all references herein to the ‘Government’, ‘Indian Government’, ‘GoI’, ‘Central Government’ or the ‘State Government’ are to the GoI, central or state, as applicable.

Unless otherwise specified, any time mentioned in this Red Herring Prospectus is in Indian Standard Time (“IST”).

Unless indicated otherwise, all references to a year in this Red Herring Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Red Herring Prospectus are to the page numbers of this Red Herring Prospectus. In this Red Herring Prospectus, our Company has presented numerical information in “lakhs” units. One lakh represents 1,00,000.

### FINANCIAL DATA

Unless stated otherwise, the financial statements in this Red Herring Prospectus are derived from our Restated Financial Statements. The Restated Financial Statements comprises of the restated statement of assets and liabilities for the period ended December 31, 2023 and for the financial years ended March 31, 2023, March 31, 2022, March 31, 2021 and the restated statement of profit and loss, the restated statement of cash flows and the restated statement of changes in equity for the period ended December 31, 2023 and for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 and the summary of significant accounting policies and explanatory notes, prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended; the SEBI ICDR Regulations, as amended and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time. For further information, see please refer section titled “*Restated Financial Statements*” beginning on page 200 of this Red Herring Prospectus.

In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12-month period ended on March 31 of that year. Unless stated otherwise, or the context requires otherwise, all references to a “year” in this Red Herring Prospectus are to a calendar year.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly, to what extent, the Restated Financial Statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices, the Companies Act, Ind AS, and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 28, 124 and 207 respectively, of this Red Herring Prospectus, and elsewhere in this Red Herring Prospectus have been calculated on the basis of the “*Restated Financial statements*” of our Company as beginning on page 200 of this Red Herring Prospectus.

### CURRENCY AND UNITS OF PRESENTATION

All references to “Rupees”, “Rs.” or “₹” are to Indian Rupees, the official currency of the Republic of India. All references to “US\$” or “US Dollars” or “USD” are to United States Dollars, the official currency of the United States of America, EUR or “€” are Euro currency.

All references to the word “Lakh” or “Lac”, means “One hundred thousand” and the word “Million” means “Ten Lakhs” and the word “Crore” means “Ten Million” and the word “Billion” means “One thousand Million”.

In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Restated Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

This Red Herring Prospectus may contain conversions of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI ICDR Regulations. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

## **DEFINITIONS**

For definitions, please refer the chapter titled “*Definitions and Abbreviations*” beginning on page 1 of this Red Herring Prospectus. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 280 of this Red Herring Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

## **INDUSTRY AND MARKET DATA**

Unless stated otherwise, the industry and market data and forecasts used throughout this Red Herring Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Further, the extent to which the industry and market data presented in this Red Herring Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

## FORWARD LOOKING STATEMENTS

All statements contained in this Red Herring Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Red Herring Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "may", "will", "will continue", "will pursue", "contemplate", "future", "goal", "propose", "will likely result", "will seek to" or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Our ability to successfully implement our growth strategy and expansion plans;
- Our ability to meet our further capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain personnel;
- Conflict of Interest with affiliated companies, the promoter group and other related parties;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in government policies and regulatory actions that apply to or affect our business;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The occurrence of natural disasters or calamities;
- Our inability to maintain or enhance our brand recognition;
- Inability to adequately protect our trademarks;
- Changes in consumer demand;
- Other factors beyond our control; and

- Our ability to manage risks that arise from these factors.

For further discussions of factors that could cause our actual results to differ, please refer the section titled “*Risk Factors*” and chapter titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 28, 124, and 207 of this Red Herring Prospectus, respectively.

By their nature, certain market risk disclosures are only estimating and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views as of the date of this Red Herring Prospectus and are not a guarantee of future performance.

Neither our Company, our Directors, our Promoters, the Book Running Lead Manager nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company will ensure that investors in India are informed of material developments from the date of this Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchange.

## SECTION II - SUMMARY OF OFFER DOCUMENT

The following is a general summary of certain disclosures included in this Red Herring Prospectus and is neither exhaustive, nor purports to contain a summary of all the disclosures in the Red Herring Prospectus or this Red Herring Prospectus or the Prospectus, when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Red Herring Prospectus, including "Risk Factors", "The Issue", "Capital Structure", "Objects of the Issue", "Industry Overview", "Our Business", "Our Promoters and Promoter Group", "Restated Financial Information", "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Outstanding Litigation and Material Developments", "Issue Procedure" and "Main Provisions of The Articles Of Association" on pages 28, 54, 70, 83, 107, 124, 191, 200, 207, 217, 256 and 280, respectively.

### SUMMARY OF OUR BUSINESS

We are engaged in the manufacturing of different types of Bricks, Castables, High Alumina Catalyst and Ceramic Balls which includes Pre Cast & Pre Fired Blocks ("PCPF"), Burner Blocks, Special shaped Refractory bricks, Dense & Insulating Castables & Mortars.

The tailored made products shaped by the Company finds its application in a diverse range of Industries, including Steel, Refineries, Fertilizers, Petrochemicals, Glass, Cement etc. The company's refractories are engineered to endure the harsh conditions of these industries, contributing to enhanced operational efficiency and extended equipment life, the tailored made finished goods provide diversity in the products being manufactured by our Company wherein modern manufacturing equipment are installed for scaling the manufacturing.

In addition to the manufacturing activity being carried out by the Company, Refractory Shapes is often involved in receiving orders for those items from clients which are not a part of Company's operations in manufacturing activities. These items include Metallic Anchors which are used as support for installing refractory castables for which Raw Materials such as tabular alumina, low alumina bricks and insulation bricks, etc are required, For such orders, our company procures these items from their approved vendors and sells to the clients, hence, our Company is also involved in trading of the aforesaid products.

Also, Company offloads the finished products from the manufacturing quantity with its vendors to meet the delivery period of the client.

For more details, please refer chapter titled "Our Business" beginning on page 124 of this Red Herring Prospectus.

### SUMMARY OF OUR INDUSTRY

We operate in the Refractory Industry for manufacturing different types of Bricks, Castables, High Alumina Catalyst and Ceramic Balls. Refractories refer to ceramic materials that are resistant to extremely high temperatures and endure physical wear and corrosion produced by chemical agents. Refractories are made from natural and artificial materials, mainly non-metallic or mixtures of compounds and minerals, Since they are more heat resistant than metals, they are used to line the hot surfaces found within many industrial processes, including the manufacturing of petrochemical goods and refining of gasoline.

For more details, please refer chapter titled "Industry Overview" beginning on page 107 of this Red Herring Prospectus.

### OUR PROMOTERS

The promoters of our company are Mr. Dayashankar Krishna Shetty, Ms. Pratibha Dayashankar Shetty, Ms. Prajna Shravan Shetty and Mr. Suraj Sadanand Shetty.

### SIZE OF ISSUE

The following table summarizes the details of the Issue. For further details, see "The Issue" and "Issue Structure" beginning on pages 54 and 252, respectively.

<b>Issue of Equity Shares</b>	Up to 60,00,000 Equity shares of ₹10/- each for cash at a price of ₹ [●] per Equity share (including a premium of [●] per Equity Share) aggregating to ₹ [●] Lakhs*
<b>Of which:</b>	

<b>Market Portion</b>	Up to 3,04,000 Equity shares of ₹10/- each for cash at a price of ₹ [●] per Equity shares aggregating to ₹ [●] Lakhs
<b>Net Issue</b>	Up to 56,96,000 Equity shares of ₹10/- each for cash at a price of ₹ [●] per Equity shares aggregating to ₹ [●] Lakhs

\*The Issue has been authorized by our Board pursuant to resolutions passed at its meetings held on March 23, 2024 and by our Shareholders pursuant to a special resolution passed at their meetings held on March 23, 2024.

The Issue and Net Issue shall constitute 27.52 % and 26.13 % of the post-Issue paid-up Equity Share capital of our Company.

### OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds for the following objects:

<b>Particulars</b>		<i>(₹ in Lakhs)</i>
<b>Sr. No.</b>	<b>Estimated Amount*</b>	
1.	Funding of Capital expenditure towards civil construction required for Expansion of existing manufacturing unit at the existing location situated at Wankaner, Gujarat;	429.78
2.	Funding of Capital expenditure towards purchase of Plant and Machineries for Expanding existing manufacturing unit at the existing location situated at Wankaner, Gujarat;	250.98
3.	Repayment/prepayment of all or certain of our borrowings availed of by our Company;	700.00
4.	Purchase of Commercial Vehicle;	11.00
5.	General Corporate Purpose <sup>#</sup>	[●]
<b>Total</b>		[●]

\*To be determined upon finalisation of the Issue Price and updated in the Prospectus prior to filing with the RoC.

<sup>#</sup>The amount to be utilised for general corporate purpose will not exceed 25% of the Gross Proceeds.

For further details, please refer to chapter titled “Objects of the Issue” beginning on page 83 of this Red Herring Prospectus.

### PRE-ISSUE AND POST-ISSUE SHAREHOLDING OF OUR PROMOTERS AND PROMOTER GROUP AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF THE COMPANY

Set forth is the Pre-Issue and Post-Issue shareholding of our Promoters and Promoter group as a percentage of the paid-up share capital of the Company:

<b>Category of Promoter</b>	<b>Pre-Issue</b>		<b>Post-Issue</b>	
	<b>No. of Shares</b>	<b>% of Pre-Issue Capital</b>	<b>No. of Shares</b>	<b>% of Post-Issue Capital</b>
<b>Promoters</b>				
Mr. Dayashankar Krishna Shetty	53,72,000	34.00%	53,72,000	24.64%
Ms. Pratibha Dayashankar Shetty	52,13,996	32.99%	52,13,996	23.92%
Ms. Prajna Shravan Shetty	52,13,996	32.99%	52,13,996	23.92%
Mr. Suraj Sadanand Shetty	2	Negligible	2	Negligible
<b>Total (A)</b>	<b>1,57,99,994</b>	<b>99.99%</b>	<b>1,57,99,994</b>	<b>72.48%</b>
<b>Promoter Group</b>				
Mr. Praday Dayashankar Shetty	2	Negligible	2	Negligible
Mr. Yogishwar Bola Krishna	2	Negligible	2	Negligible
Mr. Shravan Sadanand Shetty	2	Negligible	2	Negligible
<b>Total (B)</b>	<b>6</b>	Negligible	<b>6</b>	Negligible
<b>Total (A+B)</b>	<b>1,58,00,000</b>	<b>100.00%</b>	<b>1,58,00,000</b>	<b>72.48%</b>

### SUMMARY OF RESTATED FINANCIAL STATEMENTS

Particulars	As on December 31, 2023	For the year ended March 31		
		2023	2022	2021
Share Capital	1,580.00	10.00	10.00	10.00
Net worth <sup>#</sup>	396.58	1,668.64	1,476.90	1,189.86
Total Revenue <sup>\$</sup>	2,999.04	3,872.23	2,621.67	2,179.67
Profit after Tax	307.94	191.74	287.04	156.39
Earnings per share (Basic & diluted) (Post Bonus & Split) (₹) <sup>@</sup>	0.97	1.21	1.82	0.99
Net Asset Value per Equity Share (Post Bonus & Split) (₹)*	6.26	10.56	9.35	7.53
Total borrowings <sup>^</sup>	2,341.80	2,048.63	1,570.12	1,234.18

#Net Worth = Restated Equity Share Capital plus Restated Reserves & Surplus

\$Total Revenue = Restated Revenue from operations plus Restated Other Income

@ Earnings per share (Basic & diluted) = Restated profit after tax for the period divided by Restated number of Equity Shares outstanding during the period

\*Net Asset Value per Equity Share = Restated Net worth divided by Restated number of Equity Shares outstanding during the period

<sup>^</sup>Total Borrowings = Restated Long-Term Borrowings plus Restated Short Term Borrowings

**Notes:**

- (1) Pursuant to a resolution passed by our Board on December 15, 2023 and an ordinary resolution passed by the Shareholders on December 18, 2023, each Equity Shares of face value of ₹100/- each has been split into 10 Equity Shares of face value of ₹10/- each.
- (2) Our Board of Directors pursuant to a resolution dated December 16, 2023 and Shareholders pursuant to an ordinary resolution dated December 19, 2023, have approved the issuance of 1,57,00,000 bonus Equity Shares in the ratio of One Hundred Fifty Seven Equity Bonus Shares for every one existing fully paid-up Equity Share.

### QUALIFICATIONS OF AUDITORS

There are no qualifications included by the Statutory Auditors in their audit reports and hence no effect is required to be given in the Restated Financial Information.

### SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPMENTS

A summary of pending legal proceedings and other material litigations involving our Company, our Promoters, our Directors and our Group Companies as on the date of this Red Herring Prospectus is provided below:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs in Lakhs)
<b>Company</b>						
By the Company	NA	NA	NA	NA	NA	NA
Against the Company	NA	4	NA	NA	NA	15.01
<b>Directors</b>						
By our Directors	NA	NA	NA	NA	NA	NA
Against the Directors	NA	1	NA	NA	NA	0.65
<b>Promoters*</b>						
By Promoters	NA	NA	NA	NA	NA	NA
Against Promoters	NA	7	NA	NA	NA	5.47
<b>Subsidiaries</b>						

By Subsidiaries	NA	NA	NA	NA	NA	NA
Against Subsidiaries	NA	NA	NA	NA	NA	NA
<b>Group Companies</b>						
By Group Companies	NA	NA	NA	NA	NA	NA
Against Group Companies	NA	6	NA	NA	1	85.05

*\*One of our promoters is also the Managing Director on the Board and hence litigation against her have not been included in the Director's details to avoid repetition.*

#### **Brief details of top 5 Criminal Case against our Promoters:**

Sr. No.	Particulars	Litigation filed by	Current status	Amount involved
1	NA	NA	NA	NA

For further details, please refer chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 217 of this Red Herring Prospectus.

#### **RISK FACTORS**

For details relating to risk factors, please refer section titled “*Risk Factors*” beginning on page 28 of this Red Herring Prospectus.

#### **SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY**

The following is a summary table of our company's contingent liabilities as:

*(₹ in Lakhs)*

Particulars	As on December 31, 2023	As on March 31, 2023	As on March 31, 2022	As on March 31, 2021
<b>Contingent Liabilities</b>				
Bank Guarantee	122.32	187.51	235.18	102.80

For details, please refer to Section titled “*Restated Financial Statements*” beginning on page 200 of this Red Herring Prospectus.

#### **SUMMARY OF RELATED PARTY TRANSACTIONS**

As required under Accounting Standard 18 “*Related Party Disclosures*” as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18.

#### **Annexure-IX- Statement of Related Party Transactions:**

***List of Related Parties where Control exists and Relationships for the period ended December 31, 2023 and for the years ended March 31, 2023, 2022 and 2021:***

Name of the Related Party	Designation	Relationship
Mr. Dayashankar Krishna Shetty	Director	Key Management Personnel (KMP)
Ms. Pratibha Dayashankar Shetty	Director	
Ms. Prajna Shravan Shetty	Managing Director	
Mr. Suraj Sadanand Shetty	Director	
Mr. M Jothiprakash	Whole Time Director	
Mr. Ammar Huseni Rangwala	Chief Financial Officer	
Ms. Neelam Mandawat	Company Secretary and Compliance Officer	

Mr. Dayashankar Krishna Shetty	Director	Promoters & their relatives having control
Ms. Pratibha Dayashankar Shetty	Director	
Ms. Prajna Shravan Shetty	Managing Director	
Mr. Praday Dayashankar Shetty	Relative of Director	
Late Janani K. Shetty	Relative of Director	
Mr. B. Kishore Shetty	Relative of Director	
Mr. Yogishwar Bola Krishna	Relative of Director	
Ms. Vishalakshi Adyanthaya	Relative of Director	
Ms. Meenakshi D. Punja	Relative of Director	
Mr. Suresh Hegde Kandavar	Relative of Director	
Mr. Satish Hegde	Relative of Director	
Ms. Asha R. Shetty	Relative of Director	
Mr. Shravan Sadanand Shetty	Relative of Director	
Mr. Rishik Shetty	Relative of Director	
Ms. Rhea Shravan Shetty	Relative of Director	
Mr. Praday Dayashankar Shetty	Relative of Director	Relatives of Promoters who are under the employment of the Company
Windsor Refractories Limited		
Shape Refractory Private Limited*		
Excel Micron (Poona) Private Limited		Companies over which KMP's have significant influence or control
Asteri Exports		

\*As on the date of Red Herring Prospectus, Shape Refractory Private Limited is struck off from MCA Database.

(₹ in Lakhs)

Transactions during the year:	Relationship	For the Period / Year Ended on			
		December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Sales</b>					
Windsor Refractories Limited	Companies over which KMP's have significant influence or control	578.68	666.85	604.38	792.72
Excel Micron (Poona) Private Limited	Companies over which KMP's have significant influence or control	8.66	15.76	20.60	48.23
Asteri Exports	Other Entities over which KMP's have significant influence or control	-	-	-	32.06
<b>Purchases</b>					
Excel Micron (Poona) Private Limited	Companies over which KMP's have significant influence or control	45.72	203.93	5.72	27.80
<b>Director's Remuneration</b>					
Mr. Dayashankar Krishna Shetty	Director	27.00	19.00	36.00	36.00
Ms. Pratibha Dayashankar Shetty	Director	27.00	36.00	36.00	36.00
Ms. Prajna Shravan Shetty	Managing Director	13.50	18.00	18.00	18.00
Mr. Suraj Sadanand Shetty	Director	4.50	1.50	-	-
<b>Vehicle Hire Charges</b>					
Mr. Dayashankar Krishna Shetty	Director	4.05	6.00	6.00	6.00
<b>Professional Fees</b>					

Mr. Dayashankar Krishna Shetty	Director	-	17.00	-	-
<b>Salary Expenses</b>					
Mr. Praday Dayashankar Shetty	Relative of Director	13.50	18.00	18.00	18.00
<b>Loan Repaid</b>					
Windsor Refractories Limited	Companies over which KMP's have significant influence or control	61.40	-	-	-
Mr. Dayashankar Krishna Shetty	Director	38.60	-	126.86	-
Ms. Pratibha Dayashankar Shetty	Director	-	104.50	9.40	-
Ms. Prajna Shravan Shetty	Managing Director	-	78.76	-	-
<b>Loan Accepted</b>					
Windsor Refractories Limited	Companies over which KMP's have significant influence or control	61.40	-	-	-
Mr. Dayashankar Krishna Shetty	Director	-	-	-	475.51
Ms. Pratibha Dayashankar Shetty	Director	-	-	-	404.55
Ms. Prajna Shravan Shetty	Managing Director	-	-	136.26	-
<b>Loan Advanced</b>					
Shape Refractory Private Limited*	Companies over which KMP's have significant influence or control	-	-	122.16	65.55
<b>Trade Receivables</b>					
Windsor Refractories Limited	Companies over which KMP's have significant influence or control	72.49	8.44	133.52	378.01
Asteri Exports	Other Entities over which KMP's have significant influence or control	8.76	8.76	17.11	19.81
<b>Trade Payables</b>					
Excel Micron (Poona) Private Limited	Companies over which KMP's have significant influence or control	9.96	24.42	-	-

\*As on the date of Red Herring Prospectus, Shape Refractory Private Limited is struck off from MCA Database.

For details, please refer to chapter titled “*Restated Financial Statements*” beginning on page 200 of this Red Herring Prospectus.

## FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our Promoters, members of the Promoter group, our directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six (6) months immediately preceding the date of this Red Herring Prospectus.

## WEIGHTED AVERAGE PRICE OF EQUITY SHARES ACQUIRED BY OUR PROMOTERS

The weighted average cost of acquisition of Equity Shares by our Promoters in the last one (1) year preceding the date of this Red Herring Prospectus set forth in the table below:

Sr. No.	Name of Promoters	No of Equity Shares held	No of Equity Shares acquired in last one (1) year	Weighted Average cost of Acquisition (in ₹)*
1.	Mr. Dayashankar Krishna Shetty	53,72,000	54,95,000	NIL
2.	Ms. Pratibha Dayashankar Shetty	52,13,996	54,95,000	NIL

3.	Ms. Prajna Shravan Shetty	52,13,996	51,83,996	NIL
4.	Mr. Suraj Sadanand Shetty	2	2	10

*The weighted average cost of acquisition of Equity Shares by our Promoters have been calculated by taking into account the amount paid by them to acquire and Shares allotted to them divided by number of shares acquired in last one (1) year.*

*\*As certified by M/s Satisch Shetty & Company, Chartered Accountants, by way of their certificate dated April 27, 2024.*

#### **AVERAGE COST OF ACQUISITION OF PROMOTERS**

The average cost of acquisition of Equity Shares by our Promoters is set forth in the table below:

Sr. No.	Name of Promoters	No of Equity Shares held	Average cost of Acquisition (in ₹)*
1.	Mr. Dayashankar Krishna Shetty	53,72,000	Negligible
2.	Ms. Pratibha Dayashankar Shetty	52,13,996	0.19
3.	Ms. Prajna Shravan Shetty	52,13,996	NIL
4.	Mr. Suraj Sadanand Shetty	2	10

*The average cost of acquisition of Equity Shares by our Promoters have been calculated by taking into account the amount paid by them to acquire and Shares allotted to them as reduced by amount received on sell of shares i.e., net of sale consideration is divided by net quantity of shares acquired.*

*\*As certified by M/s Satisch Shetty & Company, Chartered Accountants, by way of their certificate dated April 27, 2024.*

#### **DETAILS OF PRE-IPO PLACEMENT**

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Red Herring Prospectus till the listing of the Equity Shares.

#### **ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE (1) YEAR**

Except for the Bonus Issue of 1,57,00,000 Equity Shares, our company has not issued Equity Shares for consideration other than cash in the one (1) year preceding the date of this Red Herring Prospectus.

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
December 20, 2023	1,57,00,000	10/-	-	Bonus Issue	Capitalization of Reserves & Surplus	Mr. Dayashankar Krishna Shetty	54,95,000
						Ms. Pratibha Dayashankar Shetty	54,95,000
						Ms. Prajna Shravan Shetty	47,10,000

#### **SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR**

Except as disclosed below, our company has not undertaken a split or consolidation of the Equity Shares in the one (1) year preceding the date of this Red Herring Prospectus.

Pursuant to an ordinary resolution passed by our Shareholders on December 18, 2023, each Equity Share of face value of ₹100/- each has been split into 10 Equity Shares of face value of ₹10/- each. Accordingly, authorized share capital of our Company was sub-divided from 10,000 equity shares of face value of ₹100/- each to 1,00,000 equity shares of face value of ₹10/- each and the issued, subscribed and paid-up capital of our Company was sub-divided from 10,000 equity shares of

face value of ₹100/- each to 1,00,000 equity shares of face value of ₹10/- each. For details, see “*Capital Structure*” on page 70 of this Red Herring Prospectus.

**EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

Our company has not applied or received any exemption from complying with any provisions of securities laws by SEBI.

### SECTION III – RISK FACTORS

An investment in Equity Shares involves a high degree of financial risk. Investors should carefully consider all information in this Red Herring Prospectus, including the risks described below, before making an investment in our Equity Shares. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could suffer, the price of the Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. Investors should consult their tax, financial and legal advisors about particular consequences to them of an investment in the Issue. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, such financial impact cannot be disclosed in such risk factors. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Any of the following risks, as well as the other risks and uncertainties discussed in this Red Herring Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment.

This Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus. See chapter titled “Forward Looking Statements” beginning on page 18 of this Red Herring Prospectus.

To obtain a better understanding of our business, you should read this chapter in conjunction with other chapters of this Red Herring Prospectus, including the chapters titled “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Industry Overview” and “Restated Financial Statements” on page 124, 207, 107 and 200 respectively of this Red Herring Prospectus, together with all other Restated Financial Statements contained in this Red Herring Prospectus. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus.

Unless otherwise stated, the financial data in this chapter is derived from our Restated Financial Statements for the Period ended December 31, 2023 and for the financial years ended March 31, 2023, 2022, and 2021 as included in “Restated Financial Statements” beginning on page 200 of this Red Herring Prospectus.

#### MATERIALITY

The Risk factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality.

- Some events may have material impact quantitatively;
- Some events may have material impact qualitatively instead of quantitatively.
- Some events may not be material individually but may be found material collectively.
- Some events may not be material at present but may be having material impact in future.

#### INTERNAL RISKS

1. *There are outstanding legal proceedings involving our Company, Promoters, Promoter Group, Directors and Group Companies. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.*

A summary of outstanding matters set out below includes details of civil and criminal proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation involving us, Directors, Promoter, Promoter Group and Group Companies, as at the date of this Red Herring Prospectus.

##### *Cases against our Company:*

<b>Nature of Cases</b>	<b>No of Outstanding Cases</b>	<b>Amount involved (In Lakhs)</b>
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	4	15.01
Other Litigation	--	--

**Cases against our Directors and Promoter:**

<b>Nature of Cases</b>	<b>No of Outstanding Cases</b>	<b>Amount involved (In Lakhs)</b>
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Other Litigation – Taxation	8	6.12
Other Litigation	--	--

**Cases against our Group Companies:**

<b>Nature of Cases</b>	<b>No of Outstanding Cases</b>	<b>Amount involved (In Lakhs)</b>
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Other Litigation – Taxation	6	85.05
Other Litigation	1	unascertained

The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities.

We cannot assure you that any of the outstanding litigation matters will be settled in our favour or that no additional liabilities will arise out of these proceedings. In addition to the above, we could also be adversely affected by complaints, claims or legal actions brought by persons, including before consumer forums or sector-specific or other regulatory authorities in the ordinary course of business or otherwise, in relation to our business operations, our intellectual property, our branding or marketing efforts or campaigns or our policies. We may also be subject to legal action by our employees and/or former employees in relation to alleged grievances, such as termination of employment. We cannot assure you that such complaints, claims or requests for information will not result in investigations, enquiries or legal actions by any regulatory authority or third persons against us.

For further details of certain material legal proceedings involving our Company, our Promoter, our directors, see “*Outstanding Litigations and Material Developments*” beginning on page 217 of this Red Herring Prospectus

**2. Our Company had negative cash flows in the past years, details of which are given below. Sustained negative cash flow could impact our growth and business.**

As per our Restated Financial Statements, our cash flows from operating, investing and financing activities are as set out below:

<b>Particulars</b>	<b>For the period ended as on December 31, 2023</b>	<b>(Rs. in Lakhs)</b>		
		<b>2023</b>	<b>2022</b>	<b>2021</b>
Net Cash Generated from Operating Activities	(210.64)	170.15	757.03	517.77
Net Cash Generated from Investing Activities	(113.48)	(676.11)	(1,181.06)	35.16
Net Cash Generated from Financing Activities	176.96	342.85	274.24	(536.07)

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources.

If our Company is not able to generate sufficient cash flows, it may adversely affect our business and financial operations.

For details, please see chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 207 of this Red Herring Prospectus.

**3. Our Company is an Approved Vendor having enlisted by Engineers India Limited (“EIL”). If, our Company does not receive the recognition then it may harm our Brand Value or Reputation and may adversely affect our Business, Results of Operations, Financial Condition and Cash Flows**

Our Company is an Approved Vendor having enlisted by Engineers India Limited (“EIL”). Engineers India Limited (EIL) being a Government of India Undertaking being one of the Engineering Procurement Companies (EPC) in India. To supply to any of the EIL projects, the company must be registered with EIL. EIL follows a very stringent approval process which takes minimum 6 months to 1 year or more for approval and the approval involves statutory, financial, legal, quality assurance compliance after which physical visit by the procurement team is done. The certificate is valid only for 2-3 years after which the same process is continued for revalidation. Hence, EIL certification is an assurance to the end users that the company or the manufacturer is adhering to the highest standards of manufacturing. Any complaints from the client for any EIL project is strictly taken up by EIL and that company is put into holiday list by EIL. If our Company does not receive the said recognition and the EIL does not provide us an approval as an Approved Vendor, then, it may harm our Brand or Reputation and may adversely affect our Business, Results of Operations, Financial Condition and Cash Flows.

**4. Any delays, interruptions or reduction in the supply of raw materials to manufacture our products and any abrupt fluctuations in the prices of our raw materials may adversely affect the pricing of our products and may have an impact on our Business, Results of Operation, Financial Condition and Cash Flows.**

Our Company is in the manufacturing of different types of Bricks, Castables, High Alumina Catalyst and Ceramic Balls and for the manufacturing of our Company’s product portfolio, the primary raw material required is ‘Alumina’. Our Company in its usual course of business meets its raw material requirement by way of procurement from local suppliers.

The manufacturing quantity and the pricing of our products is significantly dependent on our ability to source quality raw materials at acceptable prices and maintain a stable and sufficient supply of the same. As per the Restated Financial Statements, our cost of material consumed were ₹ 1903.24 Lakhs, ₹ 2,214.36 Lakhs, ₹ 1,028.92 Lakhs and ₹ 925.36 Lakhs constituting 73.26 %, 61.11 %, 45.06 % and 47.02 % of our total expenses for the period ended December 31, 2023 and for Fiscals 2023, 2022 and 2021 respectively. The Raw Material we source is subject to price volatility and unavailability caused by factors beyond the control of our Company such as, weather conditions, supply and demand dynamics, logistics, our bargaining power with the suppliers, inflation and governmental regulations and policies.

Our Company has a dedicated raw material procurement team however, if our Company is unable to effectively manage these costs or unable to increase the prices of our products to offset such increased costs, our margins, cash flows and overall profitability may be adversely affected. Our business is also dependent on the suppliers of our Raw Materials who are local suppliers situated near our Gujarat Facility or third party suppliers locally available.

**5. Our Company sells its products for specific use by certain Industries. Any reduction in the demand or requirement of our products in such Industries may result in loss of Business and may affect our Financial Performance and Financial Condition.**

We have set-out below the industries where our products are used in various industries and the revenues generated from them:

Revenue from Operations (Rs. In Lakhs)	2,942.15		3,796.92		2,550.32		2,088.90	
Industry / Sector	31-Dec-23		FY 2022-23		FY 2021-22		FY 2020-21	
	Rs. In lakhs	%						
STEEL	712.16	24.2 2	1,595.8 2	42.0 3	1,076.9 1	42.2 3	979.02	46.8 6
REFINERY / PETROCHEMICALS	240.75	8.18	444.81	11.7 2	240.80	9.44	158.23	7.57
FERTILIZER	32.03	1.08	20.95	0.55	15.80	0.62	2.59	0.12
OTHERS	1,957.2 1	66.5 2	1,735.3 4	45.7 0	1,216.8 1	47.7 1	949.06	45.4 5

<b>TOTAL</b>	<b>2,942.1</b>	<b>5</b>	<b>100</b>	<b>3,796.9</b>	<b>2</b>	<b>100</b>	<b>2,550.3</b>	<b>2</b>	<b>100</b>	<b>2,088.9</b>	<b>0</b>	<b>100</b>
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\*As certified by M/s Satisch Shetty & Company, Chartered Accountants, by way of their certificate dated April 11, 2024 as per the audited financial statements for the period ended December 31, 2023 and financial years ended March 31, 2023, 2022 and 2021.

As stated above, our Company supplies its products to customers operating in Steel Industry, Refineries Petrochemicals, Fertilizers and other companies using OIL & GAS Fired Kilns. These customers use our products for their applications or processes or for manufacturing their own end use products in the relevant Industry in which they conduct their Business. Any reduction or fall in the demand of products or services of our Customers operating in the relevant Application Industries may ultimately have an impact on our Business, Profitability and Financials. If the end-user demand is low for our Customer's products, there may be significant changes in the orders from our Customers or we may experience greater pricing pressures. Therefore, risks that could harm the Customers of our industry could, as a result, adversely affect us as well. Our success is therefore dependent on the success achieved by our Customers in developing and marketing their products.

In the event our Customer's experience a reduced demand for their products, the same may affect our sales to such Customers or operating margins and both of these combined may gradually result in loss of Customers including our Customers. Additionally, Industry-wide competition for market share of various products can result in aggressive pricing practices by our Customer's and therefore our Customers may also choose to import some of these products which may provide them better cost benefits as compared to us or source the products from our Competitors. This price-pressure from our Customer's may adversely affect the prices of the products which we supply, which may lead to Reduced Revenues, Lower Profit Margins or Loss of Market Share, any of which would have a material adverse effect on our Business, Results of Operations and Financial Condition. We cannot assure you that our other Customers would take similar actions such as cease to have Operations in India which may affect our Business.

**6. Any slowdown or shutdown of our Manufacturing operations at our Manufacturing Facilities could have an adverse effect on our Business, Financial Condition and Results of Operations.**

We operate from two Manufacturing Facilities situated in Pune and Wankaner, Morbi District, in the state of Maharashtra and Gujarat respectively. Our Business is dependent upon our ability to effectively manage our Manufacturing Facilities, which are subject to various operating risks, including those beyond our control, such as the breakdown, failure of equipment or industrial accidents, severe weather conditions, fire, power interruptions and natural disasters.

However, our Company maintains comprehensive Insurance coverage to mitigate the risk arising out of such event. While there have been no such instances in the period ended December 31, 2023 and Fiscals 2023, 2022 and 2021, any significant malfunction or breakdown of our machinery, our equipment, our automation systems or any other part of our manufacturing processes or systems may entail significant repair and maintenance costs and cause delays in our operations. If we are unable to repair or properly maintain manufacturing assets in a timely manner or at all, our operations may need to be suspended until we repair or replace them and there can be no assurance that the new manufacturing assets will be repaired, procured or integrated in a timely manner. In addition, we may be required to carry out planned shutdowns of our Manufacturing Facilities for maintenance, statutory inspections, customer audits and testing if so, demanded by our Customers, or we may shut down one or more of our Manufacturing Facilities for capacity expansion and equipment upgrades.

In particular, outbreak of a pandemic or any materially adverse social, political or economic development, civil disruptions, or changes in the policies of the national, state or local Governments in any of the jurisdictions where our Manufacturing Facilities are situated, could adversely affect our operations. In addition, we may also face protests from localities at our Manufacturing Facilities which may delay or halt our operations. We have not experienced any significant disruptions at our Manufacturing Facilities in the period ended December 31, 2023 and Fiscals 2023, 2022 and 2021, we cannot assure you that there will not be any disruptions in our operations in the future. Our repairs and maintenance expenses were ₹ 7.88 Lakhs, ₹ 37.45 Lakhs, ₹ 84.50 Lakhs, ₹ 25.90 Lakhs constituting 0.26 %, 0.99 %, 3.31 % and 1.24 % of our Revenue from Operations for the period ended December 31, 2023 and for Fiscals 2023, 2022 and 2021 respectively as per our Restated Financial Statements. Any inability to utilise our Manufacturing Facilities, to their full or optimal capacity, non-utilisation of such capacity may adversely affect our Results of Operations and Financial Condition.

**7. Overcapacity and Oversupply in the Global Refractory Industry may adversely affect the Company's Profitability.**

In recent years, driven in part by strong growth in Refractories consumption in emerging markets, the global Refractories industry has experienced an expansion of Refractories production capacity. The growth of the refractories market is attributed to the growing iron & steel, glass, non-ferrous Industries. The increased production capacity, combined with a decrease in demand could result in production overcapacity in the Global Refractories Industry. Such production

overcapacity in the Global Refractories Industry would intensify if the slowdown of the Global Economy is prolonged or demand from Developing Countries that have experienced significant growth in the past several years does not meet the growth in production capacity. Any production overcapacity and oversupply in the refractories industry would likely cause increased competition in refractories markets around the world which would likely lead to reduced profit margins for refractories manufacturers, and also would likely have a negative effect on the Company's ability to increase refractories production in general. No assurance can be given that the Company will be able to continue to compete in such an economic environment or that a prolonged slowdown of the global economy or production overcapacity will not have a material adverse effect on the Company's Business, Results of Operations, Financial Condition or Prospects.

**8. *The Restated Financial Statements have been provided by Peer Reviewed Chartered Accountants who is not Statutory Auditor of our Company.***

The Restated Financial Information of our Company as disclosed in section titled “*Restated Financial statements*” beginning on Page no. 200 of this Red Herring Prospectus for the period ended December 31, 2023 and financial year ended on March 31, 2023, March 31, 2022 and March 31, 2021 are provided by Peer Reviewed Chartered Accountants i.e., M/s. Vinay Bhushan & Associates, Chartered Accountants (having Peer Review Registration No. 015503) who is not the Statutory Auditor of our Company.

**9. *Our Company in the usual course of Business does not have any long term contracts with its Customers and we rely on purchase orders for delivery of our products and our Customers may cancel or modify their orders, change quantities, delay or change their sourcing strategy. Loss of one or more of our top Customers or a reduction in their demand for our products or reduction in revenue derived from them may adversely affect our Business, Results of Operations and Financial Condition.***

Our Company has in the past received repeat orders from our Customers and they continue to engage us, however we do not enter into long-term purchase contracts with our Customers and we rely on purchase orders which govern the volume and other terms of our sale of products to them. Many of the purchase orders we receive from our Customers specify pricing terms and the delivery schedule. Absence of any long term contracts or contractual exclusivity with respect to our Business Arrangements with such Customers poses a challenge on our ability to continue to supply our products to these Customers in future. Moreover, we depend on a limited number of Customers, which exposes us to a risk of Customer concentration. The details of contribution by our top 10 customers to our Gross Revenue from Operations as per the Audited Financial Statements is set out below:

<b>Product</b>	<b>Period ended December 31, 2023</b>		<b>Fiscal 2023</b>		<b>Fiscal 2022</b>		<b>Fiscal 2021</b>	
	<b>Rs. In Lakhs</b>	<b>% of Gross Revenue from Operations</b>	<b>Rs. In Lakhs</b>	<b>% of Gross Revenue from Operations</b>	<b>Rs. In Lakhs</b>	<b>% of Gross Revenue from Operations</b>	<b>Rs. In Lakhs</b>	<b>% of Gross Revenue from Operations</b>
<b>Top 10 Customers*</b>	2,508.28	85.25	2,139.54	56.35	1,545.07	60.59	1,147.76	54.95

\*The above figures are provided on the basis of Audited Financial Statements for the stub period ended December 31, 2023 and Financial year ended March 31, 2023, March 31, 2022 and March 31, 2021.

We may possibly experience issues executing a purchase order from a Customer in accordance with the requirements of them on a timely basis. Additionally, our Customers have certain specific requirements for product quality as well as delivery schedules and any failure to meet our Customers' expectations and specifications could result in cancellation of orders or the risk of the Customer not placing any subsequent orders or might place orders for lesser quantity. There are also a number of factors, other than our performance, that could cause the loss of a customer such as, (a) increase in prices of raw materials and other input costs resulting in an increase in the price of our products; (b) changes in customer requirements and preferences; (c) changes in Governmental or Regulatory Policies and (d) slowdown in the Customer's Industry due to any reasons. Any of these factors may have an adverse effect on our Business, Results of Operations and Financial Condition. Due to the possibility of orders not being placed, cancellations or changes in scope and schedule of orders, which is typically at the discretion of our Customers, or problems we encounter in order of execution or reasons outside our control or the control of our Customers, we cannot predict with certainty when, if or to what extent an order will be performed or that purchase orders will be, in one period as consistently as they have been in prior periods. Any delay, reduction in scope, cancellation, execution difficulty, payment postponement or payment default in regard to any other uncompleted orders, or disputes with customers in respect of any of the foregoing, could materially affect our Cash Flow Position, Revenues and Earnings.

**10. We are unable to trace few of our historical records, Also, in the past, there have been some instances of delays/ non-filing/ non-compliance with certain statutory authorities, In the event we are found not to be in compliance with any applicable regulations in relation to the regulatory filings or corporate actions, we may be subject to regulatory actions or penalties for any such possible non-compliance/ non-filing/ delay and our business, financial condition and reputation may be adversely affected.**

We have been unable to locate copies of certain of our corporate records and physical forms filed with the RoC. Following are the forms which are untraceable:

- i. Incorporation forms
- ii. Director's appointment/resignation related forms on or before 2006,
- iii. Charge form 8 created on or before 2006
- iv. Form 18 for notice of change in situation of registered office
- v. Transfer related forms executed by the Transferor and Transferee with the Company on or before 2006
- vi. Annual Return forms before 2006
- vii. Form – 2 Allotment forms on or before 2006

While we believe that these documents were duly filed on a timely basis, we have not been able to obtain copies of these documents from the RoC or otherwise. The relevant documents are also not available at the office of the RoC as certified by Neelakshee – Company Secretary in Practice, vide his search report dated February 05, 2024. We cannot assure you that the relevant corporate records will become available in the future or that regulatory proceedings or actions will not be initiated against us in the future and we will not be subject to any penalty imposed by the competent regulatory authority in this respect. Further we cannot assure you that we will not be subject to any legal proceedings or regulatory actions, including monetary penalties by statutory authorities on account of any inadvertent discrepancies in our secretarial filings and/or corporate records in the future, which may adversely affect our business, financial condition and reputation.

Further, in the past, there have been some instances of delays/ non-filing/ non-compliance with certain statutory authorities with certain provision of statutory regulations applicable to us such as:

- Delay in filing of Annual Returns for the Financial Years 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14.
- Delay in filing of Financial Statements for the Financial Years 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 2019-20, 2020-21, 2021-22.
- Delay in filing of Compliance Certificate, Form 66 for the Financial Years 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 2019-20, 2020-21, 2021-22.
- Delay in filing of Form AOC-4 CFS for the Financial Year 2020-21, 2021-22.
- Delay in filing form DIR-12 for Change in designation of Prajna Shravan Shetty a Executive Director of the Company and for Change in designation of Majur Jothiprakash, Suraj Sadanand Shetty and Ammar Huseni Rangwala as executive director.
- Delay in filing of Form 23B for Financial Years 2011-12, 2012-13.
- Delay in filing form ADT-1 for Appointment of auditor of the company for 2 Financial Years from FY 01/04/2014 to 31/03/2016, for 5 FY from 01/04/2016 to 31/03/2021 and for FY 01/04/2021 to 31/03/2026.
- Delay in filing form 62 for Compliance certificate filed for the FY 2004-05.
- Delay in filing form 18 for Change in registered office address within the same city, town from "Rustom Building, 3<sup>rd</sup> floor, Room No. 4, 29 Veer Nariman Road, Fort, Mumbai-400023" To "406, So-Lucky Corner, 4th Floor, Opp Holy Family Chowk, Andheri Kurla Road, Chakala, Andheri(East), Mumbai – 400099, Maharashtra, India.
- Delay in filing four form 8 for Modification of charge having charge ID 10234226, Creation of Charge having Charge ID 100527073.
- Delay in filing the Form DPT-3 for the Financial Years 2020-21, 2021-22, 2022-23.

**11. We have not yet placed orders in relation to the funding Capital expenditure through civil work required for Expanding a manufacturing unit at the existing location situated at Wankaner, Gujarat which is proposed to be financed from the Issue proceeds of the IPO. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the equipment in a timely manner, or at all, may result in time and cost over-runs and our business, prospects and results of operations may be adversely affected. Our proposed capacity expansion plans are subject to the risk of unanticipated delays in implementation due to factors including delays in construction, obtaining regulatory approvals in timely manner and cost overruns.**

We intend to use a part of the Net Proceeds for Funding Capital expenditure through civil work required for Expanding the existing manufacturing unit at the existing location situated at Wankaner, Gujarat.

Total estimated cost as per certificate dated March 21, 2024 issued by the Chartered Engineer in respect of Funding Capital Expenditure towards construction of factory unit at our existing manufacturing facility is ₹ 429.78 lakhs. We are yet to place orders for the capital expenditure for the Proposed Project. We have not entered into any definitive agreements to utilize the Net Proceeds for this object of the Issue. Additionally, in the event of any delay in placement of such orders, the proposed schedule of implementation and deployment of the Net Proceeds may be extended or may vary accordingly. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such quotations or that there will not be cost escalations.

Our Proposed Project may be subject to potential problems and uncertainties that construction projects face including cost overruns or delays. Problems that could adversely affect our expansion plans include labour shortages, increased costs of equipment or manpower, inadequate performance of the equipment and machinery installed in our manufacturing facilities, delays in completion, defects in design or construction, the possibility of unanticipated future regulatory restrictions, delays in receiving governmental, statutory, environmental and other regulatory approvals, incremental pre-operating expenses, taxes and duties, interest and finance charges, environment and ecology costs and other external factors which may not be within the control of our management. Further, there can be no assurance that our budgeted costs may be sufficient to meet our proposed capital expenditure requirements. If our actual capital expenditures significantly exceed our budgets, or even if our budgets were sufficient to cover these projects, we may not be able to achieve the intended economic benefits of these projects, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects.

The Proposed Project will require us to obtain approval, which are routine in nature. For further details, see “Objects of the Issue” on page 83. In addition to such pending approval. There can be no assurance that we will be able to complete the aforementioned expansion and additions in accordance with the proposed schedule of implementation and any delay could have an adverse impact on our growth, prospects, cash flows and financial condition.

**12. *We intend to utilise a portion of the Net Proceeds for funding our Capital Expenditure for purchase of certain Machineries. We are yet to place orders for such Capital Expenditure Machinery.***

We intend to use a part of the Net Proceeds towards purchase of certain machineries for expansion at our manufacturing facility at Wankaner, Gujarat. While we have obtained quotations from different vendors in relation to the Plant and Machineries required for funding such capital expenditure, we are yet to place orders for such machinery and equipment. Our Company intends to utilise ₹ 250.98 Lakhs from the Net Proceeds to purchase machineries. There can be no assurance that we will be able to place orders for such machinery and equipment in a timely manner or at all. Further, in the event of any delay in placement of such orders, the proposed schedule of implementation and deployment of the Net Proceeds may be extended or may vary accordingly.

**13. *We intend to utilise a portion of the Net Proceeds for Purchase of Commercial Vehicle. We are yet to place orders for such Purchase.***

We intend to use a part of the Net Proceeds towards purchase of Commercial Vehicle. This vehicle will be used to supply full load truck consignment of our goods to customers and further reduce dependency on third party logistic companies, While, we have obtained quotations from various suppliers for such vehicles and is yet to place any orders or enter into definitive agreements for purchase of such vehicles. Our Company intends to utilise ₹ 11.00 Lakhs from the Net Proceeds to purchase these vehicles. There can be no assurance that we will be able to place orders for such machinery and equipment in a timely manner or at all. Further, in the event of any delay in placement of such orders, the proposed schedule of implementation and deployment of the Net Proceeds may be extended or may vary accordingly.

**14. *We do not have long-term Agreements/Contracts with suppliers for our raw materials and an increase in the cost of, or a shortfall in the availability or quality of such raw materials could have an adverse effect on our Business, Financial Condition and Results of Operations.***

Our Business is significantly affected by the availability, cost and quality of the raw materials and components with which we need to develop our products. Our principal raw materials include a Tabular Alumina, Clay, Different grades of Aggregates and cement for manufacturing the final product. We usually do not enter into long-term supply contracts with any of our raw material suppliers. The prices and supply of our raw materials depend on factors beyond our control, including General Economic Conditions, competition, production levels, transportation costs and duties. If, for any reason, our suppliers of raw materials curtail or discontinue their delivery of such materials to us in the quantities we need or at prices that are competitive or expected by us, our ability to meet the requirements of our customers could be impaired and our Earnings and Business could suffer. Further, we may not be able to pass on any increase in the cost of manufacturing our products to our Customers, which may adversely affect our Results of Operations.

If we are unable to source our raw material from key suppliers in a timely manner, our production processes and results of operations may be adversely impacted. There can be no assurance that we would be able to source required quantities or qualities of raw material in a cost-effective manner in future periods. In addition, we usually do not enter into long-term supply contracts with any of our raw material suppliers and typically source raw materials from traders and stockiest on the spot basis. The absence of long-term contracts at fixed prices exposes us to volatility in the prices of raw material that we require and we may be unable to pass these costs onto our Customers, which may reduce our Profit Margins.

We face a risk that one or more of our existing suppliers may discontinue their supplies to us, and any inability on our part to procure raw materials from alternate suppliers in a timely fashion, or on commercially acceptable terms, may adversely affect our Business, Financial Condition and Results of Operations.

**15. *We generate our major portion of sales from our operations in certain geographical domestic region. Any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.***

Our Company has only one business division of sales i.e. domestic sales. Our company has PAN India presence. However, We have a wide customer base in major states of Maharashtra and Gujarat.

Such geographical concentration of our business in these regions heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations. Our inability to expand into other countries may adversely affect our business prospects, financial conditions and results of operations. We may not be able to leverage our experience in such regions to expand our operations in other parts of India or internationally, due to factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand our operations may differ from those in such regions, and our experience in these regions may not be applicable to other markets. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, have stronger relationships with local dealers, relevant government authorities, suppliers or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into areas outside such markets may adversely affect our business prospects, financial conditions and results of operations. While our management has faith that the Company has requisite expertise and vision to grow and mark its presence in other markets going forward, investors should consider our business and prospects in light of the risks, losses and challenges that we may face and should not rely on our results of operations for any prior periods as an indication of our future performance. To the extent that we are unable to effectively manage our global operations and risks such as the above (in particular, as we implement our strategy to enter into new markets where we do not have local knowledge resources), we may be unable to grow or maintain our sales and profitability, or we may be subject to additional unanticipated costs or legal or regulatory action. As a consequence, our business, financial condition, results of operations and cash flows may be adversely affected.

**16. *Pressure from Customers with regards to pricing may affect our Gross Margins, Profitability and ability to Increase our Prices.***

Our Customers negotiate for larger discounts in price of our products as the volume of their orders increase. Pursuing cost-cutting measures while maintaining rigorous quality standards may lead to an erosion of our margins, which may have a material adverse effect on our Business, Results of Operations and Financial Condition.

In addition, estimating amounts of such price reductions is subject to risk and uncertainties, as any price reduction is the result of negotiations and other factors. Accordingly, suppliers must be able to reduce their operating costs in order to maintain Profitability. Such price reductions may affect our Sales and Profit Margins. If we are unable to offset Customer price reductions in the future through improved operating efficiencies, new manufacturing processes, sourcing alternatives and other cost reduction initiatives, our Business, Results of Operations and Financial Condition may be materially adversely affected.

Additionally, our Business is engaged in bulk manufacturing of products, with high-cost capital expenditure involved in the Business. Therefore, our Profitability is dependent, on our ability to recover the fixed costs over higher sales volume. If we are unable to generate sufficient production cost savings in the future to offset price reductions or if there is any reduction in demand for our products, which will result in decreased sales, our Gross Margin and Profitability may be materially adversely affected.

**17. *Our ability to anticipate changes in Customer Preferences, and Industry trends to meet customers' demands and any variations in the Government Regulations/policies or Technology Upgradation is a significant factor to remain competitive, any failure to identify and understand the trends may materially adversely affect our Business.***

Changes in Customer Preferences, Regulatory or Industry requirements, variation in any of the Government policies or Competitive Technologies may render certain of our products obsolete. Since our Business is Customer centric, our ability to anticipate changes in Technology and Regulatory standards and to successfully introduce new and enhanced products on a timely basis is a significant factor to remain competitive. If we are unable to obtain such knowledge in a timely manner, or at all, we may be unable to effectively implement our strategies, and our Business and our Results of Operations may be adversely affected. We are also subject to the risks generally associated with new products and applications, including lack of market acceptance and failure of products to operate properly. Customer preferences in the markets we operate are difficult to predict and changes in those preferences or the introduction of new products by our Competitors could put our products at a Competitive disadvantage. To compete effectively in the Industry, we must be able to produce new products to meet our Customers' demands in a timely manner. Our failure to successfully produce new products could materially and adversely affect our Results of Operations.

**18. *One of our Group Company is in the same line of business and consequently the interest of this Company may be in conflict with the interest of our Company.***

One of our Group Company viz Excel Micron (Poona) Private Limited is in the same line of business products in which our Company operates. It is engaged in the manufacturing of Refractory Product like High Alumina Balls mainly required by Refineries, Fertilizer Companies and Steel Industries. Our Group Company and our Company operates in the same line of Refractory Industry but manufactures different Refractory Products. This may lead to potential conflict of interest between us and this entity. There can be no assurance that our Group Company will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our Reputation, Business, Results of Operations and Financial Condition of the Company.

**19. *We are dependent on third-party transportation providers for the supply of raw materials and delivery of our finished products.***

Our Manufacturing Facilities are strategically located which in turn makes it possible for us to procure raw material in an effective and timely manner. We arrange transportation on lowest price and availability basis. However, despite being strategically located, our Company is dependent upon third party service providers for the transport of the raw materials and finished products. As a manufacturing business, our success depends on the uninterrupted supply and transportation of raw materials required for our Manufacturing Facilities. We may or may not undertake the responsibility of delivery of raw materials or final products to or from our Manufacturing Facilities or to our Customers. We rely on third-party logistic service providers and freight forwarders for the purpose of the same. Factors such as transportation strikes could adversely impact the supply of raw materials and the delivery of our products. In the past three Fiscals and in the stub period ended December 31, 2023, we have not experienced any material disruption in transportation services. Past increases in transportation costs have been negotiated with the relevant third party and benchmarked with market prices. However, any such reductions or interruptions in the supply of the raw materials we source from third parties, including abrupt increases in the transportation or fuel costs, inability on our part to find alternate sources for the procurement of such raw materials and termination in arrangements with our local transport agencies, if any could adversely affect our Business, Results of Operations and Financial Condition and may have an adverse effect on our ability to manufacture or deliver our products in a timely or cost effective manner.

**20. *Any inability to protect our Intellectual Property or any claims that we infringe on the Intellectual Property Rights of others could have a material adverse effect on us.***

The measures we take to protect our Intellectual Property including initiating legal proceedings, may not be adequate. Further, we may not be able to prevent infringement of our trademarks and a passing off action may not provide sufficient protection until such time that the aforesaid registration is granted.

Our Brand Name or Trademark “**REFRAPURE**” is a Registered Trademark under Class 1 registered under the Registrar of Trademarks. We do not have any control over third party using our brand name/trademark for their products. Any misuse of our brand name and such actions are not within our control and can severely impact Business and may result in requirement to undertake rebranding exercises, all of which may result in additional costs for us and could also impact our Reputation. We routinely monitor third party trademarks, including domain names, by keeping a check on the use of our trademarks. However, it is possible that we are not aware of misuse of our trademarks and this could potentially cause loss of our Reputation, which could impact our Business and may even affect our Goodwill. The use of a deceptively similar or identical third-party mark may result in a loss or injury to us. Such an action may also become a lengthy and costly exercise for us and may not always be in our favour.

While we take care to ensure that we comply with the Intellectual Property Rights of others, we cannot determine with certainty whether we are infringing any existing third-party Intellectual Property Rights which may force us to alter our brand names. We may also be susceptible to claims from third parties asserting infringement and other related claims. If similar claims are raised in the future, these claims could result in costly litigations, divert management's attention and resources, subject us to significant liabilities and require us to enter into potentially expensive royalty or licensing agreements or to cease usage of certain brand names. Furthermore, necessary licenses may not be available to us on satisfactory terms, if at all. Any of the foregoing could have an adverse effect on our Reputation, Business, Financial Condition, Cash Flows and Results of Operations.



**21. Our Company logo “ **

Our Company has made an application for registration with the Registrar of Copyright for registration of logo “ <img alt="Red square logo with a white stylized 'S' inside." data-bbox='237 189 312 236"/> ”. If we are unable to register the Intellectual Property in the future in our name or any objection on the same may require us to change our logo, we may lose the goodwill created so far. Further, the same may involve costly litigations and penal provisions if some legal consequences arise if someone from outside use logo of the Company. We believe that our future growth and competitiveness would depend on our ability to establish and strengthen our Brand. We cannot guarantee that we will be able to make a lasting brand image with our clients and other people in the absence of a logo. Although, we believe that our present systems are adequate to protect our confidential information and intellectual property, there can be no assurance that our intellectual property data, will not be copied, infringed or obtained by third parties. Further, our efforts to protect our intellectual property may not be adequate and may lead to erosion of our Business Values and our Operations could be adversely affected. This may lead to litigations and any such litigations could be time consuming and costly and their outcome cannot be guaranteed. Our Company may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property, which may adversely affect our Business, Financial Condition and Results of Operations.

**22. Our Registered Office and Manufacturing unit I is not owned by us. In the event we lose such rights, our Business, Financial Condition and Results of Operations and Cash Flows could be adversely affected.**

Our Registered Office situated at B 201, Rustomjee Central Park Chakala, Andheri-Kurla Road, Andheri (East), Mumbai-400069, Maharashtra is not owned by us and is taken on rent pursuant to rent agreement dated January 18, 2024, entered between Windsor Refractories Limited and Company and also Windsor Refractories Limited has given us a no objection certificate for the same to use the premises as registered office of the company. One of our Manufacturing Unit I Situated at Survey-7, Survey-28, Survey-8 and Survey-30, S-Block, Pimpri Industrial Area, MIDC, At Village Bhosari, Taluka Haveli, Pune- 411026 is also not owned by us. These properties belong to Maharashtra Industrial Development Corporation (MIDC) and were originally taken by some other parties on Lease basis pursuant to the Lease Deed dated October 16, 1980, September 15, 1975 and July 22, 1981 respectively entered into between MIDC and Respective Lessee and subsequently these properties were transferred to our company pursuant to Deed of Assignment of Lease Agreement dated June 19, 1996, March 25, 2019 and May 06, 2002 respectively. For further details, see section “Our Business” beginning on page 124 of this Red Herring Prospectus. If we are required to vacate the current premises’, we would be required to make alternative arrangements for new offices and other infrastructure, and we cannot assure that the new arrangements will be on commercially acceptable/favourable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

**23. Our company has an in-house testing laboratory in accordance with ISO/IEC 17025:2017 to conduct raw material and final product sample testing. If we fail to test the quality of raw material and final product as required, our business, financial condition, cash flows and operations will be adversely affected.**

Our company has an in-house testing laboratory in accordance with ISO/IEC 17025:2017 to conduct raw material and final product sample testing. After receipt of raw material like Tabular Alumina, Clay, Different grades of Aggregates and cement at our premises, strict inspection is carried out for the lot received. The type of raw materials to be procured is identified by the Quality Control (“QC”). Thereafter different vendors are contacted for the materials. A trial sample is requested by the vendor and tested by the QC to check if the properties match the requirement, Thereafter, a visit to the vendor is scheduled

to check his manufacturing facility and financial capabilities to meet the supply demand. After physical survey, points are allotted to the vendor on various parameters and if they are passing the survey, the vendor is enlisted into the company. the procurement requirement is given through email for quotation & delivery period, Once the quotation is finalized, purchase order is issued. If for any reason, the supplier denies to register the complaint and do not take any actions on it to replace the defect in material, this will hamper and delay our production and the quality of the product and our revenue and results of operations may be adversely affected.

We cannot assure that our laboratory will be in accordance with ISO/IEC 17025:2017 in future due to any unavoidable reasons thereof due to which production of our product will be hampered and delay and thus our revenue and results of operations may be adversely affected. We also cannot assure that we will be able to test and check the quality of raw material and final product in an efficient manner on a continuous basis in future, if we fail to test the same, our revenue and results of operations may be adversely affected.

**24. *We have entered into and may enter into related party transactions in the future also.***

Our Company in the past has entered into Related Party Transactions and may continue to do so in future also, which may affect our competitive edge. Our Company had entered into various transactions with our Promoter, Promoter Group, Directors and their Relatives and Group Companies & entities. These transactions, inter-alia includes Sales, Purchases, vehicle hire charges, professional fees, Remuneration, Loans etc. The Percentage of total related party transaction to total revenue is 32.52 %, 31.68 %, 49.21 % and 108.19 % for the period ended December 31, 2023 and for the year ended on March 31, 2023, 2022 and 2021 respectively, and Our Company entered into such transactions at arm length price due to easy proximity and quick execution. Also, the transactions are in compliance with Companies Act, 2013 and other applicable provisions. While we believe that all our related party transactions have been conducted on an arm's length basis, we cannot assure you that we may not have achieved more favorable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise.

**25. *We may not be able to accurately manage our inventory, this may adversely affect our goodwill and business, financial condition and results of operations.***

The results of operations of our business are dependent on our ability to effectively manage our inventory and stocks. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and manufacture and trade inventory accordingly. If our management has misjudged expected customer demand it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the inventory we manufacture, we may be required to write-down our inventory or pay our suppliers without new purchases, or create additional vendor financing, which could have an adverse impact on our income and cash flows. We estimate our sales based on the forecast, demand and requirements and also on the customer specifications. Natural disasters such as earthquakes, extreme climatic or weather conditions such as floods or droughts may adversely impact the supply of raw material and local transportation. Should our supply of raw materials be disrupted, we may not be able to procure an alternate source of supply in time to meet the demands of our customers. Such disruption to supply would materially and adversely affect our business, profitability and reputation. In the past we have not experienced any instances of disruptions to the delivery of product to our customer occurred for reasons such as poor handling, transportation bottlenecks, or labour strikes, which could have led to delayed or lost deliveries or damaged products and disrupt supply of these products., but there is no guarantee that these instances will not happen in future to improve our line capability, we try to stock our inventory at our manufacturing facility. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively. If we overstock inventory, our capital requirements will increase and we will incur additional financing costs. If we under-stock inventory, our ability to meet customer demand and our operating results may be adversely affected. Any mismatch between our planning and actual consumer consumption could lead to potential excess inventory or out-of-stock situations, either of which could have an adverse effect on our business, financial condition and results of operation.

**26. *We face competition from domestic market and our inability to compete effectively may have a material adverse impact on our business, financial condition and results of operations.***

The Refineries and Steel Industries provides for significant competition in our business based on pricing, relationships with customers, research and development and product quality. Over the Decade, diversified products were introduced by our Company and modern manufacturing equipment were installed for scaling the manufacturing. Over time, Our Company started developing many proprietary products which are supplied to Refineries and Steel Industries. We face pricing pressures from companies, that are able to manufacture Refractory products at competitive costs and consequently, may supply their products at cheaper prices. We are unable to assure you that we shall be able to meet the pricing pressures imposed by such competitors domestically, which would adversely affect our business, financial condition and results of

operations. Additionally, some of our competitors in the intermediates and in the Refractory business may have greater financial, research and technological resources, larger sales and marketing teams and more established reputation. They may also be in a better position to identify market trends, adapt to changes in industry, innovate and develop new products and also ensure product quality and compliance.

**27. KYC document of one of the member of promoter group evidencing her identity is not traceable.**

One of our Promoter Group member, Sarojini Rajeev Hegde does not possess KYC Documents i.e. PAN Card & Aadhar Card for which a personal affidavit have been provided by her and we have relied on that. We can't assure you that back-ups for the relevant copies of KYC Documents i.e. PAN card & Aadhar Card will be available in a timely manner or at all in near future.

**28. There are certain discrepancies in the names of our 2 independent directors and we are not able to verify their DIN with their PAN on the MCA website owing to which we may struck with certain technical issues while filing for our records with the Ministry of Corporate Affairs.**

The details as filed with the Ministry of Corporate Affairs ("MCA"), pertaining to our Independent Directors, Mr. Abhay Yatin Naik and Mr. Kemmannu Shashidhara Rao does not match with their PAN database for the reason being that in the DIN details, the order of first name, middle name and the Surname of self or that of their father, does not match the order that is mentioned in their PAN details. Accordingly, we are not able to verify their DIN details with their PAN. Although the aforementioned directors have initiated the process of getting their PAN and Aadhaar corrected and co-related with each other so that relevant correction in that respect can be filed with the MCA as well, we are not sure that the process will be completed in near future or before the filing of this Red Herring Prospectus and in the event of any further delay, we may face technical issues while updating our records and filing our returns / any other information document with the MCA which may delay our process or cause us to end up paying penalty.

**29. Our Company has availed certain unsecured loan which can be recalled at any time.**

Our Company has availed certain unsecured loan amounting to ₹ 931.47 lakh as on December 31, 2023. The unsecured loan taken by our Company from Related Parties may be recalled at any time. Though our Company intends to repay the loan amount in near future, sudden recall may disrupt our operations and also may force us to find alternative sources of financing, which may not be available on commercial reasonable terms or at all. opt for funding at higher interest rates, resulting in higher financial burden. We may not have adequate working capital to meet business requirements of our Company, and, as a result, any such demand by the lenders may affect our business, cash flows, financial condition and results of operations. Further, in respect of such unsecured loan, no proper agreement has been executed between the parties. For further details, please refer to the section "*Financial Indebtedness*" beginning on page no.203 of this Red Herring Prospectus.

**30. We have incurred indebtedness. In addition, certain of our financing agreements involve variable interest rates and an increase in interest rates may adversely affect our results of operations and financial condition.**

Our company operates in the industry which is capital intensive in nature, and we fund a large part of our operations through financing from banks. As on December 31, 2023, we had total financial indebtedness of ₹ 2,341.80 lakhs. For further information on our secured borrowings, see "*Financial Indebtedness*" on page 203 of this Red Herring Prospectus. We usually finance our working capital requirements mainly through our internal accruals and arrangements with banks. Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows and our capacity to service debt in a rising interest rate environment. If our future cash flows from operations and other capital resources are insufficient to pay our debt obligations or our contractual obligations, or to fund our other liquidity needs, we may be forced to sell assets or attempt to restructure or refinance our existing indebtedness. Our ability to restructure or refinance our debt will depend on the condition of the capital markets, our financial condition at such time and the terms of our other outstanding debt instruments.

Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. We are susceptible to changes in interest rates and the risks arising therefrom. Certain of our financing agreements provide for interest at variable rates and the lenders are entitled to charge the applicable rate of interest, which is a combination of a base rate/MCLR rate that depends upon the policies of the RBI and a contractually agreed spread. Further, in recent years, the GoI has taken measures to control inflation, which included tightening the monetary policy by raising interest rates. As such, any increase in interest rates may have an adverse effect on our business, results of operations, cash flows, and financial condition.

Further, if the Company fails to fulfil the conditions of loan arrangement with few or all of the Banks or Financial Institution then it was substantially affect our reputation in the industry which may result in losing the major Customers.

**31. We are subject to strict quality requirements and any product defects or any failure by us to comply with quality standards may lead to the cancellation of existing and future orders, product recalls and exposure to potential product liability claims, warranty claims and other disputes.**

We face an inherent business risk of exposure to product defects. We may not be able to meet regulatory relevant quality standards in India, or the quality standards imposed by our customers and applicable to our manufacturing processes, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our company is ISO 9001:2015 Certified company in Quality Management System and ISO 45001:2018 Certified Company in Occupational Health & safety Management System for Manufacturing and Dispatch of High Alumina Refractories, Alumina Balls, Precast Shapes, insulation Refractories, Castables & Mortars. Our Company is also ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 certified for Manufacturing and Dispatch of High Alumina Refractories, Pre Cast shapes, insulation Refractories, Castables & Mortars issued by bureau Vertias. Our Company is also ISO/IEC 17025:2017 certified with Certificate of Accreditation issued by National Accreditation Board of Testing and Calibration Laboratories for General Competence of Testing & Calibration laboratories. Our company ensures to abide by all the ISO mentioned above while manufacturing and dispatching our final product in best of our capacity. If any of our products do not meet regulatory standards or are defective, we may be, *inter alia* responsible for damages relating to any defective products, required to replace, recall or redesign such products or and incur significant costs to defend any such claims, which could have an adverse impact on our company's business operations and financial condition of the company.

If any of our products do not meet regulatory standards or are defective, we may be, *inter alia*, (i) responsible for damages relating to any defective products, (ii) required to replace, recall or redesign such products or (iii) incur significant costs to defend any such claims.

The failure by us or any of our suppliers to achieve or maintain compliance with regulatory requirements or quality standards may disrupt our ability to supply products sufficient to meet demand until compliance is achieved or, until a new supplier has been identified and evaluated. We have implemented quality control processes and regularly conduct inspections of raw materials sourced from suppliers and finished products manufactured by job workers on the basis of our internal quality standards. However, we cannot assure you that our job workers will always adhere to such standards and that our quality control processes will not fail or the quality tests and inspections conducted by us are accurate at all times. There is no assurance that our products will always meet the satisfaction of our customers' quality standards. Although we have not faced any failure to comply with applicable regulations in the past, we cannot assure in future if our failure to comply with applicable regulations could cause adverse consequences to be imposed on us, including fines, injunctions, civil penalties, the refusal of regulatory authorities to grant approvals or renewal, delays, suspensions or withdrawal of approvals, license revocation, seizures or recalls of products, operating restrictions and criminal prosecutions, all of which could harm our business. There can be no assurance that if we need to engage new suppliers to satisfy our business requirement, we will be able locate new suppliers in compliance with regulatory requirements in a timely manner, or at all. Failure to do so could lead to the cancellation of existing and future orders and have a material adverse effect on our business and revenue.

**32. Failure to deal effectively with fraudulent activities on emails would increase our fraud losses and harm our business and could severely diminish seller and consumer confidence in and use of our services.**

We face risks with respect to fraudulent activities on our emails. Although we have implemented measures to detect and reduce the occurrence of fraudulent activities, scams, including encouraging reporting of concerns, gating and monitoring higher-risk activities, evaluating sellers on the basis of their transaction history, and restricting or suspending some sellers, we cannot assure you that these measures will be effective in combating fraudulent transactions or improving overall satisfaction among sellers and consumers. We will need to evolve to combat fraudulent activities as they develop. Any failure to evolve could result in loss of consumer trust. At the same time, the implementation of additional measures to address fraud could negatively affect the attractiveness of our offerings to consumers and sellers, or create friction in our consumers' experience.

**33. The dependence on third-party services could have an adverse effect on the business, financial condition and results of operations.**

Our Company is dependent on third party for one of the processes i.e. Mould Making. We may not be able to obtain service from third parties for our requirements, on attractive rates or the third parties may not have adequate available capacity to meet our requirements in a timely manner.

Further, if the company is unable to procure the services of third-party or not capable of sufficiently scaling up operations in response to increased demand from customers, the company might be compelled to make capital expenditures or seek

out costlier or lower quality third-party service to meet the requirements which could have an adverse effect on the business prospects, financial condition and results of operations of the company.

**34. *Our inability to meet the changes in technology or advancement requirements in our current manufacturing process, may render our current technologies obsolete or may require additional investments which may have an adverse effect on the Business, financial condition and results of operations.***

Technology advancement and upgradation is essential in our industry to keep up with the increasing demands in the market and make the process smooth in terms of manufacturing larger output. However, our technology may become obsolete and Company would then require to make substantial amounts of investments to strive to keep our technology in line with the latest technological standards.

Further, the cost that may be involved in upgrading to the latest technology and modernization in the current manufacturing unit may adversely affect the Business and results of operations of the Company.

**35. *In case of our inability to obtain, renew or maintain the statutory and regulatory licenses, permits and approvals required to operate our business it may have a material adverse effect on our business.***

We are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant licenses, approvals and permits at state and central government levels for doing our business. The approvals, licenses, registrations and permits obtained by us may contain conditions. Further we will need to apply for renewal of certain approvals, licenses, registrations and permits, which expire or need to update pursuant to change in name and conversion of company to public Company.

While we have obtained a significant number of approvals, licenses, registrations and permits from the relevant authorities. There can be no assurance that the relevant authority will issue an approval or renew expired approvals within the applicable time period or at all. Any delay in receipt or non-receipt of such approvals, licenses, registrations and permits could result in cost and time overrun or which could affect our related operations.

These laws and regulations governing us are increasingly becoming stringent and may in the future create substantial compliance or liabilities and costs. While we endeavor to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory requirements may attract penalty. For further details regarding the material approvals, licenses, registrations and permits, see “*Government and Other Approvals*” on page 225 of this Red Herring Prospectus.

Furthermore, we cannot assure you that the approvals, licenses, registrations and permits issued to us will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any suspension or revocation of any of the approvals, licenses, registrations and permits that has been or may be issued to us may affect our business and results of operations.

**36. *Our Company engages contract labourers at its Manufacturing Facilities.***

We engage independent contractors through whom we engage contract labourers for performance of certain functions at our Manufacturing Facility for the performance of non-core tasks such as Loading and unloading, mixing of raw material, packing & dispatch. Although we do not engage these labourers directly, we are responsible for any wage and statutory payments to be made to such labourers in the event of default by such independent contractors. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and our financial conditions. In addition, we may be liable for or exposed to litigations, sanctions, penalties or losses arising from accidents or damages caused by our workers or contractors.

**37. *Certain of our Promoters may be interested in us other than in terms of remuneration and reimbursement of expenses, and this may result in conflict of interest with us.***

In future certain of our Promoters may be interested in us, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding, direct and indirect, and our stock options and benefits arising therefrom. Our Promoter is also interested in us to the extent of his/her shareholding in us and any other benefits that may arise from the shareholding therefrom. We cannot assure you that our Promoter will exercise their rights as shareholders to our benefit and best interest.

**38. Our Company operates under several statutory and regulatory permits, licenses and approvals. Our failure to obtain and/or renew any approvals or licenses in future may have an adverse impact on our business operations.**

Our Company requires several statutory and regulatory permits, licenses and approvals to operate the business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Our Company is required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Further, these permits, licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant permits/ licenses/ approvals. Further pursuant to change of name of the Company upon conversion from Private Limited to Public Limited, we further need to get our licenses updated. Failure by our Company to renew, alter, maintain or obtain the required permits, licenses or approvals, or cancellation, suspension or revocation of any of the permits, licenses or approvals which may result in the interruption of our Company's operations and may have a material adverse effect on the business. For details, please refer to chapter titled "Government and Other Statutory Approvals" beginning on page 225 of this Red Herring Prospectus

**39. Our success largely depends upon the knowledge and experience of our Promoters, Directors, our Key Managerial Personnel and Senior Management. Any loss of our Promoter, Directors, Key Managerial Personnel, Senior Management could adversely affect our business, financial condition and results of operations.**

Our success largely depends upon the knowledge and experience of our Promoters, Directors, Key Managerial Personnel and Senior Management. Any loss of our Promoters, Directors, Key Managerial Personnel and Senior Management could adversely affect our business, financial condition and results of operations. We depend on the management skills and guidance of our Promoter for development of business strategies, monitoring their successful implementation and meeting future challenges. Further, we also significantly depend on the expertise, experience and continued efforts of our Key Managerial Personnel and Senior Management. Our future performance will depend largely on our ability to retain the continued service of our management team. If one or more of our Key Managerial Personnel or Senior Management are unable or unwilling to continue in his or her present position, it could be difficult for us to find a suitable or timely replacement and our business, financial condition and results of operations could be adversely affected.

In addition, we may require a long period of time to hire and train replacement personnel when personnel with technical expertise terminate their employment with us. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting and retaining personnel with technical expertise that our business requires. The loss of the services of such persons could have an adverse effect on our business, results of operations, cash flows and financial condition.

**40. We depend on skilled personnel and if we are unable to recruit and retain skilled personnel, our ability to operate or grow our business could be affected.**

Our Business Operation requires skilled and creative manpower intensive and we engage a considerable number of skilled personnel every year to sustain our growth. Further, we spend significant time and resources in training the manpower we hire. Our success is substantially dependent on our ability to recruit, train and retain skilled manpower. High attrition and competition for manpower may limit our ability to attract and retain the skilled manpower necessary for our future growth requirements. We cannot assure you that skilled manpower will continue to be available in sufficient numbers suitable to our requirements or that we will be able to grow our workforce in a manner consistent with our growth objectives, which may affect our business, financial condition, results of operations and prospects.

**41. The industry in which we operate is labour intensive and our manufacturing operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.**

Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. Though we have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past; however, there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized and we have in past not faced any instances of trouble from our labours, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion

of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

**42. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and we have not entered into any definitive arrangements to utilize the Net Proceeds of the Issue and the Objects have not been independently appraised by a bank or a financial institution. Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.**

We intend to use the Net Proceeds of the Issue for the purposes described in the section titled "*Objects of the Issue*" on page 83. The Objects of the Issue are: a) Funding of Capital expenditure towards civil construction required for Expansion of existing manufacturing unit at the existing location situated at Wankaner, Gujarat; b) Funding of Capital expenditure towards purchase of Plant and Machineries for Expanding existing manufacturing unit at the existing location situated at Wankaner, Gujarat; c) Repayment/prepayment of all or certain of our borrowings availed of by our Company; d) Purchase of Commercial Vehicle; and e) General Corporate Purposes.

The Objects of the Issue have not been appraised by any bank or financial institution, and certain our funding requirement is based on current conditions, internal estimates and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy. Based on the competitive nature of our industry, we may have to revise our business plan and/or management estimates from time to time and consequently our funding requirements may also change. Such internal estimates may differ from that of any third party appraisals, which may require us to reschedule or reallocate our expenditure, subject to applicable laws. In case of increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by any means available to us, including internal accruals and additional equity and/or debt arrangements, and may have an adverse impact on our business, results of operations, financial condition and cash flows. Accordingly, investors in the Equity Shares will be relying on the judgment of our management regarding the application of the Net Proceeds. Further, pursuant to Section 27 of the Companies Act, any variation in the Objects of the Issue would require a special resolution of the shareholders and the promoter or controlling shareholders will be required to provide an exit opportunity to the shareholders who do not agree to such proposal to vary the Objects of the Issue, at such price and in such manner in accordance with applicable law.

**43. Our Promoters and members of our Promoter Group will be able to exercise significant influence and control over us after the Issue and may have interests that are different from or conflict with those of our other shareholders.**

As on the date of this Red Herring Prospectus, our Promoters and Promoter Group collectively hold 100% of the paid-up Equity Share capital of our Company. Post-Issue, the Promoters will continue to collectively hold substantial shareholding in our Company. For details of their shareholding pre and post-Issue, see "*Capital Structure*" on page 70. By virtue of their shareholding, our Promoters will have the ability to exercise significant control and influence over our Company and our affairs and business, the timing and payment of dividends, the adoption of and amendments to our Memorandum and Articles of Association, the approval of a merger or sale of substantially all of our assets and the approval of most other actions requiring the approval of our shareholders. The interests of our Promoters may be different from or conflict with our interests or the interests of our other shareholders in material aspects and, as such, our Promoters may not make decisions in our best interests.

**44. Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute [●]% of the Issue Proceed.**

As on date we have not identified the use of such funds. Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute [●] % of the Issue Proceed. We have not identified the general corporate purposes for which these funds may be utilized. The deployment of such funds is entirely at the discretion of our management subject to the applicable laws and in accordance with policies established by our Board of Directors from time to time and subject to compliance with the necessary provisions of the Companies Act. For details, please refer the chapter titled "*Objects of the Issue*" beginning on Page No. 83 of this Red Herring Prospectus.

**45. The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company.**

Since the issue size is less than ₹10,000 Lakhs, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company, subject to applicable laws and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

**46. Our success largely depends upon our ability to attract and retain our Promoters, Directors, Key Managerial personnel and Senior Management with technical expertise. Our inability to attract and retain them and other personnel with technical expertise could adversely affect our business, financial condition and results of operations.**

Our success largely depends upon our ability to attract and retain our Promoters, Directors, Key Managerial personnel and Senior Management with technical expertise. Our inability to attract and retain them and other personnel with technical expertise could adversely affect our business, financial condition and results of operations. There is significant competition for management and other skilled personnel in our industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. There can be no assurance that our competitors will not offer better compensation packages, incentives and other perquisites to such skilled personnel. If we are not able to attract and retain talented employees as required for conducting our business, or if we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, financial condition and results of operations may be adversely affected. For further information, see "*Our Management*" on page 172 of this Red Herring Prospectus.

**47. The orders placed by customers may be delayed, modified or cancelled, which may have an adverse effect on our business, financial condition and results of operations.**

We may encounter problems in executing the orders in relation to our products, or executing it on a timely basis. Moreover, factors beyond our control caused by matters such as acts of God, strikes, civil commotion, riots, war, revolution, acts of governments, lack of adequate production capacity, failure or delay in plant start up, breakdown of machinery, shortage of raw materials, etc. or the control of our customers may postpone the delivery of such products or cause its cancellation. Due to the possibility of cancellations or changes in scope and schedule of delivery of such products, resulting from our customers' discretion or delay in procurement of raw material or problems we encounter in the delivery of such products or reasons outside our control or the control of our customers, we cannot predict with certainty when, if or to what extent we may be able to deliver the orders placed. Additionally, delays in the delivery of such products can lead to customers delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such products. In addition, even where a delivery proceeds as scheduled, it is possible that the customers may default or otherwise fail to pay amounts owed.

**48. We have taken guarantees from our directors in relation to Debt Facilities provided to us.**

We have taken guarantees from our directors in relation to our secured debt facilities availed from our Bankers. In an event any of these persons withdraw or terminate its/their guarantees, the lender for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information, please see the chapter titled "*Financial Indebtedness*" beginning on page 203 of this Red Herring Prospectus.

**49. We may not be fully insured for all losses we may incur.**

Although we attempt to limit and mitigate our liability for damages arising from negligent acts, errors or omissions through contractual provisions, limitations of liability set forth in our contracts may not be enforceable in all instances or may not otherwise protect us from liability for damages. In addition, certain liabilities, such as claims of third parties for which we may be required to indemnify our clients, are generally not limited under those agreements. We have taken various insurance policies, details of which is mentioned in the section titled, "*Insurance*" under the chapter titled, "*Our Business*" on page 124 of the Red Herring Prospectus. Although we believe we have adequate insurance coverage but that coverage may not continue to be available on reasonable terms or to be available in sufficient amounts to cover one or more large claims, and our insurers may disclaim coverage as to any future claim. Insurance coverage may be an inadequate remedy where the loss suffered is not easily quantifiable, for example, in the event of severe damage to our reputation. The successful assertion of one or more large claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have a material adverse effect on our business, reputation, results of operations, financial condition and cash flows.

**50. Our business may expose us to potential product liability claims, which could adversely affect our results operation, goodwill and the marketability of our products.**

While we are not directly exposed to potential product liability claims given the nature of our business, we may be exposed to certain risks associated with the purchase orders issued by us, and the severity and timing of such claims are unpredictable. We face the risk of loss resulting from, and the adverse publicity associated with, lawsuits, whether or not such claims are valid. We may also be subject to claims resulting from manufacturing defects or negligence in storage or handling which may lead to the deterioration of our products. Such claims, regardless of their merits or the ultimate success of the defence against them, are expensive. Even unsuccessful claims would likely require us to incur substantial amounts on litigation and

require our management's time and focus. Any loss of our reputation or brand image may lead to a loss of existing business contracts and affect our ability to enter into additional business contracts in the future, which may have an adverse effect on our business, results of operations, financial condition and cash flows. Accordingly, such claims, may adversely affect our results of operation, goodwill and the marketability of our products.

**51. *Failure or disruption of our IT, manufacturing automation systems may adversely affect our business, financial condition and results of operations.***

We have implemented various information technology ("IT") systems to cover key areas of our operations, procurement, dispatch and accounting. We also have various ERP software that for our manufacturing and production. These systems are potentially vulnerable to damage or interruption from a variety of sources, which could result from (among other causes) cyber-attacks on or failures of such infrastructure or compromises to its physical security, as well as from damaging weather or other acts of nature. A significant or large-scale malfunction or interruption of one or more of our IT systems or manufacturing automation systems could adversely affect our ability to keep our operations running efficiently and affect product availability, particularly in the country, region or functional area in which the malfunction occurs, and wider or sustained disruption to our business cannot be excluded. In addition, it is possible that a malfunction of our data system security measures could enable unauthorized persons to access sensitive business data, including information relating to our intellectual property or business strategy or those of our customers. While we have not faced significant disruptions in past, any such malfunction or disruptions in future could cause economic losses for which we could be held liable or cause damage to our reputation. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations. Further, unavailability of, or failure to retain, well trained employees capable of constantly servicing our IT, manufacturing automation systems may lead to inefficiency or disruption of our operations and thereby adversely affecting our business, financial condition and results of operations.

**52. *Our ability to pay dividends will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors.***

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholders' investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "*Dividend Policy*" on page 199 of this Red Herring Prospectus.

**53. *Employee misconduct including misuse of confidential data and failure to maintain confidentiality of information could harm us and is difficult to detect and deter.***

We could be harmed by employee misconduct if our customers' confidential information is misappropriated by us or our employees, our customers may consider us liable for that act and seek damages and compensation from us, in addition, to seeking termination of the contract. While there have been no instances during the last three financial years of information technology breach or instances of cyber-attack, assertions of misappropriation of confidential information or the intellectual property of our customers against us, if successful, could have a material adverse effect on our business, financial condition and results of operations. Even if such assertions against us are unsuccessful, they may cause us to incur reputational harm and substantial cost.

Although we closely monitor our employees, misconduct, including acts of bribery, corruption or fraud by employees or executives, such acts could include binding us to transactions that exceed authorized limits or present unacceptable risks, or they may hide unauthorized or unlawful activities from us, which may result in substantial financial losses and damage to our reputation and loss of business from our customers. Employee or executive misconduct could also involve the improper use or disclosure of confidential information, which could result in regulatory sanctions and serious reputational or financial harm, including harm to our brand. While we have not experienced any such employee misconduct in the past, it is not always possible to deter employee or executive misconduct and the precautions taken and systems put in place to prevent and detect such activities may not be effective in all cases. Any instances of such misconduct could adversely affect our business and our reputation.

**54. *Industry information included in this Red Herring Prospectus has been derived from industry reports. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.***

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Red Herring Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although, we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Red Herring Prospectus.

**55. *Information relating to the installed manufacturing capacity of our manufacturing facilities included in this Red Herring Prospectus are based on various assumptions and estimates and future production and capacity may vary.***

Information relating to the historical installed capacity and estimated capacity utilization of our manufacturing facility included in this Red Herring Prospectus is based on various assumptions and estimates of our management and the Chartered Engineer, please refer to “*Our Business*” on page 124 of this Red Herring Prospectus for further details. Actual production volumes and capacity utilization rates, however, may differ significantly from the estimated production capacities and historical capacity utilization of our manufacturing facilities. Investors should therefore not place undue reliance on our historical installed capacity information for our existing manufacturing facilities included in this Red Herring Prospectus.

#### **ISSUE RELATED RISKS**

**56. *An investment in the Equity Shares is subject to general risk related to investments in Indian Companies.***

Our Company is incorporated in India and all of our assets and employees are located in India. Consequently, our business, results of operations, financial condition and the market price of the Equity Shares will be affected by changes in interest rates in India, policies of the Government of India, including taxation policies along with policies relating to industry, political, social and economic developments affecting India.

**57. *The determination of the Price Band is based on various factors and assumptions and the Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares upon listing on the Stock Exchange.***

The determination of the Price Band is based on various factors and assumptions, and will be determined by our Company in consultation with the Book Running Lead Manager. Furthermore, the Issue Price of our Equity Shares has been determined by book building method. These will be based on numerous factors (For further information, please refer chapter titled “*Basis for Issue Price*” beginning on page 94 of this Red Herring Prospectus) and may not be indicative of the market price of our Equity Shares upon listing on the Stock Exchange. The price of our Equity Shares upon listing on the Stock Exchange will be determined by the market and may be influenced by many factors outside of our control.

**58. *Our Promoter’s average cost of acquisition of Equity Shares in our Company could be lower than the Issue Price to be decided by the Company in consultation with the Book Running Lead Manager***

Our Company had issued 1,57,00,000 equity shares at a price lower than the Issue Price pursuant to allotment of Bonus shares in the ratio 1:157 in the last 12 months which may be at lower than the Issue Price. The Equity Shares allotted to shareholders pursuant to this Issue may be priced significantly higher due to various reasons including better performance by the Company, better economic conditions and passage of time. For further details, see “*Capital Structure*” on page 70 of this Red Herring Prospectus. The prices at which Equity Shares have been issued by us in last one year should not be taken to be indicative of the Issue Price and the trading price of our Equity Shares after listing.

**59. *Our Equity Shares have never been publicly traded, and may experience price and volume fluctuations following the completion of the Issue. Further, our Equity Shares may not result in an active or liquid market and the price of our Equity Shares may be volatile and you may be unable to resell your Equity Shares at or above the Issue Price or at all.***

Prior to the Issue, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Issue. Listing and quotation do not guarantee that a market for our Equity Shares will develop or, if developed, does not guarantee the liquidity of such market for the Equity Shares. Investors might not be able to rapidly sell the Equity Shares at the quoted price if there is no active trading in the Equity Shares. The Issue Price of the Equity Shares has been determined by our Company in consultation with the BRLM through the Book Building Process. The market price

of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

**60. *There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the NSE Emerge in a timely manner or at all.***

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the NSE Emerge. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

**61. *Any future issuance of Equity Shares may dilute your shareholding and sale of our Equity Shares by our Promoter or other shareholders may adversely affect the trading price of the Equity Shares.***

Any future equity issuances by us, including in a primary offering, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our Promoter or other major shareholders may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

**62. *There are restrictions on daily weekly monthly movement in the price of the equity shares, which may adversely affect the shareholder's ability to sell for the price at which it can sell, equity shares at a particular point in time.***

Once listed, we would be subject to circuit breakers imposed by the stock exchange, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI. The percentage limit on circuit breakers is said by the stock exchange based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchange does not inform us of the percentage limit of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of the circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

**63. *Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares***

Under current Indian tax laws and regulations, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. A securities transaction tax ("STT") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any capital gain exceeding Rs.1,00,000, realized on the sale of equity shares held for more than 12 months immediately preceding the date of transfer, which are sold using any other platform other than on a recognized stock exchange and on which no STT has been paid, are subject to long gains tax in India.

**Term capital** The Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020 and clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures on a delivery basis is specified at 0.015% and on a nondelivered basis is specified at 0.003% of the consideration amount. The Finance Act, 2020, has, among others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, that such dividends not be exempt in the hands of the shareholders, both resident as well as non-resident, and that such dividends likely be subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. In cases where the seller is a non-resident, capital gains arising from the sale of the equity shares will be partially or wholly exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Historically, Indian tax treaties do not

limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the equity shares.

Further, we cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our business, financial condition, results of operations and cash flows. The Government of India had announced the union budget for financial year 2023 and the Finance Act, 2023 received assent from the President of India on March 31, 2023. There is no certainty on the impact that the Finance Act, 2023 may have on our business and operations or in the industry we operate in.

**64. *Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP and IFRS, which may be material to investors assessments of Our Company's financial condition. Our failure to successfully adopt IFRS may have an adverse effect on the price of our Equity Shares. The proposed adoption of IFRS could result in our financial condition and results of operations appearing materially different than under Indian GAAP.***

Our restated financial statements, including the financial statements provided in this Red Herring Prospectus, are prepared in accordance with Indian GAAP. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP. For details, refer chapter titled “*Presentation of Financial Industry and Market Data*” beginning on Page 16 of this Red Herring Prospectus.

Accordingly, the degree to which the Indian GAAP financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited. India has decided to adopt the “Convergence of its existing standards with IFRS” and not the “International Financial Reporting Standards” (“IFRS”), which was announced by the MCA, through the press note dated January 22, 2010. These “IFRS based / synchronized Accounting Standards” are referred to in India as IND (AS). Public companies in India, including our Company, may be required to prepare annual and interim financial statements under IND (AS). The MCA, through a press release dated February 25, 2011, announced that it will implement the converged accounting standards in a phased manner after various issues, including tax related issues, are resolved. Further, MCA Notification dated February 16, 2015, has provided an exemption to the Companies proposing to list their shares on the SME Exchange as per Chapter IX of the SEBI ICDR Regulations and hence the adoption of IND (AS) by a SME exchange listed Company is voluntary. Accordingly, we have made no attempt to quantify or identify the impact of the differences between Indian GAAP and IFRS or to quantify the impact of the difference between Indian GAAP and IFRS as applied to its financial statements. There can be no assurance that the adoption of IND-AS will not affect our reported results of operations or financial condition. Any failure to successfully adopt IND-AS may have an adverse effect on the trading price of our Equity Shares. Currently, it is not possible to quantify whether our financial results will vary significantly due to the convergence to IND (AS), given that the accounting principles laid down in the IND (AS) are to be applied to transactions and balances carried in books of accounts as on the date of the applicability of the converged standards, i.e., IND (AS) and for future periods.

Moreover, if we volunteer for transition to IND (AS) reporting, the same may be hampered by increasing competition and increased costs for the relatively small number of IND (AS)-experienced accounting personnel available as more Indian companies begin to prepare IND (AS) financial statements. Any of these factors relating to the use of converged Indian Accounting Standards may adversely affect our financial condition.

**65. *Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

## **EXTERNAL RISKS**

### **66. A slowdown in economic growth in India could cause our business to suffer.**

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. Any slowdown or perceived slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could also adversely affect our business, financial condition, results of operations and prospects.

India's economy could be adversely affected by a general rise in interest rates or inflation, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A slowdown in the Indian economy could adversely affect the policy of the GOI towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy.

The Indian economy is also influenced by economic and market conditions in other countries, particularly emerging market conditions in Asia. A decline in India's foreign exchange reserves and exchange rate fluctuations may also affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business, financial condition, results of operations and prospects.

Further, other factors which may adversely affect the Indian economy are scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our expansions; volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges; changes in India's tax, trade, fiscal or monetary policies, like application of GST; political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries; occurrence of natural or man-made disasters; infectious disease outbreaks or other serious public health concerns; prevailing regional or global economic conditions, including in India's principal export markets; and other significant regulatory or economic developments in or affecting India or its financial services sectors.

### **67. Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.**

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

### **68. Our business is affected by global economic conditions, especially in the geographies we cater to, which may have an adverse effect on our business, financial condition, results of operations and prospects.**

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Financial turmoil in Asia, U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. Financial disruptions may occur again and could harm our business, financial condition and results of operations.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections in recent years. Financial markets and the supply of credit could continue to be negatively impacted by ongoing concerns surrounding the sovereign debts and/or fiscal deficits of several countries in Europe, the possibility of further downgrades of, or defaults on, sovereign debt, concerns about a slowdown in growth in certain economies and uncertainties regarding the stability and overall standing of the European Monetary Union.

A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian financial markets and indirectly in the Indian economy in general. Any worldwide financial instability could influence the Indian economy. In response to such developments, legislators and financial regulators in the United States, Europe and other jurisdictions, including India, have implemented several policy measures designed to add stability to the financial markets. In addition, any increase in interest rates by the United States Federal Reserve will lead to an increase in the borrowing costs in the United States which may in turn impact global borrowing as well. Furthermore, in several parts of

the world, there are signs of increasing retreat from globalization of goods, services and people, as pressure for the introduction of a protectionist regime is building and such developments could adversely affect Indian exports. However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. In the event that the current adverse conditions in the global credit markets continue or if there is any significant financial disruption, this could have an adverse effect on our business, financial condition and results of operations.

In February 2022, hostilities between Russia and the Ukraine commenced, which has led stock, commodities and foreign exchange markets worldwide to fluctuate. In addition, the market price of oil has risen sharply since the commencement of hostilities in the Ukraine, which may have an inflationary effect in India and other countries. A prolonged war or a protracted period of hostilities in the Ukraine may lead to global economic disturbances.

If we are unable to successfully anticipate and respond to changing economic and market conditions, our business, financial condition, results of operations and prospects may be adversely affected.

***69. Changing regulations in India could lead to new compliance requirements that are uncertain.***

The regulatory and policy environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations and policies that could affect our business in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements.

The regulatory and policy environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations and policies that could affect our business in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, financial condition, results of operations and prospects.

***70. Natural calamities, climate change and health epidemics could adversely affect the Indian economy and our business, financial condition, and results of operations. In addition, hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect our business, financial condition and results of operations.***

Our operations including our manufacturing facilities and research and development activities may be damaged or disrupted as a result of natural calamities. Such events may lead to the disruption of information systems and telecommunication services for sustained periods. They also may make it difficult or impossible for employees to reach our business locations. Damage or destruction that interrupts our provision of services could adversely affect our reputation, our relationships with our customers, our Senior Management team's ability to administer and supervise our business or it may cause us to incur substantial additional expenditure to repair or replace damaged equipment or rebuild parts of our facilities. Any of the above factors may adversely affect our business, financial condition and results of operations.

India has experienced natural calamities such as earthquakes, tsunami, floods etc. In recent years, the extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

***71. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.***

Inflation is crucial to determine one's purchasing power. In other words, inflation is a measure that causes the prices of both goods and services to rise over time and buyers will feel the pinch as it affects their personal finance, particularly spending and buying habits. Any factor that causes prices of goods and services to rise in the market and create instability in consumption leads to inflation. There are two indices that are used to measure inflation in India — the consumer price index (CPI) and the wholesale price index (WPI). These two-measure inflation on a monthly basis taking into account different approaches to calculate the change in prices of goods and services.

India's retail inflation, which is measured by the consumer price index (CPI), eased to 5.02% in Sep. 2023, from 6.83% in Aug. this year, according to the latest data from the Ministry of Statistics and Programme Implementation. In the last two years, CPI hit the highest of 7.79% in April 2022, and the lowest of 4.06% in Jan. 2021. The wholesale Price Index (WPI), which calculates the overall prices of goods before selling at retail prices, is at (-)0.52% in Aug., (-)1.36% in July 2023, (-)4.12% in June, (-)3.48% in May, and (-)0.92% in April 2023.

India's retail inflation eased to a three-month low of 5.02% in Sep. 2023. The CPI reading continues to cross the Reserve Bank of India's upper tolerance medium-term target of 4% within a band of 4+/- 2%. The RBI projects the headline inflation or the CPI at 5.4% for 2023-24. The real GDP growth is projected at 6.5% with Q1 at 8.0% during the period. Meanwhile, the Sep. 2023 inflation in the U.S. suggests that the consumer price index increased 3.7% year-over-year. The nation's GDP accelerated to 2.1% in the second quarter. Although the RBI has enacted certain policy measures designed to curb inflation, these policies may not be successful. There can be no assurance that we will be able to pass on any additional expenses to our customers or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our business, financial condition and results of operations.

***72. The extent and reliability of Indian infrastructure, to the extent insufficient, could adversely impact our business, financial condition and results of operations.***

India's physical infrastructure is less developed than that of many developed nations. Any congestion or disruption with its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies including our chemical products, and add costs to doing business in India. These problems could interrupt our business operations, which could have adverse effect on our business, financial condition and results of operations.

***73. Foreign investors are subject to foreign investment restrictions under Indian laws that may limit our ability to attract foreign investors, which may have a material adverse impact on the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. For further details, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 279 of this Red Herring Prospectus. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection or a tax clearance certificate from the income tax authority. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, Government of India, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in FDI Policy. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all.

***74. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, financial condition and results of operations.***

The regulatory and policy environment in which we operate is evolving and subject to change. Our business and financial performance could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business. In such instances, and including the instances mentioned below, our business, results of operations and prospects may be adversely impacted, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. Any political instability in India, such as corruption, scandals and protests against certain economic reforms, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well.

Additionally, the Government of India has introduced (a) the Code on Wages, 2019; (b) the Code on Social Security, 2020; (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. While the rules for implementation under these codes have not been notified, the implementation of such laws could increase our employee and labour costs, thereby adversely impacting our results of operations, cash flows, business and financial performance.

The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. For instance, companies can voluntarily opt in favour of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which reduces the rate of income tax payable to

22% subject to compliance with conditions prescribed, from the erstwhile 25% or 30% depending upon the total turnover or gross receipt in the relevant period. Any such future amendments may affect our other benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax-free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

Further, the GoI has announced the union budget for Fiscal 2024, pursuant to which the Finance Bill, 2024 (“Finance Bill”), has introduced various amendments. The Finance Bill has received assent from the President of India on February 15, 2024, and has been enacted as the Finance Act, 2024. We cannot predict whether any amendments made pursuant to the Finance Act, 2023 would have an adverse effect on our business, financial condition and results of operations. Furthermore, changes in capital gains tax or tax on capital market transactions or the sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

There can be no assurance that the GoI will not implement new regulations and policies requiring us to obtain approvals and licenses from the GoI or other regulatory bodies, or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment or change to governing laws, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent in the jurisdictions in which we operate may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. It may also have a material adverse effect on our business, financial condition, cash flows and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which could materially harm our results of operations or cash flows. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

We are unable to determine the impact of any changes in or interpretations of existing, or the promulgation of, new, laws, rules and regulations applicable to us and our business. If that was to occur it could result in us, our business, operations or group structure being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

**75. *A third-party could be prevented from acquiring control of us post this issue, because of anti-takeover provisions under Indian Law.***

As a listed Indian entity, there are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the SEBI SAST Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company subsequent to completion of the Issue. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of SEBI SAST Regulations.

**76. *Financial instability in other countries may cause increased volatility in Indian financial markets.***

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have an adverse effect on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

The Indian economy is also influenced by economic and market conditions in other countries. This includes, but is not limited to, the conditions in the United States, Europe and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide financial instability may cause

increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and its business.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect our business, prospects, financial condition and results of operations. The global credit and equity markets have in the past experienced substantial dislocations, liquidity disruptions and market corrections.

## SECTION IV – INTRODUCTION

### THE ISSUE

<b>PRESENT ISSUE OF EQUITY SHARES BY OUR COMPANY IN TERMS OF THIS RED HERRING PROSPECTUS</b>	
<b>Equity Shares Issued <sup>(1)(2)(3)</sup></b>	Up to 60,00,000*, Equity Shares of face value of ₹10/- each fully paid for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] Lakhs
<i>Out of which:</i>	
<b>Issue Reserved for the Market Maker</b>	Up to 3,04,000 Equity Shares of face value of ₹10/- each fully-paid up for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] Lakhs
<b>Net Issue to the Public</b>	Up to 56,96,000 Equity Shares of having face value of ₹10/- each fully paid-up for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] Lakhs
<i>Out of which*</i>	
<b>A. QIB Portion <sup>(4)</sup></b>	Not more than 28,44,000 Equity Shares aggregating up to ₹ [●] Lakhs.
<i>Of which:</i>	
i) Anchor Investor Portion	Up to 17,00,000 Equity Shares aggregating to ₹ [●] Lakhs
ii) Net QIB Portion (Assuming Anchor Investor Portion is fully subscribed)	11,44,000 Equity Shares aggregating to ₹ [●] Lakhs
<i>Of which:</i>	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Up to 52,000 Equity Shares aggregating to ₹ [●] Lakhs
(b) Balance of QIB Portion for all QIBs including Mutual Funds	Up to 10,92,000 Equity Shares aggregating to ₹ [●] Lakhs
<b>B. Non-Institutional Portion</b>	Not less than 8,56,000 Equity Shares aggregating up to ₹ [●] Lakhs
<b>C. Retail Portion</b>	Not less than 19,96,000 Equity Shares aggregating up to ₹ [●] Lakhs
<i>Pre and Post – Issue Equity Shares</i>	
<b>Equity shares outstanding prior to the Issue</b>	1,58,00,000 Equity Shares of face value of ₹10/- each fully paid-up
<b>Equity shares outstanding after the Issue</b>	Up to 2,18,00,000 Equity Shares of face value of ₹10/- each fully paid-up
<b>Use of Net Proceeds</b>	Please refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 83 of this Red Herring Prospectus

\*Subject to finalization of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of Issue price.

#### **Notes:**

- (1) The Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.
- (2) The Issue has been approved by our Board pursuant to the resolutions passed at its meetings held on March 23, 2024 and by our Shareholders pursuant to a special resolution passed at their meetings held on March 23, 2024 through shorter notice consent.
- (3) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that: (a) not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders; (b) not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders; and (c) not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to bidders in the other category. Accordingly, we have allocated the Net Issue i.e., not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders; not less than 15% of the Net Issue shall be available for allocation to Non-Institutional Bidders and not more than 50% of the Net Issue to QIBs.
- (4) Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of

*Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.*

Our Company in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the 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 QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please refer section titled “*Issue Procedure*” beginning on page 256 of this Red Herring Prospectus.

**SUMMARY OF FINANCIAL INFORMATION**

**ANNEXURE – I: RESTATED STATEMENT OF ASSETS AND LIABILITIES**

(₹ in Lakhs)

Particulars	Annexure	As at December 31, 2023	For The Year Ended 31st March				
			2023	2022	2021		
<b>EQUITY AND LIABILITIES</b>							
<b>Shareholders' funds</b>							
(a) Share capital	<b>V</b>	1,580.00	10.00	10.00	10.00		
(b) Reserves and surplus	<b>VI</b>	396.58	1,658.64	1,466.90	1,179.86		
		<b>1,976.58</b>	<b>1,668.64</b>	<b>1,476.90</b>	<b>1,189.86</b>		
<b>Non-Current liabilities</b>							
(a) Long-term Borrowings	<b>VIIA</b>	1,107.06	929.24	1,054.28	880.06		
(b) Deferred tax liabilities (net)	<b>XIII</b>	11.61	14.99	-	-		
(c) Long term provisions	<b>VIII</b>	-	-	-	-		
		<b>1,118.67</b>	<b>944.23</b>	<b>1,054.28</b>	<b>880.06</b>		
<b>Current liabilities</b>							
(a) Short term borrowings	<b>VIIA</b>	1,234.74	1,119.39	515.84	354.12		
(b) Trade payables	<b>IX</b>			-	-		
(i) Total outstanding dues of micro and small enterprises		-	-	-	-		
(ii) Total outstanding dues of creditors other than micro and small enterprises		785.21	1,151.62	537.12	156.40		
(c) Other current liabilities	<b>X</b>	136.74	103.48	53.06	112.74		
(d) Short-term provisions	<b>XI</b>	37.96	16.45	47.62	30.54		
		<b>2,194.65</b>	<b>2,390.94</b>	<b>1,153.64</b>	<b>653.80</b>		
<b>TOTAL</b>		<b>5,289.90</b>	<b>5,003.81</b>	<b>3,684.82</b>	<b>2,723.72</b>		
<b>ASSETS</b>							
<b>Non-current assets</b>							
(a) Property, plant and equipment	<b>XII</b>						
(i) tangible		1,887.63	1,893.38	759.85	697.07		
(ii) intangible		-	-	-	-		
(iii) Capital WIP		-	-	534.07	-		
(b) Non-Current Investments		623.95	623.95	613.52	1.36		
(c) Deferred tax assets (net)	<b>XIII</b>	-	-	1.12	0.54		
(d) Long-term loans and advances	<b>XIV</b>	38.32	37.92	10.61	8.61		
		<b>2,549.90</b>	<b>2,555.25</b>	<b>1,919.17</b>	<b>707.58</b>		
<b>Current assets</b>							
(a) Inventories	<b>XV</b>	1,528.12	855.87	333.26	233.85		
(b) Trade receivables	<b>XVI</b>	694.33	785.35	616.61	753.13		
(c) Cash and bank balance	<b>XVII</b>	313.03	460.19	623.30	773.09		
(d) Short-term loans and advances	<b>XVIII</b>	27.93	81.54	12.16	37.41		
(e) Other Current Assets	<b>XIX</b>	176.59	265.61	180.32	218.66		
		<b>2,740</b>	<b>2,448.56</b>	<b>1,765.65</b>	<b>2,016.14</b>		
<b>TOTAL</b>		<b>5,289.90</b>	<b>5,003.81</b>	<b>3,684.82</b>	<b>2,723.72</b>		

**ANNEXURE – II: STATEMENT OF PROFIT & LOSS, AS RESTATED**

(₹ in Lakhs)

Particulars	Annexure	As at December 31 2023	For The Year Ended 31st March		
			2023	2022	2021
<b>Income</b>					
Revenue from operations	<b>XX</b>	2,942.15	3,796.92	2,550.32	2,088.90
Other income	<b>XXI</b>	56.89	75.31	71.35	90.77
<b>TOTAL INCOME</b>		<b>2,999.04</b>	<b>3,872.23</b>	<b>2,621.67</b>	<b>2,179.67</b>
<b>Expenses</b>					
(a) Cost of Material Consumed	<b>XXII</b>	1,903.24	2,214.36	1,028.92	925.36
(b) Purchase of Stock in trade		240.44	580.93	471.39	272.34
(c) Increase/Decrease in stock in trade	<b>XXIII</b>	(626.98)	(174.02)	(38.53)	141.29
(d) Employee benefit expense	<b>XXIV</b>	239.51	360.77	302.09	295.97
(e) Finance cost	<b>XXV</b>	115.81	108.35	59.70	74.79
(e) Depreciation and amortisation expense	<b>XII</b>	148.61	105.93	34.99	38.68
(f) Other expenses	<b>XXVI</b>	577.40	427.17	425.07	219.46
<b>TOTAL EXPENSES</b>		<b>2,598.03</b>	<b>3,623.49</b>	<b>2,283.63</b>	<b>1,967.89</b>
<b>Profit / (Loss) before Share of Profit/ (Loss) of Associate</b>		401.00	248.75	338.03	211.79
Share of Profit/ (Loss) of Associate		-	10.43	31.91	-
<b>Profit/ (Loss) before tax</b>		<b>401.00</b>	<b>259.18</b>	<b>369.94</b>	<b>211.79</b>
<b>Tax expenses:</b>					
(a) Current tax expense		96.44	43.76	83.48	52.22
(b) Earlier year Tax		-	7.57	-	3.97
(c) Deferred tax expense / (benefit)		(3.38)	16.11	(0.58)	(0.79)
<b>Net tax expense/(benefit)</b>		<b>93.06</b>	<b>67.44</b>	<b>82.90</b>	<b>55.40</b>
<b>Profit / (Loss) for the year</b>		<b>307.94</b>	<b>191.74</b>	<b>287.04</b>	<b>156.39</b>
<b>Earnings per share (of Rs. 10 each)</b>					
(a) Basic & Diluted		1.95	1,917.40	2,870.40	1,563.90

**ANNEXURE – III: STATEMENT OF CASH FLOW, AS RESTATED**

(₹ in Lakhs)

	<b>Particulars</b>	<b>As at Decembe r 31, 2023</b>	<b>For The Year Ended 31st March</b>		
			<b>2023</b>	<b>2022</b>	<b>2021</b>
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>				
	<b>Net profit before tax</b>	401.00	248.75	338.03	211.79
	<b>Adjustments:</b>				
	Depreciation & Amortisation	148.61	105.93	34.99	38.68
	Interest Income	(29.37)	(22.88)	(32.03)	(50.91)
	Finance cost	115.81	108.35	59.70	74.79
	Profit on sale of fixed assets	-	(6.40)	-	-
		235.05	185.00	62.66	62.56
	<b>Operating cash flow before working capital changes</b>	<b>636.05</b>	<b>433.75</b>	<b>400.69</b>	<b>274.35</b>
	Movement in working capital				
	I. Adjustments for (Increase)/decrease in operating assets:				
	Trade receivables	91.02	(168.74 )	136.52	431.21
	Inventories	(672.25)	(522.61 )	(99.41)	374.02
	Short-term loans & advance	53.61	(69.38)	25.25	(240.94 )
	Other Current Assets	89.02	(85.29)	38.34	(1.01)
	<b>II. Adjustments for (Increase)/decrease in operating liabilities:</b>				
	Trade payables	(366.41)	614.50	380.72	(230.92 )
	Short term provisions	-	-	-	17.12
	Other Current Liabilities	33.26	50.42	(59.68)	(55.70)
		<b>(771.75)</b>	<b>(181.10 )</b>	<b>421.74</b>	<b>293.78</b>
	<b>Cash generated from operations</b>	(135.70)	252.65	822.43	568.13
	Net income taxes paid	(74.94)	(82.51)	(65.40)	(50.36)
	<b>Net cash (used in) / provided by operating activities (A)</b>	<b>(210.64)</b>	<b>170.15</b>	<b>757.03</b>	<b>517.77</b>
<b>B</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
	Purchase of fixed assets & including intangible assets	(142.85)	(708.30 )	(631.84)	(16.75)
	Purchase of Investments	-	-	(581.25)	1.00
	Sale of fixed assets & including intangible assets	-	9.31	-	-
	Interest Received	29.37	22.88	32.03	50.91
	<b>Net cash provided by / (used in) investing activities (B)</b>	<b>(113.48)</b>	<b>(676.11 )</b>	<b>(1,181.06 )</b>	<b>35.16</b>
<b>C</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>				
	Proceeds from Long Term Borrowings	177.82	(125.04 )	174.22	-
	Security Deposits	(0.40)	(27.31)	(2.00)	32.87
	Proceeds from/(Repayment) of Short-Term Borrowings	115.35	603.55	161.72	(494.15 )
	Interest Paid	(115.81)	(108.35 )	(59.70)	(74.79)
	<b>Net cash flow from/ (used in) financing activities (C)</b>	<b>176.96</b>	<b>342.85</b>	<b>274.24</b>	<b>(536.07 )</b>

	<b>Particulars</b>	<b>As at Decembe r 31, 2023</b>	<b>For The Year Ended 31st March</b>		
			<b>2023</b>	<b>2022</b>	<b>2021</b>
	<b>Net increase / (decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>(147.16)</b>	<b>(163.11 )</b>	<b>(149.79)</b>	<b>16.86</b>
	<b>Cash &amp; cash equivalents as at the beginning of the year</b>	<b>460.19</b>	<b>623.30</b>	<b>773.09</b>	<b>756.23</b>
	<b>Cash &amp; cash equivalents as at the end of the year</b>	<b>313.03</b>	<b>460.19</b>	<b>623.30</b>	<b>773.09</b>
	<b>Notes to Cash Flow Statement:</b>				
<b>1</b>	Component of cash and cash equivalent:				
	- Cash in hand	3.37	6.98	1.66	0.87
	- Balance with Bank	309.66	453.21	621.64	772.22
		<b>313.03</b>	<b>460.19</b>	<b>623.30</b>	<b>773.09</b>

## GENERAL INFORMATION

### REGISTERED OFFICE OF OUR COMPANY

#### Refractory Shapes Limited

B 201, Rustomjee Central Park Chakala,  
Andheri-Kurla Road, Andheri (East),  
Mumbai City, Mumbai-400069, Maharashtra,  
India

**Tel No.:** +91 9819995930

**Email:** [investors@refshape.com](mailto:investors@refshape.com)

**Website:** <https://www.refshape.com/>

**Corporate Identity Number:** U26921MH1996PLC096012

**Registration Number:** 096012

For further details and details of changes in the registered office of our company, please refer to the chapter titled “*History and Certain Corporate Matters*” beginning on page 168 of this Red Herring Prospectus.

### CORPORATE OFFICE

NA

### REGISTRAR OF COMPANIES

#### Registrar of Companies, Mumbai

Ministry of Corporate Affairs,  
5<sup>th</sup> Floor, 100, Everest Building,  
Netaji Subhash Road, Marine Drive  
Mumbai - 400 002, Maharashtra, India

**Tel No.:** 022 - 2281 2627

**Fax.:** 022 - 2281 1977

**Email.:** [roc.mumbai@mca.gov.in](mailto:roc.mumbai@mca.gov.in)

**Website.:** [www.mca.gov.in](http://www.mca.gov.in)

### DESIGNATED STOCK EXCHANGE

#### NSE Emerge

#### National Stock Exchange of India Limited

Exchange Plaza, Plot no. C/1,  
G Block Bandra – Kurla Complex,  
Bandra (E), Mumbai – 400 051,  
Maharashtra, India

**Tel No:** 022 – 2659 8100 / 8114

**Website:** [www.nseindia.com](http://www.nseindia.com)

### BOARD OF DIRECTORS

As on the date of this Red Herring Prospectus, the Board of Directors of our Company comprises of the following:

Name	Designation	DIN	Residential Address
Ms. Prajna Shravan Shetty	Chairperson & Managing Director	02836327	15 <sup>th</sup> Floor Flat 1504 Residential Building No. 4, Known as Maxima JVL Road, Of Village Majas, Jogeshwari East, Mumbai-400060, Maharashtra, India.
Mr. M Jothiprakash	Whole Time Director	09594839	Swapna Nagari B-1 Flat No. 301 Udyam Nagar, New Telco Road, Opp Anna Saheb Magar Stadium, Pimpri, Pune City-411018, Maharashtra, India
Mr. Dayashankar Krishna Shetty	Executive Director	00384537	Sudama Society, Vishal Nagar Complex, Marve Road. Mith Chowki, Malad West, Mumbai-400064, Maharashtra, India
Mr. Suraj Sadanand Shetty	Executive Director	09706122	Flat No. 1505, 15 <sup>th</sup> Floor Everest Heights CHS Ltd Lake Homes Off Adi Shankaracharya Marg, Near Gopal

Name	Designation	DIN	Residential Address
			Sharma School, Powai Mumbai Suburban, Mumbai-400076, Maharashtra, India
Mr. Ammar Huseni Rangwala	Executive Director	09707195	Flat No. 404/a, Vishal Apartment, 805 Bhawani Peth, Opp Ajmera Housing Society, Pune City, Pune-411002, Maharashtra, India
Mr. Siddharth Kumar	Non-Executive Independent Director	05329702	Flat No. 201 Marina Residency, Nelson Square, Katolroad Nagpur-440013, Maharashtra, India
Mr. Abhay Yatin Naik	Non-Executive Independent Director	07488137	C-1111, Surya Prakash Residency City Light Naer Agarsen Bhavan Surat City Svr College, Surat-395007, Gujarat, India
Mr. Kemmannu Shashidhara Rao	Non-Executive Independent Director	06713774	6, Namana, 1st Street Bank Avenue, Kalyananagar, North Bangalore, Bangalore-560043, Karnataka, India
Mr. Dhananjay Mayur Dave	Non-Executive Independent Director	10429532	D-2 Nirman Park Rajmata Jijabai Road, Pump House Andheri East Chakala MIDC, Mumbai-400093, Maharashtra, India
Mr. Ravindra Venkatesh Hulyalkar	Non-Executive Independent Director	10429539	B1/203 Swapnanagar, Udyamnagar, Opp Annasaheb Magar Stadium, Pimpri Pune-411018, Maharashtra, India

For detailed profile of our Board of Directors, please see chapter titled “*Our Management*” beginning on page 172 of this Red Herring Prospectus.

#### COMPANY SECRETARY AND COMPLIANCE OFFICER

**Ms. Neelam Mandawat** is our Company Secretary and Compliance Officer. Her contact details are as follows;

##### Ms. Neelam Mandawat

B 201, Rustomjee Central Park Chakala,  
Andheri-Kurla Road, Andheri (East),  
Mumbai City, Mumbai-400069, Maharashtra,  
India

**Tel No.:** +91 9819995930

**Email:** [investors@refshape.com](mailto:investors@refshape.com)

**Website:** <https://www.refshape.com/>

##### Investor grievances:

Bidders may contact the Company Secretary and Compliance Officer, BRLM or the Registrar to the Issue in case of any pre-issue or post-issue related queries, grievances and for redressal of complaints including non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All Issue-related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose a copy of the Acknowledgment Slip or provide the application number received from the Designated Intermediary(ies) in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

All Issue-related grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

## BOOK RUNNING LEAD MANAGER

### **Shreni Shares Limited**

(Formerly Known as Shreni Shares Private Limited)  
No. 217, Hive 67 Icon, Poisar Gymkhana Road,  
Lokmanya Tilak Nagar Poisar, Near Raghuleela Mall,  
Kandivali West, Mumbai – 400067, Maharashtra, India.

**Tel No:** 022 - 2089 7022

**Email:** [shrenishares@gmail.com](mailto:shrenishares@gmail.com)

**Website:** [www.shreni.in](http://www.shreni.in)

**Investor Grievance E-mail:** [info@shreni.in](mailto:info@shreni.in)

**Contact Person:** Ms. Tanya Goyal

**SEBI Registration No.:** INM000012759

## REGISTRAR TO THE ISSUE

### **Bigshare Services Private Limited**

S6-2, 6th Floor, Pinnacle Business Park,  
Next to Ahura Centre, Mahakali Caves Road,  
Andheri (East) Mumbai – 400 093,  
Maharashtra, India

**Tel No:** 022 – 6263 8200

**Email:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)

**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)

**Investor Grievance E-mail:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

**Contact Person:** Mr. Sagar Pathare

**SEBI Registration No.:** INR000001385

## LEGAL ADVISOR TO THE ISSUE

### **Asha Agarwal & Associates**

118, Shila Vihar, Gokulpura,  
Kalwar Road, Jhotwara,  
Jaipur – 302 012, Rajasthan, India

**Tel No:** +91 99509 33137

**Email:** [ashaagarwalassociates@gmail.com](mailto:ashaagarwalassociates@gmail.com)

**Contact Person:** Ms. Nisha Agarwal

## BANKERS TO THE COMPANY

### **Bank of Baroda**

SME Branch Mumbai, First Floor,  
Bank of Baroda Building, 10/12 Mumbai Samachar Marg,  
Fort, Mumbai - 400023.

**Tel No.:** 022 - 4046 8530

**E-mail:** [Smebranch.mumbai@bankofbaroda.co.in](mailto:Smebranch.mumbai@bankofbaroda.co.in)

**Website:** <https://www.bankofbaroda.in/>

**Contact Person:** Bharat Ingle

## STATUTORY AUDITOR OF OUR COMPANY

### **Satish Shetty & Co. Chartered Accountants**

301 Rose Manor CHS Ltd, Mith Chowki,  
Marve Road, Malad West,  
Mumbai – 400064

**Tel No.:** 022 - 28822538

**E-mail:** [satishshetty301@gmail.com](mailto:satishshetty301@gmail.com)

**Contact Person:** Satish Shetty

**Firm Registration No.:** W030467

**Membership No.:** 030467

## PEER REVIEW AUDITORS OF OUR COMPANY

**M/s. Vinay Bhushan & Associates,**  
726, 7th Floor, D- Wing,  
Neelkanth Business Park,  
Near Bus Depot, Vidyavihar (West), Mumbai- 400086  
Maharashtra, India  
**Tel No.:** +91 22 25138323  
**Email:** [vinay@vbaconsult.com](mailto:vinay@vbaconsult.com)  
**Contact Person:** Mr. Vinay Bhushan  
**Firm Registration No.:** 130529W  
**Peer Review No:** 015503

#### **BANKERS TO THE ISSUE / ESCROW COLLECTION BANK, REFUND BANK AND PUBLIC ISSUE BANK**

##### **ICICI Bank Limited**

Capital Market Division, 5<sup>th</sup> Floor,  
HT Parekh Marg Churchgate,  
Mumbai – 400020, Maharashtra, India.

**Tel No:** + 022-68052182

**Email:** [ipocmg@icicibank.com](mailto:ipocmg@icicibank.com)

**Website:** [www.icicibank.com](http://www.icicibank.com)

**Contact Person:** Mr. Varun Badai

**SEBI Registration Number:** INBI00000004

##### **SYNDICATE MEMBER**

##### **Shreni Shares Limited**

(Formerly Known as *Shreni Shares Private Limited*)

No. 217, Hive 67 Icon, Poisar Gymkhana Road,  
Lokmanya Tilak Nagar Poisar, Near Raghuleela Mall,  
Kandivali West, Mumbai – 400067, Maharashtra, India.

**Tel No:** 022 - 2089 7022

**Email:** [shrenisharespvtltd@yahoo.in](mailto:shrenisharespvtltd@yahoo.in)

**Website:** [www.shreni.in](http://www.shreni.in)

**Contact Person:** Mr. Hitesh Punjani

**SEBI Registration No.:** INZ000268538

#### **STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES**

Shreni Shares Limited (Formerly Known as *Shreni Shares Private Limited*) is the sole Book Running Lead Manager to this Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

#### **SELF-CERTIFIED SYNDICATE BANKS (“SCSBs”)**

The list of recognised intermediaries notified by SEBI is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB branches with which an ASBA Bidder (other than a UPI Bidder using the UPI Mechanism), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, or at such other websites as may be prescribed by SEBI from time to time.

#### **SCSBS AND MOBILE APPLICATIONS ENABLED FOR UPI MECHANISM**

The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at <https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> or such other website as updated from time to time.

In accordance with SEBI RTA Master Circular, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, read with other applicable UPI Circulars, UPI Bidders Bidding through UPI Mechanism may apply through the SCSBs and mobile applications, using UPI handles, whose name appears on the SEBI website. A list of SCSBs and mobile applications, which, are live for applying in public offers using UPI mechanism is provided in the list available on the website of SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43](https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

## **SYNDICATE SCSB BRANCHES**

In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) and updated from time to time or any such other website as may be prescribed by SEBI from time to time.

## **REGISTERED BROKERS**

Bidders (other than RIBs) can submit ASBA Forms in the Issue using the stockbroker network of the stock exchange, i.e., through the Registered Brokers at the Broker Centers. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchange at <https://www.nseindia.com>, as updated from time to time.

## **REGISTRAR AND SHARE TRANSFER AGENTS (“RTA”)**

The list of the RTAs eligible to accept ASBA Forms (other than RIBs) at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchange at <https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures>, as updated from time to time.

## **COLLECTING DEPOSITORY PARTICIPANTS (“CDP”)**

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of the Stock Exchange at <https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures>, as updated from time to time.

## **CREDIT RATING**

This being an Issue of Equity Shares, credit rating is not required.

## **IPO GRADING**

Since the Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations, there is no requirement of appointing an IPO Grading agency.

## **DEBENTURE TRUSTEES**

Since this is not a debenture issue, appointment of debenture trustee is not required.

## **MONITORING AGENCY**

Since our Issue size does not exceed ₹ 10,000 Lakhs, we are not required to appoint monitoring agency for monitoring the utilization of Net Proceeds in accordance with Regulation 262(1) of SEBI ICDR Regulations. Our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

## **FILING OF THE RED HERRING PROSPECTUS**

The Red Herring Prospectus shall be filed on NSE Emerge situated at National Stock Exchange of India Limited, Exchange Plaza, Plot no. C/1, G Block Bandra – Kurla Complex, Bandra (E), Mumbai – 400 051, Maharashtra, India.

Pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022, Draft Red Herring Prospectus has not been submitted to SEBI, however, soft copy of Red Herring

Prospectus shall be submitted to SEBI pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. SEBI will not issue any observation on the offer document in terms of Regulation 246 (2) of the SEBI ICDR Regulations.

A copy of the Red Herring Prospectus along with the material contracts and documents referred elsewhere in the Red Herring Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar of Companies Mumbai situated at 100, Everest, Marine Drive, Mumbai- 400 002 Maharashtra, India at least (3) three working days prior from the date of opening of the Issue.

#### **APPRAISING ENTITY**

No appraising entity has been appointed in respect of any objects of this Issue.

#### **TYPE OF ISSUE**

The present Issue is considered to be 100% Book-Building Issue.

#### **GREEN SHOE OPTION**

No green shoe option is contemplated under the Issue.

#### **EXPERTS TO THE ISSUE**

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from Peer Reviewed Auditor namely, M/s Vinay Bhushan & Associates, Chartered Accountants, to include their name in respect of the reports on the Restated Financial Statements dated April 27, 2024 and the Statement of Possible Tax Benefits dated April 27, 2024 issued by them and included in this Red Herring Prospectus, as required under section 26(1)(a)(v) of the Companies Act, 2013 and as “Expert” as defined under section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

#### **CHANGES IN AUDITORS**

There has been no change in the Statutory Auditors during the three years immediately preceding the date of this Red Herring Prospectus.

#### **BOOK BUILDING PROCESS**

Book building, in the context of the Issue, refers to the process of collection of Bids from bidders on the basis of the Red Herring Prospectus, the Bid Cum Application Forms and the Revision Forms, if any, within the Price Band and the minimum Bid Lot, which will be decided by our Company in consultation with the Book Running Lead Manager, and will be advertised in all editions of English national daily newspaper, Financial Express, all editions of Hindi national daily newspaper, Janasatta, all editions of the Marathi daily newspaper, Pratahkal (Marathi being the regional language of Maharashtra, where our Registered Office is located) each with wide circulation at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on their respective website. The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager, after the Bid/ Issue Closing Date. For details, see “*Issue Procedure*” beginning on page 256 of this Red Herring Prospectus.

**All Bidders other than Anchor Investors participated through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount was blocked by the SCSBs. In addition to this, the Retail Individual Investors participated through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount was blocked by the SCSBs or by using the UPI Mechanism. Non-Institutional Investors with an application size of up to ₹ 5.00 lakhs could use the UPI Mechanism and could also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Anchor Investors were not permitted to participate in the Issue through the ASBA process.**

**In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of the number of Equity Shares or the Bid Amount) at any stage. RIBs can revise their Bid(s) during the Bid/ Issue Period and withdraw their Bid(s) until Bid/ Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. Except for**

**Allocation to RIBs, NIIs and the Anchor Investors, allocation in the Issue will be on a proportionate basis. Further, allocation to Anchor Investors will be on a discretionary basis.**

**Each Bidder by submitting a Bid in the Issue, will be deemed to have acknowledged the above restrictions and the terms of the Issue.**

For further details, see “*Terms of the Issue*”, “*Issue Structure*” and “*Issue Procedure*” beginning on pages 243, 252 and 256 of this Red Herring Prospectus, respectively.

**The process of Book Building under the SEBI ICDR Regulations and the Bidding Process are subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to submitting a Bid in the Issue.**

Bidders should note that, the Issue is also subject to obtaining (i) the final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment.

## **UNDERWRITING AGREEMENT**

This Issue is 100% Underwritten by Shreni Shares Limited (*Formerly Known as Shreni Shares Private Limited*) in the capacity of Underwriter to the Issue. The Underwriting agreement is dated March 26, 2024. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being issued through this issue:

(₹ in Lakhs)

<b>Details of the Underwriter</b>	<b>No. of Equity Shares Underwritten*</b>	<b>Amount Underwritten</b>	<b>% of total Issue size underwritten</b>
<b>Shreni Shares Limited</b> (Formerly Known as Shreni Shares Private Limited) Office No. 217, Hive 67 Icon, Poisar Gymkhana Road Lokmanya Tilak Nagar, Poisar, Near Raghuleela Mall, Kandivali West, Mumbai - 400067, Maharashtra, India <b>Tel No:</b> 022 - 2089 7022 <b>Email:</b> <a href="mailto:shrenishares@gmail.com">shrenishares@gmail.com</a> <b>Website:</b> <a href="http://www.shreni.in">www.shreni.in</a> <b>Investor Grievance E-mail:</b> <a href="mailto:info@shreni.in">info@shreni.in</a> <b>Contact Person:</b> Ms. Priyal Ganatra <b>SEBI Registration No.:</b> INM000012759	Up to 60,00,000*	[●]	100%

\*Includes up to 3,04,000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations, as amended.

In the opinion of the Board of Directors of our Company, the resources of the above-mentioned Underwriter are sufficient to enable them to discharge their respective obligations in full.

## **MARKET MAKER**

### **Shreni Shares Limited**

(Formerly known as Shreni Shares Private Limited)  
Office No. 217, Hive 67 Icon, Poisar Gymkhana Road, Lokmanya Tilak Nagar Poisar, Near Raghuleela Mall, Kandivali West, Mumbai, Maharashtra, India, 400067  
**Tel:** 022 - 2809 7022  
**Email:** shrenisharespvtltd@yahoo.in  
**Website:** [www.shreni.in](http://www.shreni.in)  
**Contact Person:** Mr. Hitesh Punjani  
**SEBI Registration No.:** INZ000268538  
**NSE Clearing Number:** 14109

## DETAILS OF THE MARKET MAKING AGREEMENT

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Book Running Lead Manager and the Market Maker (duly registered with NSE to fulfil the obligations of Market Making) dated March 26, 2024 to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares issued in this issue.

Shreni Shares Limited registered with NSE Emerge will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI ICDR Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by NSE and SEBI in this matter from time to time.

Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and buy quote) shall not be more than 10% or as specified by the Stock Exchange from time to time. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being issued by the Market Maker.
2. The prices quoted by the Market Maker shall be in compliance with the Market Maker Spread requirements and other particulars as specified or as per the requirements of NSE and SEBI from time to time.
3. The minimum depth of the quote shall be ₹1,00,000. However, the investors with holdings of value less than ₹1.00 Lakh shall be allowed to issue their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of ₹ [●]/- per share the minimum application lot size is [●] Equity Shares thus minimum depth of the quote shall be [●] until the same, would be revised by NSE.
4. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Equity Shares of market maker in our Company reaches to 25%. Or upper limit (Including the 5% of Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% equity shares would not be taken into consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.
5. There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
6. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the company will be placed in Special Pre-Open Session (SPOS) and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity shares on the Stock Exchange.
7. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
8. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and NSE from time to time.
9. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by them.
10. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
11. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on NSE EMERGE and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.

12. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

13. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Company, who shall then be responsible to appoint a replacement Market Maker.

14. In case of termination of the abovementioned Market Making Agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Company to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations. Further, the Company reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.

15. **Risk containment measures and monitoring for Market Maker:** NSE will have all margins which are applicable on the Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.

16. **Punitive Action in case of default by Market Maker:** NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (issuing two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.

17. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹250 Crores, the applicable price bands for the first day shall be:

- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
- In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

18. The following spread will be applicable on the NSE Emerge:

Sr. No.	Market Price Slab (in ₹)	Proposed spread (in % to sale price)
1.	Up to 50	9
2.	50 to 75	8
3.	75 to 100	6
4.	Above 100	5

19. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Market Maker during market making process has been made applicable, based on the issue size and as follows:

Issue Size	Buy quote exemption threshold (Including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (Including mandatory initial inventory of 5% of the Issue Size)
Up to ₹20 Crore	25%	24%
₹20 Crore to ₹50 Crore	20%	19%
₹50 Crore to ₹80 Crore	15%	14%
Above ₹80 Crore	12%	11%

20. The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI/ NSE from time to time.
21. All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

## CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Red Herring Prospectus and after giving effect to this Issue, is set forth below:

(₹ in lakhs except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price*
<b>A.</b>	<b>Authorized Share Capital<sup>(1)</sup></b>		
	2,50,00,000 Equity Shares of face value of ₹10/- each	2,500.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Equity Capital before the Issue</b>		
	1,58,00,000 Equity Shares of face value of ₹10/- each	1,580.00	-
<b>C.</b>	<b>Present Issue in Terms of this Red Herring Prospectus</b>		
	Issue of up to 60,00,000 Equity Shares of face value of ₹10/- each aggregating up to ₹[●] Lakhs <sup>(1)(2)</sup>	Up to 600.00	[●]
	<i>of which</i>		
	Fresh Issue of up to 60,00,000 Equity Shares of face value of ₹10/- each aggregating up to ₹[●] Lakhs	Up to 600.00	[●]
	<i>Which Includes:</i>		
	Up to 3,04,000 Equity Shares of face value of ₹10/- each at a price of ₹ [●] /- per Equity Share reserved as Market Maker Portion	[●]	[●]
	Net issue to Public of Up to 56,96,000 Equity Shares of ₹10/- each at a price of ₹ [●] /- per Equity Share to the Public	[●]	[●]
	<i>Of Which</i>		
	At least 19,96,000 Equity Shares aggregating up to Rs. [●] Lakhs will be available for allocation to Retail Individual Investors	[●]	[●]
	At least 8,56,000 Equity Shares aggregating up to Rs. [●] Lakhs will be available for allocation to Non-Institutional Investors	[●]	[●]
	Not more than 28,44,000 Equity Shares aggregating up to Rs. [●] Lakhs will be available for allocation to Qualified Institutional Buyers, five per cent. Of which shall be allocated to mutual funds	[●]	[●]
<b>D.</b>	<b>Issued, Subscribed and Paid-Up Capital After the Issue*</b>		
	Up to 2,18,00,000 Equity Shares of face value of ₹10/- each	Up to 2,180.00	-
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue <sup>(3)</sup>	Nil	
	After the Issue	[●]	

\* To be included upon finalisation of Issue Price.

<sup>(1)</sup> For details in relation to the changes in the authorised share capital of our Company, see "History and Certain Corporate Matters – Amendments to our Memorandum of Association" on page 168.

<sup>(2)</sup> The Issue has been authorized by our Board pursuant to resolutions passed at its meetings held on March 23, 2024 and by our Shareholders pursuant to a special resolution passed at their meetings held on March 23, 2024 through shorter notice consent.

<sup>(3)</sup> Securities Premium before the issue as on December 31, 2023

### CLASS OF SHARES

As on the date of Red Herring Prospectus, our Company has only one class of share capital i.e., Equity Shares of ₹10/- each. All Equity Shares issued are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Red Herring Prospectus.

### NOTES TO THE CAPITAL STRUCTURE

#### 1. Changes in Authorized Share Capital

Since incorporation, the capital structure of our Company has been altered in the following manner:

Sr. No.	Particulars	Cumulative No. of Equity Shares	Face Value of Equity Share	Cumulative Authorized Share Capital (₹ in lakhs)	Date of Meeting	Whether AGM/ EGM
1.	On incorporation	10,000	100/-	10.00	On incorporation	N.A.
Split/Sub Division of Shares of ₹100/- each into 10 shares of ₹10/- each on December 18, 2023.						
2.	Increased from ₹10.00 Lakhs to ₹25.00.00 Lakhs	2,50,00,000	10/-	25,00.00	December 18, 2023	EGM

## 2. Equity Share Capital History of our Company

The following table sets forth details of the history of the Equity Share capital of our Company:

Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-Up Equity Shares Capital (₹)	Cumulative Share Premium (₹)
Upon Incorporation	10	100/-	100/-	Cash	Subscription to Memorandum of Association (i)	10	1,000	Nil
January 12, 1996	40	100/-	100/-	Cash	Further Issue of Shares <sup>(ii)</sup>	50	5,000	Nil
June 19, 1996	6,000	100/-	100/-	Other than Cash	Further Issue of Shares <sup>(iii)</sup>	6,050	6,05,000	Nil
June 19, 1996	3,950	100/-	-	Cash	Further Issue of Shares <sup>(iv)</sup>	10,000	10,00,000	Nil
Split/Sub Division of Shares of ₹100/- each into 10 shares of ₹10/- each on December 18, 2023								
-	1,00,000	10/-	-	-	-	1,00,000	10,00,000	Nil
December 20, 2023	1,57,00,000	10/-	-	Other than cash	Bonus Issue <sup>(v)</sup>	1,58,00,000	15,80,00,000	Nil

\*The Bonus Issue has been approved by our shareholders vide Extra - Ordinary General meeting held on December 19, 2023.

(i) Initial Subscribers to the Memorandum of Association subscribed 10 Equity Shares of Face Value of ₹ 100/- each, details of which are given below:

Sr No	Name	No of Equity Shares
1.	Ms. Nargis E. Chaney	5
2.	Mr. Arish E. Chaney	5
	<b>Total</b>	<b>10</b>

(ii) Further Issue of 40 Equity Shares of face value of ₹100/- each

Sr No	Name	No of Equity Shares
1.	Ms. Nargis E. Chaney	40

	<b>Total</b>	<b>40</b>
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(iii) *Further Issue of 6000 Equity Shares of face value of ₹100/- each*

<b>Sr No</b>	<b>Name</b>	<b>No of Equity Shares</b>
1.	Ms. Nargis E. Chaney	6,000
	<b>Total</b>	<b>6,000</b>

*Issue of 6,000 Equity Shares has been issued in consideration of business transfer of Refractory Shapes Private Limited to our Promoters Mr. Dayashankar Krishna Shetty and Ms. Pratibha Dayashankar Shetty as going concern vide Deed of Assignment dated June 19, 1996.*

(iv) *Further Issue of 3950 Equity Shares of face value of ₹100/- each*

<b>Sr No</b>	<b>Name</b>	<b>No of Equity Shares</b>
1.	Ms. Pratibha D. Shetty	3,950
	<b>Total</b>	<b>3,950</b>

(v) *Bonus Issue of 1,57,00,000 Equity Shares of face value of ₹10/- each in the ratio of (1:157) i.e., 157 Bonus Equity Shares for every 1 equity share held*

<b>Sr No</b>	<b>Name</b>	<b>No of Equity Shares</b>
1.	Mr. Dayashankar Krishna Shetty	54,95,000
2.	Ms. Pratibha Dayashankar Shetty	54,95,000
3.	Ms. Prajna Shravan Shetty	47,10,000
	<b>Total</b>	<b>1,57,00,000</b>

3. Except as disclosed below, we have not issued any Equity Shares for consideration other than cash, at any point of time since Incorporation:

<b>Date of Allotment</b>	<b>No. of Equity Shares</b>	<b>Face Value (₹)</b>	<b>Issue Price (₹)</b>	<b>Reasons of Allotment</b>	<b>Benefits accrued to company</b>	<b>Allottees</b>	<b>No. of Shares Allotted</b>
June 19, 1996	6,000	100/-	-	In consideration of business transfer of Refractory Shapes Private Limited	Business acquired of Refractory Shapes Private Limited	Ms. Nargis E. Chaney	6,000
December 20, 2023	1,57,00,000	10/-	-	Bonus Issue	Capitalization of Reserves & Surplus	Mr. Dayashankar Krishna Shetty	54,95,000
						Ms. Pratibha Dayashankar Shetty	54,95,000
						Ms. Prajna Shravan Shetty	47,10,000

- No equity shares have been allotted in terms of any scheme approved under sections 391-394 of the Companies Act, 1956 and sections 230-234 of the Companies Act, 2013.
- Our Company has not issued any shares pursuant to an Employee Stock Option Scheme/ Employee Stock Purchase Scheme for our employees.
- We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.
- Except as disclosed below, we have not issued any Equity Shares at price below Issue price within last one year from the date of this Red Herring Prospectus:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons of Allotment	Benefits accrued to company	Allotees	No. of Shares Allotted
December 20, 2023	1,57,00,000	10/-	-	Bonus Issue	Capitalization of Reserves & Surplus	Mr. Dayashankar Krishna Shetty	54,95,000
						Ms. Pratibha Dayashankar Shetty	54,95,000
						Ms. Prajna Shravan Shetty	47,10,000

## 8. Shareholding Pattern of our Company

The table below presents the current shareholding pattern of our Company as on the date of this Red Herring Prospectus.

	Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)			No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Class-Equity	No. of Voting Rights	Number of Voting Rights held in each class of securities (IX)	No. of Underlying Outstanding convertible securities (including Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C)	No. (a)	Number of Locked in shares (XII) As a % of total Shares held	No. (a)	Number of Shares pledged or otherwise encumbered (XIII) As a % of total Shares held	Number of equity shares held in dematerialized form (XIV)
A	Promoters & Promoter group	7	1,58,00,000	-	1,58,00,000	100.00	1,58,00,000	-	1,58,00,000	100.00	-	1,58,00,000	100.00	-	100.00	-	1,58,00,000		
B	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C	Non Promoters Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C 1	Shares underlyin	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,58,00,000	

		Category (I)		Category of shareholder (II)																
		Nos. of shareholders (III)		No. of fully paid-up equity shares held (IV)																
				No. of Partly paid-up equity shares held (V)																
		No. of shares underlying Depository Receipts (VI)																		
		Total nos. shares held (VII) = (IV)+(V)+(VI)																		
C 2	Shares held by Employee Trusts	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)							
		Class-Equity		No of Voting Rights		Number of Voting Rights held in each class of securities (IX)														
		Class		Total				Total as a % of (A+B+C)												
		No. of Underlying Outstanding convertible securities (including Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C))																		
		No (a)		As a % of total Shares held		Number of Locked in shares (XII)														
		No (a)		As a % of total Shares held		Number of Shares pledged or otherwise encumbered (XIII)														
		As a % of total Shares held																		
		Number of equity shares held in dematerialized form (XIV)																		

9. Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as on the date of this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity shares (Face value of ₹10/- each)	Percentage of the pre-issue Equity Share Capital (%)
1.	Mr. Dayashankar Krishna Shetty	53,72,000	34.00
2.	Ms. Pratibha Dayashankar Shetty	52,13,996	32.99
3.	Ms. Prajna Shravan Shetty	52,13,996	32.99
<b>Total</b>		<b>1,57,99,992</b>	<b>99.98</b>

10. Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company two years prior to this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity shares (Face value of ₹100/- each)	Percentage of the then Equity Share Capital (%)
1.	Mr. Dayashankar Krishna Shetty	3,500	35.00%
2.	Ms. Pratibha Dayashankar Shetty	3,500	35.00%
3.	Ms. Prajna Shravan Shetty	3,000	30.00%
<b>Total</b>		<b>10,000</b>	<b>100.00%</b>

11. Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as of one year prior to the date of this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of then pre-Issue Equity Share Capital (%)
1.	Mr. Dayashankar Krishna Shetty	3,500	35.00%
2.	Ms. Pratibha Dayashankar Shetty	3,500	35.00%
3.	Ms. Prajna Shravan Shetty	3,000	30.00%
	<b>Total</b>	<b>10,000</b>	<b>100.00%</b>

12. Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as of 10 days prior to the date of this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of the pre- Issue Equity Share Capital (%)
1.	Mr. Dayashankar Krishna Shetty	53,72,000	34.00
2.	Ms. Pratibha Dayashankar Shetty	52,13,996	32.99
3.	Ms. Prajna Shravan Shetty	52,13,996	32.99
	<b>Total</b>	<b>1,57,99,992</b>	<b>99.98</b>

13. Our Company has not made any public Issue (including any rights issue to the public) since its incorporation, except as stated above.

14. Our Company does not have any intention or proposal to alter our capital structure within a period of six (6) months from the date of opening of the by way of split/consolidation of the denomination of Equity Shares or further Issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise., except that if our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

## 15. Shareholding of our Promoters

As on the date of this Red Herring Prospectus, our Promoters hold 99.98% of the pre- Issued, subscribed and paid-up Equity Share capital of our Company.

Build-up of the shareholding of our Promoters in our Company since incorporation:

<b>Mr. Dayashankar Krishna Shetty</b>									
Date of Allotment / Transfer	Nature of Issue / Transaction	Nature of Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	FV (₹)	Acquisition / Transfer Price	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital	Pledge
June 19, 1996	Transfer from Mr. Arish E. Chaney	Cash	5	5	100/-	100/-	Negligible	Negligible	No
February 12, 1999	Transfer from Pratibha Dayashankar Shetty	Other than Cash	495	500	100/-	-	Negligible	0.00%	No
August 04, 2021	Transfer from Pratibha Dayashankar Shetty	Other than Cash	3,000	3,500	100/-	-	0.02%	0.01%	No
Split of Shares of ₹100/- each into 10 shares of ₹10/- each on December 18, 2023									
-	-	-	35,000	35,000	10/-	-	0.22%	0.16%	No

Date of Allotment / Transfer	Nature of Issue / Transaction	Nature of Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	FV (₹)	Acquisition / Transfer Price	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital	Pledge
December 20, 2023	Bonus Issue	Other than cash	54,95,00	55,30,000	10/-	-	34.78%	25.21 %	No
January 17, 2024	Transfer to Ms. Prajna Shravan Shetty	Other than Cash	(1,58,00)	53,72,000	10/-	-	(1.00%)	(0.72)%	No
	<b>Total</b>		<b>53,72,00</b>	<b>53,72,000</b>			<b>34.00%</b>	<b>24.64%*</b>	

**Ms. Pratibha Dayashankar Shetty**

June 19, 1996	Further Allotment	Cash	3,950	3,950	100/-	100/-	0.02%	0.02%	No
June 19, 1996	Transfer from Ms. Nargis E. Chaney	Cash	845	4,795	100/-	100/-	Negligible	0.00%	No
August 28, 1998	Transfer from Ms. Nargis E. Chaney	Cash	5,200	9,995	100/-	100/-	0.03%	0.02%	No
February 12, 1999	Transfer to Dayashankar Krishna Shetty	Other than Cash	(495)	9,500	100/-	-	Negligible	(0.00%)	No
August 04, 2021	Transfer to Dayashankar Krishna Shetty	Other than Cash	(3,000)	6,500	100/-	-	(0.02%)	(0.01%)	No
	Transfer to Prajna Shravan Shetty	Other than Cash	(3,000)	3,500	100/-	-	(0.02%)	(0.01%)	No

Split of Shares of ₹100/- each into 10 shares of ₹10/- each on December 18, 2023

-	-	-	35,000	35,000	10/-	-	0.22%	0.16%	No
December 20, 2023	Bonus Issue	Other than cash	54,95,00	55,30,000	10/-	-	34.78%	25.21%	No
January 17, 2024	Transfer to Ms. Prajna Shravan Shetty	Other than cash	(3,15,996)	52,14,004	10/-	-	(1.99%)	(1.50%)	No
	Transfer to Praday Dayashankar Shetty	Cash	(2)	52,14,002	10/-	10/-	Negligible	Negligible	No

Date of Allotment / Transfe r	Nature of Issue / Transaction	Nature of Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	FV (₹)	Acquisition / Transfer Price	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital	Pledge
	Transfer to Suraj Sadanand Shetty		(2)	52,14,000	10/-	10/-	Negligible	Negligible	No
	Transfer to Yogishwar Bola Krishna		(2)	52,13,998	10/-	10/-	Negligible	Negligible	No
	Transfer to Shravan Sadanand Shetty		(2)	52,13,996	10/-	10/-	Negligible	Negligible	No
	<b>Total</b>		<b>52,13,996</b>	<b>52,13,996</b>			<b>32.99%</b>	<b>23.92%</b>	

**Ms. Prajna Shravan Shetty**

August 04, 2021	Transfer from Pratibha Dayashankar Shetty	Other than Cash	3,000	3,000	100/-	-	0.02%	0.01%	No
Split of Shares of ₹100/- each into 10 shares of ₹10/- each on December 18, 2023									
-	-	-	30,000	30,000	10/-	-	0.19%	0.14%	No
December 20, 2023	Bonus Issue	Other than cash	47,10,000	47,40,000	10/-	-	29.81%	21.60%	No
January 17, 2024	Transfer from Mr. Dayashankar Krishna Shetty	Other than cash	1,58,000	48,98,000	10/-	-	1.00%	0.72%	No
	Transfer from Ms. Pratibha Dayashankar Shetty		3,15,996	52,13,996	10/-	-	1.99%	1.50%	No
	<b>Total</b>		<b>52,13,996</b>	<b>52,13,996</b>			<b>32.99%</b>	<b>23.92%</b>	

**Mr. Suraj Sadanand Shetty**

January 17, 2024	Transfer from Pratibha Dayashankar Shetty	Cash	2	2	10/-	10/-	Negligible	Negligible	No
	<b>Total</b>		<b>2</b>	<b>2</b>			<b>Negligible</b>	<b>Negligible</b>	

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. Further, our Promoters have not pledged any of the Equity Shares that they hold in our Company.

16. Pre-Issue and Post-Issue Shareholding of our Promoters and Promoter Group.

Category of Promoters	Pre-Issue		Post-Issue	
	No. of Shares	% of Pre-Issue Capital	No. of Shares	% of Post-Issue Capital
<b>Promoters</b>				
Mr. Dayashankar Krishna Shetty	53,72,000	34.00%	53,72,000	24.64%
Ms. Pratibha Dayashankar Shetty	52,13,996	32.99%	52,13,996	23.92%
Ms. Prajna Shravan Shetty	52,13,996	32.99%	52,13,996	23.92%
Mr. Suraj Sadanand Shetty	2	Negligible	2	Negligible
<b>Promoter group</b>				
Mr. Praday Dayashankar Shetty	2	Negligible	2	Negligible
Mr. Yogishwar Bola Krishna	2	Negligible	2	Negligible
Mr. Shravan Sadanand Shetty	2	Negligible	2	Negligible
<b>Total</b>	<b>1,58,00,000</b>	<b>100.00%</b>	<b>1,58,00,000</b>	<b>72.48%</b>

17. None of our Directors or Key Managerial Personnel or senior management hold any Equity Shares other than as set out below:

Name	Designation	No. of Equity Shares held	% of pre-Issue paid up capital	% of post Issue paid up capital
Mr. Dayashankar Krishna Shetty	Executive Director	53,72,000	34.00%	24.64%
Ms. Prajna Shravan Shetty	Chairperson and Managing Director	52,13,996	32.99%	23.92%
Mr. Suraj Sadanand Shetty	Executive Director	2	Negligible	Negligible

18. Except as mentioned below, there were no equity shares purchased/sold by the Promoter(s) and Promoter Group, Directors of our Company and their relatives and partners of our body corporate promoter during last six months from the date of this Red Herring Prospectus.

S. No.	Name of Shareholder	Date of Transaction	Promoters/ Promoter group/ Director	Number of Equity Shares Subscribed to/ Acquired	Number of Equity Shares Sold	Subscribed/ Acquired/ Transferred
1.	Mr. Dayashankar Krishna Shetty	December 20, 2023	Promoter and Executive Director	54,95,000	-	Bonus Issue
2.		January 17, 2024		-	1,58,000	Gift to Prajna Shravan Shetty
4.	Ms. Pratibha Dayashankar Shetty		Promoter	54,95,000	-	Bonus Issue
5.		December 20, 2023				
6.		January 17, 2024		-	3,15,996	Gift to Prajna Shravan Shetty
7.				-	2	Transfer to Praday Dayashankar Shetty
8.				-	2	Transfer to Suraj Sadanand Shetty
9.				-	2	Transfer to Yogishwar Bola Krishna
10.				-	2	Transfer to Shravan Sadanand Shetty
11.				47,10,000	-	Bonus Issue
12.						

S. No.	Name of Shareholder	Date of Transaction	Promoters/ Promoter group/ Director	Number of Equity Shares Subscribed to/ Acquired	Number of Equity Shares Sold	Subscribed/ Acquired/ Transferred
13.	Ms. Prajna Shravan Shetty	December 20, 2023	Promoter, Chairperson and Managing Director			
14.		January 17, 2024		3,15,996	-	Gift from Pratibha Dayashankar Shetty
15.				1,58,000	-	Gift from Dayashankar Krishna Shetty
16.	Mr. Praday Dayashankar Shetty	January 17, 2024	Promoter group	2	-	Transfer from Pratibha Dayashankar Shetty
17.	Mr. Suraj Sadanand Shetty	January 17, 2024	Promoter and Executive Director	2	-	Transfer from Pratibha Dayashankar Shetty
18.	Mr. Yogishwar Bola Krishna	January 17, 2024	Promoter group	2	-	Transfer from Pratibha Dayashankar Shetty
19.	Mr. Shravan Sadanand Shetty	January 17, 2024	Promoter group	2	-	Transfer from Pratibha Dayashankar Shetty

19. None of our Promoters, Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Red Herring Prospectus.

## 20. Promoters' Contribution and Lock-in details

### *Details of Promoter's Contribution locked-in for three (3) years*

Pursuant to the Regulation 236 and 238 of SEBI ICDR Regulations, an aggregate of at least 20% of the post Issue Equity Share capital of our Company held by our Promoter shall be locked-in for a period of three years from the date of Allotment in this Issue. As on date of this Red Herring Prospectus, our Promoters holds 1,57,99,994 Equity Shares constituting 72.48% of the Post Issued, Subscribed and Paid-up Equity Share Capital of our Company, which are eligible for Promoter's Contribution.

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute of the post issue Equity Share capital of our Company as Promoters' Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters' Contribution from the date of filing of this Red Herring Prospectus until the commencement of the lock-in period specified below.

Details of the Equity Shares forming part of Promoters' Contribution and their lock-in details are as follows:

Name of Promoter	Date of Allotment/Acquisition & when made fully paid up	No of Equity shares	No of Equity shares locked in	Face Value (in ₹)	Issue Price (in ₹)	Nature of Allotment	% Of Post-Issue Paid-up Capital	Lock-in Period
Mr. Dayashankar Krishna Shetty	December 20, 2023	54,95,000	13,50,000	10	NA	Bonus Issue	6.19%	3 Years
Ms. Pratibha Dayashankar Shetty	December 20, 2023	54,95,000	19,30,000	10	NA	Bonus Issue	8.85%	3 Years

Ms. Prajna Shravan Shetty	December 20, 2023	47,10,000	11,20,000	10	NA	Bonus Issue	5.14%	3 Years
Total		1,57,00,000	44,00,000				20.18%	

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters' Contribution under Regulation 237 of the SEBI ICDR Regulations. In this computation, as per Regulation 237 of the SEBI ICDR Regulations, our Company confirms that the Equity Shares locked-in do not, and shall not, consist of:

- Equity Shares acquired three years preceding the date of this Red Herring Prospectus for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources or unrealized profits or against equity shares which are otherwise ineligible for computation of Promoters' Contribution.
- The Equity Shares acquired during the year preceding the date of this Red Herring Prospectus, at a price lower than the price at which the Equity Shares are being Issued to the public in this Issue is not part of the minimum promoter's contribution.
- The Equity Shares held by the Promoters and issued for minimum 20% Promoter's Contribution are not subject to any pledge or any other form of encumbrances.
- Specific written consent has been obtained from the Promoters for inclusion of 44,00,000 Equity Shares for ensuring lock-in of three years to the extent of minimum 20.18% of post issue Paid-up Equity Share Capital from the date of allotment in the public Issue.
- The minimum Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoters under the SEBI ICDR Regulations.
- We further confirm that our Promoters' Contribution of minimum 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies registered with Insurance Regulatory and Development Authority of India.

#### ***Equity Shares locked-in for one year other than Minimum Promoters' Contribution***

- Pursuant to Regulation 238(b) and 239 of the SEBI ICDR Regulations, other than the Equity Shares held by our Promoters, which will be locked-in as minimum Promoters' contribution for three years, all pre-Issue 1,14,00,000 Equity Shares shall be subject to lock-in for a period of one year from the date of Allotment in this Issue.

#### ***Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors***

- Fifty percent of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

#### ***Inscription or recording of non-transferability***

In terms of Regulation 241 of the SEBI ICDR Regulations, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription "Non-Transferable" and specify the lock - in period and in case such equity shares are dematerialized, the Company shall ensure that the lock - in is recorded by the Depository.

#### ***Pledge of Locked in Equity Shares***

Pursuant to Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoters can be pledged with any scheduled commercial bank or public financial institution or systematically important non-banking finance company or a housing finance company as collateral security for loans granted by them, provided that:

- (a) if the equity shares are locked-in in terms of clause (a) of Regulation 238, the loan has been granted to the company or its subsidiary(ies) for the purpose of financing one or more of the objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan;

(b) if the specified securities are locked-in in terms of clause (b) of Regulation 238 and the pledge of specified securities is one of the terms of sanction of the loan.

Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock-in period stipulated in these regulations has expired.

***Transferability of Locked in Equity Shares***

- (a) Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 238 of the SEBI ICDR Regulations, may be transferred to and amongst our Promoters/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.
- (b) Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 239 of the SEBI ICDR Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.

21. Neither the Company, nor it's Promoters, Directors or the Book Running Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.
22. All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Red Herring Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful Applicants will be issued fully paid-up Equity Shares.
23. As on the date of this Red Herring Prospectus, the Book Running Lead Manager and their respective associates (as defined under the SEBI MB Regulations 1992) do not hold any Equity Shares of our Company. The Book Running Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
24. As on date of this Red Herring Prospectus, there are no outstanding ESOP's, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOPs till date. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
25. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under "*Basis of Allotment*" in the chapter titled "*Issue Procedure*" beginning on page 256 of this Red Herring Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI ICDR Regulations, as amended from time to time.
26. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Net Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
27. Subject to valid applications being received at or above the Issue Price, under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
28. We have 7 (Seven) Shareholders as on the date of filing of the Red Herring Prospectus.
29. The Equity Shares of our company are in the process of being dematerialization form.
30. There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.

31. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this issue.
32. Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of this Red Herring Prospectus and the issue Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
33. Our Promoters and Promoter Group will not participate in the Issue.

## SECTION V – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

This Issue comprises of Fresh Issue of up to 60,00,000 Equity Shares by our Company aggregating to ₹ [●] Lakhs.

#### FRESH ISSUE

##### Requirement of Funds:

Our Company proposes to utilize the Net Proceeds from the Issue towards funding the following objects:

1. Funding of Capital expenditure towards civil construction required for Expansion of existing manufacturing unit at the existing location situated at Wankaner, Gujarat;
2. Funding of Capital expenditure towards purchase of Plant and Machineries for Expanding existing manufacturing unit at the existing location situated at Wankaner, Gujarat;
3. Repayment/prepayment of all or certain of our borrowings availed of by our Company;
4. Purchase of commercial vehicle
5. General corporate purposes.

(Collectively, referred to herein as the “*Objects of the Fresh Issue*”)

The main objects and objects incidental and ancillary to the main objects, as set out in our Memorandum of Association, enable our Company to undertake our existing business activities and the activities for which funds are being raised by us through the Issue. In addition, our Company expects to receive the benefits of listing of Equity Shares on the NSE Emerge including enhancing our visibility and our brand image among our existing and potential customers and creating a public market for our Equity Shares in India.

#### FRESH ISSUE PROCEEDS

The details of the proceeds from the fresh Issue are provided in the following table:

(₹ in Lakhs)

Particulars	Amount*
Gross Issue Proceeds	[●]
Less : Expenses in relation to the Fresh Issue <sup>(1)</sup>	[●]
<b>Net Issue Proceeds*</b>	<b>[●]</b>

\*To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. <sup>(1)</sup>The Issue related expenses shall be determined at the time of filing Prospectus with RoC.

#### UTILIZATION OF NET PROCEEDS

The Net Proceeds are proposed to be used in accordance with the details provided in the following table: -

(₹ in Lakhs)

Sr. No.	Particulars	Estimated Amount*
1.	Funding of Capital expenditure towards civil construction required for Expansion of existing manufacturing unit at the existing location situated at Wankaner, Gujarat;	429.78
2.	Funding of Capital expenditure towards purchase of Plant and Machineries for Expanding existing manufacturing unit at the existing location situated at Wankaner, Gujarat;	250.98
3.	Repayment/prepayment of all or certain of our borrowings availed of by our Company	700.00
4.	Purchase of Commercial Vehicle	11.00
5.	General Corporate Purpose <sup>#</sup>	[●]
<b>Total*</b>		<b>[●]</b>

<sup>#</sup>The amount to be utilised for general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with Regulation 230(3) of the SEBI ICDR Regulations.

\* To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

## PROPOSED SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF THE NET PROCEEDS

Our Company plans to deploy the funds towards the above stated Objects depending upon various factors including the actual timing of the completion of the Issue and the receipt of the Net Proceeds. In the event that estimated utilization out of the funds in any given financial year is not completely met, the same shall be utilized in the next financial year.

We propose to deploy the Issue Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(₹ in Lakhs)			
Sr. No.	Particulars	Amount to be financed from Net Proceeds	Estimated deployment or Utilizations of Net Proceeds in Fiscal 2024-2025
1.	Funding of Capital expenditure towards civil construction required for Expansion of existing manufacturing unit at the existing location situated at Wankaner, Gujarat;	429.78 <sup>(1)</sup>	429.78
2.	Funding of Capital expenditure towards purchase of Plant and Machineries for Expanding existing manufacturing unit at the existing location situated at Wankaner, Gujarat;	250.98	250.98
3.	Repayment/prepayment of all or certain of our borrowings availed of by our Company	700.00	700.00
4.	Purchase of Commercial Vehicle	11.00	11.00
5.	General Corporate Purpose <sup>(2)</sup>	[●]	[●]
<b>Total*</b>		[●]	[●]

<sup>(1)</sup> Total estimated capital cost as per the Detailed Project Report (DPR) dated March 21, 2024 prepared by Best Appraisal Consultants, Pritesh N Patel, Chartered Engineer and Registered Valuer, for the proposed capital expenditure towards civil construction;

<sup>(2)</sup> The amount to be utilised for general corporate purposes alone shall not exceed 25% of the Gross Proceeds.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan and circumstances, management estimates, prevailing market conditions and other external commercial and technical factors including interest rates, exchange rate fluctuations and other charges, which are subject to change from time to time. However, such fund requirements and deployment of funds have not been verified or appraised by any bank, financial institution, or any other external agency or party. We may have to revise our funding requirements and deployment schedule on account of a variety of factors such as our financial and market condition, business and strategy, competition, contractual terms and conditions and negotiation with lenders, variation in cost estimates and other external factors such as changes in the business environment and interest or exchange rate fluctuations, Environmental conditions and relation with foreign countries which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable laws.

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please refer the section titled “*Risk Factors*” on page 28 of this Red Herring Prospectus.

Our Company proposes to deploy the entire Net Proceeds towards the aforementioned Objects during Fiscal 2024-25. In the event that the estimated utilization of the Net Proceeds in scheduled fiscal year is not completely met, due to the reasons stated above, the same shall be utilized in the next fiscal year i.e. Fiscal 2025-2026, as may be determined by the Board, in accordance with applicable laws. If the actual utilization towards any of the Objects is lower than the proposed deployment, such balance will be used towards general corporate purposes, to the extent that the total amount to be utilized towards general corporate purposes is within the permissible limits in accordance with the SEBI ICDR Regulations. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue, subject to compliance with applicable laws.

All quotations mentioned in this section are valid as on the date of this Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendor would be engaged to eventually supply the plant and machineries at the same costs. We are yet to place orders for any of the components of the Proposed Objects. The Proposed Objects may be subject to the risk of unanticipated delays in implementation, cost overruns and other risks and uncertainties. For further details, see “*Risk Factors*” on page 28 of this Red Herring Prospectus.

## MEANS OF FINANCE

We intend to finance our Objects of Issue through Net Proceeds which is as follows:

Particulars	Amount* (₹ in Lakhs)
Net Proceeds	[●]
<b>Total</b>	[●]

\*To be determined upon finalisation of the Issue Price and updated in the Prospectus prior to filing with the RoC.

The fund requirements for the Objects are proposed to be met from the Net Proceeds and our internal accruals. Accordingly, we confirm that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue as required under Regulation 7(1)(e) the SEBI ICDR Regulations.

## DETAILS OF THE OBJECTS

The details of the Objects of the Issue are set out below:

**1. *Funding of Capital expenditure towards civil construction required for Expansion of existing manufacturing unit at the existing location situated at Wankaner, Gujarat:***

Our Company is primarily engaged in the manufacturing of different types of Bricks, Castables, High Alumina Catalyst and Ceramic Balls which includes Pre-Cast & Pre Fired Blocks (“PCPF”), Burner Blocks, Special shaped Refractory bricks, Dense & Insulating Castables & Mortars.

Our Company has two Manufacturing Units situated at Pune in Maharashtra and Wankaner, Morbi District in Gujarat. The manufacturing facilities have a combined installed capacity of 6,434 Metric ton. As on December 31, 2023, our Morbi, Gujarat Facility has an installed capacity of 6,796 Metric ton, as certified by the Chartered Engineer Lalit Sarvaiya, (The Institution of Engineers India, Membership No.: M - 140388) vide certificate dated April 11, 2024.

To cater to the growing demand of our products from our existing customers and to meet requirements of new customers, we intend to expand our manufacturing capacities for existing products. Accordingly, to achieve this we intend to expand our existing manufacturing unit (II) located at RS. No 105 P 11, Guntha, Jetparda Taluka, Wankaner, Morbi District, Gujarat-363621 India, the total area of the land is 1,74,246 Sq. Ft. of which 65,000 Sq. Ft. is covered by our existing facility. The said land is purchased from Shape Refractory Private Limited, vide purchase deed dated July 03, 2021 to meet operational efficiencies, For further details with respect to the property details, see “Our Business – Properties” Section on page 124.

Our Board in its meeting dated March 23, 2024 took note that out of the Net Proceeds, our Company proposes to utilize up to ₹ 429.78 Lakhs to fund the capital expenditure requirements of the aforementioned expansion. Our Company has obtained quotations and cost estimates from certain suppliers for undertaking civil works for the proposed expansion. However, our Company is yet to place any orders or enter into definitive agreements or any memorandum of understanding for the implementation of factory unit and civil construction connected with such proposed expansion.

Construction of factory unit includes construction of floor, walls, roofing, terracing and electrification for Process shed premises with ground floor, bedding for Klin Foundation, Bedding for Press Machines, Bedding for Ball Mill Foundation. The total estimated cost for said construction is ₹ 429.78 Lakhs, as per the Quotation received from H V Patel, Consulting Civil Engineer, dated March 20, 2024, having their office at Gurudev Park Candra park, main road, 150 feet ring Road, Rajkot - 360002

The detailed break-down of estimated cost of the proposed expansion, is set forth below\*:

(₹ in Lakhs)					
Sr. No.	Particulars	Area	Unit	Rate per unit in ₹	Cost of Construction (₹ in)
1.	Process shed premises with ground floor with slop type pcs or acc roofings with ms structure with load bearing walls with cement plaster with cc or equivalent flooring with electrification work etc	3200	Sqm	10500/-	336.00/-
2.	Providing and laying lime concrete bedding for kiln foundation.	148.64	Sqm	8,000/-	11.89/-
3.	Providing and laying lime concrete bedding for press foundation. (Subject to design for dynamic loading for machine)	6.00	Sqm	3,50,000/-	21.00/-
4.	Providing and laying lime concrete bedding for ball mill foundation. (Subject to design for dynamic loading for machine)	1.00	Sqm	30,00,000/-	30.00/-
5.	Site Development (Filling/Paver Block)	1323.40	Sqm	1200/-	15.88/-
6.	Landscaping	Lumpsum			15.00/-
<b>Total</b>				<b>33,69,700/-</b>	<b>429.78/-</b>
<b>Total Estimated Cost</b>					<b>429.78/-</b>

\*The entire amount is proposed to be funded from the Net Proceeds

- (1) Total estimated cost as per the Certificate dated March 21, 2024, as certified by the Best Appraisal Consultants, Chartered Engineer and Government Approved Valuer.
- (2) Layout plans have been submitted for approval to the competent authority.
- (3) The estimated cost of project is summarized with all expected expenditures based on certain reasonable assumptions.
- (4) The above estimate is based on prevailing market rates of material and labour of local region.
- (5) The above estimates are based on quotations which are valid as on date of this Red Herring Prospectus.
- (6) Subject to applicable taxes, to the extent not included in the estimated cost.

We have not entered into definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged. The quotation received from the vendor mentioned above is valid as on the date of this Red Herring Prospectus. For further details, see ***"Risk Factors– We have not yet placed orders in relation to the funding Capital expenditure through civil work required for Expanding a manufacturing unit at the existing location situated at Wankaner, Gujarat which is proposed to be financed from the Issue proceeds of the IPO. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the equipment in a timely manner, or at all, may result in time and cost over-runs and our business, prospects and results of operations may be adversely affected. Our proposed capacity expansion plans are subject to the risk of unanticipated delays in implementation due to factors including delays in construction, obtaining regulatory approvals in timely manner and cost overruns".***

#### **Objectives of Capital Expenditure towards construction of factory unit:**

The rationale behind expanding manufacturing unit right behind the existing manufacturing unit II at Gujarat Wankaner is that currently we have the installation of 3 downdraft kilns at the manufacturing unit I at Pune which has a capacity of firing less than the capacity of the existing machines that produces its main products in its day-to-day operations. Besides that, there being restriction of space at the Pune plant and non-availability of affordable land in MIDC Pune, there is no scope for the Company to expand the firing capacity at the Manufacturing Unit I at Pune plant. Further, We have additional open space in our existing manufacturing unit II to add an additional shed and install additional machineries to increase our production output. For more details, please see the chapter titled, "Our Business" on page 124 of this Red Herring Prospectus.

- **Backward Integration in The Plant:** In line with our focus to provide products solutions and to develop better control on our supply chain and improve our margins, we intend to focus on backward integration at our manufacturing

facilities. This will help us to improve our cost efficiency, reduce dependency on third party suppliers and provide better control on production time and quality of components used in the manufacturing of products. Products like Ceramic Balls and certain grades of bricks which we were unable to manufacture in our Pune plant due to high manufacturing costs & space constraints and was not feasible to be taken. Hence, the same has been incorporated in our Wankaner, Gujarat unit. With our present capacity, we are able to manufacture the earlier outsourced products at a much lower manufacturing cost. To further reduce our manufacturing cost and be extremely competitive in the market, we intend to increase the capacity of the plant by adding additional machineries.

- **Centralize Manufacturing activities:** This concentration of our manufacturing activities under a single shed would enable us to achieve greater efficiency in reducing time taken for and the cost of manufacturing our products, from design to commercial production and, in our in-house testing and quality assurance processes, resulting in higher profit margins.
- **Expansion of our production capacity:** To cater to the growing demand from our existing customers and to meet requirements of new customers, we intend to expand our manufacturing capacities for existing products that we are in the process of developing and commercializing.

2. ***Funding of Capital expenditure towards purchase of Plant and Machineries for Expanding and setting up a new manufacturing unit at the existing location situated at Wankaner, Gujarat;***

We will continue to expand our operational capabilities and capacity to the extent it assists us in improving quality metrics and overall performance and in reducing our cost of production. Our strategy to expand our business requires us to invest in additional Plant and Machinery and to increase the production capacity to meet the clients demand for decreasing the lead times and to meet the industry demands of Refineries, Petrochemical, Fertilizer & Steel Industries and also to cater to other refractory manufacturers who are unable to meet or cater to the industry demands. We intend to increase our production capacity by way of installation of new plant and machineries at our new factory unit on 34,445 Sq. Ft. in our existing premises located at RS. No 105 P 11, Guntha, Jetparda Taluka, Wankaner, Morbi District, Gujarat-363621 India.

We understand that the said installation shall allow us to be technologically advanced and meet functional efficiencies. Relating to the relevant government approval, required for installation of new plant and machineries at our manufacturing facility, please see chapter titled, “*Government and Statutory Approvals*” on page 225 of this Red Herring Prospectus. We will continue to pursue such opportunities where we believe they will add value to our business, our stakeholders and our customers.

Our Board in its meeting dated March 23, 2024 took note that an amount of ₹ 250.98 Lakhs is proposed to be utilised for the purchase of Plant and Machineries as detailed below from the Net Proceeds. Our Company has received quotations from various suppliers for such machineries and is yet to place 100% orders or enter into definitive agreements for purchase of the machineries. According to our expansion strategy, we believe this will allow us to function effectively and efficiently while meeting our growing company requirements. The break-down of the estimated costs are set forth below:

We propose to import/acquire following machineries for our existing manufacturing facility along with the detailed description of the plant and machineries to be acquired:

**i) Muffle Furnace**

The Muffle furnace is an important testing equipment in the laboratory for testing important parameters of our Refractory Products such as thermal shock, thermal spalling, etc. It is also used for conducting various Research & Development activities wherein we can fire our material in the laboratory using muffle furnace to stimulate the production results in quick turnaround time.

**ii) Friction Screw Press Machine**

The Friction Screw Light Weight press machine is used for producing the insulating bricks for which a very light load of up to 60MT is put to press the bricks. These machines are best suitable for making good quality insulating bricks.

**iii) Abrasion Resistant Testing Machine**

Abrasion resistant testing machine is used in the laboratory to test the abrasion resistant of the bricks against coarse service environment. This test is an important parameter asked by our client when buying our material. Hence, having an inhouse abrasion resistance testing machine will ensure a truly complete in house testing facility to our clients thereby increasing the confidence of our clients in our quality. This test machine uses coarse silica sand which flows in a very fast speed on a single

point in the bricks for a couple of minutes to check if there is any erosion on the bricks. If there is no erosion, that means the brick is of very good quality and abrasion resistant.

#### iv) RUL & Creep Machine

RUL & Creep testing machine is not available with any manufacturer in India. This testing machine tests the strength of the bricks under load and heat simultaneously and simulates the environment where our bricks will be installed. It's an important testing parameter which Company wants to develop in house to increase the value of the In house laboratory.

#### v) Feeding Machine

Feeding machine is an automated belt system wherein the raw material will be loaded into the pan and the belt will transfer the raw material into the press machine automatically to press the bricks. This will not only reduce the manpower but will also increase the efficiency of the production by correctly feeding the same weight of raw material everytime into the press machine.

#### vi) Pan Mixer

With an increase in the press machines, we will also have to increase the pan mixers to mix our various raw materials to feed the press machines.

#### vii) Bending Machine

Bending machine will be used for making anchors in the new Wankaner plant. This is apart of our mould making activity and will be an investment to increase our productivity in making Anchors and reduce our dependability on other third party vendors.

The Details of all the machineries proposed to be imported and break-down of estimated costs are set forth below :

(Rs in Lakhs)								
S. No .	Machinery Details	Quantit y	Total Cost*	Name of the Supplier	Date of placemen t of Order	Validit y	Purpose of Machine	Installatio n Location
1.	Muffle Furnace	1	3.50	Visla Instrument s	January 15, 2024	90 days	Manufacturin g	New Unit at existing premises
2.	50 – Ton Friction Screw light weight Press Machine	2	30.00	Birson Industries	January 15, 2024	90 days	Manufacturin g	
3.	300 Ton-Friction Screw light weight Press Machine	2	116.6 6	Birson Industries	January 15, 2024	90 days	Manufacturin g	
4.	Dry Sand Abrasion Resistant Tester ASTM G 65, ASTM G 105, ASTM B 611	1	1.50	VB Ceramic Consultant s	January 16, 2024	90 days	Testing Laboratory	
5.	High Temperatur	1	25.95 <sup>#</sup>	Luoyang Kunsheng Instrument	January 15, 2024	90 days	Testing Laboratory	

S. No.	Machinery Details	Quantity	Total Cost*	Name of the Supplier	Date of placement of Order	Validity	Purpose of Machine	Installation Location
	e Creep and RUL tester HRY-03P			Equipment Co. Ltd				
6.	Feeding Machine 30 kg	1	19.44 <sup>#</sup>	Zhengzhou Xing&Kai Trading Co. Ltd	January 16, 2024	90 days	Manufacturing	
7.	“PMIX” Refractory Pan Mixer Model-PM 165 HE	1	8.18	Zhengzhou Xing&Kai Trading Co. Ltd	January 16, 2024	90 days	Manufacturing	
8.	3D wire bending machine (CNC-712)	1	45.75	Dewei Machinery Import and Export	January 27, 2024	90 days	Manufacturing	
		<b>Total</b>	250.98					

\*Excluding Taxes. Tax payable on such machineries will be paid from our internal accruals. These are subject to additional costs including freight, installation and commissioning costs, transportation costs, packaging and forwarding costs, insurance, customs, duties and other government levies, as applicable shall be paid out of Internal Accruals.

<sup>#</sup>Exchange rate for the above purchase order from Luoyang Kunsheng Instrument Equipment Co. Ltd and Zhengzhou Xing & Kai Trading Co. Ltd is considered as 1 USD = ₹ 83. Additional costs, if any, due to exchange rate fluctuations shall be borne by company from our internal accruals.

**Notes:**

- We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. The actual cost of procurement and actual supplier/dealer may vary.
- All quotations received from the vendors mentioned above are valid as on the date of this Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the machineries/ equipment or at the same costs.
- The machinery/equipment models and quantity to be purchased are based on the present estimates of our management. The Management shall have the flexibility to revise such estimates (including but not limited to change of vendor or any modification/addition/deletion of machineries or equipment) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other machinery, equipment or utilities, as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost of machineries, equipment and utilities for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 25% of the amount raised by our Company through this Issue.
- We are not acquiring any second-hand machinery.
- The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of machineries proposed to be acquired by us at the actual time of purchase, resulting in increase in the estimated cost. Further, cost will be escalated on account of Packing & Forwarding, Transportation, Transit Insurance, Octroi / Entry tax if any etc. Such cost escalation would be met out of our internal accruals.

**3. Repayment/prepayment of all or certain borrowings of our Company**

Our Board in its meeting dated March 23, 2024 took note that an amount of ₹700.00 Lakhs is proposed to be utilised for repayment/ prepayment of certain borrowings availed by our Company from the Net Proceeds. Our Company has entered into financial arrangements from time to time, with Bank of Baroda. The outstanding loan facilities entered into by our Company include secured and unsecured borrowing in the form of Loan against property of our Company and personal guarantees of the Directors and Promoters. For further details, please refer “Financial Indebtedness” on page 203 of this

Red Herring Prospectus. As on December 31, 2023, the aggregate outstanding secured borrowings of our Company, is ₹1,410.33 Lakhs. Our Company proposes to utilise an estimated amount of ₹700.00 Lakhs from the Net Proceeds towards part or full repayment and/or pre-payment of borrowings availed by us.

Given the nature of these borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under these borrowings may vary after payment of due instalments. In light of the above, at the time of filing the Red Herring Prospectus, the table below shall be suitably updated to reflect the revised amounts or loan as the case may be which have been availed by us.

We believe that such repayment and/or pre-payment will help reduce our outstanding indebtedness, debt servicing costs assist us in maintaining a favourable debt-to-equity ratio and enable utilization of some additional amount from our internal accruals for further investment in our business growth and expansion. Additionally, we believe that since our debt-equity ratio will improve significantly, it will enable us to raise at competitive rates in the future to fund potential business development opportunities and plans to grow and expand our business in the future. The following table provides the details of outstanding borrowings availed of by our Company which are proposed to be repaid or prepaid, in full or in part, from the Net Proceeds:

The details of the outstanding loans of our Company, as on December 31, 2023, which are proposed for repayment or prepayment, in full or in part from the Net Proceeds are set forth below. The loan facilities are listed below in no particular order of priority.

(Rs. In Lakhs)

S r. N o	Nam e of Len der	Nature of borrow ing	Rate Interest of	Ten ure	Date of Sanctio n	Amoun t Sanctio ned (Rs. In lakhs)	Amount outstan ding as on Decemb er 31, 2023	Purpose	Prepayment Penalty/Con dition
1.	Bank of Baroda	Cash Credit	Repo linked lending Rate (BRLLR)+SP +.50% i.e. Repo Rate + Mark up + SP + 0.50% = 10.10%	12 mont hs subje ct to annu al revie w	17.07.2023	1200.00	1159.02	Working Capital requirement	Not Applicable
			<b>Total</b>				<b>1,200.00</b>	<b>1,159.02</b>	

*Note: As certified by our Statutory Auditor, M/s. Satis Shetty & Co., Chartered Accountants, by way of their certificate dated March 26, 2024.*

*In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purpose availed, our Statutory Auditors have confirmed that the loans have been utilised for the purpose for which it was availed pursuant to their certificate dated March 26, 2024.*

#### **4. Purchase of Commercial vehicle**

In addition to the capacity addition in manufacturing facility, we will also invest in a new commercial Vehicle. This vehicle will be used to supply full load truck consignment of our goods to customers and further reduce dependency on third party logistic companies. We currently already have one such owned vehicle. However, this Vehicle will be able to carry higher capacity of goods as per permissible payload to carry.

Our Board in its meeting dated March 23, 2024 took note that an amount of ₹ 11.00 Lakhs is proposed to be utilised for purchase of commercial vehicle from the Net Proceeds. Our Company has received quotations from various suppliers for such vehicles and is yet to place any orders or enter into definitive agreements for purchase of such vehicles. Our Company intends to utilise ₹ 11.00 Lakhs from the Net Proceeds to purchase these vehicles. The break-down of such estimated costs are set forth below:

(Rs in Lakhs)						
Description	Quantity	Total Cost*	Name of the Supplier	Date of Quotation	Validity	Usage
Battery operated forklift (4-Wheeler JFPTU30 3650) HSN: 8427	1	11.00	Tusker Materials Handling Private Limited	January 16, 2024	90 days	Commercial Purpose

\*Excluding GST. GST payable on such machineries will be paid from our internal accruals.

## 5. General Corporate Purposes

We propose to deploy the balance Net Proceeds, aggregating to ₹ [●] Lakhs towards general corporate purposes to drive our business growth. As per the applicable laws, we shall utilise the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act and SEBI ICDR regulations.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Red Herring Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

## ESTIMATED ISSUE RELATED EXPENSES

The Total expenses for this Issue are estimated to be approximately Rs. [●] Lakhs which is [●] % of the Issue Size. All the Issue related expenses shall be proportionately met out from proceeds of the Issue as per applicable laws. The break-up of the same is as follows:

Particulars	Estimated expenses (Rs. In Lakhs) *	As a % of total estimated Issue related expenses*	As a % of the total Issue size*
Book Running Lead Manager Fees including underwriting commission	[●]	[●]	[●]
Brokerage, selling, commission and upload fees	[●]	[●]	[●]
Registrar to the issue	[●]	[●]	[●]
Legal Advisors	[●]	[●]	[●]
Advertising and Marketing expenses	[●]	[●]	[●]
Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of issue stationery	[●]	[●]	[●]
Others, if any (market making, depositories, marketing fees, secretarial, peer review auditors, etc.)	[●]	[●]	[●]
<b>Total Estimated Issue Expenses</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

\*To be incorporated in the Prospectus after finalisation of the Issue Price.

The fund deployed out of internal accruals up to April 27, 2024 is ₹ 24.98 Lakhs towards offer expenses vide certificate dated April 27, 2024 having UDIN: 24030467BKCUSB3578 received from M/s. Satish Shetty & Co., Chartered Accountants, and the same will be recouped out of offer expenses.

Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs:

- 1) *SCSBs will be entitled to a processing fee of ₹10/- per Application Form for processing of the Application Forms only for the Successful Allotments procured by other Application Collecting Intermediary and submitted to them.*
- 2) *Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Investors and Non-Institutional Investors, would be 0.01% on the Allotment Amount.*
- 3) *No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.*
- 4) *The commission and processing fees shall be released only after the SCSBs provide a written confirmation to the Book Running Lead Manager not later than 30 days from the finalization of Basis of Allotment by Registrar to the Issue in compliance with SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.*
- 5) *Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price*

## **APPRAISAL**

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on the management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

## **SHORTFALL OF FUNDS**

Any shortfall in meeting the fund requirements will be met by way of internal accruals and or unsecured Loans.

## **BRIDGE FINANCING FACILITIES**

As on the date of this Red Herring Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds.

## **MONITORING UTILIZATION OF FUNDS**

The Audit Committee & the Board of Directors of our Company will monitor the utilization of funds raised through this public issue. Pursuant to Regulation 32 of SEBI Listing Regulation 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement of funds utilized will be certified by the Statutory Auditors of our Company.

## **INTERIM USE OF PROCEEDS**

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

## **VARIATION IN OBJECTS**

In accordance with Section 13(8) and 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoter or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

## **OTHER CONFIRMATIONS**

There is no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel and Group Companies, in relation to the utilization of the Net Proceeds. No part of the proceeds of the Issue will be paid by us to the Promoter and Promoter Group, Group Companies, the Directors, associates or Key Management Personnel, except in the normal course of business and in compliance with applicable law.

## BASIS FOR ISSUE PRICE

*The Price Band and Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is ₹10/- each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times of the face value at the upper end of the Price Band.*

*Bidders should read the following basis with the section titled “Risk Factors” and chapters titled “Restated Financial Statements”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Our Business” beginning on page 28, 200, 207 and 124 respectively, of this Red Herring Prospectus to get a more informed view before making any investment decisions.*

### QUALITATIVE FACTORS

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

- ISO 9001:2015, 14001:2015 & 45001:2018 certified;
- ISO/IEC 17025:2017
- Approved EIL vendor
- Wide range of our products;
- Location Advantage;
- Well established relationship with clients;
- Leveraging the experience of our Promoters and Directors;
- Strong Marketing Practices;

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please see chapter titled “Our Business” beginning on page 124 of this Red Herring Prospectus.

### QUANTITATIVE FACTORS

The information presented in this chapter is derived from company’s Restated Financial Statements for the period ended December 31, 2023 and for the financial years ended March 31 2023, 2022 and 2021 prepared in accordance with Indian GAAP and in terms of the requirements of the Companies Act, SEBI ICDR Regulations and the Guidance Note on “*Reports in Company Prospectuses (Revised 2019)*” issued by ICAI as amended from time to time. For more details on financial information, investors please refer the chapter titled “*Restated Financial Statements*” beginning on page 200 of this Red Herring Prospectus.

Investors should evaluate our Company taking into consideration its niche business segment and other qualitative factors in addition to the quantitative factors. Some of the quantitative factors which may form the basis for computing the price are as follows:

Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

#### **1. Basic and Diluted Earnings / (Loss) Per Share (“EPS”), as adjusted for changes in capital**

*As per Restated Financial Statements – Post Bonus*

Particulars	Basic & Diluted EPS (in ₹)	Weights
March 31, 2023	1.21	3
March 31, 2022	1.82	2
March 31, 2021	0.99	1
<b>Weighted Average</b>	<b>1.38</b>	
For the period ended December 31, 2023 (Not annualised)	0.97	

*Notes:*

- (1) 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.
- (2) Earnings per Equity Share = Profit for the period/year / Weighted average number of equity shares outstanding during the period/year.

- (3) Basic and diluted Earnings per Equity Share are computed in accordance with Accounting Standard 20.
- (4) The basic and diluted Earnings per Equity Share for the current year and previous year presented have been calculated/restated after considering the bonus issue subsequent to March 31, 2023.
- (5) The face value of each Equity Share is ₹10/-.

**2. Price Earnings Ratio (“P/E”) in relation to the Issue Price of ₹ [●] per Equity share of ₹ 10/- each fully paid-up**

Particulars	P/E (number of times) *
<b>Based on Restated Financial Statements- Post Bonus</b>	[●]
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2022-23	[●]
P/E ratio based on the Weighted Average Basic & Diluted EPS	[●]

\* To be updated at the price band stage.

*Note: P/E ratio has been computed dividing the price per share by Earnings per Equity Share.*

**3. Industry P/E Ratio**

Particulars	P/E Ratio
Highest	31.91
Lowest	17.45
Industry Composite	24.68

**4. Return on Net worth (RoNW)**

*As per Restated Financial Statements*

Particulars	RONW (%)	Weights
March 31, 2023	11.49	3
March 31, 2022	19.44	2
March 31, 2021	13.14	1
<b>Weighted Average</b>	<b>14.42</b>	
For the period ended December 31, 2023 (Not annualised)	15.58	

*Note: Return on Net Worth (%) = Profit for the period/ year / Average Net Worth at the end of the period/year.*

**5. Net Asset Value (NAV)**

*As per Restated Financial Statements – Post Bonus*

Financial Year	NAV (₹)
March 31, 2023	10.56
March 31, 2022	9.35
March 31, 2021	7.53
For the period from April 01, 2023 to December 31, 2023 (Not annualised)	6.26
Net Asset Value per Equity Share after the Issue at Floor Price	15.48
Net Asset Value per Equity Share after the Issue at Cap Price	16.58
Issue Price*	[●]

\*Issue Price shall be updated in the Prospectus at the time of filing the same with ROC.

**Notes:**

- (1) Net Asset Value per Equity Share (in ₹) = Net Worth at the end of the period/year / Number of equity shares outstanding at the end of the period/year.
- (2) Issue Price per Equity Share will be determined on conclusion of the Book Building Process.

**6. Comparison of accounting ratios with listed industry peers**

Name of Company	CMP (₹)	Face Value (₹)	Basic & Diluted EPS (₹)	PE Ratio (times)	RoNW (%)	NAV per Share (₹)

Refractory Shapes Limited	[●]	10.00	1.21	[●]	11.49	10.56
<b>Peer Group</b>						
S P Refractories Limited	114.45	10.00	6.56	17.45	7.13%	49.97
IFGL Refractories Limited	541.45	10.00	16.97	31.91	10.12%	172.67

Source: [www.bseindia.com](http://www.bseindia.com), [www.nseindia.com](http://www.nseindia.com).

**Notes:**

- (1) The figures for our company are based on Restated Financial Statements for the year ended March 31, 2023 after taking effect of the Bonus Shares allotted on December 20, 2023.
- (2) The figures for the Peer Group are based on the Standalone Financial Statements filed for the financial year ended March 31, 2023.
- (3) P/E Ratio has been computed based on their respective closing market price on March 27, 2024 as divided by the Basic EPS as on March 31, 2023.
- (4) CMP is the closing prices or the last traded price of respective scripts as on March 27, 2024.
- (5) The Issue Price determined by our Company in consultation with the Book Running Lead Manager is justified by our Company
- (6) in consultation with the Book Running Lead Manager on the basis of the above parameters. Price Earning (P/E) Ratio in relation to the Issue Price of [●] per share.

The face value of our share is ₹10/- per share and the Issue Price is of ₹ [●] per share are [●] times of the face value.

Investor should read the above-mentioned information along with the section titled “*Risk Factors*” beginning on page 28 of this Red Herring Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled “*Restated Financial Statements*” beginning on 200 of this Red Herring Prospectus

## 7. Key Performance Indicators (“KPIs”)

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals in comparison to our peers. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated April 27, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Red Herring Prospectus. Further, the KPIs herein have been certified by M/s Vinay Bhushan & Associates, Chartered Accountants by their certificate dated April 27, 2024.

The KPIs of our Company have been disclosed in the chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators*” on pages 124 and 207 of this Red Herring Prospectus, respectively. We have described and defined the KPIs, as applicable, in “*Definitions and Abbreviations*” on page 1 of this Red Herring Prospectus.

Our Company confirms that it shall continue to disclose all the KPIs included in this 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 complete utilisation of the proceeds of the Issue as per the disclosure made in the chapter titled “*Objects of the Issue*”, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

### a) Key Performance Indicators of our Company\*

(₹ in Lakhs, otherwise mentioned)

Key Financial Performance	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations <sup>(1)</sup>	2,942.15	3,796.92	2,550.32	2,088.90
EBITDA <sup>(2)</sup>	608.53	387.72	361.37	234.49
EBITDA Margin (%) <sup>(3)</sup>	20.68%	10.21%	14.17%	11.23%
PAT	307.94	191.74	287.04	156.39
PAT Margin (%) <sup>(4)</sup>	10.47%	5.05%	11.26%	7.49%
Return on equity (%) <sup>(5)</sup>	15.58%	12.19%	21.53%	14.07%
Debt-Equity Ratio (times) <sup>(6)</sup>	1.18	1.23	1.06	1.04

Key Financial Performance	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Current Ratio (times) <sup>(7)</sup>	1.25	1.02	1.53	3.08

Notes: M/s. Vinay Bhushan & Associates, Chartered Accountants by their certificate dated April 27, 2024

Explanation of KPIs:

- (1) *Revenue from operations means the revenue from operations as appearing in the restated financial information.*
- (2) *EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses.*
- (3) *EBITDA Margin is calculated as EBITDA divided by Revenue from Operations.*
- (4) *PAT Margin is calculated as PAT for the year divided by revenue from operations.*
- (5) *Return on Equity is calculated by comparing the proportion of net income against the amount of average shareholder equity.*
- \**For December 31, 2023, closing shareholder equity has been considered.*
- (6) *Debt to Equity ratio is calculated as Total Debt divided by equity.*
- (7) *Current Ratio is calculated by dividing Current Assets to Current Liabilities.*

**b) Description on the historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company**

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Financial Information. We use these KPIs to evaluate our performance. Some of these KPIs are not defined under applicable Accounting Standards and are not presented in accordance with applicable Accounting Standards. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing results, when taken collectively with financial measures prepared in accordance with applicable Accounting Standards.

**Explanations for the certain financial data based on Restated Financial Statements**

Key Financial Performance	Explanations
<b>Financial KPIs</b>	
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of the business
Return on equity (%)	Return on equity (ROE) is a measure of financial performance
Debt-Equity Ratio (times)	Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers
Current Ratio (times)	The current ratio is a liquidity ratio that measures our company's ability to pay short-term obligations or those due within one year

**c) Comparison with Listed Industry Peers**

**As on March 31, 2023:**

*(₹ in Lakhs, otherwise mentioned)*

Key Financial Performance	S P Refractories Limited	IFGL Refractories Limited
Revenue from Operations <sup>(1)</sup>	2,723.60	83,336.57
EBITDA <sup>(2)</sup>	146.51	9,751.87
EBITDA Margin (%) <sup>(3)</sup>	5.38%	11.70%
PAT	61.57	6117.43
PAT Margin (%) <sup>(4)</sup>	2.26%	7.34%
Return on Equity (%) <sup>(5)</sup>	7.13%	10.12%
Debt to Equity Ratio (times) <sup>(6)</sup>	0.61	0.17

Key Financial Performance	S P Refractories Limited	IFGL Refractories Limited
Current Ratio (times) <sup>(7)</sup>	1.92	2.98

**As on March 31, 2022:**

(₹ in Lakhs, otherwise mentioned)

Key Financial Performance	S P Refractories Limited	IFGL Refractories Limited
Revenue from Operations <sup>(1)</sup>	3,151.58	78,733.19
EBITDA <sup>(2)</sup>	196.15	8,919.10
EBITDA Margin (%) <sup>(3)</sup>	6.22%	11.33%
PAT	98.25	6,322.16
PAT Margin (%) <sup>(4)</sup>	3.12%	8.03%
Return on Equity (%) <sup>(5)</sup>	15.15%	11.04%
Debt to Equity Ratio (times) <sup>(6)</sup>	0.61	0.13
Current Ratio (times) <sup>(7)</sup>	1.81	2.45

**As on March 31, 2021:**

(₹ in Lakhs, otherwise mentioned)

Key Financial Performance	S P Refractories Limited	IFGL Refractories Limited
Revenue from Operations <sup>(1)</sup>	2,569.54	64,907.47
EBITDA <sup>(2)</sup>	140.19	12,264.00
EBITDA Margin (%) <sup>(3)</sup>	5.46%	18.89%
PAT	75.35	4,483.22
PAT Margin (%) <sup>(4)</sup>	2.93%	6.91%
Return on Equity (%) <sup>(5)</sup>	17.55%	8.36%
Debt to Equity Ratio (times) <sup>(6)</sup>	0.81	0.06
Current Ratio (times) <sup>(7)</sup>	1.54	2.89

**Notes:** -

- 1) Revenue from operations means the revenue from operations as appearing in the restated financial information.
- 2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses.
- 3) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations.
- 4) PAT Margin is calculated as PAT for the year divided by revenue from operations.
- 5) Return on Equity is calculated by comparing the proportion of net income against the amount of average shareholder equity.
- 6) Debt to Equity ratio is calculated as Total Debt divided by equity.
- 7) Current Ratio is calculated by dividing Current Assets to Current Liabilities.

## 8. Justification for Basis for Issue price

a) The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities), excluding shares issued under ESOP/ESOS and issuance of bonus shares

There has been no issuance of Equity Shares (excluding shares issued under ESOP/ESOS and issuance of bonus shares) during the 18 months preceding the date of this Red Herring Prospectus, 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-issue 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.

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

Except as set out below, there have been no secondary sale/ acquisitions of Equity Shares or any convertible securities, where our Promoters or the members of our Promoter Group are a party to a transaction, during the 18 months preceding the date of this Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Issue 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) Since there are no such transaction to report to under (a) and (b), the following are the details of the last five primary or secondary transactions (secondary transactions where Promoter or members of the Promoter Group or Shareholder(s) having the right to nominate Director(s) on our Board, are a party to the transaction), not older than three years prior to the date of this Red Herring Prospectus irrespective of the size of transactions:

## Primary Issuances

Except as disclosed below, there have been no primary transactions in the last three years preceding the date of this Red Herring Prospectus:

*Bonus Issue of 1,57,00,000 Equity Shares of face value of Rs. 10/- each in the ratio of 1:157 i.e., 157 Bonus Equity Shares for 1 Equity Shares held.*

Sr.no.	Name	No. of Equity Shares
1.	Dayashankar Krishna Shetty	54,95,000
2.	Pratibha Dayashankar Shetty	54,95,000
3.	Prajna Shravan Shetty	47,10,000
	<b>Total</b>	<b>1,57,00,000</b>

## Secondary Issuances

Sr. No.	Name of Shareholder	Date of Transaction	Promoter/Promoter Group/ Director	Number of Equity Shares Subscribed to/ Acquired	Number of Equity Shares Sold	Subscribed/ Acquired/ Transferred	
1.	Mr. Dayashankar Krishna Shetty	August 04, 2021	Promoter Executive Director	3,000	-	Transferred from Ms. Pratibha Dayashankar Shetty	
2.		January 17, 2024		-	1,58,000	Transfer to Ms. Prajna Shravan Shetty	
3.	Ms. Pratibha Dayashankar Shetty	August 04, 2021	Promoter	-	3,000	Transfer to Mr. Dayashankar Krishna Shetty	
4.				-	3,000	Transfer to Ms. Prajna Shravan Shetty	
5.				-	3,15,996	Transfer to Ms. Prajna Shravan Shetty	
6.		January 17, 2024		-	2	Transfer to Mr. Praday Dayashankar Shetty	
7.				-	2	Transfer to Mr. Suraj Sadanand Shetty	
8.				-	2	Transfer to Mr. Yogishwar Bola Krishna	
9.				-	2	Transfer to Mr. Shravan Sadanand Shetty	

Sr. No.	Name of Shareholder	Date of Transaction	Promoter/Promoter Group/ Director	Number of Equity Shares Subscribed to/ Acquired	Number of Equity Shares Sold	Subscribed/ Acquired/ Transferred
10.	Ms. Prajna Shravan Shetty	August 04, 2021	Promoter Chairperson & Managing Director	3,000	-	Transferred from Ms. Pratibha Dayashankar Shetty
11.		January 17, 2024		3,15,996	-	Transferred from Ms. Pratibha Dayashankar Shetty
12.				1,58,000	-	Transferred from Mr. Dayashankar Krishna Shetty
13.	Mr. Praday Dayashankar Shetty	January 17, 2024	Promoter Group	2	-	Transferred from Ms. Pratibha Dayashankar Shetty
14.	Mr. Yogishwar Bola Krishna			2	-	
15.	Mr. Shravan Sadanand Shetty			2	-	
16.	Mr. Suraj Sadanand Shetty		Promoter, Executive Director	2	-	

**d) Weighted average cost of acquisition, Issue Price**

Weighted average cost of acquisition of Equity Shares based on primary/ secondary transaction(s), as disclosed in paragraph above, are set out below: Types of transactions	Weighted average cost of acquisition (₹ per Equity Share) <sup>^</sup>	Floor Price (₹ [●])*	Cap Price (₹ [●])*
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/ convertible securities), excluding shares issued under an employee stock option plan/ employee stock option scheme, and issuance of bonus shares, during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue 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	N.A.	[●] Times	[●] Times
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares (equity/convertible securities), where our Promoters or Promoter Group entities or Selling Shareholders or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Red Herring Prospectus, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue 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*	N.A.	[●] Times	[●] Times
Since there were no primary or secondary transactions of equity shares of the Company during the 18 months preceding the date of filing of this Red Herring Prospectus, the information has been disclosed for price per share of the Company based on the last five primary or secondary transactions (secondary transactions where Promoter /Promoter Group entities or Shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction), not older than three years prior to the date of filing of this Red Herring Prospectus irrespective of the size of the transaction			
- Based on primary transactions	Nil	[●] Times	[●] Times
- Based on secondary transactions	Negligible	[●] Times	[●] Times

\*To be updated in the Prospectus prior to filing with RoC.

<sup>^</sup>As certified by Statutory Auditors of our Company, by way of their certificate dated February 05, 2024.

e) Explanation for Cap Price being [●] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in 8 (d) above) along with our Company's key performance indicators and financial ratios for the Fiscals 2023, 2022 and 2021 and for the period ended December 31, 2023.

[●]\*

\*To be included on finalisation of Price Band.

**f) The Issue Price is [●] times of the face value of the equity shares**

The face value of our share is ₹10/- per share and the Issue Price is of ₹ [●] per share are [●] times of the face value. Our Company in consultation with the Book Running Lead Manager believes that the Issue Price of ₹ [●] per share for the Public Issue is justified in view of the above quantitative and qualitative parameters. Investor should read the above-mentioned information along with the section titled “*Risk Factors*” beginning on page 28 of this Red Herring Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled “*Restated Financial Statements*” beginning on page 200 of this Red Herring Prospectus.

## STATEMENT OF POSSIBLE TAX BENEFITS

To,  
The Board of Directors  
**Refractory Shapes Limited**  
B201, Rustomjee Central Park,  
Chakala, Andheri-Kurla Road,  
Andheri East, Mumbai – 400069,  
Maharashtra, India.

Dear Sir/Ma'm,

**Subject - Statement of possible tax benefits (“the statement”) available to Refractory Shapes Limited (Formerly known as Refractory Shapes Private Limited) (hereinafter referred as “the Company”) and its shareholder prepared in accordance with the requirement in Point No. 9 (L) of Part A of Schedule VI to the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018.**

**Reference - Initial Public Offer of Equity Shares by Refractory Shapes Limited** (Formerly known as Refractory Shapes Private Limited).

We hereby confirm that the attached Annexure 1 and 2 (together “the Annexures”), prepared by the Refractory Shapes Limited (Formerly known as Refractory Shapes Private Limited) (‘the Company’), provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 (‘the Act’) as amended by the Finance Act 2023, Circulars and Notifications issued thereunder from time to time, as applicable for the Financial Year 2023-24 relevant to the Assessment Year 2024-25, the Central Goods and Services Tax Act, 2017/ the Integrated Goods and Services Tax Act, 2017 (“GST Act”), as amended by the Finance Act 2023, Circulars and Notifications issued from time to time, as applicable for the Financial Year 2023-24, presently in force in India (together, the “Tax Laws”).

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and/ or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

1. The benefits discussed in the attached Annexures are not exhaustive and the preparation of the contents stated is the responsibility of the management of the Company. We are informed that these Annexures are only intended to provide information to the investors and are neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering.

2. We do not express any opinion or provide any assurance as to whether:

- i) the Company or its shareholders will continue to obtain these benefits in future;
- ii) the conditions prescribed for availing the benefits have been/ would be met with; and
- iii) the Revenue Authorities/Courts will concur with the views expressed herein.

3. The contents of the attached Annexures are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.

4. We do not give any assurance that the Revenue Authorities/ Courts will concur with the view expressed herein. Our views are solely based on existing provisions of law being force in India and implementation of such laws, which are subject to change from time to time. We do not assume any responsibility to updates the views consequent to such changes.

5. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

6. This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Offer Document in connection with the proposed issue of equity shares and is not be used, referred to or distributed for any other purpose without our written consent.

**For M/s. Vinay Bhushan & Associates  
Chartered Accountants  
Firm's Reg No. 130529W**

**CA. Vinay Bhushan  
Partner  
Membership No. 502632**

**Place: Mumbai  
Date: 27<sup>th</sup> April, 2024  
UDIN: 24502632BKCKXQ2668**

\*\*\*\*\*

## **ANNEXURE 1 TO THE STATEMENT OF TAX BENEFITS**

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

**YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION**

### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

The Company is not entitled to any special tax benefits under the Act.

### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER**

The Shareholders of the Company are not entitled to any special tax benefits under the Act.

#### **Note:**

1. All the above benefits are as per the current Tax Laws and will be available only to the sole/ first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant Direct Tax Law benefits and does not cover any Indirect Tax Law benefits or benefit under any other law.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Offer Document.

## **ANNEXURE 2 TO THE STATEMENT OF TAX BENEFITS**

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Goods and Service Tax Act (hereinafter referred to as 'GST Act') presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

**YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION**

### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

The Company is not entitled to any special tax benefits under the GST Act.

### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER**

The Shareholders of the Company are not entitled to any special tax benefits under the GST Act.

#### **Note:**

1. All the above benefits are as per the current Tax Laws and will be available only to the sole/ first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant Indirect Tax Law benefits and does not cover any Direct Tax Law benefits or benefit under any other law.

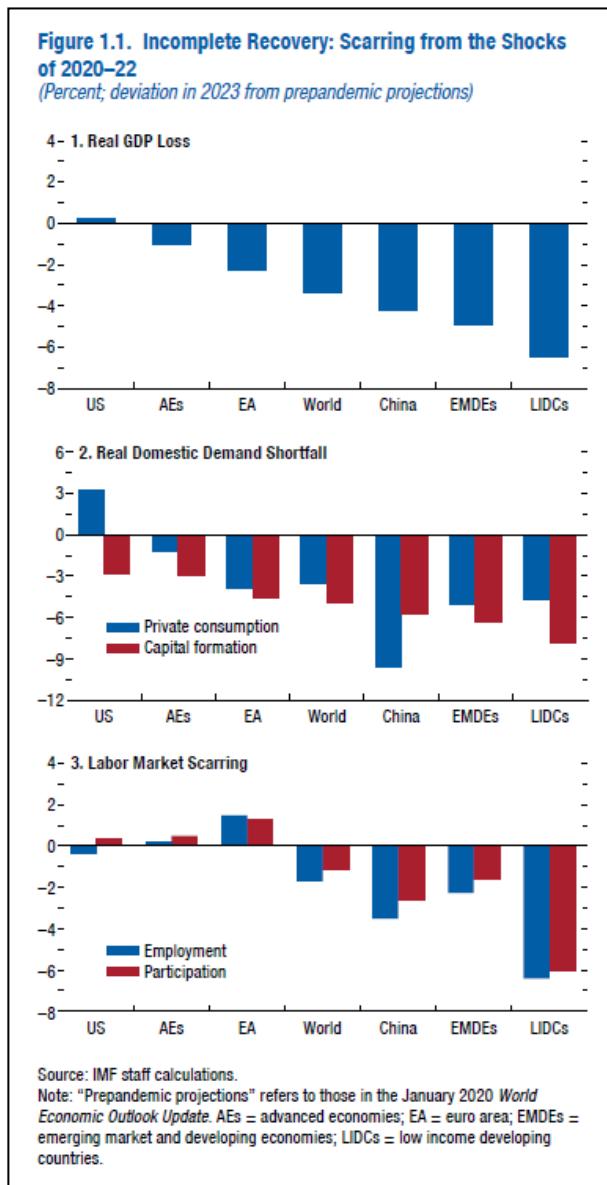
We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Offer Document.

## SECTION VI – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

The information in this chapter has been extracted from the websites of and publicly available documents from various sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with this Issue has independently verified the information provided in this chapter. Industry sources and publications, referred to in this chapter, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.

### GLOBAL ECONOMIC OVERVIEW



2022, on a year-over-year basis, to 5.9 percent this year and 4.8 percent in 2024. Core inflation, excluding food and energy prices, is also projected to decline, albeit more gradually than headline inflation, to 4.5 percent in 2024.

As a result, projections are increasingly consistent with a “soft landing” scenario, bringing inflation down without a major downturn in activity, especially in the United States, where the forecast increase in unemployment is very modest, from 3.6 to 3.9 percent by 2025.

#### Growing Global Divergences

After a strong initial rebound from the depths of the COVID-19 pandemic, the pace of recovery has moderated. Several forces are holding back the recovery. Some reflect the long-term consequences of the pandemic, Russia’s war in Ukraine, and increasing geo-economic fragmentation. Others are more cyclical, including the effects of monetary policy tightening

The baseline forecast is for global growth to slow from 3.5 percent in 2022 to 3.0 percent in 2023 and 2.9 percent in 2024, well below the historical (2000–19) average of 3.8 percent. Advanced economies are expected to slow from 2.6 percent in 2022 to 1.5 percent in 2023 and 1.4 percent in 2024 as policy tightening starts to bite. Emerging market and developing economies are projected to have a modest decline in growth from 4.1 percent in 2022 to 4.0 percent in both 2023 and 2024. Global inflation is forecast to decline steadily, from 8.7 percent in 2022 to 6.9 percent in 2023 and 5.8 percent in 2024, due to tighter monetary policy aided by lower international commodity prices. Core inflation is generally projected to decline more gradually, and inflation is not expected to return to target until 2025 in most cases.

Monetary policy actions and frameworks are key at the current juncture to keep inflation expectations anchored. It emphasizes the complementary role of monetary policy frameworks, including communication strategies, in helping achieve disinflation at a lower cost to output through managing agents’ inflation expectations. Given increasing concerns about geo-economic fragmentation.

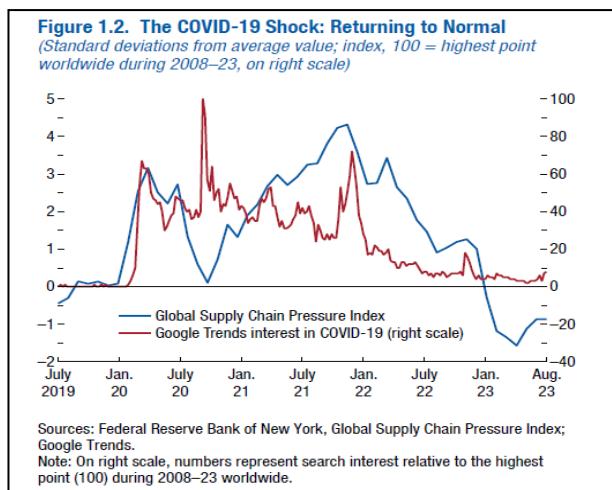
#### Resilient Global Economy Is Limping Along, with Growing Divergences

The global economy continues to recover slowly from the blows of the pandemic, Russia’s invasion of Ukraine, and the cost-of-living crisis. In retrospect, the resilience has been remarkable. Despite the disruption in energy and food markets caused by the war, and the unprecedented tightening of global monetary conditions to combat decades-high inflation, the global economy has slowed, but not stalled. Yet growth remains slow and uneven, with growing global divergences. The global economy is limping along, not sprinting.

According to the projections, global growth will slow from 3.5 percent in 2022 to 3 percent this year and 2.9 percent next year, a 0.1 percentage point downgrade for 2024 from our July projections. This remains well below the historical average. Headline inflation continues to decelerate, from 9.2 percent in

necessary to reduce inflation, withdrawal of fiscal support amid high debt, and extreme weather events. Despite signs of economic resilience earlier this year and progress in reducing headline inflation, economic activity is still generally falling short of pre-pandemic (January 2020) projections, especially in emerging market and developing economies (Figure 1.1, panel 1).

The strongest recovery among major economies has been in the United States, where GDP in 2023 is estimated to exceed its pre-pandemic path. The euro area has recovered, though less strongly—with output still 2.2 percent below pre-pandemic



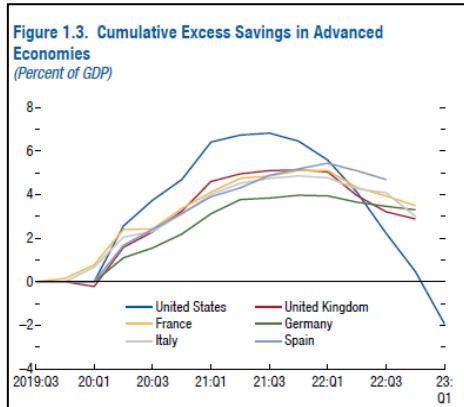
projections, reflecting greater exposure to the war in Ukraine and the associated adverse terms-of-trade shock, as well as a spike in imported energy prices. In China, the pandemic-related slowdown in 2022 and the property sector crisis contribute to the larger output losses of about 4.2 percent, compared with pre-pandemic predictions. Other emerging market and developing economies have seen even weaker recoveries, especially low-income countries, where output losses average more than 6.5 percent. Higher interest rates and depreciated currencies have exacerbated the difficulties of low-income countries, placing more than half either at high risk of distress or already in distress. Overall, global output for 2023 is estimated at 3.4 percent (or about \$ 3.6 trillion in 2023 prices) below pre-pandemic projections. Private consumption has also recovered faster in advanced economies than in emerging market and developing economies, owing to an earlier reopening in the former group facilitated by greater availability of effective vaccines, stronger safety nets, more ample policy stimulus, and greater feasibility of remote work. These factors supported livelihoods during the pandemic, and household consumption is now broadly back to pre-pandemic trends. Among advanced economies, private consumption has been stronger in the United States than in the euro area, with households receiving larger fiscal transfers early in the pandemic and spending the associated savings more quickly; being better insulated from the rise in energy prices resulting from the war in Ukraine; and feeling relatively confident amid historically tight US labour markets, which have supported real disposable incomes (Figure 1.1, panel 2). Among emerging market and developing economies, the consumption shortfall is particularly large in China, reflecting tight restrictions on mobility during the COVID-19 crisis.

Investment, on the other hand, has uniformly fallen short of pre-pandemic trends across regions. Businesses have shown less enthusiasm for expansion and risk taking amid rising interest rates, withdrawal of fiscal support, dimmer prospects for product demand, stricter lending conditions, and growing uncertainties. 75 million to 95 million more people were living in extreme poverty in 2022 compared with pre-pandemic estimates. Spikes in food prices and related insecurities following Russia's invasion of Ukraine, as well as bouts of extreme weather, have accentuated these difficulties. The global average temperature in July 2023 was the highest on record for any month, amid reports of catastrophic flooding, heat waves, and wildfires in many regions. Overall, the global prevalence of undernourishment is significantly higher than before the pandemic (FAO and others 2023).

### **Resilient Start to 2023, Signs of Slowdown**

Despite these persistent challenges, several headwinds to global growth subsided earlier this year. The World Health Organization announced in May that it no longer considered COVID-19 a global health emergency, and infections and hospitalizations appear to remain relatively limited, despite a recent uptick in some regions. Supply chains, which the pandemic disrupted, have largely normalized, with shipping costs and suppliers' delivery times back to pre-pandemic levels. And global financial conditions eased after Swiss and US authorities took strong action in March to contain turbulence in their banking sectors.

Amid these conditions, global GDP expanded by 3.4 percent in the second quarter of 2023 compared with a year earlier outperforming forecasts, including those in the April 2023 WEO. The resilience reflected strong consumption amid tight labour markets in the United States and robust activity in economies with large travel and tourism sectors, such as Italy, Mexico, and Spain. These developments offset a slowdown in more interest-rate-sensitive manufacturing sectors.



### **China: Slower Growth**

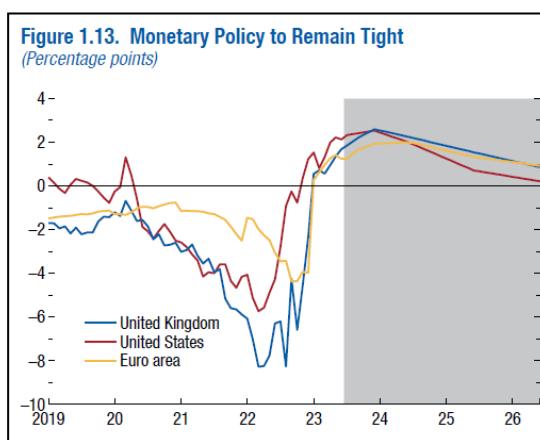
China's growth momentum is fading following a COVID-19 reopening surge in early 2023. Growth slowed from 8.9 percent in the first quarter of 2023 (seasonally adjusted annualized quarterly rate) to 4.0 percent in the second quarter. With ample economic slack and declining energy and food prices, inflation fell to an estimated 0.2 percent (year over year) in the second quarter of 2023. Country Garden China's largest property developer and a major beneficiary of government support—is facing severe liquidity stress, a sign that real estate distress is spreading to stronger developers, despite policy easing measures. Meanwhile, real estate investment and housing prices continue to decline, putting pressure on local governments' revenues from land sales and threatening already fragile public finances.



Commodity exporters and countries that are part of the Asian industrial supply chain are the most exposed to China's loss of momentum.

### **Tighter Monetary Policy, Tighter Credit**

Acute stress in the banking sector has receded. The March 2023 banking scare remained contained and limited to problematic regional banks in the United States and Credit Suisse a Swiss globally systemically important bank on account of swift reaction by authorities in both countries. However, rapid rate hikes in major advanced economies over the past 18 months, a necessary response to rapidly rising inflationary pressures, have resulted in a tight monetary policy stance real rates above neutral rates that is expected to endure well into 2025.



(Source: <https://www.imf.org/en/Publications/WEO/Issues/2023/10/10/world-economic-outlook-october-2023> )

## INDIAN ECONOMY OVERVIEW

### Introduction

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Real GDP at constant prices in the second quarter of 2022–23 is estimated at US\$ 1.94 trillion (Rs. 160.06 trillion), showing a growth of 7.2% as compared to the First Revised Estimates of GDP for the year 2021-22 of US\$ 1.81 trillion (Rs. 149.26 trillion), indicating a strong start for India's recovery from the pandemic. Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022–2023. In FY22, India's service exports stood at US\$ 254.4 billion. Furthermore, India's overall exports (services and merchandise) was estimated at US\$ 770.18 billion in FY23. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers, and with the revival in monsoon and the Kharif sowing, agriculture is also picking up momentum. The contact-based services sector has largely demonstrated promise to boost growth by unleashing the pent-up demand over the period of April–December 2022. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

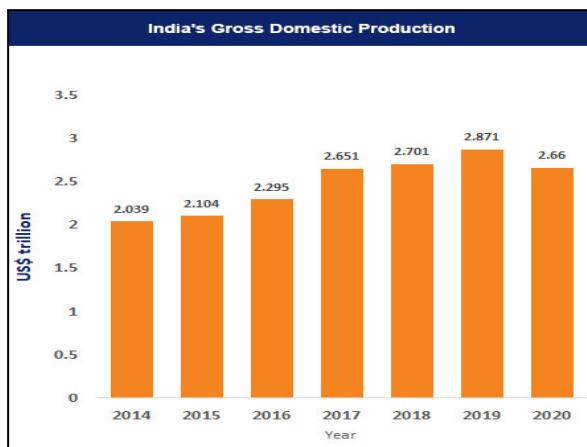
India's appeal as a destination for investments has grown stronger and more sustainable as a result of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

### Market Size

India's nominal gross domestic product (GDP) at current prices is estimated to be at US\$ 3.31 trillion (Rs. 272.41 trillion) in FY22. Additionally, the Nominal GDP at current prices in Q3 of 2022-23 was US\$ 874.84 billion (Rs. 71.82 trillion), as against US\$ 792.3 billion (Rs. 65.05 trillion) in 2021-22, estimating a growth of 10.4%. With 115 unicorns valued at more than US\$ 350 billion, as of February 2023, India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030. India's current account deficit (CAD), primarily driven by an increase in the trade deficit, stood at US\$ 1.3 billion, 0.2% of GDP in the fourth quarter of FY23.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Indian exports are expected to reach US\$ 1 trillion by 2030.



## **Recent Developments**

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to priorities lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- As of January 6, 2023, India's foreign exchange reserves stood at US\$ 561,583 million.
- 1,261 deals were recorded of more than US\$ 46 billion of Private Equity (PE) – Venture Capitalist (VC) investments in 2022. 111 mega transactions (rounds of US\$ 100 million or more) totalling US\$ 31 billion were completed in 2022.
- Merchandise exports in March 2023 stood at US\$ 38.38 billion, with total merchandise export of US\$ 447.46 billion during the period of April–March 2023. The overall exports (merchandise and service exports) in 2022-23 was estimated at US\$ 770.18, exhibiting a positive growth of 13.84%.
- India ranks 3rd position in the global number of scientific publications further improving India's Global Innovation Index (GII) rank from 81st in 2014 to 40th in 2022.
- PMI Services remained comfortably in the expansionary zone at 57.8 in the month of June 2023.
- In June 2023, the gross Goods and Services Tax (GST) revenue collection stood at US\$ 19.63 billion (Rs.1,61,497 crore), of which CGST is US\$ 3.77 billion (Rs. 31,013 crore), SGST is US\$ 4.65 billion (Rs. 38,292 crore), IGST is US\$ 9.76 billion (Rs. 80,292 crore).
- Between April 2000 – March 2023, cumulative FDI equity inflows to India stood at US\$ 9919.63 billion.
- In May 2023, the overall IIP (Index of Industrial Production) stood at 145. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 128.1, 142.3 and 201.6, respectively, in May 2023.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 4.81% in June 2023.
- In FY23, the Foreign Portfolio Investment (FPI) outflows stood at US\$ 14.81 billion (Rs. 1.21 trillion). As per depository data, Foreign Portfolio Investors (FPIs) invested Rs. 22,000 crore (US\$ 2.67 billion) in India during the first week of July 2023.
- The wheat procurement during RMS 2022-23 was estimated to be 262 lakh metric tonnes and the rice procured in KMS 2022-23 was 624.18 lakh metric tonnes (518 LMT for Kharif crop and 106.18 LMT for Rabi crop). Moreover, in the budget 2022-23, direct payment of (Maximum Selling Price) MSP was launched that estimated to be US\$ 31.74 billion (Rs. 2.37 trillion) in order to boost farmers' income.

## **Government Initiatives**

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- From April 1st, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'Atma Nirbhar Bharat' and 'Local goes Global'.
- In order to enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of US\$ 182.35 million (Rs. 1,500 crore).
- Prime Minister Mr. Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antyodaya Anna Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from 1st January 2023.
- The Amrit Bharat Station scheme for Indian Railways envisages the development of stations on a continuous basis with a long-term vision, formulated on 29th December 2022 by the Ministry of Railways.

- On 7th October 2022, the Department for Promotion of Industry and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).
- Telecom Technology Development Fund (TTDF) Scheme was launched in October 2022 by the Universal Service Obligation Fund (USOF), a body under the Department of Telecommunications. The objective is to fund R&D in rural-specific communication technology applications and form synergies among academia, start-ups, research institutes, and the industry to build and develop the telecom ecosystem.
- Home & Cooperation Minister Mr. Amit Shah laid the foundation stone and performed Bhoomi Pujan of Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In August 2022, a Special Food Processing Fund of US\$ 242.72 million (Rs. 2,000 crore) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of Rs. 5,963 crore (US\$ 747.64 million).
- In July 2022, the Union Cabinet chaired by Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for IT companies and start-ups in both countries.
- India and Namibia entered a Memorandum of Understanding (MoU) on wildlife conservation and sustainable biodiversity utilization on July 20, 2022, for establishing the cheetah into the historical range in India.
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (INR) in order to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- The Agnipath Scheme aims to develop a young and skilled armed force backed by an advanced warfare technology scheme by providing youth with an opportunity to serve Indian Army for a 4-year period. It is introduced by the Government of India on 14 June 2022.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth Rs. 21,000 crore (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on 11 July 2022.
- In June 2022, Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than Rs. 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow. The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, and Handloom & Textiles.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of bio capsule, an encapsulation technology for bio-fertilization on 30 June 2022.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- 'Mission Shakti' was applicable with effect from 1st April 2022, aimed at strengthening interventions for women's safety, security and empowerment.
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM Gati Shakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital

expenditure is expected to increase by 27% at US\$ 142.93 billion (Rs. 10.68 trillion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).

- Strengthening of Pharmaceutical Industry (SPI) was launched in March 2022 by the Ministry of Chemicals & Fertilisers to provide credit linked capital and interest subsidy for Technology Upgradation of MSME units in pharmaceutical sector, as well as support of up to Rs. 20 crore (US\$ 2.4 million) each for common facilities including Research centre, testing labs and ETPs (Effluent Treatment Plant) in Pharma Clusters, to enhance the role of MSMEs.
- Under PM Gati Shakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- In February 2022, The Ministry of Social Justice & Empowerment launched the Scheme for Economic Empowerment of Denotified/Nomadic/Semi Nomadic tribal communities (DNTs) (SEED) to provide basic facilities like good quality coaching, and health insurance. livelihoods initiative at a community level and financial assistance for the construction of houses.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of Atma Nirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 trillion (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production-linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production-linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2,500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated Rs. 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production-linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion).
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 trillion (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- In November 2020, the Government of India announced Rs. 2.65 trillion (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of the average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under

its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.

- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system and help fuel liquidity and boost the Indian economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY23; it is expected to raise Rs. 4 trillion (US\$ 53.58 billion) in the next three years.
- By November 1, 2021, India and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In April 2021, Dr . Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025.

### **Road Ahead**

In the second quarter of FY23, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2022. India's comparatively strong position in the external sector reflects the country's generally positive outlook for economic growth and rising employment rates. India ranked fifth in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in FY23 (until August 2022), stood 46.8% higher than the same period last year. The ratio of revenue expenditure to capital outlay decreased from 6.4 in the previous year to 4.5 in the current year, signalling a clear change in favour of higher-quality spending. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

Since India's resilient growth despite the global pandemic, India's exports climbed at the second-highest rate with a year-over-year (YoY) growth of 8.39% in merchandise exports and a 29.82% growth in service exports till April 2023. With a reduction in port congestion, supply networks are being restored. The CPI-C inflation reduction from June 2022 already reflects the impact. In June 2023 (Provisional), CPI-C inflation was 4.81%, down from 7.01% in June 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

(Source: <https://www.ibef.org/economy/indian-economy-overview>)

## **GLOBAL MANUFACTURING INDUSTRY**

### **What is a manufacturing business model?**

In simple words, a manufacturing business model refers to the way a manufacturer creates value and structures its operations to transform raw materials and components into finished products through a series of design, production, and logistics processes to create and deliver value to its customers as well as capture value for itself and its stakeholders. Business models are integral to a manufacturer's success and competitive edge as they provide a roadmap for creating value, generating revenue, managing costs, and adapting to a dynamic business environment. Manufacturing firms that strategically design and execute innovative business models are better positioned for long-term success.

A generic manufacturing business model can be described in terms of nine key building blocks that interact to configure different organisational resources, activities, and partners to create and deliver products and services to one or more customer segments through the proper channels and relations within a reasonable cost and gaining acceptable revenue and

profits. These building blocks include Customer segments that represent the different groups of customers a manufacturing business serves with its products and services. These customer groups could include industrial clients, wholesalers, retailers, or end consumers. Identifying and understanding the specific needs and characteristics of each of these customer groups is crucial for tailoring the manufacturer's value propositions accordingly and for effectively configuring the required resources, activities, and partners for the design, manufacturing, and delivery of such value propositions through the proper channels. The value proposition that stands for the unique value (benefits) a manufacturing business can offer to its customers in terms of new product designs and features, superior quality and performance, mass customisation or personalisation options, or other value-added factors such as complementary services that set a manufacturer's products apart from those of its competitors.

**Channels** that determine the most effective ways to reach and sell to customers. These channels might involve direct sales, distribution through retailers, e-commerce platforms, or partnerships with other businesses. Channels also consider the supply chain and logistics aspects integral for delivering complete and timely product orders.

**Customer relationships** that outline how a manufacturing business will engage with its customers. This could include customer support, warranty services, and other post-sales interactions during a product's middle- and end-of-life as well as regular communications to understand and meet evolving customer needs.

**Revenue streams** that specify the sources of revenue for the manufacturing business. This could include product sales, maintenance contracts, licensing fees, or any other ancillary services that can contribute to the income streams.

**Key resources** that account for the critical resources and assets required to operate a manufacturing business from raw materials to production facilities and equipment to skilled labour.

**Key activities** that define the design, engineering, and manufacturing processes needed to conceptualise and develop a product.

**Key partners** that can enhance the manufacturing capabilities of the business or provide access to key resources and assets. These alliances might include suppliers, distributors, or joint ventures.

**Cost structure** that outlines the major costs associated with running a manufacturing business, including raw materials, labour, facilities, distribution, and overhead costs.

### **What is manufacturing business model innovation?**

Manufacturing business model innovation refers to the process of strategically reimagining and redesigning one or more of the nine building blocks of a manufacturing firm's business model and/or the architecture linking this departure from traditional manufacturing approaches, encompassing significant changes in how a manufacturer designs, produces, sells, and supports its products along their lifecycles. Key areas for manufacturing business model innovation related to the nine building blocks of a generic manufacturing business model include but are not limited to:

**New customer-centricity approaches** place a strong emphasis on understanding and meeting the targeted customer segments' needs and engaging customers in value co-creation and co-innovation activities to ensure that the offered products and services align with their expectations.

**New value propositions** focus on creating new mass-customised or personalised sustainable products, enhancing existing ones with new sustainable and smart features, or providing additional services to these to better meet evolving customer needs.

**New sales channels** such as online marketplaces and social media channels sell directly to consumers and bypass traditional retail channels, thus leading to better shopping experiences.

building blocks by looking at innovative ways of creating, delivering, and capturing new forms of value, enhancing competitiveness, and adapting to changing market and consumer dynamics<sup>5 6</sup>. It involves a systematic and radical

**New customer relationships** prioritise the customer through distinctive loyalty programmes, special promotions, and unique shopping experiences, tailored with customer data insights, which demonstrate a deeper understanding of customer pains.

**New revenue streams** beyond selling physical products explore new recurring income sources based on the offering of services and solutions, for instance, maintenance, upgrades, and performance-based contracts as well as leveraging data monetisation opportunities.

**New resources management practices** based on the circular economy principles minimise the impact of finite resource consumption and create truly sustainable business models and value propositions.

**New activities optimisation efforts** enhance efficiency, boost productivity, minimise waste, reduce costs, and improve product quality.

**New partnership schemes** based on collaborations with other manufacturers, suppliers, or even competitors create synergies and unlock new value propositions by integrating complementary products and/or services.

**New cost structures** analyse and better manage the various costs incurred in the design, manufacturing, and delivery of products and services to enhance profitability.

### **What are the challenges of manufacturing business model innovation?**

While manufacturing business model innovation can bring about positive changes as discussed, it also comes with its set of challenges. Here are some common hurdles that manufacturing firms may face when attempting to innovate their business models:

**Resistance to change** is one of the primary challenges to manufacturing business model innovation as employees may be hesitant to adopt new technologies or ways of working.

**High initial costs** that come with the implementation of new technologies or processes that can require a significant upfront investment. Integration with legacy systems as new technologies may not be easily compatible.

**Skills gaps** as the adoption of advanced technologies may require new skill sets not available in the workforce.

**Data security concerns** as production equipment becomes more connected through the Internet of Things (IoT) and other digital technologies, there are increased concerns about cyber threats.

**Regulatory compliance** as new business models may require manufacturing firms to navigate complex regulatory landscapes, which can slow down the pace of innovation.

**Uncertain return on investment (ROI)** as manufacturing firms may hesitate to invest in new technologies without a clear understanding of the long-term benefits and financial returns.

**Cultural shift** towards a true culture of innovation can be difficult since it requires not only changes in processes and technologies but also a shift in the organisational mindset, embracing experimentation, learning from failures, and continuous improvement.

**Lack of standardisation** can complicate the adoption process of new technologies.

**Market acceptance** when introducing new products or services through innovative business models may face challenges in gaining customers' and partners' acceptance. Long implementation timelines as significant changes in business models can take time. Overcoming these challenges requires strategic planning, effective change management, and a commitment to fostering a culture of innovation within a manufacturing firm.

(Source: [https://worldmanufacturing.org/wp-content/uploads/27/6-WMF-Report-2023\\_E-Book.pdf](https://worldmanufacturing.org/wp-content/uploads/27/6-WMF-Report-2023_E-Book.pdf))

## **INDIAN MANUFACTURING INDUSTRY**

### **Introduction**

Manufacturing is emerging as an integral pillar in the country's economic growth, thanks to the performance of key sectors like automotive, engineering, chemicals, pharmaceuticals, and consumer durables. The Indian manufacturing industry generated 16-17% of India's GDP pre-pandemic and is projected to be one of the fastest growing sectors.

The machine tool industry was literally the nuts and bolts of the manufacturing industry in India. Today, technology has stimulated innovation with digital transformation a key aspect in gaining an edge in this highly competitive market.

Technology has today encouraged creativity, with digital transformation being a critical element in gaining an advantage in this increasingly competitive industry. The Indian manufacturing sector is steadily moving toward more automated and process-driven manufacturing, which is projected to improve efficiency and enhance productivity.

India has the capacity to export goods worth US\$ 1 trillion by 2030 and is on the road to becoming a major global manufacturing hub.

With 17% of the nation's GDP and over 27.3 million workers, the manufacturing sector plays a significant role in the Indian economy. Through the implementation of different programmes and policies, the Indian government hopes to have 25% of the economy's output come from manufacturing by 2025.

India now has the physical and digital infrastructure to raise the share of the manufacturing sector in the economy and make a realistic bid to be an important player in global supply chains.

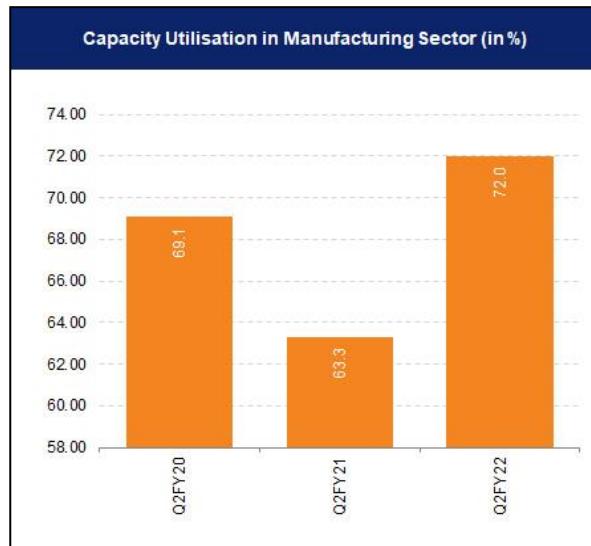
A globally competitive manufacturing sector is India's greatest potential to drive economic growth and job creation this decade. Due to factors like power growth, long-term employment prospects, and skill routes for millions of people, India has a significant potential to engage in international markets. Several factors contribute to their potential. First off, these value chains are well positioned to benefit from India's advantages in terms of raw materials, industrial expertise, and entrepreneurship.

Second, they can take advantage of four market opportunities: expanding exports, localising imports, internal demand, and contract manufacturing. With digital transformation being a crucial component in achieving an advantage in this fiercely competitive industry, technology has today sparked creativity. Manufacturing sector in India is gradually shifting to a more automated and process driven manufacturing which is expected to increase the efficiency and boost production of the manufacturing industry.

India is gradually progressing on the road to Industry 4.0 through the Government of India's initiatives like the National Manufacturing Policy which aims to increase the share of manufacturing in GDP to 25 percent by 2025 and the PLI scheme for manufacturing which was launched in 2022 to develop the core manufacturing sector at par with global manufacturing standards.

Manufacturing has emerged as one of the high growth sectors in India. Prime Minister of India, Mr Narendra Modi, launched the 'Make in India' program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. Government aims to create 100 million new jobs in the sector by 2022.

### **Market Size**



Manufacturing exports have registered highest ever annual exports of US\$ 447.46 billion with 6.03% growth during FY23 surpassing the previous year (FY22) record exports of US\$ 422 billion. By 2030, Indian middle class is expected to have the second-largest share in global consumption at 17%.

India's gross domestic product (GDP) at current prices stood at Rs. 51.23 lakh crore (US\$ 694.93 billion) in the first quarter of FY22, as per the provisional estimates of gross domestic product for the first quarter of 2021-22. The manufacturing GVA at current prices was estimated at US\$ 77.47 billion in the third quarter of FY22 and has contributed around 16.3% to the nominal GVA of during the past ten years. India has potential to become a global manufacturing hub and by 2030, it can add more than US\$ 500 billion annually to the global economy. As per the economic survey reports, estimated employment in manufacturing sector in India was 5.7 crore in 2017-18, 6.12 crore in 2018-19 which was further increased to 6.24 crore in 2019-20. India's display panel market is estimated to grow from ~US\$ 7 billion in 2021 to US\$ 15 billion in 2025. As per the survey conducted by the Federation of Indian Chambers of Commerce and Industry (FICCI), capacity utilisation in India's manufacturing sector stood at 72.0% in the second quarter of FY22, indicating significant recovery in the sector.

### **Investment**

Some of the major investments and developments in this sector in the recent past are:

- According to Department for Promotion of Industry and Internal Trade (DPIIT), India received a total foreign direct investment (FDI) inflow of US\$ 58.77 billion in FY22.
- Between April 2000-September 2022:
  - ✓ The automobile sector received FDI inflows of US\$ 33,774 million.
  - ✓ The chemical manufacturing sector (excluding fertilisers) received FDI inflows worth US\$ 20,759 million.
  - ✓ The drug and pharmaceutical manufacturing sector received FDI inflows worth US\$ 20,104 million.
  - ✓ The Food Processing Industries received FDI inflows worth US\$ 11,514 million.
- The combined index of eight core industries stood at 144.6 for Apr-Feb 2023 against 134.1 for Apr-Feb 2022.

- The Index of Industrial (Production IIP) from April-February 2023 stood at 137.1.
- In FY23, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 55.6.
- In FY23 (until September 2022), export of top 10 major commodities (Engineering goods, Petroleum products, Gems and Jewellery, Organic and Inorganic chemicals, Drugs and Pharmaceuticals, Electronic goods, RMG of all Textiles, Cotton Yarn/Fabs/ Madeups , Rice, Plastic and Linoleum) stood at US\$ 187.2 billion.
- In FY23 (until February 2023), EPFO added 131 lakh net subscribers. The Employees' Provident Fund Organisation (EPFO) added 1,396,185 in February 2023.
- In October 2021, information technology major Zoho, announced that it will invest Rs. 50–100 crore (US\$ 6.7-13.4 million) and form a new company, that will focus on research and development (R&D) in the manufacturing sector.
- In August 2021, Wistron Corp. collaborated with India's Optiemus Electronics to manufacture products such as laptops and smartphones, giving a major boost to the 'Make in India' initiative and electronics manufacturing in the country.
- In April 2021, Samsung started manufacturing mobile display panels at its Noida plant and plans to ramp up manufacturing IT display panels soon.
- Samsung Display Noida, which has invested Rs. 4,825 crore (US\$ 650.42 million) to move its mobile and IT display manufacturing plant from China to Uttar Pradesh, has received special incentives from the state government.
- In April 2021, Bharti Enterprises Ltd. and Dixon Technologies (India) Ltd., formed a joint venture to take advantage of the government's PLI scheme for the manufacturing of telecom and networking products.

### **Government Initiatives**

The Government of India has taken several initiatives to promote a healthy environment for the growth of manufacturing sector in the country. Some of the notable initiatives and developments are:

- In the Union Budget 2023-24:
  - ✓ Startups incorporated within a time-period and meeting other conditions can deduct up to 100% of their profits; the end of this period has been extended from March 31, 2023 to March 31, 2024. In addition, the period within which losses of startups may be carried forward has been extended from seven to ten years.
  - ✓ As per the Union Budget 2023 – 23, the income tax rate for new co-operative societies engaged in manufacturing activities has been lowered from 22% to 15% (plus 10% surcharge).
  - ✓ The upper limit on turnover for MSMEs to be eligible for presumptive taxation has been raised from Rs. 2 crore (US\$ 2,43,044) to Rs. 3 crore (US\$ 3,64,528). The upper limit on gross receipts for professionals eligible for presumptive taxation has been raised from Rs. 50 lakh (US\$ 60,754) to Rs. 75 lakh (US\$ 91,132).
  - ✓ Expenditure on fertilizer subsidy is estimated at Rs. 1,75,100 crore (US\$ 21.2 billion) in 2023-24. This is a decrease of Rs. 50,120 crore (US\$ 6.09 billion) (22.3%) from the revised estimate of 2022-23. Fertilizer subsidy for 2022-23 was increased substantially in response to a sharp increase in international prices of raw materials used in the manufacturing of fertilizers.
  - ✓ The Centre will facilitate one crore farmers to adopt natural farming. For this, 10,000 Bio-Input Resource Centres will be set-up, creating a national-level distributed micro-fertilizer and pesticide manufacturing network.
  - ✓ To avoid cascading of taxes on blended compressed natural gas, excise duty on GST-paid compressed bio-gas contained in it has been exempted from excise duty. Customs duty exemption has been extended to import of capital goods and machinery required for manufacture of lithium-ion cells for batteries used in electric vehicles.
  - ✓ To further deepen domestic value addition in manufacture of mobile phones, the finance minister announced relief in customs duty on import of certain parts and inputs like camera lens. The concessional duty on lithium-ion cells for batteries will continue for another year. Basic customs duty on parts of open cells of TV panels has been reduced to 2.5%. The Budget also proposes changes in the basic customs duty to rectify inversion of duty structure and encourage manufacturing of electrical kitchen chimneys.
  - ✓ Basic customs duty on seeds used in the manufacture of Lab Grown Diamonds has also been reduced.
- Ministry of Defence has set a target of achieving a turnover of US\$ 25 million in aerospace and defence Manufacturing by 2025, which includes US\$ 5 billion exports. Till October 2022, a total of 595 Industrial Licences have been issued to 366 companies operating in Defence Sector.
- A new category of capital procurement 'Buy {Indian-IDDM (Indigenously Designed, Developed and Manufactured)}' has been introduced in Defence Procurement Procedure (DPP)-2016.

- By 2030, the Indian government expects the electronics manufacturing sector to be worth US\$ 300 billion.
- Initiatives like Make in India, Digital India and Startup India have given the much needed thrust to the Electronics System Design and Manufacturing (ESDM) sector in India.
- Moreover, the government's endeavours such as Modified Special Incentive Scheme (M-SIPS), Electronics Manufacturing Clusters, Electronics Development Fund and National Policy on Electronics 2019 (NPE 2019) have been a huge success.
- The Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS) has been notified with an aim to strengthen the value chain for the manufacturing of electronic products in India.
- In the Union Budget 2022-23:
  - ✓ Ministry of Defence has been allocated Rs. 525,166 crore (US\$ 67.66 billion)
  - ✓ The government allocated Rs. 2,403 crore (US\$ 315 million) for Promotion of Electronics and IT Hardware Manufacturing.
- The PLI for semiconductor manufacturing is set at Rs. 760 billion (US\$ 9.71 billion), with the goal of making India one of the world's major producers of this crucial component.
- The government approved a PLI scheme for 16 plants for key starting materials (KSMs)/drug intermediates and active pharmaceutical ingredients (APIs). The establishment of these 16 plants would result in a total investment of Rs. 348.70 crore (US\$ 47.01 million) and generation of ~3,042 jobs. The commercial development of these plants is expected to begin by April 2023.
- In September 2022, the National Logistics Policy was launched by Prime Minister Mr. Narendra Modi which ensures quick last mile delivery, end transport-related challenges.
- In November 2021, the Experts' Advisory Committee (EAC) of the Department for Promotion of Industry and Internal Trade approved Rs. 3 crore (US\$ 403,293.54) for the Atal Incubation Centre (AIC), Pondicherry Engineering College Foundation (PECF), under the Start-up India Seed Fund scheme.
- In September 2021, Prime Minister Mr. Narendra Modi approved the production-linked incentive (PLI) scheme in the textiles sector—for man-made fibre (MMF) apparel, MMF fabrics and 10 segments/products of technical textiles—at an estimated outlay of Rs. 10,683 crore (US\$ 1.45 billion).
- India outlines a plan in August 2021 to reach its goal of US\$ 1 trillion in manufactured goods exports.
- In July 2021, the government launched six technology innovation platforms to develop technologies and thereby, boost the manufacturing sector in India to compete globally.
- To propagate Make in India, in July 2021, the Defence Ministry issued a tender of Rs. 50,000 crore (US\$ 6.7 billion) for building six conventional submarines under Project-75 India.
- In May 2021, the government approved a PLI scheme worth Rs. 18,000 crore (US\$ 2.47 billion) for production of advanced chemical cell (ACC) batteries; this is expected to attract investments worth Rs. 45,000 crore (US\$ 6.18 billion) in the country, and further boost capacity in core component technology and make India a clean energy global hub.
- In India, the market for grain-oriented electrical steel sheet manufacturing is witnessing high demand from power transformer producers, due to the rising demand for electric power and increasing adoption of renewable energy in the country.
- The Mega Investment Textiles Parks (MITRA) scheme to build world-class infrastructure will enable global industry champions to be created, benefiting from economies of scale and agglomeration. Seven Textile Parks will be established over three years.
- The government proposed to make significant investments in the construction of modern fishing harbours and fish landing centres, covering five major fishing harbours in Kochi, Chennai, Visakhapatnam, Paradip, and Petua ghat, along with a multipurpose Seaweed Park in Tamil Nadu. These initiatives are expected to improve exports from the textiles and marine sectors.
- The 'Operation Green' scheme of the Ministry of the Food Processing Industry, which was limited to onions, potatoes and tomatoes, has been expanded to 22 perishable products to encourage exports from the agricultural sector. This will facilitate infrastructure projects for horticulture products.

## **Road Ahead**

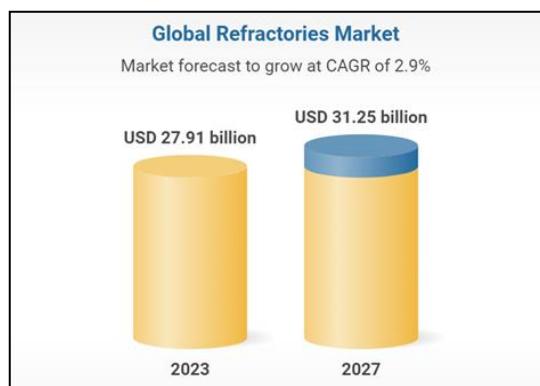
India is an attractive hub for foreign investments in the manufacturing sector. Several mobile phone, luxury and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country. The manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025. The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of US\$ 2.5 trillion along with a population of 1.32 billion people, which will be a big draw for investors. The Indian Cellular and Electronics Association (ICEA) predicts that India has the potential to scale up its cumulative laptop and tablet manufacturing capacity to US\$ 100 billion by 2025 through policy interventions.

One of the initiatives by the Government of India's Ministry for Heavy Industries & Public Enterprises is SAMARTH Udyog Bharat 4.0, or SAMARTH Advanced Manufacturing and Rapid Transformation Hubs. This is expected to increase competitiveness of the manufacturing sector in the capital goods market. With impetus on developing industrial corridors and smart cities, the Government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

(Source: <https://www.ibef.org/industry/manufacturing-sector-india> )

## GLOBAL REFRACTORY INDUSTRY

Refractories refer to ceramic materials that are resistant to extremely high temperatures and endure physical wear and corrosion produced by chemical agents. Refractories are made from natural and artificial materials, mainly non-metallic or mixtures of compounds and minerals. Since they are more heat resistant than metals, they are used to line the hot surfaces found within many industrial processes, including the manufacturing of petrochemical goods and the refining of gasoline.



The main types of refractories are shaped and unshaped refractories. Shaped refractories refer to refractories with a predetermined form when given to the user. These are known as bricks. Brick forms are classified into two types namely regular shapes and unique shapes. Most refractory producers agree to a standard form typically suited to kilns and furnaces of the same kind. Refractories are acidic, neutral, and basic in nature and the refractory minerals includes bauxite, alumina, kaolin, magnesia, graphite, and zircon. Iron and steel, power generation, non-ferrous metals, cement, glass and other sectors are the end user of refractories.

The global refractories market grew from \$26.55 billion in 2022 to \$27.91 billion in 2023 at a compound annual growth rate (CAGR) of 5.1%. The Russia-Ukraine war disrupted the chances of global economic recovery from the COVID-19 pandemic, at least in the short term. The war between these two countries has led to economic sanctions on multiple countries, a surge in commodity prices, and supply chain disruptions, causing inflation across goods and services and affecting many markets across the globe. The refractories market is expected to grow to \$31.25 billion in 2027 at a CAGR of 2.9%.

The refractories market research report is one of a series of new reports that provides refractories market statistics, including refractories industry global market size, regional shares, competitors with a refractories market share, detailed refractories market segments, market trends and opportunities, and any further data you may need to thrive in the refractories industry. This refractories market research report delivers a complete perspective of everything you need, with an in-depth analysis of the current and future scenario of the industry.

Technological advancement is a key trend in the refractory market. Artificial intelligence and machine learning are used to produce refractories to gain efficiency. Images and other data collected during in-situ analysis can be input into machine learning (ML) models. These models provide insights that allow companies to make accurate predictions on the product's running time and the parameters and conditions (such as temperature) inside the reactor that is optimal for receiving the desired product, whether steel, glass, or cement while keeping the refractory layer to a minimum. RHI Magnesita, an Austria-based supplier of refractory products, systems, and services, uses AI to learn from production data. Its Automated Process Optimization (APO) system collects all available data regarding a specific manufacturing process and provides predictions about refractory material maintenance and replacement.

In June 2020, Morgan Advanced Materials, a UK-based manufacturing company that manufactures products using carbon, advanced ceramics, and composites, acquired Carbo San Luis for an undisclosed amount. The acquisition is to ensure the continued growth and development of the business. Carbo San Luis is an Argentina-based company specializing in manufacturing and selling insulating, refractory, and abrasion-resistant materials for all industries.

Asia-Pacific was the largest region in the refractories market in 2022. The regions covered in the refractories market report are Asia-Pacific, Western Europe, Eastern Europe, North America, South America, Middle East and Africa.

The countries covered in the refractories market report are Australia, Brazil, China, France, Germany, India, Indonesia, Japan, Russia, South Korea, UK and USA.

Growing demand for iron and steel is driving the refractories market. The demand for iron and steel is growing due to expanded infrastructure building and the growing car and railway industries. The rising demand for energy-efficient steel-making techniques for refractories is estimated to grow. Refractories are crucial lining materials for furnace working interfaces and backup zones during iron and steel manufacturing. According to India Brand Equity Foundation (IBEF), steel consumption is predicted to rise by 17% to 110 million tonnes in FY22, owing to increased construction activity. Therefore, the increasing demand for steel and iron drives the market for refractories.

The refractories market consists of sales of alumina, silica, and magnesia. Values in this market are 'factory gate' values, that is the value of goods sold by the manufacturers or creators of the goods, whether to other entities (including downstream manufacturers, wholesalers, distributors and retailers) or directly to end customers. The value of goods in this market includes related services sold by the creators of the goods.

The market value is defined as the revenues that enterprises gain from the sale of goods and/or services within the specified market and geography through sales, grants, or donations in terms of the currency (in USD, unless otherwise specified).

The revenues for a specified geography are consumption values that are revenues generated by organizations in the specified geography within the market, irrespective of where they are produced. It does not include revenues from resales along the supply chain, either further along the supply chain or as part of other products.

(Source: <https://www.researchandmarkets.com/reports/5766814/refractories-global-market-report>)

## INDIAN REFRACTORY INDUSTRY

Refractory materials are used in various fields of the national economy, such as iron and steel, nonferrous metal, glass, cement, ceramics, petrochemical, machinery, boiler, light industry, electric power, military industry, etc. It is an essential basic material to ensure the production and operation of the above-mentioned industries and the development of technology.



### What are Refractory Materials?

Refractory materials generally refer to inorganic nonmetal materials with a refractory degree of 1580°C or above. Refractory materials include natural ores and various products made for certain purposes and requirements through certain processes, which have certain high-temperature mechanical properties and good volume stability. They are the necessary materials for various high-temperature equipment.

### Types of Refractory Materials and Their Applications are as follows:

#### 1. Fired Refractory Products

Fired refractory products are refractory materials obtained by kneading, molding, drying, and high-temperature firing of granular and powdery refractory raw materials and binders.

#### 2. Non-Fired Refractory Products

Non-fired refractory products are refractory materials that are made of granular, powdered refractory materials and suitable binders but are directly used without being fired.

### **3. Special Refractory**

Special refractory is a kind of refractory material with special properties made of one or more high melting point oxides, refractory non-oxides, and carbon.

### **4. Monolithic Refractory (Bulk Refractory Or Refractory Concrete)**

Monolithic refractories refer to refractory materials with a reasonable gradation of granular, powdery refractory raw materials, binders, and various admixtures that are not fired at high temperatures and are used directly after mixing molding, and grilling material.

### **5. Functional Refractory Materials**

Functional refractory materials are fired or non-fired refractory materials that are mixed with granulated and powdered refractory raw materials and binders to form a certain shape and have specific smelting applications.

### **6. Clay Bricks**

Clay bricks are aluminum silicate refractory materials composed of mullite, glass phase, and cristobalite with an  $\text{Al}_2\text{O}_3$  content of 30% to 48%.

Applications of Clay Bricks

Clay bricks are a widely used refractory material. They are often used in masonry blast furnaces, hot blast stoves, glass kilns, rotary kilns, etc.

### **7. High Alumina Bricks**

High alumina bricks refer to refractory materials with an  $\text{Al}_2\text{O}_3$  content of more than 48%, mainly composed of corundum, mullite, and glass.

Applications of High Alumina Bricks

It is mainly used in the metallurgy industry to build the plug and nozzle of a blast furnace, hot air furnace, electric furnace roof, steel drum, pouring system, etc.



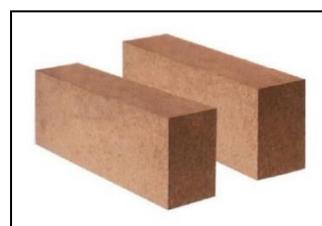
### **8. Silica Bricks**

Thanks for the comments for pointing out the error in this part. Silicon and silica are two different substances, among which silicon exists as a single element in nature and has a brittle crystal structure. Silica is different. It is composed of silicon and oxide. Its crystal structure is very hard, and its melting point is around  $1700^\circ\text{C}$ . Silica brick is a good refractory material. The  $\text{SiO}_2$  content of silica bricks is above 93%, and other components include phosphorous quartz, cristobalite, residual quartz, glass, etc.

Applications of Silica Bricks

Silica bricks are mainly used to build the partition walls of the coking oven carbonization and combustion chambers, open-hearth heat storage chambers, high-temperature bearing parts of hot blast stoves, and vaults of other high-temperature kilns.

### **9. Magnesium Bricks**



Magnesium bricks are alkaline refractory materials made from sintered magnesia or fused magnesia as raw materials, which are press-molded and sintered.

Applications of Magnesium Bricks

Magnesium bricks are mainly used in open-hearth furnaces, electric furnaces, and mixed iron furnaces.

### **10. Corundum Bricks**

Corundum brick refers to refractory with alumina content  $\geq 90\%$  and corundum as the main phase.

Applications of Corundum Bricks

Corundum bricks are mainly used in blast furnaces, hot blast stoves, refining outside the furnace, and sliding nozzles.

### **11. Ramming Material**

The ramming material refers to a bulk material formed by a strong ramming method, which is composed of a certain size of refractory material, a binder, and an additive.

#### Applications of Ramming Material

The ramming material is mainly used for the overall lining of various industrial furnaces, such as open-hearth furnace bottoms, electric furnace bottoms, induction furnace lining, ladle linings, tapping troughs, etc.

### **12. Plastic Refractory**

Plastic refractories are amorphous refractory materials that have good plasticity over a long period of time. It is composed of a certain grade of refractory, binder, plasticizer, water, and admixture.

#### Applications of Plastic Refractory

It can be used in various heating furnaces, soaking furnaces, annealing furnaces, and sintering furnaces.

### **13. Casting Material**

The casting material is a kind of refractory with good fluidity, suitable for pouring molding. It is a mixture of aggregate, powder, cement, admixture, and so on.

#### Applications of Casting Material

The casting material is mostly used in various industrial furnaces. It is the most widely used monolithic refractory material.

(*Source: <https://www.refractorymetal.org/types-of-refractory-materials-applications/>*)

## OUR BUSINESS

*This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section titled “Risk Factors” and chapters titled “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 28, 200 and 207 respectively, of this Red Herring Prospectus.*

*Unless otherwise indicated, the Restated Financial Statements included herein is based on our Restated Financial Statements for period ended December 31, 2023 and Financial Years ended on March 31, 2023, 2022 and 2021 included in this Red Herring Prospectus. For further information, see “Restated Financial Statements” beginning on page 200 of this Red Herring Prospectus.*

### OVERVIEW

Refractory Shapes Limited (“Company” or “Refractory Shapes”) is primarily engaged in the manufacturing of different types of Bricks, Castables, High Alumina Catalyst and Ceramic Balls which includes Pre Cast & Pre Fired Blocks (“PCPF”), Burner Blocks, Special shaped Refractory bricks, Dense & Insulating Castables & Mortars. Our Company was established in the year 1973 as a Proprietary Firm named as M/s. Refractory Shapes which was then converted into a Private Limited Company vide Certificate of Incorporation dated January 08, 1996, whose main object was to take over the running Business of M/s. Refractory Shapes, Further the Business was then taken over by Mr. Dayashankar Krishna Shetty and Ms. Pratibha Dayashankar Shetty vide a Deed of Assignment dated June 19, 1996.

On conversion of a Proprietary Firm into the Company, Mr. Dayashankar Krishna Shetty, one of the Promoters and Executive Director of our Company, introduced various new products which included Special Shaped and Custom-made Refractory shapes. Our Company is currently promoted by Mr. Dayashankar Krishna Shetty, Ms. Pratibha Dayashankar Shetty, Ms. Prajna Shravan Shetty and Mr. Suraj Sadanand Shetty. Our Promoters manage and control the major affairs of our Business Operations with their considerable experience in our Industry. For more details, please see the chapter titled, “Our Management” and “Our Promoter and Promoter Group” on page 172 and 191 of this Red Herring Prospectus.

Our Company started developing and supplying products to Refineries and Steel Industries since its inception in 1973. In the year 2007 and 2011, Our Company had for the first time become an approved vendor with Engineer India Limited (“The EIL”) and also got enlisted with EIL for “High Alumina Refractory Bricks”, Our Company is the Original Equipment Manufacturer in many projects executed by EIL, which increased the opportunities of our Company in many green field projects, this EIL enlistment is re-validated every 3 years.

The tailored made products shaped by the Company finds its application in a diverse range of Industries, including Steel, Refineries, Fertilizers, Petrochemicals, Glass, Cement etc. The company's refractories are engineered to endure the harsh conditions of these industries, contributing to enhanced operational efficiency and extended equipment life. The tailored made finished goods provide diversity in the products being manufactured by our Company wherein modern manufacturing equipment are installed for scaling the manufacturing.

In addition to the manufacturing activity being carried out by the Company, Refractory Shapes is often involved in receiving orders for those items from clients which are not a part of Company's operations in manufacturing activities. These items include Metallic Anchors which are used as support for installing refractory castables for which Raw Materials such as tabular alumina, low alumina bricks and insulation bricks, etc are required, For such orders, our company procures these items from their approved vendors and sells to the clients, hence, our Company is also involved in trading of the aforesaid products.

Also, Company offloads the finished products from the manufacturing quantity with its vendors to meet the delivery period of the client.

Following is the break-up of Trading and Manufacturing activities for the period ended December 31, 2023 and financial years ended March 31, 2023, 2022 and 2021 on the basis of the Audited Financial Statements:

Particulars	(Rs. in Lakhs except percentages)							
	For the period ended December 31, 2023		For the year ended March 30, 2023		For the year ended March 30, 2022		For the year ended March 30, 2021	
	Amount	% of total Revenue	Amount	% of total Revenue	Amount	% of total Revenue	Amount	% of total Revenue
Manufacturing	2,570.77	98.52	2,906.45	76.55	1,747.47	68.52	1,757.32	84.13

Trading	371.38	1.48	890.47	23.45	802.85	31.48	331.58	15.87
<b>Total</b>	<b>2,942.15</b>	<b>100</b>	<b>3,796.92</b>	<b>100</b>	<b>2,550.32</b>	<b>100</b>	<b>2,088.90</b>	<b>100</b>

Note: As certified by M/s Satish Shetty & Co., Chartered Accountants through their certificate dated April 11, 2024.

Our Company has a fully equipped manufacturing plants situated at Pimpri Industrial Area, Pune, Maharashtra and Wankaner, Morbi district in Gujarat with Morden equipment and testing laboratory which is EIL enlisted for Refractory Castables & Bricks with additional unit to supply EIL Greenfield projects with total area of 34,788 sq. ft. in Pune and 1,74,246 sq. ft. in Gujarat. Currently, Our Company has also purchased additional 4 acres of land admeasuring to 1,74,240 sq. ft. near to its existing Wankaner, Gujarat unit.

**Refractories** are ceramic materials designed to withstand the very high temperatures encountered in modern manufacturing. More heat-resistant than metals, they are used to line the hot surfaces found inside many industrial processes. Refractory products generally fall into one of two broad categories: Precast shapes or unformed compositions, often called specialty or monolithic refractories. Our Company deals in Precast shapes, Then, there are refractory ceramic fibers, which resemble residential insulation, but insulate at much higher temperatures. Bricks and shapes are the more traditional form of refractories and historically have accounted for the majority of refractory production.

Refractories come in all shapes and sizes. They can be pressed or moulded for use in floors and walls, produced in interlocking shapes and wedges, or curved to fit the insides of boilers and ladles. While some refractory parts are small and possess a complex and delicate geometry; others, in the form of precast or fusion-cast blocks, are massive and may weigh several tons.

### **Refractory Bricks**

Bricks are the most significant construction materials. As conventional bricks always tend to crack at high temperatures, they are replaced by refractory bricks. Refractory bricks are special types of bricks well-known for their unmatched ability to combat high temperatures. Some of the other names of these bricks are ceramic bricks or fire bricks.

Refractory bricks are generally pure white or yellowish-white in colour. They have excellent thermal resistance and great compressive strength. Their chemical composition drastically differs from the chemical composition of normal bricks. Refractory bricks contain around 25-99% alumina and 3-70% of silica and also contain oxides of magnesium, calcium, and potassium.

Refractory bricks find application in the construction of kilns, furnaces, etc.

### **Refractory Castables**

Refractory Castables are heat resistant building materials used in building large furnaces (kilns) in factories that specialize in cement, fertilizer, chemical, and petrochemical production. Derived from a variety of different raw products, including bauxite, kaolin and silicon carbide.

### **Refractory Ceramic Balls**

Refractory ceramic balls are made from industrial alumina and other raw refractory materials and processed by mixing, shaping and firing. The Refractory ceramic balls can be used as support and covering packings for catalyst in shift converter, reformer, hydro converter, desulfurizer, methanator can also be used as packings in hot blast heater and heat transformer in iron and steel industries.

We believe that having a diverse range of products in our Company gives us the chance to meet the various needs of customers based on their preferences. We are also engaged in trading of raw materials purchased, depending upon the surplus stock. However, it contributes only a smaller amount of revenue to the Company.

Our company have PAN India presence with our clientele base in 17 states and 2 Union territories for our domestic market based on sales made for the period ended December 31, 2023 and for the financial year ended March 31, 2023, 2022 and 2021. Our revenue from domestic sales was ₹ 2,942.15 Lakhs, ₹ 3,796.92 Lakhs, ₹ 2,550.32 Lakhs and ₹ 2,088.89 Lakhs, which contributed 100% for the period ended December 31, 2023 and for the financial year ended 2023, 2022 and 2021 of our Revenue from Operations.

To manage our sales on PAN India basis, we have dedicated Sales manager and Customer relation executives handling all the sales from the Registered Office. The Sales manager is primarily responsible for generating enquiries, soliciting orders from customers and conducting negotiations with them. They are also engaged in the marketing activities such as market

research, information gathering, participating in exhibitions, conducting customer visits and liaisoning with the government bodies.

Our Company maintains a base of reliable suppliers who consistently provide raw material of appropriate quality as per our requirements. We usually do not enter into long-term supply contracts with any of our raw material suppliers. We have a carefully balanced proportion of import versus domestic purchase of raw materials considering factors such as quality, price, lead time, inventory levels, credit terms and most importantly end user approvals. In domestic market we majorly procure raw materials from Andhra Pradesh, Dadra & Nagar Haveli, Gujarat, Karnataka, Kerala, Maharashtra, Madhya Pradesh, Rajasthan, Telangana, Uttar Pradesh, West Bengal & Tamil Nadu and in the international market we procure our raw materials from France and China based on the purchases made for the period ended December 31, 2023 and for the financial years ended March 31, 2023, 2022 and 2021.

Our manufacturing facilities are equipped with the necessary tools, such as Muller mixer, Pan Mixer, Press Machines, Castable Mixer Machines, Nodulizers, Ball Mills, Pulverizers, High temperature kilns, etc and other handling equipment, to support a seamless manufacturing process. By following necessary safety standards and conducting safety meetings, we try to keep our workplace safe.

We have a pool of skilled masons, carpenters and experienced work force some of whom have been working in our organization for more than a decade, determining the refractory materials for the clients and manufacturing the same as per client's requirement. Besides this, they also assist our customers at all stages right from choosing the right material to manufacturing the products as per their design.



#### **Key Performance Indicators of our Company on the basis of the Restated Financial Statements.**

*(Rs. in Lakhs except percentages)*

<b>Key Financial Performance</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Revenue from Operations (1)	2,942.15	3796.92	2550.32	2088.90
EBITDA (2)	608.53	387.72	361.37	234.49
EBITDA Margin (%) (3)	20.68%	10.21%	14.17%	11.23%
PAT	307.94	191.74	287.04	156.39
PAT Margin (%) (4)	10.47%	5.05%	11.26%	7.49%
Return on equity (%) (5)	15.58%	12.19%	21.53%	14.07%
Return on capital employed (%) (6)	9.79%	8.04%	11.38%	9.54%
Debt-Equity Ratio (times) (7)	1.18	1.23	1.06	1.04
Current Ratio (times) (8)	1.25	1.02	1.53	3.08
Revenue split between domestic and exports				
Domestic Market	2,942.15	3796.92	2550.32	2088.90
Export Market	-	-	-	-
Domestic Market (%)	100%	100%	100%	100%
Export Market (%)	-	-	-	-

Note: As certified by M/s Vinay Bhushan & Associates, Chartered Accountants through their certificate dated April 27, 2024.

#### **Explanation of KPIs:**

- (1) Revenue from operations means the revenue from operations as appearing in the restated financial information.
- (2) 'EBITDA' is calculated as Profit before tax + Depreciation + Interest Expenses.

- (3) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.
- (4) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.
- (5) ROE is calculated by dividing profit after tax to average shareholders' equity.
- (6) Return on capital employed is calculated by dividing net operating profit, or earnings before interest and taxes, by capital employed.
- (7) Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage and is calculated by dividing a company's total liabilities by its shareholder equity.
- (8) Current Ratio is calculated by dividing Current assets to Current Liabilities.

## **OUR STRENGTHS**

### **1. Vast experience and track record in the Industry**

Our company has been in the manufacturing of different types of bricks, castables for more than 2 decades and manufacturing High Alumina Catalyst and Ceramic Balls since 2003. Mr. Dayashankar Krishna Shetty, one of the Promoters and Executive Director of the Company has a vast experience in the field of Refractories and entered into the field of manufacturing in the year 1996. Our Company is currently promoted by Mr. Dayashankar Krishna Shetty, Ms. Pratibha Dayashankar Shetty, Ms. Prajna Shravan Shetty and Mr. Suraj Sadanand Shetty who manage and control the major affairs of our Business Operations with their considerable experience in this Industry.

### **2. Raw Material Excellence**

One of the key factors that sets our Company apart is its meticulous selection and processing of raw materials. The company produces and refractory aggregates from carefully chosen materials, giving it a competitive edge over other manufacturer. This attention to details ensures that the raw materials used in each product are of the highest quality.

### **3. Having enlisted by Engineer India Limited ("EIL") as an Approved Vendor**

Engineers India Limited (EIL) being a Government of India Undertaking is one of the largest Engineering Procurement Companies (EPC) in India. Almost all the Refineries, Petrochemical, Fertilizer Companies constructed in India have EIL as their EPC. To supply to any of the EIL projects, the company must be registered with EIL. EIL follows a very stringent approval process which takes minimum 6 months to 1 year or more for approval and the approval involves statutory, financial, legal, quality assurance compliances after which physical visit by the procurement team is done. The certificate is valid only for 2-3 years after which the same process is continued for revalidation. Hence, EIL Certification is an assurance to the end user as well that the Company/Manufacturer is adhering to the highest standards of manufacturing. Any complaints from the client for any EIL project is strictly taken up by EIL and that company is put into a holiday list by EIL. Thus, only a few reputed manufacturers including Refractory Shapes have been approved by EIL which speaks volumes for the reputation of the Company in the Refinery & Petrochemical Industry.

### **4. Wide & strong Customer base**

Our company has PAN India presence. We have a wide customer base in all major states of India including Andhra Pradesh, Assam, Chhattisgarh, Delhi, Dadra & Nagar Haveli, Goa, Haryana, Jharkhand, Kerala, Madhya Pradesh, Karnataka, Maharashtra, Odisha, Punjab, Tamil Nadu, Telangana, Uttar Pradesh, West Bengal and Gujarat. This is a testament to our growing and wide customer base. Over the past few years, we have also developed granularity in the business and less dependency on top customers. Our Company has set itself apart due to its openness to change and its ability to respond to the changes it sees in the industry.

### **5. Product & service quality along with Safety**

We believe our long-term success depends on our ability to deliver excellence in both perceived and realized value of our products and services to our customers. In our culture, Safety is our first goal in what we do". We initiate a job, with a pre-shift stretching routine and a pre-shift briefing and also "Quality in everything we do" is the only acceptable behaviour. We recognize that quality is a never-ending process of improvement and our focus is directed towards achieving and exceeding customer expectations and conformance to their changing requirements. Strict procedures are scrupulously followed to ensure quality.

## **OUR STRATEGIES**



***Expansion of our manufacturing facility***

***Target new product & customers***

***Introduce innovative techniques***

***Increase value addition by changing the product mix***

#### **1. Expansion of our Manufacturing Facility**

Our Company became the OEM manufacturer in many projects executed by EIL. Owing to these voluminous orders, Our Company expanded the manufacturing unit to bring it closer to the source of its Raw Material in Gujarat. Thus, in 2020, Our Company expanded its manufacturing unit by purchasing a 1,74,246 sq. ft. land parcel at Wankaner in Morbi district in Gujarat to set up a greenfield manufacturing unit with modern equipment and a full-fledged testing laboratory. In 2022, Our Wankaner unit was enlisted by EIL for Refractory castables & Bricks, making it our additional unit for supply to EIL Greenfield projects. Additionally, we purchased another 1,74,240 sq. ft. of land parcel adjacent to our existing facility in Wankaner for Company's expansion in future.

#### **2. Target new product & customer segments.**

In order to expand Our product offerings and widen the customer base, Our Company is currently in process to get the Refractory Manufacturing unit approved by Reputed Licensors viz. KBR USA & Haldor Topsoe Denmark for our Refractory bricks & Castables, which will enhance Our capacity to produce high end products and enter into new customer centric products.

#### **3. Introduce Innovative techniques**

We are applying newer technologies into production to improve the efficiency of our manufacturing by using higher capacity press machines, automatic loading mechanism for our castable making machine. Also, to upgrade our laboratory, we shall install latest machines for testing our final products which will result into manufacturing innovative products with different variables and properties being produced as per the specifications in the different industry, which will result into expanding new product line. Our core business of refractory has created a culture of innovation and practical engineering solutions for its Customers.

#### **4. Increase value addition by changing the Product mix**

Many new products are introduced and modern manufacturing equipment were installed for scaling the manufacturing. Over the time, Our Company started developing many proprietary products which are being supplied to Refineries and Steel Industries which are giving much better performance. Depending on the requirement and the feedback received from the client, we are engineering our raw material mix and developing special shapes while manufacturing products. Our products are not only cheaper as compared to import substitutes but are also giving good performance.

#### **SWOT ANALYSIS**



**Strengths** – Experienced workforce, Technical know-how of Business & long standing Reputation in the market for manufacturing quality refractories, ISO, NABL & EIL Vendor Approved.

**Weakness**– Due to lack of liquidity, expansion is slow. All expansion plans including purchase of land for manufacturing activities is done from internal accrued funds which takes time due to high cost of land. By the time the expansion is completed, the Company has to wait to generate internal funds for further manufacturing unit expansion.

**Opportunities** – National Steel Policy of India 2017 has directed Steel industries to triple the manufacturing capacity to support the development plan of Government of India. Hence, Refractory requirement has increased in Refineries, Fertilizer & Steel Industry in such a way that the demand was more than the supply. At the time of global pandemic, Covid-19, while following the Government guidelines, when all the industries were shut for more than 6 months, we were the only manufacturing unit in MIDC Pune to get the permission to continue to manufacture as our supplies included critical Input material for Refinery industries. Thus, with an increase in Demand, Government is also investing in expanding the Refineries and Steel plants and are scaling up their capacity. Hence, demand for Refractories are set to increase in coming years.

**Threat** - Cheap Refractory products being imported from China is leading to unfair competition in the market, which is a larger threat to the Company in terms of higher margins in the Profit of the competitors which leads to lower prices of the finished products in the overall industry.

## GEOGRAPHICAL PRESENCE SALES

Our company is present across the length and breadth of the Country, We have our clientele present across 17 states and 2 Union territories in the domestic market based on sales made for the period ended December 31, 2023 and for the financial year ended March 31, 2023, 2022 and 2021. Our revenue from domestic sales was ₹ 2,942.15 Lakhs, ₹ 3,796.92 Lakhs, ₹ 2,550.32 Lakhs and ₹ 2,088.90 Lakhs. We have 100% sales from domestic market supplying majorly to Andhra Pradesh, Gujarat, Karnataka, Kerala, Maharashtra, Madhya Pradesh, Tamil Nadu, Uttar Pradesh, West Bengal, Assam, Chhattisgarh, Delhi, Goa, Jharkhand, Punjab, Odisha, Telangana, Dadra & Nagar Haveli, Haryana.

For the period ended December 31, 2023 and for the financial year ended 2023, 2022 and 2021, our Revenue from Operations was ₹ 2,942.15 Lakhs, ₹ 3,796.92 Lakhs, ₹ 2,550.32 Lakhs and ₹ 2,088.90 Lakhs, respectively. Our EBITDA (earnings before interest, depreciation and tax excluding other income) for the period ended December 31, 2023 and for the financial year ended 2023, 2022 and 2021 was ₹ 608.53 Lakhs, ₹ 387.72 Lakhs, ₹ 361.37 Lakhs and ₹ 234.49 Lakhs, respectively, while our profit after tax for the period ended December 31, 2023 and for the financial year ended 2023, 2022 and 2021 was ₹ 307.94 Lakhs, ₹ 191.74 Lakhs, ₹ 287.04 Lakhs and ₹ 156.39 Lakhs, respectively.

## Our Customer Footprints in India



## PRODUCT PORTFOLIO

Our Company is primarily engaged in the manufacturing of different types of Bricks, Castables, High Alumina Catalyst and Ceramic Balls which includes element holding Bricks, Refractory Bricks, Castables & Mortar for Refineries. The Company produces Special Shaped, Custom-made Refractory shapes of top quality with superior performance.

The tailored made products shaped by the Company find applications in a diverse range of Industries, including steel, cement, glass, petrochemicals, etc., Having a diversity of products in our Company gives us the chance to meet the needs of various Customers based on their preferences. We cater to different types of Industries, Petrochemicals, Refineries, Aluminium, Fertilizers, Iron and Steel and Glass.

The Company's product mix includes variations in the processes using different chemicals serving to different industries as per the needs and requirements.

Following are the Main Products and its Sub-Products manufactured by our Company:

### A. CASTABLES:

#### 1. Refralite – Medium and High Purity:

Refralite are a range of insulating castables to conserve heat in furnaces. They are light but strong and have low conductivity, serve as either hot face or back up insulating refractory lining.

These castables are produced in density range of 400 to 1600 kg/m<sup>3</sup>. They are available mainly in two different grades – medium purity and high purity. The high purity (Low Iron) variety is suitable for reducing environments.

#### 2. Refracast – High Purity Dense Castable:

High Purity Dense Castables are refractory castables suitable for high temperature applications. These castables are available in various grades suitable for a specific range of operational conditions.

These refractory castables are hydraulic setting and can be casted or moulded to any shape and can also be modified for gunning of furnace linings.

#### 3. Refracrete – Medium Purity Dense Castable

Refracrete medium purity dense castables contain medium purity High Alumina Cement as the refractory Binder and castables are used for oxidising atmospheres.

These refractory castables are hydraulic setting and can be casted or moulded to any shape and can also be modified for gunning of furnace linings.

#### 4. Refratab - High Purity Tabular Alumina Castable:

Refratab 94 and Refratab 97 are very high purity White Tabular Alumina based castables meant for critical applications in Fertilizer, Refinery, Petrochemical and Steel industries. These castables can withstand service temperature of upto 1850°C in carbon monoxide and hydrogen atmospheres.

These castables have high bulk density, high mechanical strength at all temperatures, excellent workability, good abrasion resistance, excellent resistance to thermal spalling and good volume stability.

Refratab 97L is a bubble Alumina based Insulating Castable, which is suitable for high temperature Application (upto 1800o C). This product has an extremely low level of impurity, high strength, low density and low thermal conductivity.

## 5. Reframon LC – Low Cement Castables

Low CaO content ensures high Refractoriness, excellent hot strength and MOR at all temperatures. Lower apparent Porosity after firing, offer better corrosion resistance, High Abrasion & spalling resistance and volume stability.

## 6. Refraplast – Refractory Plastic Castables

Plastic refractory castable is a mixture of refractory aggregate, binder and additives that can be molded like clay or putty. They are installed by hand or with use of Pneumatic Hammer to form the Refractory Mass. Once applied, plastic refractory hardens and forms a dense, durable lining which can be used in various applications and locations.

It has non wetting characteristics, thermal shock resistance, abrasion resistance, strong plasticity and good bonding performance.

## 7. Refracoat – Coting Material

Refractory Coating Material is specially meant for protection of linings- Fire Bricks, Monolithic, Castables, Ceramic Blankets and Shells in Furnaces, Boilers and various high temperature vessels.

### Main Application:

- Reduces the effect of Thermal shock and to eliminate surface cracking phenomena, protects Refractories against aggressive effects of fuel oil, Gases and solid fuels.
- Provides Gas tight surface and reduces energy losses.
- Reduces slag adhesion.
- Increase in working life of Furnace
- Reduces cost of maintenance shutdown.
- Reduces fuel consumption.

### Protection to Refractory linings

- Fire Bricks
- Castables
- Ramming Masses
- Ceramic Blanket & Modules
- Plastics and Steel Shells in variety of Furnaces
- Boilers and High Temperature Vessels

## 8. Refrachem- Special Castable

With the advancement in properties of castables by new techniques and innovations, superior grade castables which can be easily installed against shuttering, faster setting and strength development without the elaborate curing and heat dry out operations has facilitated industry applications in a significant way especially achieving a quicker turnaround.

With the use of special additives developed in house using our raw material base, superior bond in the matrix is achieved.

Refrachem Castables have excellent properties namely shorter drying time, better refractoriness, better chemical resistance, longer working life and shelf life.

## B. BRICKS:

### 1. Kyanex -High Alumina Dense Refractory Shapes

Kyanex Shapes are highly volume stable at elevated temperatures. Besides, it has also very low impurities such as Iron Oxide, Titania and Alkalies. They have a very good resistance to thermal shocks. "Kyanex" an ideal choice for critical high

temperature applications. Kyanex shapes ensures a dense uniform structure, after careful drying the shapes and sintering at high temperatures.

Kyanex is the best choice for Burner Blocks, Refractory Quarls, and Burner Throat Tiles as they must have a low Iron-Oxide to withstand spalling due to Carbon Monoxide attack. These shapes are also subjected to sharp thermal gradients, therefore they need to have excellent thermal spalling resistance. Hence shapes made out of Kyanex are ideally suited for the above application areas,

Also, our Element Holding Bricks offer low iron contamination in industry application.

## **2. Kyanex Super - High Alumina Dense Refractory Shapes**

Kynex Super is manufactured from Tabular Alumina & our in house processed raw Materials, these dense bricks have unique characteristics due to the inherent micro structural characteristics of the raw material. They have excellent resistance to wear and thermal shock and are most suitable Refractory for Sulphur Recovery Unit. They are also used to manufacturing DOME Bricks, Hexagonal Tiles, Circle Bricks & High Alumina lumps for Secondary Reformer in Fertilizer Industries.

## **3. Reframul - Special Mullite Refractory Shapes**

Reframul is ideal for applications in Glass Tank Furnace, Kiln Furnitures for firing ferrites, High Alumina Ceramics, Carbon Black Reactor, Cement Kiln, Burner Blocks. This has high bulk density and very low porosity making it highly volume stable.

Refractories made out of Reframul are best suited for reducing atmospheres and have resistance to slag and alkali attack. It has superior resistance to abrasion and thermal shocks. Reframul products can be used for a variety of high temperature applications where mechanical & thermal stability and resistance to creep and spalling are specified.

## **4. Refra Zirmul**

Mullite combined with zircon offers superior refractories which are eminently suited for critical applications in Glass, Ceramic, Carbon Black, Ferrites industries. These possess high refractoriness, non wetting properties, thermal shock and abrasion resistance. These are custom made shapes with specially built in properties made with stringent quality control.

## **5. Refra SC – Silicon Carbide Bricks**

Refra SC is a range of Oxide bonded Silicon Carbide Refractories for applications in Ceramic, Metallurgical & process Industries. Made from High purity refractory grade Silicon Carbide grains and proprietary ceramic bonds Refra SC products possess unique combination of physical and chemical properties making them ideal choice for a variety of high temperature applications.

## **6. Slip Cast Shapes**

Many speciality application in Fertilizers, Refineries, Energy Industries, Carbon & Chemical Industries are in complicated shapes of High performance refractories like Ceramic Ferrules, Lances, Shrouds, Small dia tube which requires meticulous care in selection of raw material manufacture to achieve stringent properties especially dimensional tolerance, thermal shock resistance and high durability in services, Refractory Shapes makes these special shapes in 60% to 94% Alumina categories, Zircon meeting the stringent specification of the user industries.

## **7. Xlite Insulating Bricks – High Temperature Energy Efficient Shapes**

Xlite Bricks are specially formulated with independent pores so as to ensure maximum insulating efficiency. These bricks are suitable for hot face insulation since gas permeation is prevented. Apart from low thermal conductivity, bricks have low density, high PCE and low iron content. Xlite is a unique development made with energy saving as the prime consideration. Xlite is a foamed sillimanite refractory incorporating the best insulation properties. It is highly stable at elevated temperatures; intricate shapes can be made of Xlite with close dimensional tolerances. They have greater strengths than any other insulation bricks of corresponding densities. Xlite can be safely used for service temperatures upto 1650° Degrees C for Hot face linings.

## **8. Refractory Shapes High Alumina Bricks**

Refractory Shapes offer high quality fireclay and High Alumina Bricks ranging from 40% alumina to 85% alumina equivalent to JM series Refractory Bricks.

These bricks are manufactured as per standard specifications of clients.

### C. CERAMIC BALLS:

#### 1. Inert Catalyst Support Ceramic Balls

Ceramic Balls is our inhouse premium grade inert ceramic support media, allowing them to be used in applications having operating temperatures of upto 12000C. The high quality of our ceramic balls allows your catalyst to achieve optimum performance and an extended life.

Ceramic balls give excellent thermal shock resistance which is hard to come by for ceramic balls in general. They are free from impurities and have a leachable iron of less than 0.1%. Our products are carefully manufactured with extensive quality control at every stage of production to prevent our balls from chips, split, spalls, cracks or dust.

Ceramic Balls are vastly used in Petroleum, Petrochemical, Fertilizer Industries & Gas Industries.

#### PRODUCT WISE REVENUE

(Rs. in Lakhs except units and percentages)

Product Wise Sales		For period ended December 31, 2023			FY 2022-23			FY 2021-22			FY 2020-2021		
Sr No.	Product	Units	Amount (Rs. In Lakhs)	% of Revenue	Units	Amount (Rs. In Lakhs)	% of Revenue	Units	Amount (Rs. In Lakhs)	% of Revenue	Units	Amount (Rs. In Lakhs)	% of Revenue
1.	Refractory Bricks	2,89,620	1,808.60	61.47	2,45,721	2,189.19	57.66	1,94,811	1,545.49	60.60	2,30,033	1,565.10	74.92
2.	Refractory Castable	17,50,629	910.20	30.94	17,86,367	1,283.44	33.80	21,64,891	1,004.83	39.40	11,55,478	523.8	25.08
3.	Ceramic Balls	8,97,653	223.35	7.59	82,43,3740	324.29	8.54	-	-	-	-	-	-
	<b>Total</b>	<b>29,37,902</b>	<b>2,942.15</b>	<b>100</b>	<b>28,56,425</b>	<b>3,796.92</b>	<b>100</b>	<b>23,59,702</b>	<b>2,550.32</b>	<b>100</b>	<b>13,85,511</b>	<b>2,088.90</b>	<b>100</b>

As certified by M/s Satish Shetty & Co., Chartered Accountants through their certificate dated April 19, 2024.

\*The above figures are provided on the basis of Audited Financial Statements for the stub period ended December 31, 2023 and Financial year ended March 31, 2023, March 31, 2022 and March 31, 2021.

#### OUR MANUFACTURING PROCESS

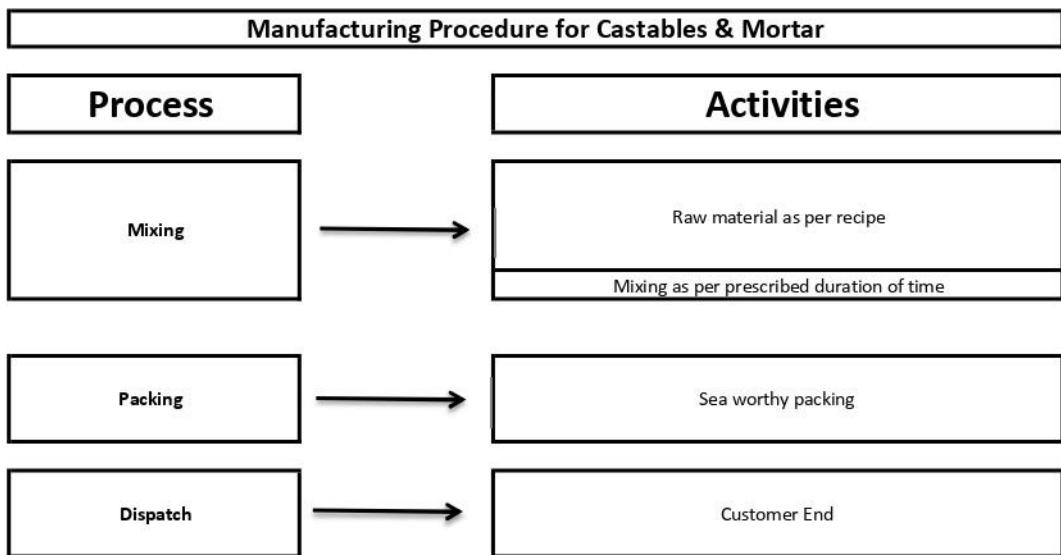
The manufacturing process begins with first receiving the order, the Quality Control (“QC”) department confirms the raw material to be used for the product. Thereafter the production team takes the recipe from the QC department for production. Various raw materials are mixed in the pan mixer machines and pressed in the pressed machines for making Bricks. In case of castable & mortar the various raw materials are mixed in the castable mixer machine and packed in bags and dispatched from the plant. In bricks, after pressing the mixed raw materials in the press machines, the, bricks are fired in the high temperature kiln. In all stages of manufacturing, the QC department takes samples from the production team to check the quality before proceeding to the next step.

After firing the bricks, the material is again checked in the laboratory for physical & chemical properties. In majority of the orders, the material is tested in the presence of clients Third Party Inspection agency or by the client itself.

After the material is cleared in inspection, the material is packed as per client's specification or standard packing procedure and dispatched from the plant.

Each step involved in our manufacturing process can be better understood by the following brief.

#### **A. MANUFACTURING PROCESS OF CASTABLES & MORTARS:**



#### **1. MIXING OF RAW MATERIAL:**

Our Manufacturing process starts with mixing of various Raw Materials including aggregates and tabular Alumina in proportions as per the Product Recipe as approved by our Internal Quality Control. Then the different raw materials are loaded into our automatic loading Castable Making Machine.



**Mixing of Raw Material**

#### **2. MIXING AND PACKING OF CASTABLE:**

The castable is mixed in the machine and packed into our 25 kgs bag.



**Mixing and packing of Castable**

### **3. TESTING OF FINISHED PRODUCT:**

Our Final Product i.e. Castables are tested in our in house laboratory to check all parameters as per the specification before dispatch to our end customers.



**Testing of finished product**

### **B. MANUFACTURING PROCESS OF REFRACTORY BRICKS:**

Manufacturing Procedure for Refractory Bricks	
Process	Activities
<b>Mixing</b>	Raw material as per recipe Bond Addition Binder Green Addition Water Addition Mixing as per prescribed duration of time
<b>Pressing</b>	Fill the mix in the mould cavity Compaction by 450 MT capacity press with proper stroke Eject the shaped products
<b>Drying</b>	Natural Drying: allow it to cure for 24-48 hrs in racks as per the requirement in natural atmosphere Oven Drying: Control drying up to 250° C in the oven for 28-48 hrs duration
<b>Firing</b>	Loading in the Furnace Heating up to 1480° C – 1580° C according to the material composition Raise the temperature as per prescribed ramp temperature up to target temperature
<b>Cooling</b>	Cooling will be natural up to room temperature to avoid thermal shock
<b>Inspection</b>	Dimension: as per customer drawing Physical Properties: to check Bulk Density, Cold Crushing Strength Chemical Properties: Alumina, Iron Thermal Properties: Permanent liner change, Thermal Spoiling
<b>Packing</b>	Sea worthy packing
<b>Dispatch</b>	Customer End

## 1. MIXING OF RAW MATERIALS:

Our manufacturing process starts with mixing of different raw materials including aggregates and tabular Alumina as per the recipe in our in-house Mixing Machine as per the prescribed duration of time. Binder Agents and Water Addition takes place while mixing.



**Mixing of raw material**

## 2. PRESSING OF MIXED RAW MATERIAL:

The mixed raw materials are then manually loaded into our automatic press machines for making the desired shaped bricks. The mould cavity is filled in with the mix and then compaction by 315 Metric Tonne capacity press with proper stroke takes place and shaped product is then ejected.



Pressing of mixed raw materials

## 3. DRYING:

Pressed shaped bricks are then set for drying. There are two methods for drying i.e. Natural Drying and Oven Drying. Natural drying allows it to cure 24-48 hours in racks as per the requirement in natural atmosphere whereas Oven drying controls the drying up to  $250^{\circ}\text{C}$  in the oven for 28-48 hours duration.



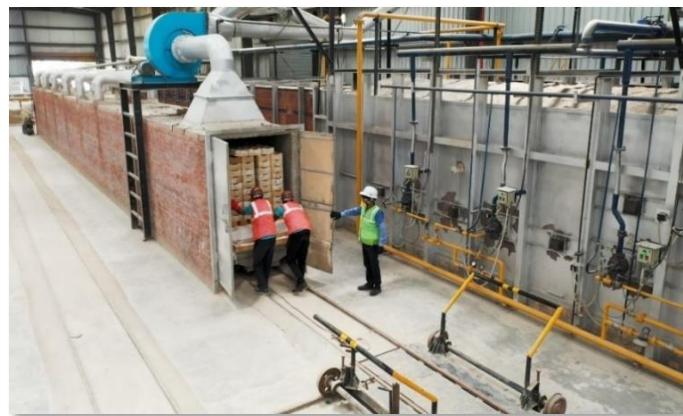
Natural Drying



Gas Oven Drying

## 4. FIRING:

After drying the bricks are then fired in our high temperature natural gas fired tunnel kiln. According to the material composition heating up to  $1480^{\circ}\text{C}$  –  $1580^{\circ}\text{C}$  takes place. The temperature of heat is raised as per the prescribed ramp temperature up to the target temperature.



**Firing in our High Temperature Tunnel Kiln**

## 5. COOLING:

Cooling of the bricks will be natural up to room temperature to avoid any thermal shock.



## 6. TESTING:

The bricks are then tested in our in-house laboratory for all parameters as per the customer specification and drawing. Inspection of products takes place in three categories:

- a) **Physical Properties:** To check Bulk Density, Cold Crushing Strength, Permanent Linear Change, Modulus of Rupture, Apparent Porosity, Water Absorption of the product.
- b) **Chemical Properties:** To check Alumina, Iron, Silica, Calcium, Soda, Potash, Phosphoric Pentoxide, Alkalies in the product.
- c) **Thermal Properties:** To check Thermal Conductivity, Thermal Spalling, Refractoriness Under Load, High Pressure Shock Test, Thermal Shock Test in the product.



**Testing of finished product**

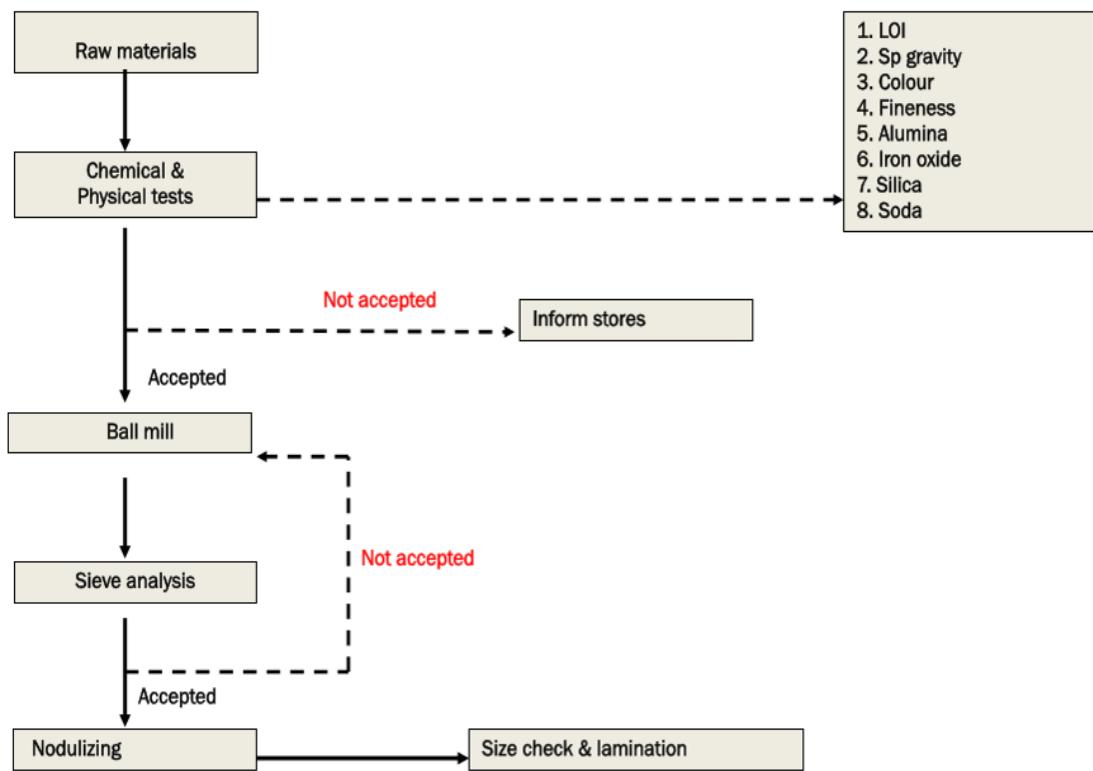
## 7. PACKING AND DISPATCH:

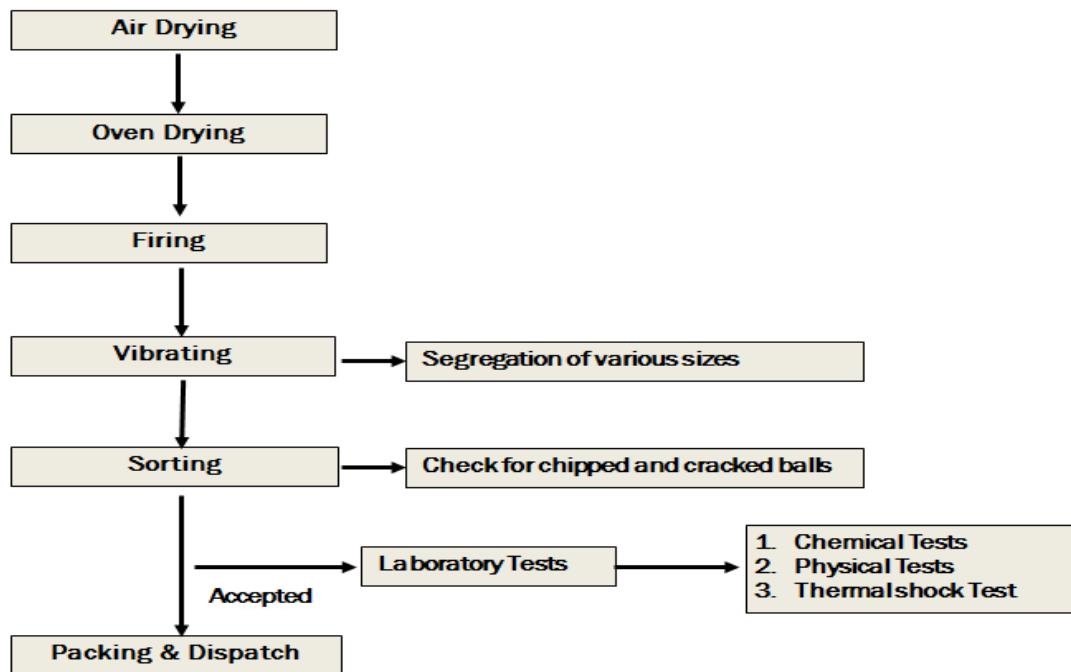
The material is then packed as per client's requirement and dispatched from the plant to end customers.



Packing and Dispatch in Truck / Container

## C. MANUFACTURING PROCESS OF CERAMIC BALLS:





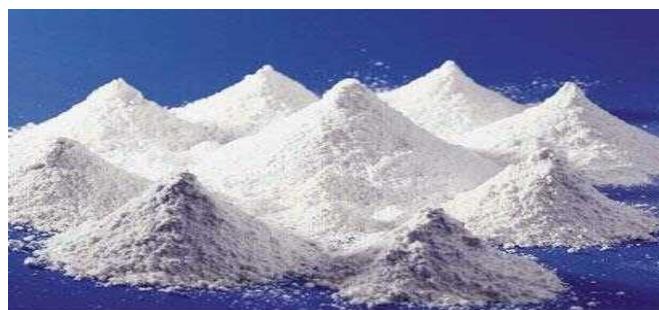
The raw material is procured from our supplier and after testing in our laboratory the same is accepted by the stores for production. The production department then processes the raw materials using Ball Mill/ Pulverizer machine into an acceptable mesh size as per Quality Control department. After that, the raw material is passed through a sieve and passed to the production department for making the ceramic balls using Nodulizing machines. The production department makes the balls using the nodulizing machines and make various sizes ranging from 3mm to 38mm diameter. The Ceramic balls are then naturally dried to remove the moisture and thereafter passed through our gas fired Oven and further fired in our High Temperature Tunnel Kiln.

After Firing the Ceramic Balls are passed through our vibrating machine to remove undersized & oversized balls and then manually sorted by laborers to remove any defected balls which are chipped, broken or deformed.

The material is then tested by the Quality Control department for all parameters and then give clearance post testing for packing and dispatch

## 1. RAW MATERIAL AND CHEMICAL AND PHYSICAL TEST FOR CERAMIC BALLS:

The Raw Material is procured from our approved supplier. Upon receipt of the raw material, our Quality control department checks the specification of the raw material received against our requirement. The laboratory checks the Loss On Ignition (LOI), Specific gravity, colour, Fineness, Alumina, Iron Oxide, Silica & Soda.



## 2. BALL MILL

After the quality control department gives the clearance, the material is further sent for crushing into our Ball Mill/ Pulverizer machine to make it into fine powder



### **3. SIEVE ANALYSIS**

The fine powder is passed through our sieving machine to make small bags for nodulizing



### **4. NODULIZING - MAKING DIFFERENT SIZES**

The Sieved balls are further passed through our various nodulizing machines to make different sizes of Ceramic Balls as per the specification of the client.



### **5. AIR DRYING**

After Nodulizing, the balls are transferred into our plastic blue trays for natural air drying for removal of the moisture.

### **6. OVEN DRYING**

After natural air drying, the ceramic balls are passed through our gas fired oven for complete removal of moisture from the balls.

### **7. FIRING**

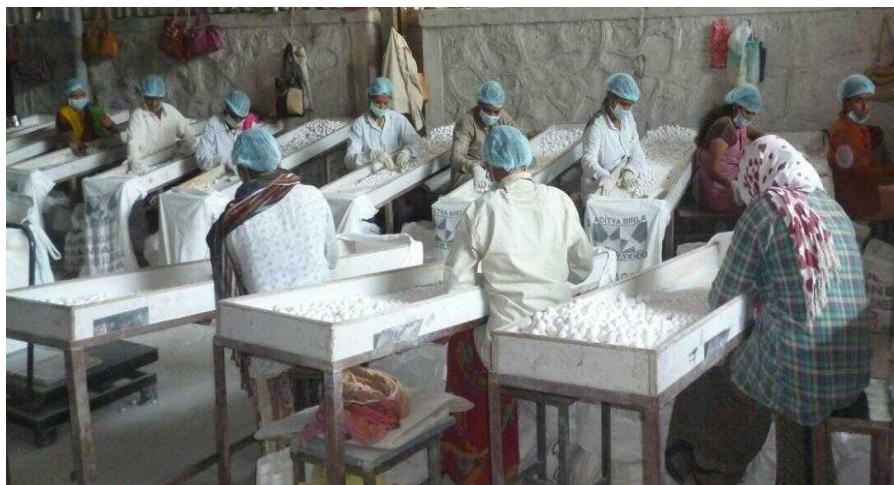
The Ceramic balls are further fired in our natural gas fired 65 meters Tunnel kiln.



## 8. MATERIAL VIBRATING, SORTING AND PACKING AND DISPATCH

**Vibrating:** The fired material is vibrated in our vibrating machine to remove undersized & oversized balls by putting metallic trays as per size of the balls being made.

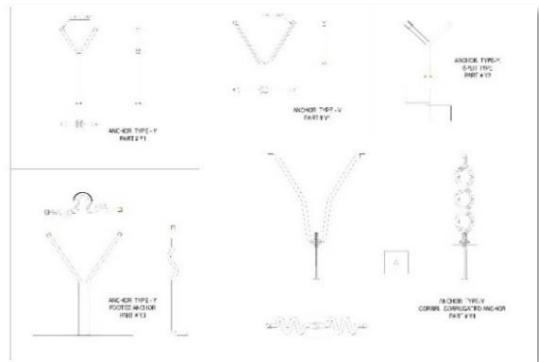
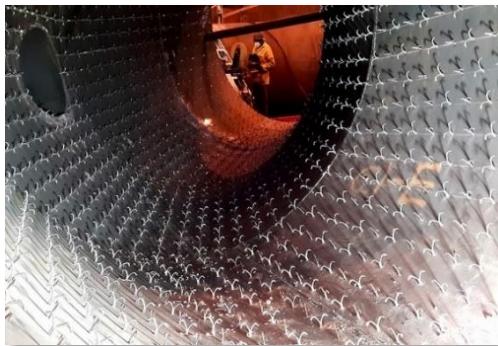
**Sorting:** The balls are then manually sorted to remove chipped & broken balls. Thereafter the material is checked in our Quality control laboratory for chemical, physical & Thermal Properties as per our material specification and after inspection is completed the material is packed and dispatched from our plant.



## TRADING PROCESS

In addition to the manufacturing activity being carried out by the Company, Refractory Shapes is often involved in receiving orders for those items from clients which are not a part of Company's operations in manufacturing activities. These items include Metallic Anchors which are used as support for installing refractory castables for which Raw Materials such as tabular alumina, low alumina bricks and insulation bricks, etc are required, For such orders, our company procures these items from their approved vendors and sells to the clients, hence, our Company is also involved in trading of the aforesaid products.

Metallic Anchors are used for installation of castables. The anchors are used as a support for our castables. They are welded into the steel shell on top of which the castables are installed. Refractory Shapes is not manufacturing Metallic items such as anchors and plates and is purchasing from our approved vendors. We purchase various types of Metallic Anchors such as SS 310, SS 304, SS 316L, Incolnel 625 ranging from 5mm to 10mm in diameter as per the design and supply in our name.



## PLANT AND MACHINERY

Following are the details of the key equipment being used for Manufacturing business in individual units:

Sr. No.	Particulars	Description	Capacity	Name of the manufacturing entity
<b>Unit I- Pune Plant</b>				
1.	Ball Mill	Shape Refractories & Standard Bricks Machineries	500 Kg/Hr	Abhigill Engineers
2.	Vibri Sieve		1MT/Hr	Electromagnetic Industries
3.	Magnetic Separator		250Kg/Hr	Electromagnetic Industries
4.	Magnetic Separator		250Kg/Hr	In House
5.	Mixer-3		240 Kgs/Hr	Western Thermal Engineering
6.	Mixer -4		200 Kgs /Hr	Jadav New
7.	Mixer-2		120Kgs /Hr	Muller
8.	Mixer-2		50 Kgs/Hr	Local
9.	Maxibrator		50 Kgs/Hr	Giriraj Engineering
10.	Friction Screw Press		5TPD	HarI
11.	Hydraulic Press		2.5MT	Pioneer
12.	Lathe Machine		7.5 Feet	Kirloskar
13.	Pneumatic Remers		Nil	Associated Pneumatics
14.	Electric Oven		Max Temp. 500 °C	Rajesh Electricals
15.	Kiln "A", "D", "B"		1480 °C Max. Temp, Curing Oven Is 10 Ton - 12 Ton for 80 Hours From Loading to Packing Cycle Is 10 Days	In-house
16.	DG Set	Castables Machines	62.5 Kva	Kirloskar
17.	Gas Station (CNG Station)		Nil	Maharashtra Natural Gas Limited (MNGL)
18.	Castable Mixer			Toshiwal
19.	Magnetic Separator		Nil	Magnalux Premag
20.	D. G. Set		63 Kva	Kirloskar
<b>Gujarat Plant Unit II</b>				
1.	Gas Fired Tunnel Klin	Bricks	1480 °C Max. Temp, Balls 11 Ton/Day, Bricks 25 Ton/Day	Windsor
2.	Press Machine		3150 KN	Haloong China
3.	Muller Machine		1000/500 Kg	Rajesh
4.	DG Set		Kirloskar	250 KVA

5.	Screening Machine		Nil	Gaytree
6.	Lathe Machine		Nil	Gaytree
7.	Surface Grinding Machine		Nil	Anmol
8.	Gas Fired Tunnel Klin	Ceramic Balls	1480 °C Max. Temp, Balls 11 Ton/Day, Bricks 25 Ton/Day	Windsor
9.	Nodulizing Machine		Nil	Indian Make
10.	Muller Machine		1000/500 Kg	Rajesh
11.	DG Set		Kirloskar	250 KVA
12.	Screening Machine		Nil	Gaytree
13.	DG Set		Kirloskar	250 KVA
14.	Screening Machine		Nil	Gaytree

## OUR MANUFACTURING FACILITIES

Our Company has a manufacturing facility situated at:

Unit Name	Address
Manufacturing Facility (Unit I)	Survey-7, 8, 28, & 30 S-block, Pimpri Industrial Area, MIDC, At Village Bhosari, Taluka Haveli, Pune- 411026
Manufacturing Facility (Unit II)	RS. No 105 P 11, Guntha, Jetparda Taluka, Wankaner, Morbi District, Gujarat- 363621. India
Godown	Survey No. 402, Post: Urse, Maval Taluk, Pune District

For further details, kindly refer to the section titled; "*Our Properties*" mentioned below.

Following are some pictures of areas covered in our manufacturing facilities:

### A. MANUFACTURING FACILITY (UNIT I)-



*RSPL Entrance*



*Assembly Point*



*Raw material storing area*



*Magnet Separation Area  
- to remove free iron particles from raw material*



*Ball mill-1- for crushing the raw material into fine powder*



*Ball mill-2 – for crushing raw material into fine powder*



*Raw material sieving –(40 fine to 4#) – to remove lumps from the raw material*



*Muller mixer-1*



*Muller mixer -2 –  
– to mix different raw materials for making the material*



*Muller mixer -3 –*



**Production office – production team  
maintains the files of daily production**



**Friction screw press(150 ton)**



**Vibrating machine-for PCPF production  
– this machine is used for making our pre cast & pre fired shaped bricks**



**Maxibrator-for complicated production- intricate shapes  
of any size are made using our maxibrator machine wherein  
the mould is pressed in the maxibrator machine**



**Moulding department – the moulds are checked  
for the dimension prior to sending for production.  
Intricate shaped bricks are hand moulded.**



*Hydraulic press (50 ton)-for small product making– small size bricks are pressed in our hydraulic press of 50 ton capacity*



*Slipcasting area-ferrule making- slip casting method is pouring of the raw material into moulds for making tubes such as ferrule*



*Slip cast finishing area – the ferrules are manually given finishing touches to remove any andulations or discolouration*



*Gas oven – the bricks are dried in our gas oven before going for firing to remove the moisture*



*Before firing storing area – natural drying process*



*Kiln -A (4ton) – natural gas fired downdraft kiln for firing the material*



*Kiln -B (10ton)- natural gas fired downdraft kiln for firing the material*



*Kiln -D (7 ton)- natural gas fired downdraft firing the material*



*Fired material storing area – material is stored for inspection & packing*



*Packing area- material is packed as per clients specification*



*Laboratory*



*Lab inside- physical & chemical analysis*

## **B. MANUFACTURING FACILITY (UNIT II):**



*Aerial view of our Gujarat plant*



*Loading and unloading of the packed material using forklift machine*



*Gujarat Plant Shed*



*In House Laboratory for testing all parameters*



*Chemical analysis & Physical properties checking*



*Press machine for making the bricks*



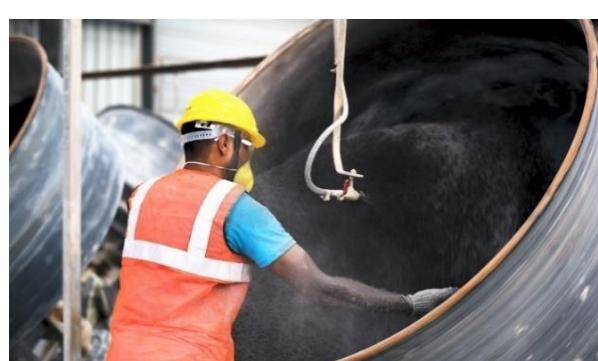
*Measuring the raw materials to load into the press machine*



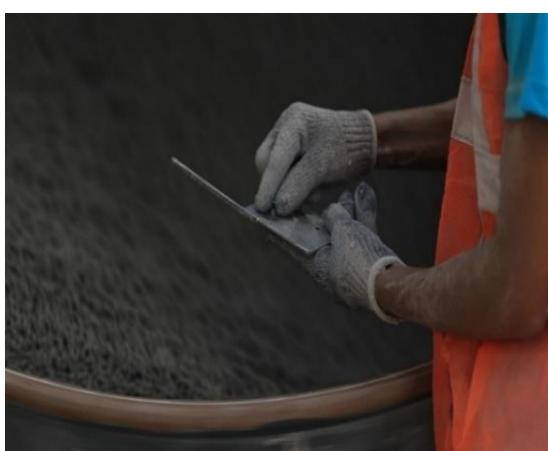
*Loading the raw material into the castable machine*



*Loading the material into the tunnel kiln for firing*



*Nodulizing the balls*



*Checking the size of the balls*



*Nodulizing area*



*Raw material mixing area*



*Loading of the raw material into the mixing machine*



*Pulverizer machine for crushing the raw material into fine powder*



*Loading and unloading the bags using forklift machine*



*Forklift machine*



*Tunnel kiln loading and unloading*



*Brick pressing machines*



*Vibrating machines to remove undersize and oversize balls*

## CAPACITY AND CAPACITY UTILISATION

Installed & Capacity utilization details of our production facilities for the last three financial years and stub period ended December 31, 2023 are entailed below:

Sr No.	Product	Customer Segment	Installed Capacity Unit I (Pune Unit) MTPA	Installed Capacity Unit II (Gujarat Unit) MTPA	Combined Installed Capacity in MTPA	Actual Production Unit – I (Pune Unit) MTPA	Actual Production Unit – II (Gujarat Unit) MTPA	Actual Combined Production in MTPA	% Utilization Rate Unit – I (Pune Unit)	% Utilization Rate Unit – II (Gujarat Unit)	% Combined Utilization Rate
<b>A Year – April 2020 – March 2021</b>											
1	Castables		2080	0	2080	1050	0	1050	50	0	50
2	Refractories (Shaped+ Standard Bricks)		1728	0	1728	575	0	575	33	0	33
3	Alumina		0	0	0	0	0	0	0	0	0
<b>B Year – April 2021 – March 2022</b>											
1	Castables		2080	0	2080	1956	0	1956	94	0	94
2	Refractories (Shaped+ Standard Bricks)		1728	0	1728	1550	0	1550	90	0	90
3	Alumina		0	0	0	0	0	0	0	0	0
<b>C Year – April 2022 – March 2023</b>											
1	Castables		2080	2633	4713	1708	211	1919	82	8	41
2	Refractories (Shaped+ Standard Bricks)		1728	2813	4541	858	43	901	50	2	20
3	Alumina		0	1350	1350	0	1248	1248	0	92	92
<b>D Year – April 2023 – December 2023</b>											
1	Castables		1560	2633	4193	618	980	1598	40	37	38
2	Refractories (Shaped+ Standard Bricks)		1296	2813	4109	461	790	1251	36	28	30
3	Alumina		0	1350	1350	0	969	969	0	72	72

Note:

1. Capacity utilization has been calculated on the basis of actual production during the relevant fiscal year/ period divided by the aggregate installed capacity of relevant manufacturing facilities as of at the end of the relevant fiscal year/ period.
2. The above information is furnished on the basis of data provided and internal estimates and assumptions.
3. The above information is certified by chartered engineer, Lalit M. Sarvaiya vide their certificate dated April 11, 2024

We intend to use the Net Proceeds for Funding Capital expenditure through civil work required for Expanding existing manufacturing unit and also towards purchase of certain machineries for expansion at our manufacturing facility at Wankaner, Gujarat.

The rationale behind expanding existing manufacturing unit at Gujarat Wankaner is that currently Company is operating with 3 downdraft kilns at our manufacturing unit I at Pune which has a capacity of firing less than that of the products being produced in the existing machines in its day-to-day operations. Apart from that there being restriction of space at the Pune plant and non-availability of affordable land in MIDC Pune, there is no scope for the Company to expand the firing capacity at the Manufacturing Unit I at Pune plant. we expanded our Manufacturing unit at Wankaner, Gujarat which has a continuous Tunnel Kiln having Firing capacity of 300 Metric Tonne per month. However, at the current scenario, for continuous operations at kiln Company has just 2 press machines which does not suffice the continuous kiln operations on a day-to-day basis. Hence, Company intends to expand the manufacturing unit through civil construction required to set up a factory shed and purchase plant and machineries for producing different types of Bricks and Castables as per Client's requirements which provides uninterrupted operations at kiln resulting into increase in production capacity of the Company.

## PRICING

We determine the prices for our products based on various parameters, including market demand, transportation costs, supply costs, inventory levels, credit terms. Our pricing decisions are made after considering the costs associated with product development, manufacturing, materials, labour, overhead, and other relevant expenses.

## RAW MATERIAL PROCUREMENT

The principal raw materials required for our manufacturing process include Tabular Alumina, Clay, Different grades of Aggregates and Cement. Our Company maintains a base of reliable material suppliers who consistently provide materials of appropriate specifications as per our requirements.

The type of raw materials to be procured is identified by the Quality Control. Thereafter different vendors are contacted for the materials. A trial sample is requested by the vendor and tested by the QC to check if the properties match the requirement. Thereafter, a visit to the vendor is scheduled to check his manufacturing facility and financial capabilities to meet the supply demand, after physical survey, points are allotted to the vendor on various parameters and if they are passing the survey, the vendor is enlisted into the Company. the procurement requirement is given through email for quotation & delivery period, Once the quotation is finalized, purchase order is issued.

Following is our detailed raw material bifurcation on the basis of domestic source and imports:

(Rs. in Lakhs)

Particulars	For the period ended December 31, 2023		For the year ended March 30, 2023		For the year ended March 30, 2022		For the year ended March 30, 2021	
	Purchase of Raw Material	% of total Purchase of Raw Material	Purchase of Raw Material	% of total Purchase of Raw Material	Purchase of Raw Material	% of total Purchase of Raw Material	Purchase of Raw Material	% of total Purchase of Raw Material
<b>Domestic Source</b>	1312.35	70.69%	2322.18	96.72%	1163.01	88.49%	1007.31	93.00%
<b>Imports</b>	544.04	29.31%	78.85	3.28%	151.30	11.51%	75.82	7.00%
<b>Total</b>	<b>1856.39</b>	<b>100%</b>	<b>2401.03</b>	<b>100%</b>	<b>1314.31</b>	<b>100%</b>	<b>1083.13</b>	<b>100%</b>

\* As certified by M/s. Satish Shetty & Co., Chartered Accountants through their certificate dated April 19, 2024.

The following table illustrates the concentration of our revenues among our top Suppliers:

(Rs. in Lakhs)

Particulars	For the period ended December 31, 2023		For the year ended March 31, 2023		For the year ended March 31, 2022		For the year ended March 31, 2021	
	Amount (in lakhs)	% of total Purchase	Amount (in lakhs)	% of total Purchase	Amount (in lakhs)	% of total Purchase	Amount (in lakhs)	% of total Purchase
<b>Top 5 Suppliers</b>	1075.21	57.92%	768.87	32.02%	625.28	45.47%	474.93	55.85%
<b>Top 10 Suppliers</b>	1304.37	70.26%	1,242.79	51.75%	867.81	63.11%	596.58	70.15%

\*As certified by M/s. Satish Shetty & Co., Chartered Accountants through their certificate dated April 19, 2024.

## UTILITIES

Our Registered Office and Manufacturing Facilities are located in Mumbai, Pune and Gujarat respectively. They are well equipped with computer systems, internet connectivity, other communication equipment and other facilities which are required for our Business Operations to function smoothly. Our Office and Factories are well equipped with requisite utilities and facilities including the following:

### **Power**

Our manufacturing process requires uninterrupted supply of Electricity & Gas in our manufacturing facilities. We consume a substantial amount of power and fuel for our Business Operations. Our power requirements are met through local authorities, both at our manufacturing facilities and registered office and the same is sufficient for our day-to-day functioning. To meet exigencies in case of power failure, we have also installed Diesel Generator sets at our manufacturing facilities.

### **Water**

Potable water is needed in our manufacturing facilities. The PH value is tested in our laboratory. To meet drinking and sanitary water requirements, we utilise water supply from local authorities and obtain borewell facility for our Registered Office and Manufacturing Facility (Unit I) and For manufacturing (Unit II) we have installed a RO Plant to meet the PH Value for our requirement.

### **Fuel**

We use Maharashtra natural gas i.e. in our Pune Manufacturing Unit & Gujarat Gas in our Gujarat Manufacturing Unit. Natural gas is a very clean fuel.

## **CUSTOMERS, SALES AND MARKETING**

Our Business Operations and products primarily cater to the various Industries such as Refineries, Fertilizer & Steel Industries in India. Our Sales and Marketing strategy focuses on enhancing revenue streams by leveraging established relationships and building competitive advantage through a wide range of product offerings.

Our Customers are assured of buying the products from registered vendors only, Hence, the main strategy of our Company is to identify the clients and to approach them for enlisting our unit for their refractory requirements. For quoting and to be considered in greenfield projects, Our Company is enlisted as a manufacturing unit with EPC companies such as EIL. Also, for many projects, Licensors have insisted on buying Refractories from their Approved Vendors. Hence main strategy is to get our firm enlisted by all the licensors and end user clients.

Personal visit to clients leads to understanding of their working problem and what solution we can provide for the same. Hence personal connect with the client is very important, Also, for our products we are giving performance Bank Guarantee from Banks at 10% of the order value which gives an assurance to the client for the quality of our products. In addition, having an in house NABL approved laboratory leads to more value on the quality & marketing of our manufacturing unit as clients are assured that the QC team is well trained and knowledgeable on testing the quality of the product & whether it is matching the client's specification.

Our Company does personal visits by taking appointment with the responsible procurement department in the Refineries, Steel Industries & Fertilizer Industry to get more visibility with our end user clients. We are a well-known Company with all the Refineries, Fertilizer, Steel Industry Companies and with our Contemporaries.

With any new client, we first introduce ourself about our Company and what we can make for the clients. Once the need is established, we have to register our Company as a vendor with the respective companies. All requirements in government Companies are floated through the GEM Portal. For private entities, the tenders are floated in their e- procurement site which goes through a reverse auction process. The bidders are technically qualified by the end user after which the lowest bidder is awarded the contract. For our proprietary items the end user is directly negotiating the final price and placing the orders.

## **LOGISTICS**

Our suppliers directly deliver raw materials to our manufacturing facilities. We outsource the delivery of our products to either third-party logistic companies or as mutually agreed shipment terms as decided with the customers. We instruct the delivery companies to collect products from specified locations and deliver to our customers in accordance with their orders. We also intend to purchase one more commercial vehicle to reduce our dependency on third party logistic companies to

deliver and procure small quantities of raw materials locally. We plan to fund Capital Expenditure towards purchase of commercial vehicle from the Net Proceeds of the issue. For details, also see “*Objects of the Issue*” on page 83.

## **COMPETITION**

Over the Decade, diversified products were introduced by our Company and modern manufacturing equipment were installed for scaling the manufacturing. Over time, Our Company started developing many proprietary products which are supplied to Refineries and Steel Industries which provides better performance than import products.

In 2007, Our Company got enlisted with Engineers India Limited (“EIL”) for Dense Refractory Castable & Precast shapes which is the largest Engineering Procurement Contracting company also acting as a Licenser in many greenfield Refinery projects in India. Thus, Our Company is an Approved Vendor with EIL which gave a competitive edge to supply to many Green Field Projects. In 2011, Company also added Refractory bricks high temperature bricks in our enlistment as one of the few products and being one of the few Companies in India to be enlisted by EIL for High Alumina Refractory Bricks. Hence, Our Company became the OEM manufacturer in many projects executed by EIL.

One of the key factors that sets our Company apart is its meticulous selection and processing of raw materials. The company produces refractory aggregates from carefully chosen materials, giving it a competitive edge over other manufacturer. This attention to details ensure that the raw materials used in each product are of the highest quality.

## **INFORMATION TECHNOLOGY**

We believe that an appropriate Information Technology Infrastructure is important in order to support the growth of our Business. Our manufacturing facility is connected to our central IT network that facilitates monitoring of our Operations and Management of supply chain. We make use of a well-integrated ERP system to operate efficiently and analyse data.

## **REPAIR AND MAINTENANCE**

We conduct regular repair and maintenance programs for our manufacturing facilities. Our machinery and electrical repair teams carry out periodic maintenance and repair of the plants and machinery on an as-needed basis. In addition, our kilns are periodically inspected by engineers and technicians for repairs which are done in house by our engineers.

## **QUALITY CONTROL**

Quality is a cornerstone of our Company’s Business Operations. The company follows stringent quality control procedures, leaving no room for compromise. Every Product is rigorously inspected to ensure it meets or exceeds the highest industry standards. Our in-house laboratory has been approved by NABL (ILAC-MRA).

Since decades of years, our Company is renowned for its Quality and Reliability. The Company produces Special Shapes, Custom made Refractory shapes of top quality with superior performance. The company has a fully equipped factories with latest equipment to produce Refractory Shapes and Castables of highest standards. This has enabled standardization and selecting quality system, the Company has been covered under ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018.

We believe our long-term success depends on our ability to deliver excellence in both perceived and realized value of our products and services to our customers. In our culture, “Quality in everything we do” is the only acceptable behaviour. We recognize that quality is a never ending process of improvement and our focus is directed towards achieving and exceeding customer expectations and conformance to their changing requirements.

## **ENVIRONMENT, HEALTH & SAFETY**

Our activities are subject to various environmental laws and regulations which govern, among other matters, air emissions, waste water discharges, the handling, storage and disposal of hazardous substances and wastes and employee health and employee safety. For further information, see “*Key Industry Regulations and Policies*” beginning on page 160 of this Red Herring Prospectus. We continue to ensure compliance with applicable health and safety regulations and other requirements in our operations.

We have complied, and will continue to comply, with all applicable environmental and associated laws, rules and regulations. We have obtained, or are in the process of obtaining or renewing, all material environmental consents and licenses from the relevant governmental agencies that are necessary for us to carry on our business. For further information, see “*Government and Other Statutory Approvals*” beginning on page 225 of this Red Herring Prospectus.

## **HUMAN RESOURCE**

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. We believe that a well-trained, motivated and satisfied employee base is key to our competitive advantage. We believe that we have a qualified and experienced employee base, managed by Medium and Senior Management Personnel.

As on December 31, 2023, we have employed 38 personnel (including workers) at our Manufacturing Plant and Registered Office. The permanent employees at our Plant include personnel in manufacturing activities such as machine operations, assembling, maintenance & electrical and testing of products, quality assurance, and receipt and dispatch of materials. We are having contract labourers in both our Manufacturing Facilities. The following table sets forth a breakdown of our permanent employees by function as on the date of December 31, 2023:

<b>Sr. no</b>	<b>Category</b>	<b>No of Employees</b>
1.	Finance Department	2
2.	Human Resource Department	2
3.	Purchase Department	2
4.	Projects Department	2
5.	Design Department	1
6.	Admin Office	3
7.	Marketing	1
8.	Production	18
9.	Store Department	2
10.	Research & Development	5
<b>Total</b>		<b>38</b>

## **EXPORT AND EXPORT OBLIGATIONS**

As on date of this Red Herring Prospectus, our Company does not have any export and export obligations.

## **COLLABORATION**

As on date of this Red Herring Prospectus, our Company has not entered into any Technical or Financial Collaboration Agreements.

## **INSURANCE**

Our operations are subject to various risks inherent in our Industry. We have obtained insurance in order to manage the risk of losses from potentially harmful events regarding any property. These insurance policies are renewed periodically to ensure that the coverage is adequate.

We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such Insurance Companies. Our policies are subject to standard limitations. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies.

<b>Sr. No.</b>	<b>Name of the Insurance Company</b>	<b>Type of Policy</b>	<b>Validity Period up to</b>	<b>Policy No.</b>	<b>Sum Insured (₹ in Lakhs)</b>	<b>Premium p.a. (₹ in Lakhs)</b>
1.	Cholamandalam MS General Insurance Company Limited	Chola MS Bharat Sookshma Udyam Suraksha Policy	11/10/2024	2162/01298521/000/00	685.000	0.33492
2.	Cholamandalam MS General Insurance Company Limited	Chola MS Bharat Laghu Udyam Suraksha Policy	11/10/2024	2162/01294436/000/00	1100.000	0.57615

## **PROPERTIES**

**Lease/License Properties:**

Date of Purchase and Lease Date with MIDC/ Date of Leave and License Agreement	Lessor/Licensor	Address	Period of Lease/ License	Area	Consideration (Amount in ₹)	Purpose
Lease Date with MIDC 16th October 1980 Transfer of Lease from lessee dated June 19, 1996	MIDC	Survey-7 & S-28, S-block, Pimpri Industrial Area, MIDC, At Village Bhosari, Taluka Haveli, Pune- 411026	95 years	8,697 Sq. Ft.	₹ 70,00,000/-: one time consideration paid to the party from whom the property had been transferred	Manufacturing Unit (I)
Lease Date with MIDC 15th September 1975 Deed of transfer of Lease dated March 25, 2019	MIDC	Survey-8, S-block, Pimpri Industrial Area, MIDC, At Village Bhosari, Taluka Haveli, Pune- 411026	95 years	8,697 Sq. Ft.	₹2,11,50,000/- : one time consideration paid to the party from whom the property had been transferred	Manufacturing Unit (I)
Lease Date with MIDC 22nd July 1981 Deed of Transfer of Lease dated May 06, 2002	MIDC	Survey-30, S-block, Pimpri Industrial Area, MIDC, At Village Bhosari, Taluka Haveli, Pune- 411026	95 years	8,697 Sq. Ft.	₹ 22,50,000/- : one time consideration paid to the party from whom the property had been transferred	Manufacturing Unit (I)
Leave and License Agreement dated January 18, 2024	Windsor Refractories Limited	B 201, Rustomjee Central Park Chakala, Andheri-Kurla Road, Andheri (east), Mumbai - 400069	3 Years commencing from October 01, 2023 to September 30, 2026	60 Sq. Ft.	₹ 84,000/- Per Year	Registered Office

**Owned Properties:**

Address	Seller	Date of Agreement of Sale	Area	Consideration (Amount in ₹)	Purpose
RS. No 105 P 11, Guntha, Jetparda Taluka, Wankaner, Morbi	Shape Refractory Private Limited	July 03, 2021	1,74,246 Sq. Ft.	₹ 93,20,100/-	Manufacturing Unit (II)

Address	Seller	Date of Agreement of Sale	Area	Consideration (Amount in ₹)	Purpose
District, Gujarat-363621. India <sup>(1)</sup>					
RS. No 105 P 12, Guntha, Jetparda Taluka, Wankaner, Morbi District, Gujarat-363621. India	Mr. Jayantibhai Narsibhai Ranipa and Mr. Jayantibhai Mavjibhai Godhani	November 30, 2023	1,74,246 Sq. Ft.	₹ 85,00,000/-	Barren Land To be used for future expansion
Survey No. 402, Post: Urse, Maval Taluk, Pune District	Shri Ranu Sakharam Karke	April 17, 2008	78,408 Sq. Ft.	₹ 88,75,000/-	Out of total area, 32,172 Sq. Ft. is given on rent to K.K. Nag Private Limited and remaining 46,236 Sq. Ft. is used by the Company as a Godown
Flat Number 301, B-1, Swapna Nagri, Survey No. 109/A, Opposite Annasaheb Nagar, Pimpri, Pune-411018, Maharashtra, India	M/s. D.B.S. Developers, Promoters & Builders	February 15, 2005	975 Sq. Ft.	₹ 9,55,500/-	To give accommodation to Mr. M Jothiprakash as a company accommodation

<sup>(1)</sup>Out of the total area of 1,74,246 Sq. Ft., Company already conducts manufacturing unit at an area of 65,000 Sq. Ft. and further intends to expand its exiting manufacturing unit over an area of 48,689 Sq. Ft. and the remaining area is utilised for storage of finished goods and raw materials for truck movements for loading and unloading of the said goods and remaining area also includes labour quarter.

#### INTELLECTUAL PROPERTY

For further details please see the chapter titled “Government and Other Statutory Approvals” on page 225 of this Red Herring Prospectus.

Sr. No.	Brand Name/Logo Trademark	Class/ Temp#	Nature of Trademark/Copyright and registration number	Owner	Date of Registration/ Application & Validity	Authority
1.	Refrapure	Class: 1	Nature of Trademark: Word - “Refrapure” Registration Number: 4605857	Refractory Shapes Private Limited	Date of Application: August 11, 2020, Validity up to: August 11, 2030	Trade Marks Registry, Mumbai

Sr. No.	Brand Name/Logo Trademark	Class/ Temp#	Nature of Trademark/Copyright and registration number	Owner	Date of Registration/ Application & Validity	Authority
2.		9850119	Nature of Copyright: Logo	Refractory Shapes Private Limited	Date of Application: January 03, 2024	Trade Marks Registry, Mumbai

#### Domain Name

Sr. No	Domain Name and ID	Sponsoring Registrar and ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
1.	<a href="https://www.refshape.com/">https://www.refshape.com/</a>	70249420_DOMAIN_COM-VRSN	Refractory Shapes Private Limited	May 03, 2001	May 03, 2024

## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled “Government and Other Approvals” on page 225 of this Red Herring Prospectus.*

### THE COMPANIES ACT

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013 and rules made thereunder.

The Companies Act primarily regulates the formation, financing, functioning and restructuring of Companies as separate legal entities. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

### SEBI REGULATIONS

Securities And Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities, exchange platforms, securities market and intermediaries thereto. Apart from other rules and regulations, listed entities are mainly regulated by the SEBI Act, 1992, Securities Contract Regulation Act, 1956, Securities Contracts (Regulation) Rules, 1957, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

### TAX RELATED REGULATIONS

#### Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its “Residential Status” and “Type of Income” involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 31<sup>st</sup> October of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

#### Goods and Service Tax Act, 2017

The Central Goods and Services Tax Act, 2017 is an Act to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto. In line with CGST Act, each state Governments has enacted State Goods and Service Tax Act for respective states. Goods and Services Tax (GST) is a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India to replace taxes levied by the central and state governments on goods as services. This method allows GST-registered businesses to claim tax credit to the value of GST they paid on purchase of goods or services or both as part of their normal commercial activity. The mechanism provides for two level taxation of interstate and intra state transactions. When the supply of goods or services happens within a state called as intra-state transactions, then both the CGST and SGST will be collected. Whereas if the supply of goods or services happens between the states called as inter-state transactions and IGST will be collected. Exports are considered as zero-rated supply and imports are levied the same taxes as domestic goods and services adhering to the destination based taxation principle in addition to the Customs Duty which has not been subsumed in the GST.

#### Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer

Exporter Code) in terms of provisions of the Foreign Trade Development and Regulation Act, 1992. Imported goods in India attract basic customs duty, additional customs duty and cesses in terms of the provisions of the Customs Act, 1962, Customs Tariff Act, 1975 and the relevant provisions made thereunder. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the asseesable value of the goods. Customs duties are administrated by Central Board of Indirect Taxes and Customs under the Ministry of Finance.

### **State Tax on Profession, Trades, Callings and Employment Rules, 1975**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional tax is classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner.

## **BUSINESS/TRADE RELATED LAWS/REGULATIONS**

### **National Steel Policy, 2017 (“NSP 2017”)**

The NSP 2017, notified on May 8, 2017, seeks to enhance domestic steel consumption, ensure high quality steel production, and create a technologically advanced and globally competitive steel industry in India. As per the NSP 2017, the Ministry of Steel will facilitate research and development in the sector, through the establishment of Steel Research and Technology Mission of India (SRTMI). The initiative is aimed to spearhead research and development of national importance in the iron and steel sector, by utilizing tripartite synergy amongst industry, national research and development laboratories and academic institutes. The NSP 2017 covers, *inter alia*, steel demand, steel capacity, raw materials, including iron ore, iron ore pellets, manganese ore, chromite ore, ferro-alloys, land, water, power, infrastructure and logistics, and environmental management. Through policy measures the Ministry of Steel will ensure availability of raw materials such as iron ore, coking coal, natural gas, etc. at competitive rates. The NSP 2017 envisions that in the steel industry, an environment will be created to promote domestic steel and thereby create a scenario where production meets the anticipated pace of growth in consumption, through a technologically advanced and globally competitive steel industry.

### **The Indian Contract Act, 1872:**

The Indian Contract Act, 1872 codifies the legal principles that governs both oral and written ‘contracts’ including express and implied contracts. The Act basically identifies the ingredients of a legally enforceable valid contract in addition to dealing with certain special type of contractual relationships like indemnity, guarantee, bailment, pledge, quasi contracts, contingent contracts etc. In India, Indian Contract Act, 1872 governs the Contract and its applicability extends to whole of India. It came into force on First day of September 1872. Section 2(h) defines —Contract as an agreement enforceable by law; in other words it is a) A Contract is an agreement; an agreement is a promise and a promise is an accepted proposal; b) An Agreement which is legally enforceable alone is a contract. Section 2(e) of the act defines the term ‘Agreement’ as, ‘every promise or every set of promises forming consideration for each other’. An Agreement is a promise or a commitment or set of reciprocal promises or commitments. An agreement involves an offer or proposal by one person and acceptance of such offer or proposal by another person. Section 2(b) defines term Promise i.e., —When a person to whom proposal is made signifies his assent thereto, the proposal is said to be accepted. Proposal when accepted becomes a promise. Section 2(d) defines Lawful Consideration as a mean for ‘compensation’ for doing or omitting to do an act or deed. It is also referred to as ‘quid pro quo’ viz ‘something in return for another thing’. Section 2(b) defines Promise as —A Proposal when accepted becomes a promisee. In simple words, when an offer is accepted it becomes promise. Section 2(c) defines Promisor and promise as —When the proposal is accepted, the person making the proposal is called as promisor and the person accepting the proposal is called as promisee. An agreement enforceable by law is a valid contract. In other words it satisfies all the requirements of a valid contract as laid down in section 10. If any of the essential requirements is missing it becomes a void contract.

### **Legal Metrology Act, 2009**

The Legal Metrology Act, 2009, as amended (the “Metrology Act”), was enacted with the objectives to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The Metrology Act states that any transaction/contract relating to goods/class of goods or undertakings shall be as per the

weight/measurement/numbers prescribed by the Metrology Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in rules by each state.

### **Industrial Disputes Act, 1947 (“ID Act”) and Industrial Dispute (Central) Rules, 1957**

The ID Act and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The ID Act was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872.

The ID Act also sets out certain requirements in relation to the termination of the services of the workman. The ID Act includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment

### **Fatal Accidents Act, 1855 (“Fatal Accidents Act”)**

The Fatal Accidents Act came into force in India with effect from March 27, 1855. The Act provides that whenever the death of a person is caused by a wrongful act, neglect or default, such that, if death had not ensued, the act would have entitled the injured party to maintain an action and recover damages in respect thereof, the party who would have been liable if death had not ensued, shall be liable to an action or suit for damages, notwithstanding the death of the person injured.

### **The Explosives Act, 1884 (the “Explosives Act”) and the Explosives Rules, 2008 (the “Explosive Rules”)**

The Explosives Act is a comprehensive law which regulates by licensing for the manufacturing possession, sale, transportation, export and import of explosives. As per the definition of ‘explosives’ under the Explosives Act, any substance, whether a single chemical compound or a mixture of substances, whether solid or liquid or gaseous, used or manufactured with a view to produce a practical effect by explosion or pyrotechnic effect shall fall under the Explosives Act. The Central Government may, for any part of India, make rules consistent with this act to regulate or prohibit, except under and in accordance with the conditions of a license granted as provided by those rules, the manufacture, possession, use sale, transport, import and export of explosives, or any specified class of explosives. Extensive penalty provisions have been provided for manufacture, import or export, possession, usage, selling or transportation of explosives in contravention of the Explosives Act. In furtherance to the purpose of this Act, the Central Government has notified the Explosive Rules in order to regulate the manufacture, import, export, transport and possession for sale or use of explosives.

## **REGULATIONS RELATED TO FOREIGN TRADE AND INVESTMENT**

### **The Foreign Direct Investment**

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India makes policy pronouncements on FDI through Consolidated FDI Policy Circular/Press Notes/Press Releases which are notified by the Department of Economic Affairs (DEA), Ministry of Finance, Government of India as amendments to the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 under the Foreign Exchange Management Act, 1999 (42 of 1999) (FEMA). DPIIT has issued consolidated FDI Policy Circular of 2020 (“FDI Policy 2020”), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until an updated circular is issued.

The reporting requirements for any investment in India by a person resident outside India under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 are specified by the RBI. Regulation 4 of the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 vide notification No. FEMA. 395/2019-RB dated 17.10.2019 issued by the RBI stipulates the reporting requirement for any investment in India by a person resident outside India. All the reporting is required to be done through the Single Master Form (SMF) available on the Foreign Investment Reporting and Management System (FIRMS) platform at <https://firms.rbi.org.in>.

Under the current FDI Policy of 2020, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations.

### **Foreign Exchange Management Act, 1999 (“FEMA”) and Regulations framed thereunder:**

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the 'automatic route' within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIF and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 for regulation on exports of goods and services.

### **Ownership restrictions of FIIs**

Under the portfolio investment scheme, the total holding of all FIIs together with their sub-accounts in an Indian company is subject to a cap of 24% of the paid-up capital of a company, which may be increased up to the percentage of sectoral cap on FDI in respect of the said company pursuant to a resolution of the board of directors of the company and the approval of the shareholders of the company by a special resolution in a general meeting. The total holding by each FII, or in case an FII is investing on behalf of its sub-account, each sub-account should not exceed 10% of the total paid-up capital of a company

### **Laws related to Overseas Investment by Indian Entities:**

Overseas investment by Indian Entities are governed under Foreign Exchange Management Act, 1999 under which the central Government of India have notified Foreign Exchange Management (Overseas Investment) Rules, 2022 in suppression of Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004 and the Foreign Exchange Management (Acquisition and Transfer of Immovable Property Outside India) Regulations, 2015. Followed by the rules, RBI has vide notification no. RBI/2022-2023/110, A.P. (DIR Series) Circular No.12 dated August 22, 2022 have issued Foreign Exchange Management (Overseas Investment) Directions, 2022 and Foreign Exchange Management (Overseas Investment) Regulations, 2022. These legislations frame the investment fields, mode and cap for various sectors and regions, by any person resident in India and the reporting requirements.

### **Foreign Trade Policy 2023:**

The Central Government of India in exercise of powers conferred under Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 (No. 22 of 1992) [FT (D&R) Act], as amended, has notified Foreign Trade Policy (FTP) 2023 which is effective from April 01, 2023 and shall continue to be in operation unless otherwise specified or amended. It provides for a framework relating to export and import of goods and services.

## **LAWS RELATED TO ENVIRONMENTAL LAWS**

### **National Environmental Policy, 2006**

The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource.

### **Environment (Protection) Act, 1986 as amended ("EPA")**

The EPA has been enacted for the protection and improvement of the environment. It stipulates that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environmental pollutant in excess of such standards as may be prescribed. Further, no person shall handle or cause to be handled any hazardous substance except in accordance with such procedure and after complying with such safeguards as may be prescribed. EPA empowers the Central Government to take all measures necessary to protect and improve the environment such as laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and generally to curb environmental pollution. Pollution control boards have been constituted in all states in India to exercise the powers and perform the functions provided for under these statutes for the purpose of preventing and controlling pollution. Companies are required to obtain consents of the relevant state pollution control boards for emissions and discharge of effluents into the environment.

### **Water (Prevention and Control of Pollution) Act, 1974 (the "Water Act")**

The Water Act provides for one Central Pollution Control Board, as well as state pollution control boards, to be formed to implement its provisions, including enforcement of standards for factories discharging pollutants into water bodies. The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State PCB. The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage effluent. The Water Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

### **Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the “Hazardous Waste Rules”)**

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste. Under the Hazardous Waste Rules, “hazardous waste” inter alia means any waste which by reason of characteristics such as physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive, causes danger or is likely to cause danger to health or environment, whether alone or in contact with other wastes or substances. Every occupier and operator of a facility generating hazardous waste must obtain authorization has been relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment or third party resulting from the improper handling and management and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

### **The Air (Prevention and Control of Pollution) Act, 1981**

The Air (Prevention and Control of Pollution) Act of 1981, or the Air Act, in short, was a law passed by the Parliament of India to prevent and control the harmful effects of air pollution in India. This act is seen as the first concrete step taken by the government of India to combat air pollution. Section 2(a) defines an ‘air pollutants’ as any solid liquid or gaseous substance which may cause harm or damage the environment, humans, plants, animals or even damage property. A 1987 amendment to the act also added ‘noise’ in the list of harmful substances. The air act defines ‘air pollution’ as the presence of any dangerous pollutant that makes the air unbreathable. Section 2 (g) of the Act also set up the Central Pollution Control Board (CPCB) whose powers extended to the whole of India. To carry out the directives of the CPCB the act also called for the setting up of the State Pollution Control Board (SPCB) for the individual states of India. The failure to comply with the Central Pollution Control Board directives would result in imprisonment of 1 year. It can be extended to 6 years with a fine with the additional fine of 5000 Rs per day added provided the directives are still not met. The key features of the Act include: -Advising Central Government of Air and Air Pollution related issues; -Research about the causes and impact of Air Pollution; -Spread awareness to stop air pollution; -To establish central and State Boards and empower them to monitor air quality and control pollution. Act, 1981

### **Environment Impact Assessment Notification of 2006**

The Ministry of Environment, Forests and Climate Change has notified the Environment Impact Assessment Notification of 2006 in September 2006. The notification makes it mandatory for various projects to get environment clearance.

### **The Public Liability Insurance Act, 1991 (the “PLI Act”) and the Public Liability Insurance Rules, 1991 (the “PLI Rules”)**

The PLI Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the government by way of a notification. Under the PLI Act, the owner or handler is also required to take out an insurance policy insuring against liability. The PLI Act also provides for the establishment of the Environmental Relief Fund, which shall be utilized towards payment of relief granted under the Public Liability Act. The PLI Rules mandate the employer to contribute a sum equal to the premium paid on the insurance policies towards the Environmental Relief Fund.

## **LAWS RELATING TO INTELLECTUAL PROPERTY**

### **Trademarks Act, 1999**

Under the Trademarks Act, 1999 (“Trademarks Act”), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof.

### **The Patents Act, 1970:**

The Patents Act, 1970 as amended from time to time, in India has been enacted to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the term of the patent.

### **LAWS RELATED TO EMPLOYMENT OF MANPOWER:**

#### **Code on Wages, 2019**

The Code on Wages, 2019 regulates and amalgamates wage and bonus payments and subsumes four existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976 received the assent of the President of India on August 8, 2019. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees. Only few section of the Code has yet been notified vide notification no. S.O. 4604(E) dated December 18, 2020.

#### **The Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Occupational Safety, Health and Working Conditions Code, 2020. The draft rules provide for operationalization of provisions in the Occupational Safety, Health and Working Conditions Code, 2020 relating to safety, health and working conditions of the dock workers, building or other construction workers, mines workers, inter-state migrant workers, contract labour, journalists, audio-visual workers and sales promotion employees.

#### **The Industrial Relations Code, 2020**

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

#### **The Code on Social Security, 2020**

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganized workers, gig workers and platform workers.

In addition to above, we are subject to wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our laborers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees (Provident Fund and Miscellaneous Provision) Act, 1952.

\*The Code on Wages, 2019, The Code on Social Security, 2020, (enacted by the Parliament of India and assented to by the President of India) will come into force as may be notified in the Official Gazette by the Central Government of India, different dates may be appointed for different provisions of the Codes.

### **Employees Provident Fund and Miscellaneous Provisions Act, 1952**

Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's

provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

### **Employees State Insurance Act, 1948, as amended (the "ESIC Act")**

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

### **Payment of Gratuity Act, 1972, as amended (the "Gratuity Act")**

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions.

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed 1 million.

Certain other laws and regulations that may be applicable to our Company in India include the following:

- Minimum Wages Act, 1948 and Maharashtra Minimum Wages Rules, 1963 ("MWA Rules")
- Public Liability Insurance Act, 1991 ("PLI Act")
- Industrial (Development and Regulation) Act, 1951 ("IDRA")
- Industrial Disputes Act, 1947 ("ID Act")
- Payment of Bonus Act, 1965 ("POB Act")
- Child Labour (Prohibition and Regulation) Act, 1986
- Inter-State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act")
- Equal Remuneration Act, 1976 ("ER Act")
- Contract Labour Regulation and Abolition) Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition) Central Rules, 1971 (Contract Labour Rules)
- Workmen Compensation Act, 1923 ("WCA")
- Maternity Benefit Act, 1961 ("Maternity Act")
- Industrial Employment Standing Orders Act, 1946
- Apprentice Act, 1961 read with The National Policy of Skill Development and Entrepreneurship 2015,

## **OTHER GENERAL REGULATIONS**

### **The Micro, Small and Medium Enterprises Development Act, 2006 ("MSME Act"):**

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

### **State Laws**

We operate in various states. Accordingly, legislations passed by the state governments are applicable to us in those states. These include legislations relating to, among others, Shops and Establishment Act, classification of fire prevention and safety measures and other local licensing. Further, we require several approvals from local authorities such as municipal bodies. The approvals required may vary depending on the state and the local area.

### **Municipality Laws**

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective states of India have enacted laws empowering the municipalities to issue trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

### **Approvals from Local Authorities**

Setting up of a factory or manufacturing / housing unit entails the requisite planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents are also required from the state pollution control board(s), the relevant state electricity board(s), the state excise authorities, sales tax, among others, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

### **Other regulations:**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986, The Arbitration & Conciliation Act, 1996 are also applicable to the company.

## **PROPERTY RELATED LAWS**

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, and Indian Easements Act, 1882.

## HISTORY AND CERTAIN CORPORATE MATTERS

### BRIEF HISTORY OF OUR COMPANY

Our company was originally formed as a Proprietorship Firm under the name of “*M/s. Refractory Shapes*” in the year 1973. “*M/s. Refractory Shapes*” was thereafter converted into Private Limited Company under the name “*Refractory Shapes Private Limited*” under the provisions of the Companies Act, 1956 and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Bombay on January 08, 1996. Subsequently, the status of the Company was changed to Public Limited and the name of our Company was changed to “*Refractory Shapes Limited*” vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting of our Company held on January 18, 2024. The fresh certificate of incorporation consequent to conversion was issued on February 02, 2024 by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U26921MH1996PLC096012.

Ms. Nargis E. Chaney and Mr. Arish E. Chaney were the initial subscribers to the Memorandum of Association of our Company. Mr. Dayashankar Krishna Shetty, Ms. Pratibha Dayashankar Shetty, Ms. Prajna Shravan Shetty and Mr. Suraj Sadanand Shetty are the current Promoters of our Company. For further details of our promoters please refer the chapter titled “*Our Promoters and Promoter Group*” beginning on page 191 of this Red Herring Prospectus.

Our Promoters Mr. Dayashankar Krishna Shetty and Ms. Pratibha Dayashankar Shetty had taken over the running Business of the Company M/s. Refractory Shapes Private Limited which was originally incorporated by Ms. Nargis E. Chaney and Mr. Arish E. Chaney our Company’s initial subscribers to the Memorandum of Association vide Deed of Assignment dated June 19, 1996 entered by and Between our Promoters and Ms. Nargis E. Chaney and Mr. Arish E. Chaney.

We are engaged in the manufacturing of different types of Bricks, Castables, High Alumina Catalyst and Ceramic Balls which includes Pre Cast and Pre Fired Blocks, Burner Blocks, Special shaped Refractory bricks, Dense & Insulating Castables & Mortars. For information on our Company’s profile, activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major vendors and suppliers, please refer the chapter titled “*Our Business*”, “*Industry Overview*”, “*Our Management*”, “*Restated Financial Statements*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 124, 107, 172, 200 and 207 respectively of this Red Herring Prospectus.

Our Company has 7 (Seven) Shareholders as on the date of filing of this Red Herring Prospectus.

### CHANGES IN THE REGISTERED OFFICE OF OUR COMPANY

The following changes were made in the location of our Registered Office:

From	To	With effect from	Reason for Change
S-7, Bhosari Industrial area, Pune – 400026	Rustom Building, 3 <sup>rd</sup> floor, Room No. 4, 29 Veer Nariman Road, Fort, Mumbai-400023	December 1, 1999	Administration purpose
Rustom Building, 3 <sup>rd</sup> floor, Room No. 4, 29 Veer Nariman Road, Fort, Mumbai-400023	406, So-Lucky Corner, 4th Floor, Opposite Holy Family Chowk, Andheri Kurla Road, Chakala, Andheri (East), Mumbai – 400099, Maharashtra, India	April 1, 2010	Administration purpose
406, So-Lucky Corner, 4th Floor, Opposite Holy Family Chowk, Andheri Kurla Road, Chakala, Andheri (East), Mumbai – 400099, Maharashtra, India	B 201, Rustomjee Central Park Chakala, Andheri-Kurla Road, Andheri (East), Mumbai – 400069, Maharashtra, India	December 2, 2020	Administration purpose

### MAJOR EVENTS IN THE HISTORY OF OUR COMPANY

Year	Key Events/Milestones/Achievements
1973	Formation of Proprietorship concern under the name "M/s Refractory Shapes"
1996	Takeover of business by Mr. Dayashankar Krishna Shetty and Ms. Pratibha Dayashankar Shetty
2005	Received ISO 9001: 2008 issued by Bureau Veritas Certification for manufacturing high Alumina Refractories, Pre Cast Shapes, Castables & Mortars in Manufacturing Facility situated at Pune
2005	Registered as a Vendor with Projects & Development India Limited (Government of India Undertaking) involved in engineering projects.
2007	Enlisted with Engineers India Limited (Government of India Undertaking) for Dense Refractory Castable & Precast Shapes
2007	Certification from Reliance Industries Limited for supply of Shape bricks, Precast blocks, Dense Castable, Insulating Castable, Mortar, Insulating bricks, Refracoat Z Coating Material.
2007	Certification from Mangalore Refinery & Petrochemicals Limited for supply of High Alumina Bricks (Dense & Insulation Bricks), High Alumina Castables, Insulating Castables, Tabular Alumina Castable, Burner Blocks and Precast Shapes.
2007	Certification from Mangalore Refinery & Petrochemical Limited (Subsidiary of Oil and Natural Gas Corporation Limited) for providing satisfactory quality of bricks consistently for 10 years since 1997 such as High Alumina Bricks (Dense & Insulation Bricks), High Alumina Castable, Insulating Castable, Tabular Alumina Castable, Burner Blocks, Precast Shapes.
2007	Certification from Rashtriya Chemicals and Fertilizers Limited (Government of India Undertaking) for supply of Alumina Lumps of varied sizes and Alumina hexagonal Allumina Tiles used at the top of the catalyst bed in the Secondary Reformer in Line II of Ammonia Plant in the year 2004
2013	Registered as Vendor with Projects & Development India Limited (Government of India Undertaking) for bricks.
2014	Revalidation for enlistment with Engineers India Limited (Government of India Undertaking) for Refractory High Alumina Bricks and Dense Refractory Castable & Precast Shapes
2019	Revalidation for enlistment with Engineers India Limited (Government of India Undertaking) for Refractory High Alumina Bricks, High Purity High Alumina Refractory Bricks, Dense Refractory Castable, Insulating Refractory Castables.
2020	Certified ISO 14001:2015 & 45001: 2018 issued by Bureau Veritas Certification for Manufacturing and dispatch of High Alumina Refractories, Pre cast shapes, Insulation Refractories, Castables & mortars in Manufacturing Facility situated at Pune
2022	Certified ISO 9001:2015 & 45001:2018 issued for Manufacturing and Dispatch of High Alumina Refractories, Alumina Balls, Precast Shapes, Insulation Refractories, Castables & Mortars in Manufacturing facility situated at Morbi District, Gujarat
2022	Certified ISO/IEC 17025:2017 issued by National Accreditation Board for Testing and Calibration Laboratories (NABL) for General requirement for the Competence of Testing & Calibration Laboratories in Manufacturing Facility situated at Pune.
2022	Revalidation for enlistment with Engineers India Limited (Government of India Undertaking) for Refractory High Alumina Bricks, High Purity High Alumina Refractory Bricks, Dense Refractory Castable, Insulating Refractory Castables.
2023	Revalidation for Enlistment with Engineers India Limited (Government of India Undertaking) for Refractory High Alumina Bricks, High Purity High Alumina Refractory Bricks, Dense Refractory Castable, Insulating Refractory Castables for Manufacturing Unit II.
2024	Converted to Public Limited Company and Name changed to "Refractory Shapes Limited"

## MAIN OBJECTS OF OUR COMPANY

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

1. To carry on the business of manufacturing, buying, selling, proceeding, dealing, importing, exporting of ceramic products, high alumina refractories, low alumina refractories, graphic stopper heads, stones wares, earthen wares, glass wares, porcelain wares, other refractories. including fire bricks, acid resistant bricks and all articles made of Bauxite, Kynite, Siliminite, Corundum, firte clay, castables and such other mineral products of all sizes and specifications and to undertake turn key jobs, lining jobs of refractories and acid/alkali proof bricks in all type of plants.
2. To take over the business as running proprietary concern, Messrs. REFRACTORY SHAPES

## AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY SINCE INCORPORATION

The following changes have been made in the Memorandum of Association of our Company in last ten (10) years:

<b>Date of Meeting</b>	<b>Type</b>	<b>Nature of Amendment</b>
December 18, 2023	EOGM	<b>Alteration in Capital Clause:</b>  The authorized share capital was split/sub-divided in the face value of its equity shares from ₹100/- to ₹10/- each
December 18, 2023	EOGM	<b>Alteration in Capital Clause:</b>  The Authorized Share Capital was increased from ₹ 10.00 Lakhs divided into 1,00,000 Equity Shares of ₹10/- each to ₹2,500.00 Lakhs divided into 2,50,00,000 Equity Shares of ₹10/- each.
December 18, 2023	EOGM	<b>Adoption of new set of MOA:</b>  Adoption of new set of Memorandum of Association as per the provisions of Companies Act, 2013
January 18, 2024	EOGM	<b>Alteration in Name Clause:</b>  Change in Name Clause from “Refractory Shapes Private Limited” to “Refractory Shapes Limited”.

## **OUR HOLDING COMPANY**

As on the date of this Red Herring Prospectus, our Company does not have any Holding Company.

## **OUR SUBSIDIARY COMPANY**

As on the date of this Red Herring Prospectus, our Company does not have any other Subsidiary Company except, Shape Refractory Private Limited\*.

*\*As on the date of Red Herring Prospectus, Shape Refractory Private Limited is struck off from MCA Database.*

## **OUR ASSOCIATE COMPANY**

As on the date of this Red Herring Prospectus, our Company does not have any Associate Company except Excel Micron (Poona) Private Limited.

## **ACQUISITION OF BUSINESSES/UNDERTAKINGS, MERGER, AMALGAMATION OR REVALUATION OF ASSETS IN LAST 10 YEARS**

Our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any mergers, amalgamation or revaluation of assets in the last ten years except as mentioned under the Major Events table forming part of this chapter.

## **SIGNIFICANT FINANCIAL OR STRATEGIC PARTNERSHIPS**

We do not have any financial or strategic partnerships as on the date of this Red Herring Prospectus.

## **SHAREHOLDERS' AGREEMENT**

Our Company has not entered into any Shareholders Agreement as on the date of this Red Herring Prospectus.

## **LOCK OUTS AND STRIKES**

There have been no lock outs or strikes at any of the location of our Company as on the date of this Red Herring Prospectus.

## **TIME/COST OVERRUN IN SETTING UP PROJECTS**

There has been no time and cost overruns in the Company as on date of this Red Herring Prospectus.

## **LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY OR EXIT IN NEW GEOGRAPHIES**

For details of launch of key products or services, entry in new geographies or exit from existing markets, capacity or facility creation and the locations, please see chapter titled “*Our Business*” beginning on page 124 of this Red Herring Prospectus.

#### **CHANGES IN THE ACTIVITIES OF OUR COMPANY DURING THE LAST FIVE YEARS**

There have been no changes in the activities of our Company during the last five years which may have had a material effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

#### **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS**

Our Company has not made any defaults / re-scheduling of its borrowings as on date of this Red Herring Prospectus.

#### **JOINT VENTURES**

As on the date of this Red Herring Prospectus, there are no joint ventures of our Company.

#### **AGREEMENTS WITH KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT, DIRECTOR, PROMOTERS OR ANY OTHER EMPLOYEE**

Neither our Promoters, nor any of the Key Managerial Personnel, Senior Management, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

#### **GUARANTEES GIVEN BY OUR PROMOTERS**

As on the date of this Red Herring Prospectus, our Promoters have given personal guarantees towards contractual obligations in respect of loans and borrowings availed by our Company.

#### **MATERIAL AGREEMENTS**

Except the contracts / agreements entered in the ordinary course of the business carried on or intended to be carried on by our Company, we have not entered into any material agreement / contract as on the date of this Red Herring Prospectus.

#### **STRATEGIC PARTNERS**

As of the date of this Red Herring Prospectus, our Company does not have any Strategic Partners.

#### **FINANCIAL PARTNERS**

As on the date of this Red Herring Prospectus, our Company does not have any other financial partners.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

Under Articles of Association of our Company, the number of directors shall not be less than 3 (three) and not be more than 15 (Fifteen), subject to the applicable provisions of the Companies Act, 2013.

As of the date of this Red Herring Prospectus, our Company has 10 (Ten) Directors on the Board, 1 (One) as Chairperson & Managing Director who is woman director as well, 1 (One) as Wholetime Director, 3 (Three) as Executive Directors and 5 (Five) as Non-Executive Independent Director.

The details of the Directors are as mentioned in the below table:

<b>Name, Father's Name, Age, DOB, Designation, Address, Occupation, Nationality, Term and DIN</b>	<b>Date of Appointment/Re appointment</b>	<b>Other Directorships</b>
<p><b>Name:</b> Ms. Prajna Shravan Shetty</p> <p><b>Father's Name:</b> Mr. Dayashankar Krishna Shetty</p> <p><b>Age:</b> 35 years</p> <p><b>Date of Birth:</b> June 13, 1988</p> <p><b>Designation:</b> Chairperson &amp; Managing Director</p> <p><b>Address:</b> . 15<sup>th</sup> Floor Flat No 1504, Residential Building No. 4, Known as Maxima JVLR Road, Of Village Majas Jogeshwari East, Mumbai- 400060, Maharashtra, India</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Appointed as Managing Director with effect from August 25, 2022 for a period of 5 years</p> <p><b>DIN:</b> 02836327</p>	<p>Appointed as an Additional Director of the Company on July 14, 2021 and subsequently redesignated as director on November 30, 2021.</p> <p>Redesignated as Managing Director on August 25, 2022</p> <p>Also appointed as Chairperson on December 15, 2023 with effect from December 15, 2023</p>	<p>Windsor Refractories Limited</p> <p>Excel Micron (Poona) Private Limited</p>
<p><b>Name:</b> Mr. M Jothiprakash</p> <p><b>Father's Name:</b> Mr. Balakrishna K Shetty</p> <p><b>Age:</b> 61 years</p> <p><b>Date of Birth:</b> April 03, 1963</p> <p><b>Designation:</b> Whole Time Director</p> <p><b>Address:</b> Swapna Nagari B-1 Flat No. 301 Udyam Nagar, New Telco Road, Opp Anna Saheb Magar Stadium, Pimpri, Pune City-411018, Maharashtra India</p> <p><b>Occupation:</b> Service</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Appointed as Whole Time Director with effect from December 18, 2023 for a period of 5 years</p> <p><b>DIN:</b> 09594839</p>	<p>Appointed as Additional Director of the Company on August 25, 2022 and redesignated as Director of the company on September 30, 2022.</p> <p>Appointed as Whole Time Director on December 18, 2023 with effect from December 18, 2023</p>	<p>Sunglobal Exim Private Limited</p>

<b>Name, Father's Name, Age, DOB, Designation, Address, Occupation, Nationality, Term and DIN</b>	<b>Date of Appointment/Re appointment</b>	<b>Other Directorships</b>
<p><b>Name:</b> Mr. Dayashankar Krishna Shetty</p> <p><b>Father's Name:</b> Mr. Krishna Shetty</p> <p><b>Age:</b> 75 years</p> <p><b>Date of Birth:</b> July 21, 1948</p> <p><b>Designation:</b> Executive Director</p> <p><b>Address:</b> Sudama Society, Vishal Nagar Complex, Marve Road. Mith Chowki, Malad West, Mumbai-400064, Maharashtra, India</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>DIN:</b> 00384537</p>	Appointed as Director of the Company on June 19, 1996 and subsequently resigned on August 25, 2022 and again was appointed as an additional director on August 30, 2023 and regularised as Executive director on September 30, 2023	Windsor Refractories Limited  Excel Micron (Poona) Private Limited
<p><b>Name:</b> Mr. Suraj Sadanand Shetty</p> <p><b>Father's Name:</b> Mr. Sadanand Vithal Shetty</p> <p><b>Age:</b> 37 years</p> <p><b>Date of Birth:</b> May 24, 1986</p> <p><b>Designation:</b> Executive Director</p> <p><b>Address:</b> Flat No. 1505, 15<sup>th</sup> Floor Everest Heights CHS Ltd Lake Homes Off Adi Shankaracharya Marg, Near Gopal Sharma School, Powai Mumbai Suburban, Mumbai-400076, Maharashtra, India</p> <p><b>Occupation:</b> Service</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>DIN:</b> 09706122</p>	Appointed as an Additional Director of the Company on August 25, 2022 and subsequently was redesignated as an Executive Director on September 30, 2022	Windsor Refractories Limited
<p><b>Name:</b> Mr. Ammar Huseni Rangwala</p> <p><b>Father's Name:</b> Mr. Huseni Esmail Rangwala</p> <p><b>Age:</b> 59 years</p> <p><b>Date of Birth:</b> September 05, 1964</p> <p><b>Designation:</b> Executive Director</p> <p><b>Address:</b> Flat No. 404/a, Vishal Apartment, 805 Bhawani Peth, Opp Ajmera Housing Society, Pune City, Pune-411002, Maharashtra, India</p>	Appointed as an Additional Director of the Company on August 25, 2022 and subsequently was redesignated as Director on September 30, 2022	Nil

<b>Name, Father's Name, Age, DOB, Designation, Address, Occupation, Nationality, Term and DIN</b>	<b>Date of Appointment/ Re appointment</b>	<b>Other Directorships</b>
<b>Occupation:</b> Service <b>Nationality:</b> Indian <b>Term:</b> Liable to retire by rotation <b>DIN:</b> 09707195		
<b>Name:</b> Mr. Siddharth Kumar <b>Father's Name:</b> Mr. Hari Prasad <b>Age:</b> 69 years <b>Date of Birth:</b> April 05, 1955 <b>Designation:</b> Non-Executive Independent Director <b>Address:</b> Flat No. 201 Marina Residency, Nelson Square, Katolroad Nagpur-440013, Maharashtra, India <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> Appointed as Independent Director with effect from December 19, 2023 for a period of 5 years <b>DIN:</b> 05329702	Appointed as Non-Executive Independent Director of the Company on December 19, 2023	Sharda Flux And Sinter Manufacturing Private Limited
<b>Name:</b> Mr. Abhay Yatin Naik <b>Father's Name:</b> Mr. Yatin Amul Naik <b>Age:</b> 38 years <b>Date of Birth:</b> August 19, 1985 <b>Designation:</b> Non-Executive Independent Director <b>Address:</b> C-1111, Surya Prakash Residency City Light Naer Agarsen Bhavan Surat City Svr College, Surat-395007, Gujarat, India <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> Appointed as Independent Director with effect from December 19, 2023 for a period of 5 years <b>DIN:</b> 07488137	Appointed as Non-Executive Independent Director on December 19, 2023	Niyati Engineering Private Limited  Geodesic Engineering Private Limited
<b>Name:</b> Mr. Kemmannu Shashidhara Rao <b>Father's Name:</b> Mr. Raghavendrarao Kemmannu <b>Age:</b> 70 years	Appointed as Non-Executive Independent Director on December 19, 2023	Nil

<b>Name, Father's Name, Age, DOB, Designation, Address, Occupation, Nationality, Term and DIN</b>	<b>Date of Appointment/Re appointment</b>	<b>Other Directorships</b>
<p><b>Date of Birth:</b> January 19, 1953</p> <p><b>Designation:</b> Non-Executive Independent Director</p> <p><b>Address:</b> 6, Namana, 1<sup>st</sup> Street Bank Avenue, Kalyananagar, North Bangalore, Bangalore-560043, Karnataka, India</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Appointed as Independent Director with effect from December 19, 2023 for a period of 5 years</p> <p><b>DIN:</b> 06713774</p>		
<p><b>Name:</b> Mr. Dhananjay Mayur Dave</p> <p><b>Father's Name:</b> Mr. Mayur Dolatri Dave</p> <p><b>Age:</b> 56 years</p> <p><b>Date of Birth:</b> October 10, 1967</p> <p><b>Designation:</b> Non-Executive Independent Director</p> <p><b>Address:</b> D-2 Nirman Park Rajmata Jijabai Road, Pump House Andheri East Chakala MIDC, Mumbai-400093, Maharashtra, India</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Appointed as Independent Director with effect from December 19, 2023 for a period of 5 years</p> <p><b>DIN:</b> 10429532</p>	Appointed as Non-Executive Independent Director on December 19, 2023	Nil
<p><b>Name:</b> Mr. Ravindra Venkatesh Hulyalkar</p> <p><b>Father's Name:</b> Mr. Venkatesh Raghavendra Hulyalkar</p> <p><b>Age:</b> 58 years</p> <p><b>Date of Birth:</b> January 31, 1964</p> <p><b>Designation:</b> Non-Executive Independent Director</p> <p><b>Address:</b> B1/203 Swapnanagar, Udyamnagar, Opp Annaheb Magar Stadium, Pimpri Pune-411018, Maharashtra, India</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p>	Appointed as Non-Executive Independent Director on December 19, 2023	Nil

Name, Father's Name, Age, DOB, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment/Re appointment	Other Directorships
<b>Term:</b> Appointed as Independent Director with effect from December 19, 2023 for a period of 5 years		
<b>DIN:</b> 10429539		

## BRIEF PROFILE OF OUR DIRECTORS

**Ms. Prajna Shravan Shetty**, aged 35 years, is the Promoter, Chairperson & Managing Director of our Company. She holds Bachelor's Degree in Business Administration from University of Pune and Master of Science Degree in International Finance from University of Leeds Business School. In her previous stint and in current she is associated with Windsor Refractories Limited as a Director and majority shareholder and has contributed towards the growth and expansion of the business. Also, she is associated as a Director in Excel Micron (Poona) Private Limited and is involved in the exports of High Alumina Balls which is manufactured by the said Company. She has around 12 years of experience in Refractory Business including 4 years of experience in our Company. In our company she was joined as a Marketing Manager and then was promoted as a Director of the Company in the year 2021. She was involved in the expansion of the Business of our Company in Gujarat by setting up the larger manufacturing unit for the Company. In our company, she is responsible for the overall Business Development of the Company, managing client relations, overlooking the company finances and overall operations of the business.

**Mr. Dayashankar Krishna Shetty**, aged 75 years, is the Promoter and Executive Director of our Company. He holds degree of Bachelor's in Chemical Engineering from Manipal Institute of Technology. In his previous stint and in current he is associated in Windsor Refractories Limited as a Director and Majority Shareholder. He is also associated as Director and Shareholder of Excel Micron (Poona) Private Limited and is involved in overseeing the Business Operations. He has around 37 years of experience in Refractory Business including 27 years of experience in our Company. He had taken over the running Business of our Company in the year 1996 and was involved in expanding a manufacturing unit and in-house laboratory for testing all the parameters of the products in-house in Pune and introducing new products using modern technology. And further set up new manufacturing unit in Wankaner in Gujarat to have larger production scale. He oversees overall Business Operations of our company and is responsible for Product Quality, Operational Efficiencies and Strategy Execution which includes purchase, production, logistics and sales strategies for our Products

**Mr. M Jothiprakash**, aged 61 years, is the Whole Time Director of our Company. He holds Bachelor's Degree in Mechanical Engineering from University of Mysore, Bachelor's Degree in Maths from University of Madras. He has also completed an Executive Programme on Leading and Managing from Indian Institute of Management Calcutta. In his previous stint he was associated with Dandeli Steel & Ferro Alloys Limited, Dandeli Ferro Private Limited and Enmac Engineering Private Limited on various roles. In his previous stint he was associated with our company as general and senior manager in the year 2005-06 and then was appointed as a Director in 2022 and still in association with our Company as a Director. He has over total experience of 33 years in the fields of Manufacturing Projects, Engineering & Maintenance, Operations including 18 years of experience in our own Company. He is responsible for overseeing the technical & production activities. He is also responsible for maintaining the ISO certification. In addition, he also overlooks the overall upkeep and maintenance of the factory equipment

**Mr. Suraj Sadanand Shetty**, aged 37 years, is the Promoter and Executive Director of our Company. He has done his Post Graduation in Advanced Construction Management from National Institute of Construction Management and Research and holds Bachelor's degree in Civil Engineering from University of Pune. In his previous stint he has worked with Oberoi Constructions, L & T Constructions on various roles and was also appointed as Projects- General Manager in Windsor Refractories Limited. He is currently also serving as Director in Windsor Refractories Limited and in our company since 2022. He has a total experience of 12 years in construction industry. In our company he is involved in technical discussion with clients for prequalification process, & overseeing the expansion work of our Company in Wankaner Gujarat.

**Mr. Ammar Huseni Rangwala**, aged 59 years, is the Executive Director and Chief Financial Officer of our Company. He holds Bachelor's of Commerce Degree in Advanced, Accounting and Auditing from University of Poona. He has joined our company in 1984. He has total experience of 39 years in our company. He has excellent command over the people working in the organization and is overseeing the HR compliances and finances of the company. He overlooks the purchase of Raw Material and Debtor Creditor finances. He is also in charge of approving the raw material supplier and finalizing the rate for placing the raw material order. He has developed good technical knowledge of our products over the years due to his long work experience and is well aware of the raw material base to be used for manufacturing our products.

**Mr. Siddharth Kumar**, aged 69 years, is the Non-Executive Independent Director of our Company. He holds a Bachelor's of Technology in Ceramic Engineering from Banaras Hindu University. He has worked with Caldreys India Refractories

Limited for 30 years. He has a vast experience in the field of Refractory Industry and is a consultant in the fields of Refractory.

**Mr. Abhay Yatin Naik**, aged 38 years, is the Non-Executive Independent Director of our Company. He holds Bachelor of Engineering degree in Civil Branch from University of Pune. He has also done Post Graduation in Advanced Construction management from National Institute of Construction Management and Research. In his previous stint, he was appointed as an Executive-Project Controls in Niyati Engineering Private Limited in 2013 and then was promoted as an Executive Director in 2016 and still is in association with the said Company. He has a total experience of 11 years in the field of Construction Industry.

**Mr. Kemmannu Shashidhara Rao**, aged 70 years, is the Non-Executive Independent Director of our Company. He holds Bachelor's of Science degree from University of Mysore. In his previous stint he was associated as Manager at different levels in Vijaya Bank since 1973 to 2013 being an advisor in Human Resource and BPR. He has around 40 years of experience in the field of Public Sector Bank.

**Mr. Dhananjay Mayur Dave**, aged 56 years, is the Non-Executive Independent Director of our Company. He holds Bachelor's of Engineering Degree in Civil Branch from University of Bombay and also a holder of Degree of Doctor of Excellence Honoris Causa (Management) from Young Scientists University. In his previous stint he was associated with Dubon Project Engineering Private Limited from 1989 to 1991 as Junior Design Engineer, Tata Consulting Engineers Limited as Associate Vice president from 1991 to 2018. He has a vast experience and knowledge in various fields of petrochemical, infrastructure, oil & gas and many more and has received "Star Assessor" Award in 2016 by TATA Consulting Engineers Limited and was also awarded Most Admired Leader for Internationals Sales" at International Leadership Forum and Awards organised in Sri Lanka in 2018.

**Mr. Ravindra Venkatesh Hulyalkar**, aged 58 years, is the Non-Executive Independent Director of our Company. He holds Bachelor's of Technology Degree in Textile from Bangalore University and has completed his Executive Programme in Global Economics from IIM Calcutta. In his previous stint he was associated with Garware- Wall Ropes Limited for a total period of 14 years (including 6 Years of work experience as Sales Executive and 8 Years of work experience in Marketing as Sales Assistant Manager). He was also associated as Regional Manager in Fisher pumps Private Limited, Director in Dr. D.Y Patil School of Business Management, Head Corporate Relations and a Visiting Faculty in Padmashree Dr. D.Y. Patil Institute of Management Studies.

## CONFIRMATIONS

As on the date of this Red Herring Prospectus:

- None of the Directors of our Company are related to each other as per Section 2(77) of the Companies Act, 2013, except for that:
  - Mr. Dayashankar Krishna Shetty & Ms. Prajna Shravan Shetty are father-daughter.
  - Ms. Prajna Shravan Shetty & Mr. Suraj Sadanand Shetty are Sister-in-law and Brother-in-law to each other
- There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors were selected as a director or member of senior management.
- The directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
- None of the Directors are categorized as a wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1) (III) of SEBI ICDR Regulations.
- None of our Directors are or were directors of any listed Company whose shares have been/were suspended from trading by any of the stock exchange(s) during his/her tenure in that Company in the last five years or delisted from the stock exchange(s) during the term of their directorship in such companies.
- None of our Directors have been declared as fugitive economic offenders as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations, nor have been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.

- None of the Promoters or Directors has been or is involved as a promoters or director of any other Company which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce them to become or to help them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which he is interested, in connection with the promotion or formation of our Company.

## DETAILS OF BORROWING POWERS

Pursuant to a Special Resolution passed at an Extra-Ordinary General Meeting of our Company held on February 03, 2024 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company are authorized to borrow monies from time to time, with or without security, any sum or sums of money, on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 10,000.00 Lakhs.

## REMUNERATION OF OUR DIRECTORS

### Ms. Prajna Shravan Shetty

Ms. Prajna Shravan Shetty has been a Director on the Board of our Company since July 14, 2021. She was appointed as Managing Director of the Company pursuant to a Board resolution dated August 25, 2022 and Shareholder's resolution dated August 25, 2022 for a period of 5 years with effect from August 25, 2022 and as a Chairperson of the company pursuant to Board Resolution dated December 15, 2023. Her Remuneration was fixed by the Company pursuant to a Board Resolution dated December 15, 2023 and Shareholder's resolution dated December 18, 2023. The following table sets forth the terms of appointment of Ms. Prajna Shravan Shetty:

Particulars	Terms of remuneration
<b>Remuneration</b>	Up to INR 60.00 Lakhs per annum
<b>Minimum Remuneration</b>	The aggregate of the remuneration and perquisites as aforesaid, in any financial year, shall not be exceed the limit set out under sections 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 or any statutory modifications or re-enactments thereof for the time being in force, or otherwise as may be permissible at law. Provided that where in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay the above salary and allowances and provide the perquisites and other amenities as aforesaid to the Whole time Director as and by way of minimum remuneration, subject to the applicable provisions of Schedule V of the Act and the approval of the central Government, if required, or any other approvals as may be required under law

In Fiscal 2023, she received an aggregate remuneration of ₹ 18.00 Lakhs.

### Mr. M Jothiprakash

Mr. M Jothiprakash has been a Director on the Board of our Company since August 25, 2022 and was appointed as Whole Time Director of the Company pursuant to a Board resolution dated December 15, 2023 and Shareholder's resolution dated December 18, 2023 for a period of 5 years with effect from December 18, 2023. His Remuneration was fixed by the Company pursuant to a Board Resolution dated December 15, 2023 and Shareholder's resolution dated December 18, 2023. The following table sets forth the terms of appointment of Mr. M Jothiprakash:

Particulars	Terms of remuneration
<b>Remuneration</b>	Up to INR 13.272 Lakhs per annum
<b>Perquisites</b>	Perquisites shall be evaluated as per Income Tax Rule wherever applicable and in the absence of any such rule, Perquisites shall be evaluated at actual cost.
<b>Retirement benefits</b>	Gratuity shall be payable in accordance with the rules of the companies Act and Gratuity rule. Earned Leave on full pay and allowances as per the rules of the Company, leave accumulated shall be encashable of Leave at this end of the tenure, will not be included in the computation of the ceiling on perquisites.

Particulars	Terms of remuneration
<b>Other benefits</b>	The Director shall be entitled to reimbursement of expenses like Vehicle, Guest Entertainment; Travelling Expenses actually and properly incurred during the course of doing legitimate business of the Company. The appointee shall be eligible for Housing, Education and Medical Loan and other Loans or facilities as applicable in accordance with the rules of the company and in compliance with the provisions of the Companies Act, 2013
<b>Minimum Remuneration</b>	The aggregate of the remuneration and perquisites as aforesaid, in any financial year, shall not be exceed the limit set out under sections 197 and 198 read with Schedule V and other applicable provisions of the Companies Act,2013 or any statutory modifications or re-enactments thereof for the time being in force, or otherwise as may be permissible at law. Provided that where in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay the above salary and allowances and provide the perquisites and other amenities as aforesaid to the Whole time Director as and by way of minimum remuneration, subject to the applicable provisions of Schedule V of the Act and the approval of the central Government, if required, or any other approvals as may be required under law

In Fiscal 2023, he has not received any remuneration.

#### **Mr. Dayashankar Krishna Shetty**

Mr. Dayashankar Krishna Shetty has been a Director on the Board of our Company since June 19, 1996 and was subsequently resigned on August 25, 2022 from the directorship of the Company. He was again appointed as an Additional Director on the board on August 30, 2023 and was regularised and appointed as Executive Director of the Company pursuant to an Annual General Meeting resolution dated September 30, 2023. His Remuneration was fixed by the Company pursuant to a Board Resolution dated December 15, 2023 and Shareholder's resolution dated December 18, 2023. The following table sets forth the terms of appointment of Mr. Dayashankar Krishna Shetty:

Particulars	Terms of remuneration
<b>Remuneration</b>	Up to INR 36.00 Lakhs per annum
<b>Minimum Remuneration</b>	The aggregate of the remuneration and perquisites as aforesaid, in any financial year, shall not be exceed the limit set out under sections 197 and 198 read with Schedule V and other applicable provisions of the Companies Act,2013 or any statutory modifications or re-enactments thereof for the time being in force, or otherwise as may be permissible at law. Provided that where in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay the above salary and allowances and provide the perquisites and other amenities as aforesaid to the Whole time Director as and by way of minimum remuneration, subject to the applicable provisions of Schedule V of the Act and the approval of the central Government, if required, or any other approvals as may be required under law

In Fiscal 2023, he has received an aggregate remuneration of ₹ 19.00 Lakhs proportionate to his service period of until August 25, 2022.

#### **Mr. Suraj Sadanand Shetty**

Mr. Suraj Sadanand Shetty was appointed as an Additional Director on the Board of our Company on August 25, 2022 and was regularised and appointed as Executive Director of the Company pursuant to an Annual General Meeting resolution dated September 30, 2022. His Remuneration was fixed by the Company pursuant to a Board Resolution dated December 15, 2023 and Shareholder's resolution dated December 18, 2023. The following table sets forth the terms of appointment of Mr. Suraj Sadanand Shetty:

Particulars	Terms of remuneration
<b>Remuneration</b>	Up to INR 6.00 Lakhs per annum
<b>Minimum Remuneration</b>	The aggregate of the remuneration and perquisites as aforesaid, in any financial year, shall not be exceed the limit set out under sections 197 and 198 read with Schedule V and other applicable provisions of the Companies Act,2013 or any statutory modifications or re-enactments thereof for the time being in force, or otherwise as may be permissible at law. Provided that where in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay the above salary and allowances and provide the perquisites and other amenities as aforesaid to the Whole time Director as and by way of minimum remuneration, subject to the applicable provisions

	of Schedule V of the Act and the approval of the central Government, if required, or any other approvals as may be required under law
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In Fiscal 2023, he has received Remuneration of ₹ 1.50 Lakhs.

#### **Mr. Ammar Huseni Rangwala**

Mr. Ammar Huseni Rangwala was appointed as an Additional Director on the Board of our Company on August 25, 2022 and was regularised and appointed as Executive Director of the Company pursuant to an Annual General Meeting resolution dated September 30, 2023. His Remuneration was fixed by the Company pursuant to a Board Resolution dated December 15, 2023 and Shareholder's resolution dated December 18, 2023. The following table sets forth the terms of appointment of Mr. Ammar Huseni Rangwala:

<b>Particulars</b>	<b>Terms of remuneration</b>
<b>Remuneration</b>	Up to INR 13.068 Lakhs per annum
<b>Minimum Remuneration</b>	The aggregate of the remuneration and perquisites as aforesaid, in any financial year, shall not be exceed the limit set out under sections 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 or any statutory modifications or re-enactments thereof for the time being in force, or otherwise as may be permissible at law. Provided that where in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay the above salary and allowances and provide the perquisites and other amenities as aforesaid to the Whole time Director as and by way of minimum remuneration, subject to the applicable provisions of Schedule V of the Act and the approval of the central Government, if required, or any other approvals as may be required under law

In Fiscal 2023, he has not received any remuneration.

#### **SITTING FEES**

Pursuant to the Resolution passed by the Board of Directors of our Company on December 15, 2023 the Non-Executive Independent Directors of our Company would be entitled to a sitting fee of INR ₹ 5,000/- with effect from December 15, 2023 for attending every meeting of Board and committees thereof.

#### **PAYMENT OF BENEFITS (NON-SALARY RELATED)**

Except as disclosed above, no amount or benefit has been paid or given within the two (2) years preceding the date of filing of this Red Herring Prospectus or is intended to be paid or given to any of our directors except the remuneration for services rendered and/or sitting fees as Directors.

#### **CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO DIRECTORS**

There is no contingent or deferred compensation payable to our directors, which does not form part of their remuneration.

#### **BONUS OR PROFIT-SHARING PLAN FOR THE DIRECTORS**

None of the Directors are party to any bonus or profit-sharing plan of our Company.

#### **SHAREHOLDING OF OUR DIRECTORS**

Our Articles of Association do not require our directors to hold any qualification shares.

The details of the shareholding of our directors as on the date of this Red Herring Prospectus are as follows:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>No. of Equity Shares</b>	<b>Percentage of Pre- Issue Capital (%)</b>
1.	Mr. Dayashankar Krishna Shetty	53,72,000	34.00%
2.	Ms. Prajna Shravan Shetty	52,13,996	32.99%
3.	Mr. M Jothiprakash	Nil	Nil
4.	Mr. Suraj Sadanand Shetty	2	Negligible
5.	Mr. Ammar Huseni Rangwala	Nil	Nil
6.	Mr. Siddharth Kumar	Nil	Nil

7.	Mr. Abhay Yatin Naik	Nil	Nil
8.	Mr. Kemmannu Shashidhara Rao	Nil	Nil
9.	Mr. Dhananjay Mayur Dave	Nil	Nil
10.	Mr. Ravindra Venkatesh Hulyalkar	Nil	Nil

### INTEREST OF OUR DIRECTORS

All our directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them by our Company as well as sitting fees, if any, payable to them for attending meetings of our Board or Committees thereof payable to them.

Further our directors may be deemed to be interested to the extent of shareholding held by them in our Company or held by the entities in which they are associated as directors or partners, or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue and any dividend and other distributions payable in respect of such Equity Shares. For the shareholding of the Directors, please refer chapter titled “*Our Management – Shareholding of our Directors*” on page 172 of this Red Herring Prospectus.

Further, relatives of certain of our directors are also shareholders and / or employees of our Company and may be deemed to be interested to the extent of the payment of remuneration made by our Company and dividends declared on the Equity Shares held by them, if any. For the payments that are made by our Company to such relatives of the Directors, see “*Restated Financial Statements – Annexure IX - Related Party Transactions*” on page 200 of this Red Herring Prospectus.

Except mentioned in the Restated Financial Statements, no loans have been availed or extended by our directors from or to, our Company.

No sum has been paid or agreed to be paid to our directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce them to become, or to qualify them as, a director, or otherwise for services rendered by them by such firm or company, in connection with the promotion or formation of our Company.

Except as stated in the heading titled “*Properties*” under the chapter titled “*Our Business*”, beginning on page 124 of this Red Herring Prospectus, none of our directors have interest in any property acquired or proposed to be acquired by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Except as stated in the chapter titled “*Our Business*” and “*Restated Financial Statements*” beginning on page 124 and 200 respectively and to the extent of shareholding in our Company, if any, our directors do not have any other business interest in our Company.

Except Mr. Dayashankar Krishna Shetty and Ms. Prajna Shravan Shetty, who are the Promoters of our Company, none of the other Directors are interested in the promotion of our Company.

### CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Sr. No.	Name of the Director	Date of Appointment / Change in designation	Reason for Change
1.	Ms. Prajna Shravan Shetty	July 14, 2021	Appointed as Additional Director of the Company
2.	Ms. Prajna Shravan Shetty	November 30, 2021	Re-designated as Executive Director of our company
3.	Ms. Prajna Shravan Shetty	August 25, 2022	Redesignated as Managing Director of the Company
4.	Mr. Dayashankar Krishna Shetty	August 25, 2022	Resigned from Directorship of the company
5.	Mr. Ammar Huseni Rangwala	August 25, 2022	Appointed as Additional Director of the Company
6.	Mr. Suraj Sadanand Shetty	August 25, 2022	Appointed as Additional Director of the Company
7.	Mr. M Jothiprakash	August 25, 2022	Appointed as Additional Director of the Company
8.	Mr. Ammar Huseni Rangwala	September 30, 2022	Re-designated as Executive Director of our company
9.	Mr. Suraj Sadanand Shetty	September 30, 2022	Re-designated as Executive Director of our company

Sr. No.	Name of the Director	Date of Appointment / Change in designation	Reason for Change
10.	Mr. M Jothiprakash	September 30, 2022	Re-designated as Executive Director of our company
11.	Mr. Dayashankar Krishna Shetty	August 30, 2023	Appointed as Additional Director of the Company
12.	Mr. Dayashankar Krishna Shetty	September 30, 2023	Re-designated as Executive Director of our company
13.	Ms. Pratibha Dayashankar Shetty	December 15, 2023	Resigned from the directorship of the Company
14.	Ms. Prajna Shravan Shetty	December 15, 2023	Appointed as Chairperson
15.	Mr. M Jothiprakash	December 18, 2023	Appointed as Whole Time Director of our company
16.	Mr. Siddharth Kumar	December 19, 2023	Appointed as Non-Executive Independent Director of our company
17.	Mr. Abhay Yatin Naik	December 19, 2023	Appointed as Non-Executive Independent Director of our company
18.	Mr. Kemmannu Shashidhara Rao	December 19, 2023	Appointed as Non-Executive Independent Director of our company
19.	Mr. Dhananjay Mayur Dave	December 19, 2023	Appointed as Non-Executive Independent Director of our company
20.	Mr. Ravindra Venkatesh Hulyalkar	December 19, 2023	Appointed as Non-Executive Independent Director of our company

## CORPORATE GOVERNANCE

We are in compliance with the requirements of the Companies Act in respect of corporate governance including constitution of the Board and committees thereof. Further, conditions of corporate governance as stipulated in Regulation 17 to 27 of the SEBI LODR Regulations is not applicable to our company in terms of the Regulation 15(2)(b) of the SEBI LODR Regulations. Our Board has been constituted in compliance with the Companies Act. The Board functions either as a full board or through various committees constituted to oversee specific functions.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealing with our stakeholders, emphasis on communication and transparent report.

Our Board functions either as a full Board or through the various committees constituted to oversee specific operational areas. As on the date of this Red Herring Prospectus, our Company has 10 (Ten) Directors on the Board, 1 (One) as Chairperson & Managing Director who is woman director as well, 1 (One) as Wholetime Director, 3 (Three) as Executive Directors and 5 (Five) as Non-Executive Independent Director.

## COMMITTEES OF THE BOARD OF DIRECTORS

Our Board of Directors presently has three (3) committees which have been constituted in accordance with the relevant provisions of the Companies Act: (i) Audit Committee, (ii) Stakeholders' Relationship Committee and (iii) Nomination and Remuneration Committee.

### *Audit Committee:*

Our Board has constituted the Audit Committee vide Board Resolution dated February 03, 2024 which was in accordance with Section 177 of the Companies Act, 2013. The audit committee comprises of:

Name of the Directors	Nature of Directorship	Designation in Committee
Mr. Ravindra Venkatesh Hulyalkar	Non-Executive Independent Director	Chairman
Mr. Kemmannu Shashidhara Rao	Non-Executive Independent Director	Member
Ms. Prajna Shravan Shetty	Chairperson & Managing Director	Member

The Company Secretary & Compliance Officer of the Company will act as the Secretary of the Committee.

The role of Audit Committee shall include but shall not be restricted to the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approving payments to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
  - (b) Changes, if any, in accounting policies and practices and reasons for the same;
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) Significant adjustments made in the financial statements arising out of audit findings;
  - (e) Compliance with listing and other legal requirements relating to financial statements;
  - (f) Disclosure of any related party transactions; g. Qualifications in the draft audit report;
  - (g) Qualifications in the draft audit report;
5. Reviewing with the management the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an offer (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
9. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
10. Discussion with internal auditors any significant findings and follow up there on;
11. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
12. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
13. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
14. To review the functioning of the Whistle Blower mechanism;
15. Approval of appointment of CFO (or the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
16. Approval or any subsequent modification of transactions of the company with related parties;
17. Scrutiny of inter-corporate loans and investments;
18. Valuation of undertakings or assets of the Company, whenever it is necessary;

19. Evaluation of internal financial controls and risk management systems;
20. Review of management discussion and analysis report, management letters issued by the statutory auditors, etc;
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
22. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision; and
23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

*Explanation (i): The term “related party transactions” shall have the same meaning as contained in the Ind AS 24, Related Party Transactions, issued by The Institute of Chartered Accountants of India.*

*Explanation (ii): If the issuer has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions /features as is contained in this clause.*

**The Audit Committee enjoys following powers:**

- i) To investigate any activity within its terms of reference.
- ii) To seek information from any employee.
- iii) To obtain outside legal or other professional advice.
- iv) To secure attendance of outsiders with relevant expertise if it considers necessary.

**The Audit Committee shall mandatorily review the following information:**

- i) Management discussion and analysis of financial condition and results of operations;
- ii) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- iii) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iv) Internal audit reports relating to internal control weaknesses; and
- v) The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee.
- vi) statement of deviations: (a) half yearly statement of deviation(s) submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI LODR Regulations; and (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI LODR Regulations.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

**Meeting of Audit Committee and Relevant Quorum**

The Audit Committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum for audit committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

**Stakeholders' Relationship Committee**

Our Board has constituted the Stakeholders' Relationship Committee vide Board Resolution dated February 03, 2024 pursuant to Section 178 of the Companies Act, 2013. The Stakeholder's Relationship Committee comprises of:

<b>Name of the Directors</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Mr. Ravindra Venkatesh Hulyalkar	Non-Executive Independent Director	Chairman
Mr. Siddharth Kumar	Non-Executive Independent Director	Member
Mr. M Jothiprakash	Whole Time Director	Member

The Company Secretary of the Company will act as the Secretary of the Committee.

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

1. resolving the grievances of the security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc;
2. review of measures taken for effective exercise of voting rights by shareholders;
3. review of adherence to the service standards adopted by the Company in respect of various services rendered by the registrar and share transfer agent;
4. review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
5. Formulate procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
6. approve, register, refuse to register transfer or transmission of shares and other securities;
7. sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
8. allotment and listing of shares;
9. authorise affixation of common seal of the Company;
10. issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
11. approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
12. dematerialize or rematerialize the issued shares;
13. ensure proper and timely attendance and redressal of investor queries and grievances;
14. carry out any other functions contained in the Companies Act, 2013 (including Section 178) and/or equity listing agreements (if applicable), as and when amended from time to time; and
15. further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

#### **Meeting of Stakeholders' Relationship Committee and Relevant Quorum**

The stakeholders' Relationship committee shall meet at least four times in a year and shall report to the Board of Directors on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum for a meeting of the Stakeholder's Relationship Committee shall be two members present.

#### ***Nomination and Remuneration Committee***

Our Board has constituted the Nomination and Remuneration Committee vide Board Resolution dated February 03, 2024 pursuant to section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee comprises of:

<b>Name of the Directors</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Mr. Siddharth Kumar	Non-Executive Independent Director	Chairman
Mr. Abhay Yatin Naik	Non-Executive Independent Director	Member
Mr. Kemmannu Shashidhara Rao	Non-Executive Independent Director	Member

The Company Secretary of our Company acts as the Secretary to the Committee.

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - i) use the services of an external agencies, if required;
  - ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - iii) consider the time commitments of the candidates.
3. formulation of criteria for evaluation of Independent Directors and the Board;
4. devising a policy on Board diversity;
5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
6. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and
7. recommend to the board, all remuneration, in whatever form, payable to senior management.

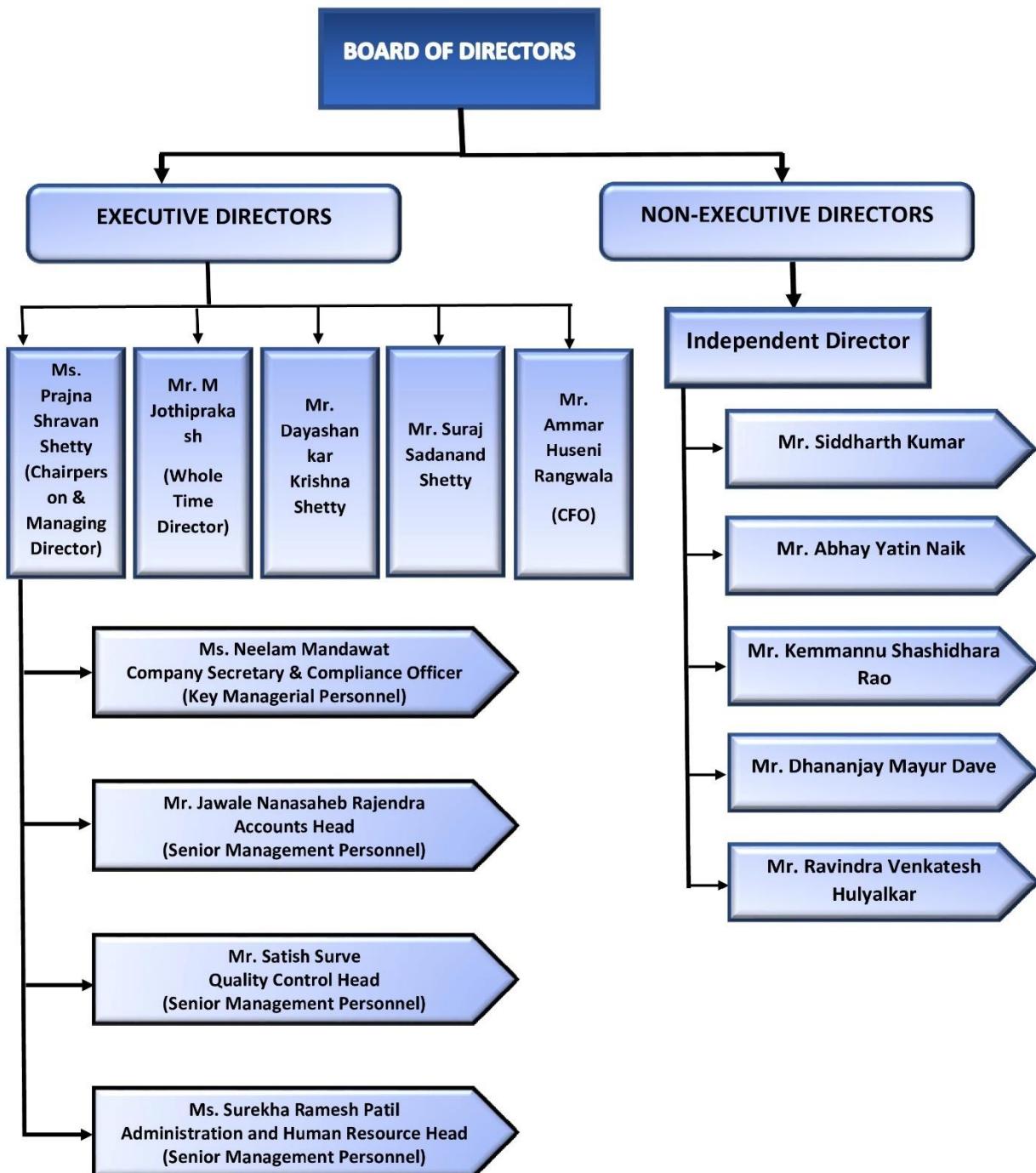
#### **Meeting of Nomination and Remuneration Committee and Relevant Quorum**

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members. The Committee shall meet as and when required.

#### **POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING**

The provisions of Regulation 9(1) of the SEBI PIT Regulations will be applicable to our Company immediately upon the listing of its Equity Shares on the NSE Emerge. We shall comply with the requirements of the SEBI PIT Regulations on listing of Equity Shares on stock exchange. Further, Board of Directors have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons. The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

#### **ORGANIZATIONAL STRUCTURE**



#### KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel and senior management of our Company:

##### Key Managerial Personnel of our Company:

**Ms. Prajna Shravan Shetty** is the Chairperson & Managing Director of our Company, For detailed profile, see para, “*Our Management -Brief Profile of our Directors*” on page 172 of this Red Herring Prospectus.

**Mr. M Jothiprakash** is the Whole Time Director of our Company, For detailed profile, see para, “*Our Management -Brief Profile of our Directors*” on page 172 of this Red Herring Prospectus.

**Mr. Ammar Huseni Rangwala**, Executive Director is the Chief Financial Officer of our Company. For detailed profile, see para, “*Our Management -Brief Profile of our Directors*” on page 172 of this Red Herring Prospectus.

**Ms. Neelam Mandawat**, aged 32 years, is the Company Secretary and Compliance Officer of our Company with effect from December 15, 2023. She holds Bachelor’s of Commerce Degree and Master’s of Commerce Degree from Mohanlal Sukhadia University, Udaipur, and is an Associate member of the Institute of Company Secretaries of India. In her previous stint she was associated with Quark Solar Private Limited (Previously known as PAE Renewables Private Limited) as a Whole Time Company Secretary. She has a year of experience in secretarial and compliance related matters. She is responsible for the Secretarial and Compliance division of our Company. She was not paid any remuneration in the Fiscal Year 2022-23.

#### **Senior Management Personnel of our Company:**

In addition to the above, the details of our other Senior Management Personnel in terms of the SEBI ICDR Regulations, as of the date of this Red Herring Prospectus are set forth below:

**Mr. Jawale Nanaheb Rajendra**, aged 38 years, is the Accounts Head of our company. He has been associated with our company since April 10, 2010. He has completed Bachelor’s Degree in Commerce from Dr. Babasaheb Ambedkar Marathwada University Aurangabad in the year 2007. He has around total 13 years of experience in our company. Since he was appointed on April 10, 2010, he was paid ₹ 5,79,700 as salary in the Fiscal Year 2022-23.

**Mr. Satish Surve**, aged 57 years, is the Quality Control Head of our company. He has been associated with our company since October 01, 1993. He holds Bachelors of Science Degree from University of Poona. He has around total 30 years of experience in our company. Since he was appointed on October 01, 1993, he was paid ₹ 8,64,000 as salary in the Fiscal Year 2022-23.

**Ms. Surekha Ramesh Patil**, aged 56 years, is the Administration and Human Resource Head of our company. She has been associated with our company since December 16, 2005. She holds Bachelors of Science Degree from University of Poona and Post Graduate Diploma in Human Resource Management program from Symbiosis University through distance learning. In her previous stint she has worked with Refractory shapes as programmer for 2 years and with Press Metal Components Private Limited as Data Processing Operator for 9 months. She has around total 30 years of experience in our company. Since she was appointed on December 16, 2005, he was paid ₹ 4,76,480 as salary in the Fiscal Year 2022-23.

#### **STATUS OF OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

All our Key Managerial Personnel and senior management are permanent employees of our Company.

#### **RELATIONSHIP BETWEEN OUR DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

None of our directors are related to each other or to our Key Managerial Personnel and Senior Management. Except

- Mr. Dayashankar Krishna Shetty and Ms. Prajna Shravan Shetty are father-daughter.
- Ms. Prajna Shravan Shetty & Mr. Suraj Sadanand Shetty are Sister-in-law and Brother-in-law to each other

#### **SHAREHOLDING OF THE KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT**

Except for the following, none of our KMPs or senior management hold any shares of our Company as on the date of this Red Herring Prospectus.

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Designation</b>	<b>No. of Equity Shares</b>	<b>Percentage of Pre-Issue Capital (%)</b>
1.	Ms. Prajna Shravan Shetty	Chairperson & Managing Director	52,13,996	32.99%

#### **SERVICE CONTRACTS WITH KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

Our Key Managerial Personnel or Senior Management have not entered into any service contracts with our Company which provide for any benefits upon termination of their employment in our Company.

## **INTEREST OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

None of our Key Management Personnel or Senior Management has any interest in our Company except to the extent of their remuneration, benefits, reimbursement of expenses incurred by them in the ordinary course of business. Our Key Managerial Personnel or Senior Management may also be interested to the extent of Equity Shares, if any, held by them and any dividend payable to them and other distributions in respect of such Equity Shares in future.

## **ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS/ CUSTOMERS/ SUPPLIERS**

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel or senior management have been selected as the Key Managerial Personnel or senior management of our Company.

## **BONUS OR PROFIT-SHARING PLAN OF THE KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT**

There is no profit-sharing plan for the Key Managerial Personnel or senior management. However, our Company provides performance linked bonus payments, in accordance with their terms of appointment.

## **CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

There is no contingent or deferred compensation payable to our Key Managerial Personnel and senior management, which form part of their remuneration.

## **EMPLOYEE SHARE PURCHASE AND EMPLOYEE STOCK OPTION PLAN**

Our Company does not have an employee stock option scheme as on the date of this Red Herring Prospectus.

## **PAYMENT OR BENEFIT TO OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

No non salary related amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of filing of this Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

## **CHANGES IN OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT IN THE LAST THREE YEARS FROM THE DATE OF FILING OF THIS RED HERRING PROSPECTUS**

The changes in our Key Managerial Personnel and Senior Management during the three years immediately preceding the date of filing of this Red Herring Prospectus are set forth below:

<b>Name</b>	<b>Designation</b>	<b>Date of Appointment/ Change in designation</b>	<b>Reason for Change</b>
Ms. Prajna Shravan Shetty	Chairperson & Managing Director	August 25, 2022	Appointed as Managing Director of our company
Mr. Ammar Huseni Rangwala	Chief Financial Officer	December 15, 2023	Appointed as Chief Financial Officer
Ms. Neelam Mandawat	Company Secretary and Compliance Officer	December 15, 2023	Appointed as Company Secretary and Compliance Officer
Ms. Prajna Shravan Shetty	Chairperson & Managing Director	December 15, 2023	Appointed as Chairperson
Mr. M Jothiprakash	Whole Time Director	December 18, 2023	Appointed as Whole Time Director
Mr. Jawale Nanaheb Rajendra	Senior Management Personnel	February 03, 2024	Designated as Senior Management Personnel
Mr. Satish Surve	Senior Management Personnel	February 03, 2024	Designated as Senior Management Personnel

<b>Name</b>	<b>Designation</b>	<b>Date of Appointment/ Change in designation</b>	<b>Reason for Change</b>
Ms. Surekha Ramesh Patil	Senior Management Personnel	February 03, 2024	Designated as Senior Management Personnel

#### **ATTRITION OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

The attrition of Key Managerial Personnel and senior management is not high in our Company compared to the industry.

## OUR PROMOTERS AND PROMOTER GROUP

As on the date of this Red Herring Prospectus, Mr. Dayashankar Krishna Shetty, Ms. Pratibha Dayashankar Shetty, Ms. Prajna Shravan Shetty and Mr. Suraj Sadanand Shetty holds 1,57,99,994 Equity Shares which constitute 99.99% of the issued and paid-up Equity Share capital of our Company. Our Promoters and Promoter Group will continue to hold the majority of our post- Issue paid-up equity share capital of our Company.

The details of our Promoters are as under:

<b>Mr. Dayashankar Krishna Shetty, Promoter</b>	 <p><b>Mr. Dayashankar Krishna Shetty</b>, aged 75 years, is the Promoter and Executive Director of our Company. For the complete profile of our promoter, along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see "<i>Our Management</i>" on page 172 of this Red Herring Prospectus.</p> <p><b>Date of Birth:</b> 21/07/1948</p> <p><b>Nationality:</b> Indian</p> <p><b>PAN:</b> APPS9859Q</p> <p><b>Residential Address:</b> Bunglow Kutira, Sudama Society, Vishal Nagar Complex, Marve Road. Mith Chowki, Malad West, Mumbai-400064, Maharashtra, India</p> <p><b>Other Interests</b></p> <ul style="list-style-type: none"><li>➤ Windsor Refractories Limited</li><li>➤ Excel Micron (Poona) Private Limited</li></ul>
<b>Ms. Pratibha Dayashankar Shetty, Promoter</b>	 <p><b>Ms. Pratibha Dayashankar Shetty</b>, aged 65 years, is the Promoter of our Company. She holds Bachelors of Law Degree from Bangalore University. She is a law graduate and holds directorship in Windsor Refractories Limited, Excel Micron (Poona) Private Limited, and is shareholder of these companies. She has been associated with our company as a director since 1996 and was overseeing the finances and the business operations of our company and has resigned from directorship w.e.f. December 15, 2023. She has an experience of around 37 years in Refractory business. She holds 52,13,996 Equity Shares, representing 32.99% of the pre-issued, subscribed and paid-up Equity Share capital of our Company.</p> <p><b>Date of Birth:</b> 23/02/1958</p> <p><b>Nationality:</b> Indian</p> <p><b>PAN:</b> APPS9858R</p> <p><b>Residential Address:</b> Bunglow Kutira, Vishal Nagar Complex, Sudama Society, Marve Road, Mith Chowki, Malad West, Mumbai-400064, Maharashtra, India</p>

	<p><b>Other Interests:</b></p> <ul style="list-style-type: none"> <li>➤ Windsor Refractories Limited</li> <li>➤ Excel Micron (Poona) Private Limited</li> </ul>
<b>Ms. Prajna Shravan Shetty, Promoter</b>	<p><b>Ms. Prajna Shravan Shetty</b>, aged 35 years, is the Promoter, Chairperson &amp; Managing Director of our Company. For the complete profile of our promoter, along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see “<i>Our Management</i>” on page 172 of this Red Herring Prospectus.</p> <p><b>Date of Birth:</b> 13/06/1988</p> <p><b>Nationality:</b> Indian</p> <p><b>PAN:</b> BHAPS4789N</p> <p><b>Residential Address:</b> 15<sup>th</sup> Floor Flat No 1504, Residential Building No. 4, Known as Maxima JVLR Road, Of Village Majas Jogeshwari East, Mumbai- 400060, Maharashtra, India</p> <p><b>Other Interests</b></p> <ul style="list-style-type: none"> <li>➤ Windsor Refractories Limited</li> <li>➤ Excel Micron (Poona) Private Limited</li> </ul>
<b>Mr. Suraj Sadanand Shetty</b>	<p><b>Mr. Suraj Sadanand Shetty</b>, aged 37 years, is the Promoter and Executive Director of our Company. For the complete profile of our promoter, along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see “<i>Our Management</i>” on page 172 of this Red Herring Prospectus.</p> <p><b>Date of Birth:</b> May 24, 1986</p> <p><b>Nationality:</b> Indian</p> <p><b>PAN:</b> BPWPS1622A</p> <p><b>Residential Address:</b> Flat No. 1505, 15th Floor, Everest Heights CHS Ltd, Lakes Homes, Off Adi Shankaracharya Marg, Near Gopal Sharma School, Powai, Mumbai- 400076, Maharashtra, India.</p> <p><b>Other Interests:</b></p> <ul style="list-style-type: none"> <li>➤ Windsor Refractories Limited</li> </ul>

## DECLARATION

1. We confirm that the Permanent Account Number, Bank Account Number, Aadhar Card Number, Passport Number and Driving License of our Promoters have been submitted to the NSE at the time of filing of this Red Herring Prospectus.
2. Present Promoters of Our Company are Mr. Dayashankar Krishna Shetty, Ms. Pratibha Dayashankar Shetty, Ms. Prajna Shravan Shetty and Mr. Suraj Sadanand Shetty. Initial subscribers to the MoA of our Company were Ms. Nargis E. Chaney and Mr. Arish E. Chaney. For details of the shareholding acquired by the current promoters of our Company

refer the capital build-up of our Promoter under chapter “*Capital Structure*” beginning on page 70 of this Red Herring Prospectus.

3. None of our Promoters or Promoter Group or Group Company or person in control of our Company has been:
  - Prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
  - Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.
  - No material regulatory or disciplinary action is taken by stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the promoters of our company.
  - There are no defaults in respect of payment of interest and principal to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the promoters during the past three years.
4. None of our Promoter, person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.
5. The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 217 of this Red Herring Prospectus.

#### **CHANGE IN CONTROL OF OUR COMPANY**

There has not been any change in the control of our Company in the five years immediately preceding the date of this Red Herring Prospectus.

#### **EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY**

For details in relation to experience of our Promoters in the business of our Company, please refer the chapter “*Our Management*” beginning on page 172 of this Red Herring Prospectus.

#### **INTEREST OF OUR PROMOTERS**

Our Promoters do not have any interest in our Company except to the extent of compensation payable / paid, rents on properties owned by them or their relatives but used by our company and reimbursement of expenses (if applicable) and to the extent of any equity shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapters titled “*Capital Structure*”, “*Restated Financial Statements*” and “*Our Management*” beginning on pages 70, 200 and 172 of this Red Herring Prospectus.

Except as stated otherwise in this Red Herring Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company and development rights entered into by our Company other than in the normal course of business. For further details, please see chapter titled “*Restated Financial Statements*” beginning on page 200 of this Red Herring Prospectus.

Our Company is currently promoted by the Promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company. Our Promoters may also be deemed to be interested to the extent of Equity Shares held by them and their immediate relatives in our Company and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares in our Company. For details regarding the shareholding of our Promoters in our Company, see the chapter titled “*Capital Structure*” on page 70 of this Red Herring Prospectus.

Except as stated in the heading titled “*Properties*” under the chapter titled “*Our Business*” and “*Restated Financial Statements*” beginning on page 124 and 200 respectively, of this Red Herring Prospectus, our Promoters have confirmed

that they do not have any interest in any property acquired by our Company within three years preceding the date of this Red Herring Prospectus or proposed to be acquired by our Company as on the date of this Red Herring Prospectus.

Further, other than as mentioned in the chapter titled “*Our Business*” beginning on page 124 of this Red Herring Prospectus Our Promoters does not have any interest in any land or property acquired by our Company in the three years preceding the date of this Red Herring Prospectus or proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Our Promoters are not interested as member of a firm or company, and no sum has been paid or agreed to be paid to them or to such firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify them as a director, or otherwise for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

Our Promoters who are also the Directors of our Company may be deemed to be interested to the extent of remuneration, commission and reimbursement of expenses payable to them as per the terms of his appointment, the Articles of Association of our Company and relevant provisions of Companies Act. For further information on our Promoter’ compensation and other details please refer to the chapter titled “*Our Management*” on page 172 of this Red Herring Prospectus.

Except as mentioned in this chapter and chapters titled “*Our Business*”, “*History and Certain Corporate Matters*”, “*Our Management*” and “*Restated Financial Statements*” beginning on pages 124, 168, 172 and 200, respectively, our Promoters do not have any other interest in our Company.

## COMMON PURSUITS OF OUR PROMOTERS

Our Promoters are not involved with any ventures which are in the same line of activity or business as that of our Company, except Excel Micron (Poona) Private Limited our group company which manufactures High Alumina Balls a type of Refractory Business.

## PAYMENT OF AMOUNTS OR BENEFITS TO THE PROMOTERS OR PROMOTER GROUP DURING THE LAST TWO YEARS

Except as stated in the chapter titled “*Restated Financial Statements*” beginning on page 200 of this Red Herring Prospectus, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the date of this Red Herring Prospectus nor is there any intention to pay or give any amount or benefit to our Promoter or members of our Promoter Group.

## MATERIAL GUARANTEES

Except as stated in the chapter titled “*History and Certain Corporate Matters*” and “*Restated Financial Statements*” beginning on pages 168 and 200 of this Red Herring Prospectus, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Red Herring Prospectus.

Mr. Dayashankar Krishna Shetty, Ms. Pratibha Dayashankar Shetty and Ms. Prajna Shravan Shetty, the Promoters of the Company have given personal guarantee for the borrowings availed by our Company.

## OUR PROMOTER GROUP

Apart from our Promoters, as per Regulation 2(1)(pp) of the SEBI ICDR Regulations, the following individuals and entities shall form part of our Promoter Group:

### A. *Natural Persons who are Part of the Promoter Group*

As per Regulation 2(1)(pp)(ii) of the SEBI ICDR Regulations, the following individuals form part of our Promoter Group:

Relationship	Ms. Prajna Shravan Shetty	Mr. Dayashankar Krishna Shetty	Ms. Pratibha Dayashankar Shetty	Mr. Suraj Sadanand Shetty
Father	Dayashankar Krishna Shetty	Late Krishna Shetty	Late B Rajeeva Hegde	Late Dr. Sadanand Vithal Shetty

<b>Mother</b>	Pratibha Dayashankar Shetty	Late Janani K. Shetty	Sarjojini Rajeev Hegde	Shobha Sadanand Shetty
<b>Spouse</b>	Shravan Sadanand Shetty	Pratibha Dayashankar Shetty	Dayashankar Krishna Shetty	Divya Shetty
<b>Brother</b>	Praday Dayashankar Shetty	B Kishore Shetty, Yogishwar Bola Krishna	Satish Hegde, Suresh Hegde Kandavar	Shravan Sadanand Shetty
<b>Sister</b>	-	Vishalakshi Adyanthaya, Meenakshi D Punja	Asha R Shetty	Shibani Prakashchandra Shetty
<b>Son</b>	Rishik Shetty	Praday Dayashankar Shetty	Praday Dayashankar Shetty	-
<b>Daughter</b>	Rhea Shravan Shetty	Prajna Shravan Shetty	Prajna Shravan Shetty	-
<b>Spouse's Father</b>	Late Dr. Sadanand Vithal Shetty	Late B Rajeeva Hegde	Late Krishna Shetty	Radhakrishna Shetty
<b>Spouse's Mother</b>	Shobha Sadanand Shetty	Sarjojini Rajeev Hegde	Late Janani K. Shetty	Usha Radhakrishna Shetty
<b>Spouse's Brother</b>	Suraj Sadanand Shetty	Satish Hegde, Suresh Hegde Kandavar	B Kishore Shetty, Yogishwar Bola Krishna	-
<b>Spouse's Sister</b>	Shibani Prakashchandra Shetty	Asha R Shetty	Vishalakshi Adyanthaya, Meenakshi D Punja	Bhavya Shetty and Kavitha B Shetty

#### **B. Entities forming part of the Promoter group pursuant to Regulation 2(1) (pp)(iv) of the SEBI ICDR Regulations**

As per Regulation 2(1)(pp)(iv) of the SEBI ICDR Regulations, the following Companies/Trusts/ Partnership firms/HUFs or Sole Proprietorships are forming part of our Promoter group.

<b>Sr. No.</b>	<b>Name of Promoter group Entity/Company</b>
1.	Windsor Refractories Limited
2.	Excel Micron (Poona) Private Limited
3.	Hotel Radhakrishna (Proprietorship of Mr. Radhakrishna Shetty)
4.	New Radhakrishna Hotel (Proprietorship of Ms. Usha Radhakrishna Shetty )

#### **SHAREHOLDING OF THE PROMOTER GROUP IN OUR COMPANY**

For details of shareholding of members of our Promoter Group as on the date of this Red Herring Prospectus, please see the chapter titled “*Capital Structure*” beginning on page 70 of this Red Herring Prospectus.

#### **COMPANIES WITH WHICH THE PROMOTERS HAVE DISASSOCIATED IN THE LAST THREE YEARS**

None of our Promoters has disassociated themselves from any of the Companies, Firms or other entities during the last three years preceding the date of this Red Herring Prospectus except Pratibha Dayashankar Shetty who has resigned from the directorship of our company w.e.f. December 15, 2023.

#### **LITIGATION DETAILS PERTAINING TO OUR PROMOTERS**

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled “*Outstanding Litigations and Material Developments*” beginning on page 217 of this Red Herring Prospectus.

#### **RELATED PARTY TRANSACTIONS**

For the transactions with our Promoter Group entities please refer to chapter titled “*Restated Financial Statements*” on page 200 of this Red Herring Prospectus.

Except as stated in chapter titled “*Restated Financial Statements*” on page 200 of this Red Herring Prospectus, and as stated therein, our Promoters or any of the Promoter Group do not have any other interest in our business.

#### **OTHER VENTURES OF OUR PROMOTERS**

Save and except as disclosed in this section titled “*Our Promoters and Promoter Group*” and “*Group Companies*” beginning on page 191 & 197 respectively of this Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests as on date of this Red Herring Prospectus.

## OUR GROUP COMPANY

The definition of '*Group Companies*' as per the SEBI ICDR Regulations, shall include such companies (other than promoters(s), holding Company and subsidiary/subsidiaries) with which there were related party transactions, during the period for which Financial Statements is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board.

In terms of the SEBI ICDR Regulations and in terms of the policy of materiality defined by the Board pursuant to its resolution dated February 03, 2024 our Group Companies includes:

- (a) Those companies disclosed as related parties in accordance with Accounting Standard ("AS 18") issued by the Institute of Chartered Accountants of India, during the period for which Financial Information is disclosed.
- (b) All such companies which are deemed to be material by the Board of Directors.

Accordingly, based on the parameters outlined above, as on the date of this Red Herring Prospectus, our Board has identified **Windsor Refractories Limited and Excel Micron (Poona) Private Limited** as the group companies of our Company ("Group Companies").

### DETAILS OF OUR GROUP COMPANIES

#### WINDSOR REFRACTORIES LIMITED

Windsor Refractories Limited is incorporated on March 31, 1986. The CIN is U26920MH1986PLC039412 and Registered Office is situated at B 201, Rustomjee Central Park Chakala, Andheri-Kurla Road, Andheri (East), Mumbai City, Mumbai-400069, Maharashtra, India. Windsor Refractories Limited is in business of Turnkey Projects since many decades involving Refractory Design, Supply, Installation and Application including heat dry out all over the world since 1986.

##### *Financial Performance*

As required under the SEBI ICDR Regulations, Windsor Refractories Limited shall host the financial information derived from the audited financial statements for the period ended December 31, 2023 and financial years ended March 2023, March 2022 and March 2021 on the website of company. Such financial information is available at [www.winref.in](http://www.winref.in)

#### EXCEL MICRON (POONA) PRIVATE LIMITED

Excel Micron (Poona) Private Limited is incorporated on September 09, 1992. The CIN is U31909MH1992PTC163477 and Registered Office is situated at B 201, Rustomjee Central Park Chakala, Andheri-Kurla Road, Andheri (East), Mumbai City, Mumbai-400069, Maharashtra, India. Excel Micron (Poona) Limited is in business of manufacturing of refractory product like High Alumina Balls mainly required by refineries, fertilizers companies and steel industries.

##### *Financial Performance*

As required under the SEBI ICDR Regulations, Excel Micron (Poona) Private Limited shall host the financial information derived from the audited financial statements for the period ended December 31, 2023 and financial years ended March 2023, March 2022 and March 2021 on the website of company. Such financial information is available at [www.excelmicron.com](http://www.excelmicron.com).

#### SHAPE REFRACTORY PRIVATE LIMITED\*

Shape Refractory Private Limited is incorporated on January 08, 2021. The CIN is U26933MH2021PTC353155 and Registered Office is situated at B-201, Rustomjee Central Park Chakala, Andheri-Kurla Road, Andheri (E), Mumbai City, Mumbai, Maharashtra, India, 400069.

\*As on the date of Red Herring Prospectus, Shape Refractory Private Limited is struck off from MCA Database.

### LITIGATION

Other than as disclosed in "*Outstanding Litigations and Material Developments*" on page 217 of this Red Herring Prospectus, our Group Companies are not party to any litigation which may have material impact on our Company.

### NATURE AND EXTENT OF INTEREST OF GROUP COMPANIES

Our Group Companies do not have any interest in the promotion of our Company.

None of our Group Companies are interested in any property acquired by our Company in the three years preceding the filing of this Red Herring Prospectus or proposed to be acquired by our Company.

Our Group Companies are not interested in any transactions for acquisition of land, construction of building or supply of machinery.

#### **COMMON PURSUITS BETWEEN OUR GROUP COMPANIES AND OUR COMPANY**

None of our Group Company deals in similar business activities as that of our Company, except, Excel Micron (Poona) Private Limited deals in similar business activities as that of our Company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and in circumstances where our respective interests diverge. In addition, some of our directors are also directors on the board of some of our group companies. These overlapping directorships could create conflicts of interest between us and the Promoters.

#### **RELATED BUSINESS TRANSACTIONS WITHIN THE GROUP AND SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY**

Other than the transactions disclosed in “*Annexure J - Restated Financial Statements*” beginning on page 200 of this Red Herring Prospectus, there are no other business transactions between our Company and the Group Companies which are significant to the financial performance of our Company.

#### **BUSINESS INTERESTS OR OTHER INTERESTS**

Except as disclosed in “*Annexure J - Restated Financial Statements*” beginning on page 200 of this Red Herring Prospectus, our Group Companies do not have any business interest in our Company.

#### **OTHER CONFIRMATIONS**

Our Group Companies are not listed on any stock exchange. Our Group Companies have not made any public or rights issue of securities in the preceding three years.

## **DIVIDEND POLICY**

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

Our Company does not have any formal dividend policy for the Equity Shares. The dividend pay - out shall be determined by our Board after taking into account a number of factors, including but not limited to : (i) internal factors such as profits earned during the year, present and future capital requirements of the existing businesses, business acquisitions, expansion/modernization of existing businesses, availability of external finance and relative cost of external funds, additional investments in subsidiaries/associates/joint ventures of our Company and restrictions on loan agreement(s); and (ii) external factors such as economic and industry outlook, growth outlook, statutory/regulatory restrictions and covenants with lenders/bond holders. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board.

For details of risks in relation to our capability to pay dividend, see Risk Factors – Our ability to pay Dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.

Our Company has not paid / declared any dividend in nine-month period ended December 31, 2023 and in last three years from date of this Red Herring Prospectus.

**SECTION VII – FINANCIAL INFORMATION**

**RESTATED FINANCIAL STATEMENTS**

<b>Sr No.</b>	<b>Particulars</b>	<b>Page No</b>
1.	Restated Financial Statements	F-1 to F-40

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**VINAY BHUSHAN & ASSOCIATES  
CHARTERED ACCOUNTANTS**

726, 7<sup>th</sup> Floor, D – Wing, Neelkanth Business Park  
Near Bus Depot, Vidyavihar (West),  
Mumbai – 400086, Maharashtra (INDIA),  
+91 – 22 – 2513 8323  
Email Id: - info@vbaconsult.com  
GSTIN No: 27AAPFV6885P1ZS  
PAN No: AAPFV6885P

**RESTATED FINANCIAL STATEMENTS**

**Independent Auditor's Report on Restated Financial Information of Refractory Shapes Limited (Formerly known as Refractory Shapes Private Limited)**

**(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)**

**To,**  
**The Board of Directors**  
**Refractory Shapes Limited**

*(Formerly known as Refractory Shapes Private Limited)*  
B201, Rustomjee Central Park,  
Chakala, Andheri-Kurla Road,  
Andheri East, Mumbai  
Pin Code – 400069,  
Maharashtra, India

**Dear Sir/Ma'am,**

1. We have examined the attached Restated Financial Information of **Refractory Shapes Limited (Formerly known as Refractory Shapes Private Limited)** (hereinafter referred as “the Company” or the “Issuer”) comprising the Restated Statement of Assets and Liabilities of the Company as at December 31, 2023, March 31, 2023, March 31, 2022, and March 31, 2021, the Restated Statements of Profit and Loss of the company, the Restated Cash Flow Statement of the company for the period ended on December 31, 2023, March 31, 2023, March 31, 2022, and March 31, 2021, the Summary Statement of Significant Accounting Policies adopted by the company and notes to the restated financial information (collectively hereinafter referred as “Restated Financial Statement” or “Restated Financial Information”), as approved by the Board of Directors of the Company at their meeting held on 31<sup>st</sup> January, 2024 for the purpose of inclusion in the Offer Document prepared by the Company in connection with its proposed SME Initial Public Offer of equity shares (“SME IPO”) at SME Platform of NSE Limited (“NSE Emerge”).
2. These restated Summary Statement have been prepared in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”);
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).

3. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Offer Document to be filed with Securities and Exchange Board of India ("SEBI"), the relevant Stock Exchange ("NSE Emerge") and Registrar of Companies, Maharashtra ("ROC") in connection with the proposed SME IPO. The Restated Financial Information of the company have been extracted and prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Financial Information. The Board of Directors of the Company responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

4. We have examined such Restated Financial Information taking into consideration:

- a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 20<sup>th</sup> January, 2024 in connection with the proposed IPO of equity shares of the Issuer;
- b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
- d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

5. This Restated Financial Information have been compiled by the management from:

- a) Audited financial statements of the Company as at and for the period ended December 31, 2023, March 31, 2023, March 31, 2022, and March 31, 2021, prepared in accordance with the Indian Accounting Standards ("Indian GAAP") which have been approved by the Board of Directors at their meeting held on 16<sup>th</sup> October 2023, 18<sup>th</sup> September, 2023, 6<sup>th</sup> September, 2022 and 8<sup>th</sup> November, 2021 respectively.

6. For the purpose of our examination, we have relied on:

- b) Auditors' Report issued by M/s. Satish Shetty & Co. dated 18<sup>th</sup> March 2024, 18<sup>th</sup> September, 2023, 6<sup>th</sup> September, 2022 and 8<sup>th</sup> November, 2021 on the financial statements of the company as at and for the period ended December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 respectively, as referred in Paragraph 5(a) above.

Reliance has been placed on the restated statement of assets and liabilities and the restated statements of profit and loss and cash flow statements, the Summary Statement of Significant Accounting Policies adopted by the company and notes to the restated financial information (collectively hereinafter referred as "Restated Financial Statement" or "Restated Financial Information") examined by us for the said years.

7. Based on our examination and according to the information and explanations given to us, we report that:

- a) The "Restated Summary Statement of Assets and Liabilities" as set out in **Annexure I** to this report, of the Company as at and for period ended on December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 are prepared by the Company and approved by

the Board of Directors. These Restated summary Statement of Assets and Liabilities have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.

- b) The “Restated Summary Statement of Profit and Loss” as set out in **Annexure II** to this report, of the Company as at and for the period ended December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 are prepared by the Company and approved by the Board of Directors. These Restated summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
- c) The “Restated Summary Statement of Cash Flow” as set out in **Annexure III** to this report, of the Company as at and for the period ended December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 are prepared by the Company and approved by the Board of Directors. These Restated summary Statement of Cash Flow have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
- d) The Restated Standalone Summary Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
- e) The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years to which they relate, if any and there are no qualifications which require adjustments;
- f) Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
- g) There were no qualifications in the Audit Reports issued by the Statutory Auditors as at and for the period ended December 31, 2023, March 31, 2023 and March 31, 2022, March 31, 2021.
- h) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in Annexure IV to this report;
- i) Adjustments in Restated Summary Statements have been made in accordance with the correct accounting policies, which includes the impact of adjustments for Deferred Tax Assets/Liabilities made basis in the Restated Summary Statements;
- j) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
- k) The company has not proposed any dividend in past effective for the said period.

8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for the period ended December 31, 2023, March 31, 2023 March 31, 2022 and March 31, 2021 proposed to be included in the Offer Document.

Annexure No.	Particulars
I	Restated Statement of Assets & Liabilities
II	Restated Statement of Profit & Loss
III	Restated Cash Flow Statement
IV (A)	Statement of Significant Accounting Policies & Notes
IV (B)	Reconciliation of Restated Profit
IV (C)	Reconciliation of Restated Equity/ Net Worth
V	Restated Statement of Share Capital
VI	Restated Statement of Reserves & Surplus
VII	Restated Statement of Long/Short -Term Borrowings
VIII	Restated Statement of Long-Term Provisions
VII (B)	Nature of security & terms of repayment for long/ short term borrowings including current maturities
IX	Restated Statement of Trade Payable
X	Restated Statement of Other Current Liabilities
XI	Restated Statement of Short-Term Provisions
XII	Restated Statement of Tangible Assets
XIII	Restated Statement of Deferred tax Liabilities/ Assets
XIV	Restated Statement of Long-Term Loans and Advances
XV	Restated Statement of Non- Current Investments
XV	Restated Statement of Inventories
XVI	Restated Statement of Trade Receivable
XVII	Restated Statement of Cash & Cash Equivalents
XVIII	Restated Statement of Short-Term Loans and Advances
XIX	Restated Statement of Other Current Assets
XX	Restated Statement of Revenue from operations
XXI	Restated Statement of Other Income
XXII	Restated Statement of Cost of Material Consumed
XXIII	Restated Statement of Changes in Inventories
XXIV	Restated Statement of Employees Benefit Expenses
XXV	Restated Statement of Financial Cost
XXVI	Restated Statement of Other Expenses
XXVII	Restated Standalone Statement of Financial Ratio
XXVIII	Restated Statement of Related Parties Transactions
XXIX	Statement of Capitalization, As Restated
XXX	Statement of Tax Shelter, As Restated
XXXI	Statement of Contingent Liabilities & Commitments, As Restated
XXXII	Statement of Other Financial Information, As Restated
XXXIII	Notes to Standalone Restated Financial Statement

9. We, M/s. Vinay Bhushan & Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI which is valid till 30<sup>th</sup> June, 2026.

10. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim financial statements and audited financial statements mentioned in paragraph 5 above.

11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by the Auditor, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Document to be filed with Securities and Exchange Board of India (“SEBI”), the relevant stock exchange (“NSE Emerge”) and Registrar of Companies, Maharashtra (“ROC”) in connection with the proposed SME IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For M/s. Vinay Bhushan & Associates  
Chartered Accountants  
Firm's Reg No. 130529W**

**CA. Vinay Bhushan  
Partner  
Membership No. 502632**

**Place: Mumbai  
Date: 27<sup>th</sup> April, 2024  
UDIN: 24502632BKCKXP8050**

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**REFRACTORY SHAPES LIMITED  
(FORMERLY KNOWN AS REFRACTORY SHAPES PRIVATE LIMITED)**

ANNEXURE – I

RESTATED STATEMENT OF ASSETS AND LIABILITIES

Particulars	Annexure	As at	As at	As at	As at
		December 31, 2023 (Rs. in lakhs)	March 31, 2023 (Rs. in lakhs)	March 31, 2022 (Rs. in lakhs)	March 31, 2021 (Rs. in lakhs)
<b>EQUITY AND LIABILITIES</b>					
Shareholders' funds					
(a) Share capital	V	1,580.00	10.00	10.00	10.00
(b) Reserves and surplus	VI	396.58	1,658.64	1,466.90	1,179.86
		1,976.58	1,668.64	1,476.90	1,189.86
Non-current liabilities					
(a) Long-term Borrowings	VIIA	1,107.06	929.24	1,054.28	880.06
(b) Deferred tax liabilities (net)	XIII	11.61	14.99	-	-
(c) Long term provisions	VIII	-	-	-	-
		1,118.67	944.23	1,054.28	880.06
Current liabilities					
(a) Short term borrowings	VIIA	1,234.74	1,119.39	515.84	354.12
(b) Trade payables	IX	-	-	-	-
(i) total outstanding dues of micro and small enterprises		785.21	1,151.62	537.12	156.40
(ii) total outstanding dues of creditors other than micro and small enterprises					
(c) Other current liabilities	X	136.74	103.48	53.06	112.74
(d) Short-term provisions	XI	37.96	16.45	47.62	30.54
		2,194.65	2,390.94	1,153.64	653.80
	TOTAL	5,289.90	5,003.81	3,684.82	2,723.72
<b>ASSETS</b>					
Non-current assets					
(a) Property, plant and equipment	XII	1,887.63	1,893.38	759.85	697.07
(i) Tangible		-	-	-	-
(ii) Intangible		-	-	534.07	-
(iii) Capital WIP		-	-	613.52	1.36
(b) Non-Current Investments	XIII	623.95	623.95	1.12	0.54
(c) Deferred tax assets (net)	XIV	-	-	10.61	8.61
(d) Long-term loans and advances		38.32	37.92		
		2,549.90	2,555.25	1,919.17	707.58
Current assets					
(a) Inventories	XV	1,528.12	855.87	333.26	233.85
(b) Trade receivables	XVI	694.33	785.35	616.61	753.13
(c) Cash and bank balance	XVII	313.03	460.19	623.30	773.09
(d) Short-term loans and advances	XVIII	27.93	81.54	12.16	37.41
(e) Other Current Assets	XIX	176.59	265.61	180.32	218.66
		2,740.00	2,448.56	1,765.65	2,016.14
<b>TOTAL</b>		5,289.90	5,003.81	3,684.82	2,723.72

As per our report of even date attached

For Vinay Bhushan & Associates  
Chartered Accountants  
FRN: 130529W

For and on behalf of the Board of Directors of  
Refractory Shapes Limited  
(Formerly Known as Refractory Shapes Private Limited)

CA Vinay Bhushan  
Partner  
Membership No : 502632

Dayashankar K. Shetty  
DIN: 00384537  
Director

Prajna S. Shetty  
DIN: 02836327  
Chairperson &  
Managing Director

Place: Mumbai  
Date: 27th April, 2024  
UDIN: 24502632BKCKXP8050

Place: Mumbai  
Date: 27th April, 2024

**REFRACTORY SHAPES LIMITED  
(FORMERLY KNOWN AS REFRACTORY SHAPES PRIVATE LIMITED)**

**ANNEXURE- II**

**RESTATED STATEMENT OF PROFIT AND LOSS**

Particulars	Annexure	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
		(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
<b>Income</b>					
Revenue from operations	XX	2,942.15	3,796.92	2,550.32	2,088.90
Other income	XXI	56.89	75.31	71.35	90.77
<b>TOTAL INCOME</b>		<b>2,999.04</b>	<b>3,872.23</b>	<b>2,621.67</b>	<b>2,179.67</b>
<b>Expenses</b>					
(a) Cost of Material Consumed	XXII	1,903.24	2,214.36	1,028.92	925.36
(b) Purchase of stock-in-trade		240.44	580.93	471.39	272.34
(c) Change in Inventory of stock-in-trade	XXIII	(626.98)	(174.02)	(38.53)	141.29
(d) Employee benefits expense	XXIV	239.51	360.77	302.09	295.97
(e) Finance costs	XXV	115.81	108.35	59.70	74.79
(f) Depreciation and amortisation expense	XII	148.61	105.93	34.99	38.68
(g) Other expenses	XXVI	577.40	427.17	425.07	219.46
<b>TOTAL EXPENSES</b>		<b>2,598.03</b>	<b>3,623.49</b>	<b>2,283.63</b>	<b>1,967.89</b>
<b>Profit / (Loss) before Share of Profit/ (Loss) of Associate</b>		401.00	248.75	338.03	211.79
Share of Profit/ (Loss) of Associate		-	10.43	31.91	-
<b>Profit / (Loss) before tax</b>		<b>401.00</b>	<b>259.18</b>	<b>369.94</b>	<b>211.79</b>
<b>Tax expenses:</b>					
(a) Current tax expense		96.44	43.76	83.48	52.22
(b) Earlier year Tax		-	7.57	-	3.97
(c) Deferred tax expense / (benefit)		(3.38)	16.11	(0.58)	(0.79)
<b>Net tax expense/(benefit)</b>		<b>93.06</b>	<b>67.44</b>	<b>82.90</b>	<b>55.40</b>
<b>Profit / (Loss) for the year</b>		<b>307.94</b>	<b>191.74</b>	<b>287.04</b>	<b>156.39</b>
<b>Earnings per share (of Rs. 10 each)</b>					
(a) Basic & Diluted		1.95	1,917.40	2,870.40	1,563.90

As per our report of even date attached

For Vinay Bhushan & Associates  
Chartered Accountants  
FRN: 130529W

For and on behalf of the Board of Directors of  
Refractory Shapes Limited  
(Formerly Known as Refractory Shapes Private Limited)

CA Vinay Bhushan  
Partner  
Membership No : 502632

Dayashankar K. Shetty  
DIN: 00384537  
Director

Prajna S. Shetty  
DIN: 02836327  
Chairperson &  
Managing Director

Place: Mumbai  
Date: 27th April, 2024  
UDIN: 24502632BKCKXP8050

Place: Mumbai  
Date: 27th April, 2024

**REFRACTORY SHAPES LIMITED  
(FORMERLY KNOWN AS REFRACTORY SHAPES PRIVATE LIMITED)**

**ANNEXURE- III**

**RESTATED CASH FLOW STATEMENT**

Particulars	As at	As at	As at	As at
	December 31, 2023 (Rs. in lakhs)	March 31, 2023 (Rs. in lakhs)	March 31, 2022 (Rs. in lakhs)	March 31, 2021 (Rs. in lakhs)
<b>A Cash flow from operating activities:</b>				
Net profit before tax	401.00	248.75	338.03	211.79
<b>Adjustments:</b>				
Depreciation & Amortisation	148.61	105.93	34.99	38.68
Interest Income	(29.37)	(22.88)	(32.03)	(50.91)
Finance cost	115.81	108.35	59.70	74.79
Profit on sale of fixed assets	-	(6.40)		
	235.05	185.00	62.66	62.56
<b>Operating cash flow before working capital changes</b>	<b>636.05</b>	<b>433.75</b>	<b>400.69</b>	<b>274.35</b>
<b>Movement in working capital</b>				
I. Adjustments for (Increase)/decrease in operating assets :				
Trade receivables	91.02	(168.74)	136.52	431.21
Inventories	(672.25)	(522.61)	(99.41)	374.02
Short-term loans & advance	53.61	(69.38)	25.25	(240.94)
Other Current Assets	89.02	(85.29)	38.34	(1.01)
II. Adjustments for (Increase)/decrease in operating liabilities :				
Trade payables	(366.41)	614.50	380.72	(230.92)
Short Term Provisions	-	-	-	17.12
Other current liabilities	33.26	50.42	(59.68)	(55.70)
	(771.75)	(181.10)	421.74	293.78
Cash generated from operations	(135.70)	252.65	822.43	568.13
Net income taxes paid	(74.94)	(82.51)	(65.40)	(50.36)
<b>Net cash (used in) / provided by operating activities (A)</b>	<b>(210.64)</b>	<b>170.15</b>	<b>757.03</b>	<b>517.77</b>
<b>B Cash flows from investing activities:</b>				
Purchase of fixed assets & including intangible assets	(142.85)	(708.30)	(631.84)	(16.75)
Purchase of investments	-	-	(581.25)	1.00
Sale of fixed assets & including intangible assets	-	9.31		
Interest Received	29.37	22.88	32.03	50.91
<b>Net cash provided by / (used in) investing activities (B)</b>	<b>(113.48)</b>	<b>(676.11)</b>	<b>(1,181.06)</b>	<b>35.16</b>
<b>C Cash flows from Financing activities:</b>				
Proceeds from Long Term Borrowings	177.82	(125.04)	174.22	-
Security Deposits paid	(0.40)	(27.31)	(2.00)	32.87
Proceeds from/(Repayment) of Short Term Borrowings	115.35	603.55	161.72	(494.15)
Interest paid	(115.81)	(108.35)	(59.70)	(74.79)
<b>Net cash from/ (used in) financing activities (C)</b>	<b>176.96</b>	<b>342.85</b>	<b>274.24</b>	<b>(536.07)</b>
<b>Net increase / (decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>(147.16)</b>	<b>(163.11)</b>	<b>(149.79)</b>	<b>16.86</b>
<b>Cash &amp; cash equivalents as at the beginning of the year</b>	<b>460.19</b>	<b>623.30</b>	<b>773.09</b>	<b>756.23</b>
<b>Cash &amp; cash equivalents as at the end of the year</b>	<b>313.03</b>	<b>460.19</b>	<b>623.30</b>	<b>773.09</b>
<b>Notes to Cash Flow Statement</b>				
1 Component of cash and cash equivalent :				
- Cash in hand	3.37	6.98	1.66	0.87
- Balance with Bank	309.66	453.21	621.64	772.22
	<b>313.03</b>	<b>460.19</b>	<b>623.30</b>	<b>773.09</b>

As per our report of even date attached

For Vinay Bhushan & Associates  
Chartered Accountants  
FRN: 130529W

For and on behalf of the Board of Directors of  
Refractory Shapes Limited  
(Formerly Known as Refractory Shapes Private Limited)

CA Vinay Bhushan  
Partner  
Membership No : 502632

Dayashankar K. Shetty  
DIN: 00384537  
Director

Prajna S. Shetty  
DIN: 02836327  
Chairperson &  
Managing Director

Place: Mumbai  
Date: 27th April, 2024  
UDIN: 24502632BKCKXP8050

Place: Mumbai  
Date: 27th April, 2024

## ANNEXURE IV (A)

### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES & NOTES TO RESTATED FINANCIAL STATEMENTS

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#### 1 COMPANY INFORMATION

**Refractory Shapes Limited (Formerly Known as Refractory Shapes Private Limited)** was incorporated on 8th January, 1996 and having its registered office at B 201, Rustomjee Central Park, Chakala, Andheri-Kurla Road, Andheri (East), Mumbai-400069. The Company is primarily engaged in the business of manufacturing of various types of refractory products mainly used in the Refineries, Fertilizer Companies and Steel Industries. The Company has been converted from Private Limited Company to Public Limited Company vide necessary resolution passed by shareholders and the name of company is this day changed to **Refractory Shapes Limited** pursuant to issuance of Fresh Certificate of Incorporation on 2nd February, 2024. Now, the CIN is **U26921MH1996PLC096012**.

#### 2 SIGNIFICANT ACCOUNTING POLICIES

##### a) Basis of Preparation

The Restated Summary Statement of Assets and Liabilities of the Company as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 and the related Restated Summary Statement of Profit and Losses and Cash Flows Statement for the period ended December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 have been compiled by management from the financial statements of the company for the period ended on December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021.

These financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards specified to in section 133 of the Companies Act 2013, read with rule 7 of the Companies (Account) Rules, 2014, the relevant provisions of the Companies Act, 2013, pronouncements of the Institute of Chartered Accountants of India and other accounting principles generally accepted in India, to the extent applicable. The financial statements are presented as per schedule III to Companies Act, 2013

##### b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognised in the current and future periods.

##### c) Revenue Recognition

The Company follows the accrual method of accounting and all claims, receivable and liabilities are provided on that basis. All revenue is recognised on accrual basis except non-recruiting income is accounted otherwise.

###### Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer. Sales excludes Goods & Service Tax

Revenue from sale of services is recognized net of goods and service tax and as and when the services are rendered.

Interest incomes/expenses are recognised using the time proportion method based on the rates implicit in the transaction.

##### d) Property, Plant and Equipment

**Property, plant and equipment** are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses.

**e) Depreciation**

**i. Property, Plant & Equipment**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the written down value method as per the useful lives as prescribed in Schedule II to the Companies Act, 2013.

<b>Assets</b>	<b>Estimated uselives</b>
Plant & Machinery	15 Years
Furniture & Fixtures	10 Years
Factory Premises (Owned)	30 Years
Office Equipment	5 Years
<b>Computers</b>	
End User Eq. (Laptop, PC)	3 Years
Server & Network	6 Years
Motor Vehicles	8 Years

**ii. Intangible Assets**

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible Assets are amortized on straight line basis over a period of five years being the estimated useful life.

Intangible asset are recognised as per Accounting Standard 26 Intangible Asset.

An intangible asset is recognised if and only if

- (a) it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise; and
- (b) the cost of the asset can be measured reliably.

**f) Inventories**

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost is generally determined on weighted average basis except for inventory segregated for a specific order / project, in which case it is valued at their specific costs of purchase. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.

**g) Foreign currency transactions**

**Initial recognition:**

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

**Measurement at the balance sheet date:**

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

**Treatment of exchange differences:**

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

**h) Employee benefits**

**Short-term employee benefits**

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, leave encashment, incentives etc. and the same are recognised in the period in which the employee renders the related service.

**Defined contribution plans**

The Company's contribution to provident fund and Gratuity Fund of LIC is considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

**i) Taxation**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

**j) Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

**k) Borrowing costs**

Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

**l) Earnings per Share**

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extra ordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares, if any.

**m) Impairment of assets**

The carrying values of assets/ cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

**n) Operating Cycle:**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current. As a result, current assets comprise elements that are expected to be realised within 12 months after the reporting date and current liabilities comprise elements that are due for settlement within 12 months after the reporting date.

**o) Changes in Accounting Policies in the Periods/ Years Covered in the Restated Financials**

There are no changes in Significant Accounting Policies which needs to be adjusted in the Restated Summary Statements.

**ANNEXURE- IV (B)**

**RECONCILIATION OF RESTATED PROFIT**

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
<b>Net Profit/ (loss) after tax as per audited statement of Profit &amp; Loss</b>	304.56	191.74	287.04	156.39
<b>Adjustments for:</b>				
(Increase)/ Decrease in Expenses	-	-	-	-
Excess/ (Short) Provision for Tax	-	-	-	-
Excess/ (Short) Provision for Gratuity	-	-	-	-
Deferred Tax (Liability)/ Assets Adjustment	3.38			
<b>Net Profit/ (loss) after tax as Restated</b>	<b>307.94</b>	<b>191.74</b>	<b>287.04</b>	<b>156.39</b>

Explanatory Notes to the above restatements made in Audited Financial Statements of the Company for the respective periods.

**To give Explanatory Notes regarding Adjustments**

Appropriate adjustment have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets & liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years & the requirements of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018.

**ANNEXURE- IV (C)**

**RECONCILIATION OF RESTATED EQUITY/ NETWORTH**

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
<b>Equity/Networth as per audited financial Statements</b>	1,973.20	1,668.64	1,476.90	1,189.86
<b>Adjustments for:</b>				
Differences pertaining to changes in Profit/ (Loss) due to Restated Effect for the period covered in Restated Financials	3.38	-	-	-
<b>Equity/Networth as Restated</b>	<b>1,976.58</b>	<b>1,668.64</b>	<b>1,476.90</b>	<b>1,189.86</b>

Explanatory Notes to the above restatements made in Audited Financial Statements of the Company for the respective periods.

**To give Explanatory Notes regarding Adjustments**

Appropriate adjustment have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets & liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years & the requirements of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018.

NOTES TO THE RESTATED FINANCIAL INFORMATION

ANNEXURE- V

DETAILS OF SHARE CAPITAL AS RESTATED

1. Statement of Share Capital:

Particulars	As at December 31, 2023		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	Number of shares	(Rs. in lakhs)	Number of shares	(Rs. in lakhs)	Number of shares	(Rs. in lakhs)	Number of shares	(Rs. in lakhs)
<b>Authorised Capital</b> Equity shares of Rs. 10/- each with voting rights (P.Y Equity shares of Rs. 100/- each with voting rights)	2,50,00,000	2,500	10,000	10	10,000	10	10,000	10
<b>Total</b>	<b>2,50,00,000</b>	<b>2,500</b>	<b>10,000</b>	<b>10</b>	<b>10,000</b>	<b>10</b>	<b>10,000</b>	<b>10</b>
<b>Issued, Subscribed and fully paid up</b> Equity shares of Rs. 10/- each with voting rights (P.Y Equity shares of Rs. 100/- each with voting rights)	1,58,00,000	1,580	10,000	10	10,000	10	10,000	10
<b>Total</b>	<b>1,58,00,000</b>	<b>1,580</b>	<b>10,000</b>	<b>10</b>	<b>10,000</b>	<b>10</b>	<b>10,000</b>	<b>10</b>

Terms/rights attached to equity share:

- As on date of report the company has only one class of equity shares.
- During the Financial Year 2023-24, the Company has increased its authorised share capital from Rs. 10,00,000 divided into 1,00,000 shares of Rs.10 each to Rs. 25,00,00,000 divided into 2,50,00,000 shares of Rs.10 each vide a resolution passed at EGM of the Company held at registered office of the Company on 18th December, 2023.

2. Reconciliation of the number of Shares outstanding at the beginning and at the end of the Period

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>At the beginning of the Period</b>				
Additional Shares due to change in Face Value	1,00,000	10,000	10,000	10,000
Issued during the year	-	-	-	-
Redeemed or brought back during the year	1,57,00,000	-	-	-
<b>Total</b>	<b>1,58,00,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>

3. Details of shareholders holding more than 5% shares in the Company (in terms of No. of Shares)

Class of shares / Name of shareholder	Period ended on December 31, 2023		Year ended on March 31, 2023		Year ended on March 31, 2022		Year ended on March 31, 2021	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity shares with voting rights</b>								
Dayashankar Shetty	55,30,000	35.00	3,500	35.00	3,500	35.00	500	5.00
Pratibha Shetty	55,30,000	35.00	3,500	35.00	3,500	35.00	9,500	95.00
Prajna S. Shetty	47,40,000	30.00	3,000	30.00	3,000	30.00	-	-
<b>Total</b>	<b>1,58,00,000</b>	<b>100.00</b>	<b>10,000</b>	<b>100.00</b>	<b>10,000</b>	<b>100.00</b>	<b>10,000</b>	<b>100.00</b>

4. Shares held by promoters at the end of the period 31st December, 2023

Name of promoters	Period Ending on December 31, 2023			Year Ending on March 31, 2023		
	No. of Share	% of Total Share	% Change during the year	No. of Share	% of Total Share	% Change during the year
<b>Equity shares with voting rights</b>						
Dayashankar Shetty	55,30,000	35.00%	0.00%	3,500	35.00%	0.00%
Pratibha Shetty	55,30,000	35.00%	0.00%	3,500	35.00%	0.00%
Prajna S. Shetty	47,40,000	30.00%	0.00%	3,000	30.00%	0.00%

5. Shares held by promoters at the end of the year 31st March 2023

Name of promoters	Year Ending on March 31, 2023			Year Ending on March 31, 2022		
	No. of Share	% of Total Share	% Change during the year	No. of Share	% of Total Share	% Change during the year
<b>Equity shares with voting rights</b>						
Dayashankar Shetty	3,500	35.00%	0.00%	3,500	35.00%	-
Pratibha Shetty	3,500	35.00%	0.00%	3,500	35.00%	-
Prajna S. Shetty	3,000	30.00%	0.00%	3,000	30.00%	-

6. Shares held by promoters at the end of the year 31st March 2022

Name of promoters	Year Ending on March 31, 2022			Year Ending on March 31, 2021		
	No. of Share	% of Total Share	% Change during the year	No. of Share	% of Total Share	% Change during the year
<b>Equity shares with voting rights</b>						
Dayashankar Shetty	3,500	35.00%	600.00%	500	5.00%	-
Pratibha Shetty	3,500	35.00%	-63.16%	9,500	95.00%	-
Prajna S. Shetty	3,000	30.00%	100.00%	-	0.00%	-

**Terms & Rights attached to Equity Shares**

The Company has issued one class of equity shares having a face value of Rs. 100/- per share. Each shareholder is eligible for one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.
3. During the Financial Year 2023-24, the Company has accorded for the subdivision/split of its existing 10,000 equity shares of Rs. 100 each into 1,00,000 shares of Rs.10 each by way of passing resolution at EGM of the Company held at registered office of the Company on 18th December, 2023.
4. The Company has allotted 1,57,00,000 equity shares via bonus issue in the Ratio of 1570:1 having face value of Rs. 10 each, out of Reserves & Surplus, by way of passing Board Resolution for allotment of shares dated 20th December, 2023.

**ANNEXURE- VI****DETAILS OF RESERVES & SURPLUS AS RESTATED**

<b>Particulars</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>December 31, 2023</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
	<b>(Rs. in lakhs)</b>	<b>(Rs. in lakhs)</b>	<b>(Rs. in lakhs)</b>	<b>(Rs. in lakhs)</b>
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>				
Balance at the beginning of the period	1,658.64	1,466.90	1,179.86	1,023.47
Add: Profit / (Loss) of the period	307.94	191.74	287.04	156.39
Less: Reserves used for the issue of bonus shares 1,57,00,000 shares of Rs 10/- each	1,570.00			
<b>Balance at the end of the period</b>	<b>396.58</b>	<b>1,658.64</b>	<b>1,466.90</b>	<b>1,179.86</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.
3. During the Financial Year 2023-24, the Company has accorded for the subdivision/split of its existing 10,000 equity shares of Rs. 100 each into 1,00,000 shares of Rs.10 each by way of passing resolution at EGM of the Company held at registered office of the Company on 18th December, 2023.
4. The Company has allotted 1,57,00,000 equity shares via bonus issue in the Ratio of 1570:1 having face value of Rs. 10 each, out of Reserves & Surplus, by way of passing Board Resolution for allotment of shares dated 20th December, 2023.

**ANNEXURE- VIIA**

**DETAILS OF LONG / SHORT TERM BORROWINGS AS RESTATED**

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
<b>LONG TERM BORROWINGS</b>				
<b><u>Secured Loans</u></b>				
Term loans				
From Banks	175.59	232.44	174.22	-
<b><u>Unsecured Loan</u></b>				
From Related Parties	931.47	696.80	880.06	880.06
<b>Total</b>	<b>1,107.06</b>	<b>929.24</b>	<b>1,054.28</b>	<b>880.06</b>
<b>SHORT TERM BORROWINGS</b>				
Overdraft facility	1,159.02	881.48	447.92	318.56
Overdraft facility against fixed deposits	-	186.43	61.02	35.55
Current Account (BOB-2419)	-	17.08	-	-
Current Maturities of Long Term Liabilities	75.71	34.40	6.90	-
<b>Total</b>	<b>1,234.73</b>	<b>1,119.39</b>	<b>515.84</b>	<b>354.11</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

**ANNEXURE- VIII**

**DETAILS OF LONG TERM PROVISIONS AS RESTATED**

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
<b>Provision for employee benefits:</b>				
- Gratuity				
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Notes:**

1. The Provisioning for Gratuity has not been taken into account as the Company has opted for the Defined Contribution Plan and accordingly the Company is making contributions to the LIC fund.
2. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
3. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

## ANNEXURE- VIIB

## NATURE OF SECURITY &amp; TERMS OF REPAYMENT FOR LONG/ SHORT TERM BORROWINGS INCLUDING CURRENT MATURITIES

S. No.	Lender	Type	Nature of Facility	Loan (Rs in Lakhs)	Amount Outstanding as at December 31, 2023	Rate of Interest	Repayment Terms	Security/Principal Terms & Condition	(Rs. in lakhs)
1	Bank of Baroda*	Long Term	Term Loan	97.00	86.31	Baroda Repo linked lending Rate (BRLLR)+SP+50% i.e. Repo Rate + Mark up + SP + 0.50% = 9.75%	Repayable in 84 monthly installment with tenure of 95 months including moratorium of 11 months	<b>EQM:</b> 1) Hypothecation of Book Debts and Inventories both present and future. 2) Cash Margin on Bank Guarantee/ SBI.C limit @25%. 3) Hypothecation of Plant & Machinery of the Company to be purchased out of Fresh Term Loan.	
2	Bank of Baroda*	Long Term	Working Capital Term Loan	165.00	165.00	1 Year BRLLR + 1% capped at maximum 9.25% p.a.	Repayable in 36 monthly installment with tenure of 48 months including moratorium of 24 months	4) Equitable mortgage of all the piece and parcel of immovable property (Factory Land and Building) comprising of Industrial Shed/ Factory Building constructed (financed by term loan) on factory land at Rev Survey No. 105, Paki 11, Near Mulshi Jefprada Road/ Jefprada Road, Jefprada 365621, taluka Valsad, District Morbi, State of Gujarat, Refactory Shapes Private Limited 5) Extension of Equitable Mortgage of Factory Land and building addressed 1616 Sq. Mtrs. at Pimpri Industrial Estate at Plot No. S-7 & 28, MIDC, Village Bhasan within PCMC Limit taluk Hayedi, Pune owned by the company 6) Extension of Equitable Mortgage on factory land and building at Plot no S-30, MIDC Village Bhasan, taluk Hayedi, Pune admeasuring 808 Sq. Mtrs. owned by M/s. Refactory Shapes Private Limited. 7) Extension of Equitable Mortgage of industrial land and building at Plot no S-8, admeasuring 808 sqm., MIDC Pimpri Industrial Estate, Village Bhasan, Taluka Hayedi, Pune held in the name of M/s. Refactory Shapes Private Limited purchase vide lease agreement	
3	Bank of Baroda*	Short Term	Cash Credit	1200.00	1159.02	Baroda Repo linked lending Rate (BRLLR)+SP+50% i.e. Repo Rate + Mark up + SP + 0.50% = 10.10%	-		
4	Dayashankar Krishna Shetty	Long Term	Unsecured Loan**	281.90	281.90	-	-		
5	Pranbha Dayashankar Shetty	Long Term	Unsecured Loan**	277.24	277.24	-	-		
6	Excel Micron Poona Pvt. Ltd.	Long Term	Unsecured Loan**	372.32	372.32	-	-		

\* The sanction limits of aforesaid loans from Bank of Baroda have been amended pursuant to the Amendatory Sanction Letter dated 18th July, 2023 of the Bank of Baroda.

\*\* The formal terms of repayment in relation to the unsecured loans mentioned above, have been not defined as the loans taken from the related parties. Also, maturity profile has not been disclosed. Further, the loans are quasi-equity in nature for the long term business purposes.

## ANNEXURE- IX

## DETAILS OF TRADE PAYABLES AS RESTATED

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2023	March 31, 2022
(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	
Other than Acceptances	-	-	-	-
total outstanding dues of micro and small enterprises	-	-	-	-
total outstanding dues of creditors other than micro and small enterprises	785.21	1,151.62	537.12	156.40
<b>Total</b>	<b>785.21</b>	<b>1,151.62</b>	<b>537.12</b>	<b>156.40</b>

Particulars	As at	As at	As at	As at
	September 30, 2023	March 31, 2023	March 31, 2023	March 31, 2022
(Rs. ₹)	(Rs. ₹)	(Rs. ₹)	(Rs. ₹)	
Other than Acceptances	-	-	-	-
total outstanding dues of micro and small enterprises	-	-	-	-
total outstanding dues of creditors other than micro and small enterprises	7,85,21,445	11,51,62,147	5,37,11,582	1,56,40,188
<b>Total</b>	<b>7,85,21,445</b>	<b>11,51,62,147</b>	<b>5,37,11,582</b>	<b>1,56,40,188</b>

## a. Unbilled

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	
Unbilled - Other (Provision)	3.92	4.42	2.65	2.17
<b>Total</b>	<b>3.92</b>	<b>4.42</b>	<b>2.65</b>	<b>2.17</b>

## a. Unbilled

Particulars	As at	As at	As at	As at
	September 30, 2023	March 31, 2023	March 31, 2023	March 31, 2022
(Rs. ₹ '000)	(Rs. ₹ '000)	(Rs. ₹ '000)	(Rs. ₹ '000)	
Unbilled - Other (Provision)	39,2437	44,1801	26,50,000	2,16,709
<b>Total</b>	<b>39,2437</b>	<b>44,1801</b>	<b>26,50,000</b>	<b>2,16,709</b>

## Trade payable Ageing as Outstanding for following period from due date of payment

Particulars	(Rs. in lakhs)				
	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
- Micro, small and medium enterprises (MSME)	-	-	-	-	-
- Other	299.88	153.59	306.74	25.00	785.21
- Disputed Dues - MSME	-	-	-	-	-
- Disputed Dues - Other	-	-	-	-	-
<b>Total</b>	<b>299.88</b>	<b>153.59</b>	<b>306.74</b>	<b>25.00</b>	<b>785.21</b>

## b. Ageing Schedule - Outstanding for following period from due date of payment

Particulars	(Rs. '000)				
	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
- Micro, small and medium enterprises (MSME)	-	-	-	-	-
- Other	2,99,88,149	1,53,58,944	3,72,32,036	25,00,000	8,50,79,329
- Disputed Dues - MSME	-	-	-	-	-
- Disputed Dues - Other	-	-	-	-	-
<b>Total</b>	<b>2,99,88,149</b>	<b>1,53,58,944</b>	<b>3,72,32,036</b>	<b>25,00,000</b>	<b>8,50,79,329</b>

## 31st December, 2023

Particulars	(Rs. in lakhs)				
	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
- Micro, small and medium enterprises (MSME)	-	-	-	-	-
- Other	616.06	104.15	21.31	410.10	1,151.62
- Disputed Dues - MSME	-	-	-	-	-
- Disputed Dues - Other	-	-	-	-	-
<b>Total</b>	<b>616.06</b>	<b>104.15</b>	<b>21.31</b>	<b>410.10</b>	<b>1,151.62</b>

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## 31st March, 2023

Particulars	(Rs. in lakhs)				
	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
- Micro and small enterprises (MSME)	-	-	-	-	-
- Other	169.87	0.29	333.60	30.72	534.47
- Disputed Dues - MSME	-	-	-	-	-
- Disputed Dues - Other	-	-	-	-	-
<b>Total</b>	<b>169.87</b>	<b>0.29</b>	<b>333.60</b>	<b>30.72</b>	<b>534.47</b>

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## 31st March, 2022

Particulars	(Rs. in lakhs)				
	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
- Micro and small enterprises (MSME)	-	-	-	-	-
- Other	1,69,87,007	-	29,095	3,33,60,480	30,70,000
- Disputed Dues - MSME	-	-	-	-	-
- Disputed Dues - Other	-	-	-	-	-
<b>Total</b>	<b>1,69,87,007</b>	<b>-</b>	<b>29,095</b>	<b>3,33,60,480</b>	<b>30,70,000</b>

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## 31st March, 2021

Particulars	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
- Micro and small enterprises (MSME)	-	-	-	-	-
- Other	101.25	16.77	10.24	25.97	154.23
- Disputed Dues - MSME	-	-	-	-	-
- Disputed Dues - Other	-	-	-	-	-
<b>Total</b>	<b>101.25</b>	<b>16.77</b>	<b>10.24</b>	<b>25.97</b>	<b>154.23</b>

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Notes:

1. The figures disclosed above are based on the restated summary statement of assets &amp; liabilities of the Company.

2. The above statement should be read with the notes to restated summary statements of assets &amp; liabilities, profit &amp; losses, cash flows &amp; significant accounting policies and notes appearing in Annexure I, II, III &amp; IV respectively.

ANNEXURE- X

DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED

Particulars	As at December 31, 2023 (Rs. in lakhs)	As at March 31, 2023 (Rs. in lakhs)	As at March 31, 2022 (Rs. in lakhs)	As at March 31, 2021 (Rs. in lakhs)
<b>Statutory Dues:</b>				
GST Payable	40.41	8.45	-	16.65
TDS Payable	-	9.99	1.50	3.18
ESI Payable	-	0.01	0.01	
Service Tax Payable	-	2.08		
Profession Tax Payable	-	0.05	0.05	0.06
Pension Fund Payable	-	0.65	1.04	2.16
General Premium Payable	-	0.18	0.18	22.00
CST payable	-	-	-	0.01
VAT payable	-	-	-	0.63
Salary Payable	-	63.65	44.71	58.97
Income Tax Payable	96.32			
Advances from Customers		18.48	5.77	9.01
<b>Total</b>	<b>136.73</b>	<b>103.48</b>	<b>53.06</b>	<b>112.72</b>

Notes:

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XI

DETAILS OF SHORT TERM PROVISIONS AS RESTATED

Particulars	As at December 31, 2023 (Rs. in lakhs)	As at March 31, 2023 (Rs. in lakhs)	As at March 31, 2022 (Rs. in lakhs)	As at March 31, 2021 (Rs. in lakhs)
Provision for Taxation (Net of Advance Tax, TDS and TCS)	-	16.45	47.62	30.54
Provision for Directors Salary	26.74	-	-	-
Provision for Employment Benefits	11.22	-	-	-
<b>Total</b>	<b>37.96</b>	<b>16.45</b>	<b>47.62</b>	<b>30.54</b>

Note 9 Other Current Liabilities

Particulars	Particulars		As at September 30, 2023	As at March 31, 2023
	₹	₹	₹	₹
Other payables:				
GST Payable	40,41,460.00	844815.84	9,98,563	16,64,636.00
TDS Payable			1,50,000	3,18,443
ESI Payable			1,440	827
Service Tax Payable	2,08,234		-	
Profession Tax Payable			5,400	5,800
Pension Fund Payable	65,400	1,04,250		21,572
General Premium Payable	18,002		16,420	22,037
CST payable			-	1,250
VAT Payable			63,173	
Salary Payable	63,65,036		44,70,994	35,33,230.00
Income Tax Payable	96,32,256			
Advances from Customers		10,45,137	5,57,299.00	9,01,360.00
<b>Total</b>	<b>136,73,716</b>	<b>1,03,48,188</b>	<b>33,07,813</b>	<b>125,13,866</b>
	(33,25,528)		33.26	50,40,375
			50,40,375	50,40,375
			40,41,460.00	

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Note 10 Short Term Provisions

Particulars	Particulars		As at September 30, 2023	As at March 31, 2023
	₹	₹	₹	₹
Provision for Taxation	16,44,853.86		-	-
Provision for Directors Salary		16,44,854	47,61,916	30,53,809
<b>Provision for Employment Benefits</b>	<b>26,74,238</b>	<b>11,21,816</b>		
<b>Total</b>	<b>37,96,074.00</b>	<b>16,44,853.86</b>	<b>47,61,916.00</b>	<b>30,53,809.00</b>
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ANNEXURE- XII

RECONCILIATION OF RESTATED TANGIBLE ASSETS

31st December, 2023

(Rs. in lakhs)

Particulars	Gross block				Accumulated depreciation				Net block	Net block
	Balance as at April 1, 2023	Additions	Disposals/ Adjustment s	Balance as at December 31, 2023	Balance as at April 1, 2023	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at December 31, 2023	Balance as at December 31, 2023	Balance as at March 31, 2023
(a) Land	494.67	90.03	-	584.70	-	-	-	-	584.69	494.67
(b) Building	1,266.03	19.96	-	1,285.99	348.15	71.09	-	419.24	866.75	917.88
(c) Plant and Machinery	770.21	24.82	-	795.03	332.22	62.57	-	394.79	400.24	437.99
(d) Furniture and Fixtures	22.82	-	-	22.82	22.31	0.10	-	22.41	0.41	0.51
(e) Office Equipment	56.06	7.72	-	63.78	15.05	14.14	-	29.19	34.59	41.01
(f) Computers	14.78	0.32	-	15.10	13.75	0.57	-	14.32	0.77	1.03
(g) Vehicles	22.67	-	-	22.67	22.36	0.14	-	22.49	0.18	0.31
<b>Total</b>	<b>2,647.24</b>	<b>142.85</b>	<b>-</b>	<b>2,790.09</b>	<b>753.84</b>	<b>148.61</b>	<b>-</b>	<b>902.44</b>	<b>1,887.63</b>	<b>1,893.38</b>

CWIP

(Rs. in lakhs)

Particulars	Gross block				Accumulated depreciation				Net block	Net block
	Balance as at April 1, 2023	Additions	Disposals/ Adjustment s	Balance as at December 31, 2023	Balance as at April 1, 2023	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at December 31, 2023	Balance as at December 31, 2023	Balance as at March 31, 2023
(a) Capital WIP	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>2,647.24</b>	<b>142.85</b>	<b>-</b>	<b>2,790.09</b>	<b>753.84</b>	<b>148.61</b>	<b>-</b>	<b>902.44</b>	<b>1,887.63</b>	<b>1,893.38</b>

31st March,2023

Particulars	Gross block				Accumulated depreciation				Net block	Net block
	Balance as at April 1, 2022	Additions	Disposals/ Adjustment s	Balance as at March 31, 2023	Balance as at April 1, 2022	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at March 31, 2023	Balance as at March 31, 2023	Balance as at March 31, 2022
(a) Land	494.67	-	-	494.67	-	-	-	-	494.67	494.67
(b) Building	509.69	756.34	-	1,266.03	295.98	52.17	-	348.15	917.88	213.71
(c) Plant and Machinery	339.41	430.80	-	770.21	292.79	39.43	-	332.22	437.99	46.62
(d) Furniture and Fixtures	22.82	-	-	22.82	22.13	0.18	-	22.31	0.51	0.69
(e) Office Equipment	3.48	52.58	-	56.06	3.47	11.58	-	15.05	40.99	0.01
(f) Computers	12.62	2.16	-	14.78	12.52	1.23	-	13.75	1.03	0.10
(g) Vehicles	31.82	0.49	9.64	22.67	27.75	1.34	6.72	22.36	0.31	4.07
<b>Total</b>	<b>1,414.51</b>	<b>1,242.37</b>	<b>9.64</b>	<b>2,647.24</b>	<b>654.64</b>	<b>105.93</b>	<b>6.72</b>	<b>753.84</b>	<b>1,893.38</b>	<b>759.85</b>

CWIP

The Company has acquired land for Rs. 97,76,800 and building (superstructure on land) for Rs. 5,34,07,000. However, the construction of the Building has been completed during the Financial Year 2022-23. Presently the building is being used for the Company's purposes.

Particulars	Gross block				Accumulated depreciation				Net block	Net block
	Balance as at April 1, 2022	Additions	Disposals/ Adjustment s	Balance as at March 31, 2023	Balance as at April 1, 2022	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at March 31, 2023	Balance as at March 31, 2023	Balance as at March 31, 2022
(a) Capital WIP	534.07	-	534.07	-	-	-	-	-	-	534.07
<b>Total</b>	<b>534.07</b>	<b>-</b>	<b>534.07</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>534.07</b>
<b>Grand Total</b>	<b>1,948.58</b>	<b>1,242.37</b>	<b>543.71</b>	<b>2,647.24</b>	<b>654.64</b>	<b>105.93</b>	<b>6.72</b>	<b>753.84</b>	<b>1,893.38</b>	<b>1,293.92</b>

Capital Work-in-progress ageing schedule as at March 31, 2023

Particulars	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
- Projects in Progress	-	-	-	-	-
- Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

31st March,2022

Particulars	Gross block				Accumulated depreciation				Net block	Net block
	Balance as at April 1, 2021	Additions	Disposals	Balance as at March 31, 2022	Balance as at April 1, 2021	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at March 31, 2022	Balance as at March 31, 2022	Balance as at March 31, 2021
(a) Land	396.90	97.77	-	494.67	-	-	-	-	494.67	396.90
(b) Building	509.69	-	-	509.69	273.55	22.43	-	295.98	213.71	236.14
(c) Plant and Machinery	339.41	-	-	339.41	282.49	10.30	-	292.79	46.62	56.92
(d) Furniture and Fixtures	22.82	-	-	22.82	21.89	0.24	-	22.13	0.69	0.93
(e) Office Equipment	3.48	-	-	3.48	3.47	0.01	-	3.48	-	0.02
(f) Computers	12.62	-	-	12.62	12.36	0.16	-	12.52	0.10	0.26
(g) Vehicles	31.82	-	-	31.82	25.90	1.85	-	27.75	4.07	5.91
<b>Total</b>	<b>1,316.74</b>	<b>97.77</b>	<b>-</b>	<b>1,414.51</b>	<b>619.66</b>	<b>34.99</b>	<b>-</b>	<b>654.65</b>	<b>759.85</b>	<b>697.08</b>

**CWIP**

The Company has acquired land for Rs. 97,76,800 and building (superstructure on land) for Rs. 5,34,07,000. However, the construction of the Building has been completed during the Financial Year 2022-23. Presently the building is being used for the Company's purposes.

Particulars	Gross block				Accumulated depreciation				Net block	Net block
	Balance as at April 1, 2021	Additions	Disposals	Balance as at March 31, 2022	Balance as at April 1, 2021	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at March 31, 2022	Balance as at March 31, 2022	Balance as at March 31, 2021
(a) Capital WIP	-	534.07	-	534.07	-	-	-	-	534.07	-
<b>Total</b>	<b>-</b>	<b>534.07</b>	<b>-</b>	<b>534.07</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>534.07</b>	<b>-</b>
<b>Grand Total</b>	<b>1,316.74</b>	<b>631.84</b>	<b>-</b>	<b>1,948.58</b>	<b>619.66</b>	<b>34.99</b>	<b>-</b>	<b>654.65</b>	<b>1,293.92</b>	<b>697.08</b>

**Capital Work-in-progress ageing schedule as at March 31, 2022**

Particulars	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
- Projects in Progress	534.07	-	-	-	534.07
- Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>534.07</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>534.07</b>

**ANNEXURE- XIII**

**DETAILS OF DEFERRED TAX LIABILITIES (NET) AS RESTATED**

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
<b>Tax effect of items constituting Deferred tax liabilities</b>				
On difference between book balance and tax balance of property, plant and equipment	11.61	14.99	-	-
	<b>11.61</b>	<b>14.99</b>	<b>-</b>	<b>-</b>
<b>Tax effects of items Constituting Deferred Tax Asset</b>	-			
On difference between book balance and tax balance of property, plant and equipment	-		1.12	0.54
Unabsorbed tax losses & Depreciation	-		-	-
Provision for doubtful trade receivables	-	-	-	-
Disallowances u/s 40(a)(ia), 43B, 40(A)(7) of the Income Tax Act, 1961	-	-	-	-
	-	-	<b>1.12</b>	<b>0.54</b>
	-			
<b>Net deferred tax asset / (liability)</b>	<b>(11.61)</b>	<b>(14.99)</b>	<b>1.12</b>	<b>0.54</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

**ANNEXURE- XIV**

**DETAILS OF LONG TERM LOANS AND ADVANCES AS RESTATED**

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Security Deposits	29.14	37.92	10.61	8.61
Other Non-Current Assets	9.18	-	-	-
<b>Total</b>	<b>38.32</b>	<b>37.92</b>	<b>10.61</b>	<b>8.61</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

**ANNEXURE- XV**

**DETAILS OF NON-CURRENT INVESTMENTS AS RESTATED**

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
<b>Quoted Investments</b>				
i) Investments in Equity Instruments				
a) Bank of Baroda				
1044 fully paid up shares of Rs. 2 each	0.36	0.36	0.36	0.36
<b>Unquoted Investments</b>				
i) Investments in Equity Instruments				
a) Shapes Refractory Private Limited- Subsidiary Company				
10,000 fully paid up shares of Rs. 10 each	1.00	1.00	1.00	1.00
b) Excel Micron (Poona) Private Limited- Associate Company				
3,75,000 fully paid up shares of Rs. 10 each	581.25	581.25	581.25	-
Add: Share of Profit of the Associate Company- F.Y. 2021-22				
30.91	30.91	30.91	30.91	-
Add: Share of Profit of the Associate Company- F.Y. 2022-23				
10.43	10.43	-	-	-
<b>Total</b>	<b>623.95</b>	<b>623.95</b>	<b>613.52</b>	<b>1.36</b>

**Notes:**

1. The income in the nature of share of profit of Associate Company for the period of 1st April, 2023 to 31st December, 2023 has not been considered in the aforesaid investments as the audited amount of Profit/ (Loss) of the Associate company is not available at the time of preparation of the Restated Financial Statements.

**ANNEXURE- XV**

**DETAILS OF INVENTORIES AS RESTATED**

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Raw Materials	595.45	550.18	201.58	140.71
Work in Progress/Semi Finished Goods	88.70	47.71	6.99	30.24
Finished Goods (includes in transit)	843.97	257.98	124.68	62.90
<b>Total</b>	<b>1,528.12</b>	<b>855.87</b>	<b>333.25</b>	<b>233.85</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

**ANNEXURE- XVI**

**DETAILS OF TRADE RECEIVABLES AS RESTATED**

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
(Unsecured, considered good unless otherwise stated)				
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment				
Considered good	694.33	97.66	152.54	268.10
Considered doubtful	-	-	-	-
	694.33	97.66	152.54	268.10
Less: Provision for doubtful trade receivables	-	-	-	-
	694.33	97.66	152.54	268.10
(b) Other Trade receivables	-	687.69	464.07	485.03
<b>Total</b>	<b>694.33</b>	<b>785.35</b>	<b>616.61</b>	<b>753.13</b>

**Notes: Trade Receivable Ageing Schedule**

(Rs. in lakhs)

Particulars	Less than 6 Months	6 Months to 1 year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
<b>31st December, 2023</b>						
(a) Undisputed Trade receivables-						
Considered good	662.66	27.57	4.10	-	-	694.33
Considered doubtful	-	-	-	-	-	-
(b) Disputed Trade receivables-						
Considered good	-	-	-	-	-	-
Considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>662.66</b>	<b>27.57</b>	<b>4.10</b>	<b>-</b>	<b>-</b>	<b>694.33</b>
<b>31st March, 2023</b>						
(a) Undisputed Trade receivables-						
Considered good	687.69	1.07	67.87	28.72	-	785.35
Considered doubtful	-	-	-	-	-	-
(b) Disputed Trade receivables-						
Considered good	-	-	-	-	-	-
Considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>687.69</b>	<b>1.07</b>	<b>67.87</b>	<b>28.72</b>	<b>-</b>	<b>785.35</b>
<b>31st March, 2022</b>						
(a) Undisputed Trade receivables-						
Considered good	464.07	152.54	-	-	-	616.61
Considered doubtful	-	-	-	-	-	-
	464.07	152.54	-	-	-	616.61
(b) Disputed Trade receivables-						
Considered good	-	-	-	-	-	-
Considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>464.07</b>	<b>152.54</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>616.61</b>

<b>31st March,2021</b>						
(a) Undisputed Trade receivables-						
Considered good	485.03	132.34	135.76	-	-	753.13
Considered doubtful	-	-	-	-	-	-
	485.03	132.34	135.76	-		753.13
(b) Disputed Trade receivables-						
Considered good	-	-	-	-	-	-
Considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>485.03</b>	<b>132.34</b>	<b>135.76</b>	<b>-</b>	<b>-</b>	<b>753.13</b>

**Notes:**

1. As per the view of the management of the company there is no doubtful debt & hence provision for doubtful debt has not been made.
2. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
3. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

#### ANNEXURE- XVII

##### DETAILS OF CASH & CASH EQUIVALENTS AS RESTATED

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
A. Cash and cash equivalents				
(a) Cash on hand	3.37	6.98	1.66	0.87
(b) Balances with banks				
(i) In current accounts	3.39	0.11	11.20	100.06
Total - Cash and cash equivalents (A)	6.76	7.09	12.86	100.93
B. Other bank balances				
(i) In other deposit accounts	306.27			
- original maturity more than 3 months	-	453.10	610.44	672.16
Total - Other bank balances (B)	306.27	453.10	610.44	672.16
<b>Total</b>	<b>313.03</b>	<b>460.19</b>	<b>623.30</b>	<b>773.09</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

#### ANNEXURE- XVIII

##### DETAILS OF SHORT TERM LOANS AND ADVANCES AS RESTATED

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
(Unsecured, considered good unless otherwise stated)				
Loans to employees	9.21	7.97	12.16	35.78
Balance with statutory/government authorities	18.72	73.57	-	1.64
<b>Total</b>	<b>27.93</b>	<b>81.54</b>	<b>12.16</b>	<b>37.42</b>

**Notes:**

1. No Securities have been taken by the company against the advances given to the suppliers.
2. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
3. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

#### ANNEXURE- XIX

##### DETAILS OF OTHER CURRENT ASSETS AS RESTATED

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
GST Receivable	76.62	-	-	-
Advance to Creditors	-	163.81	91.22	153.10
Advance for Immovable Property*	89.10	89.10	89.10	-
Prepaid Expenses	0.68	0.67	-	-
Other Advances	10.19	12.02	-	65.55
<b>Total</b>	<b>176.59</b>	<b>265.60</b>	<b>180.32</b>	<b>218.65</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

\* The amount paid by the Company as an Advance for Immovable Property is not recoverable as the transaction for the purchase of the said property has not been capitalised.

**ANNEXURE- XX**

**DETAILS OF REVENUE FROM OPERATIONS AS RESTATED**

Particulars	Period ended December 31, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Revenue from Sale of products	2,942.15	3,796.92	2,550.32	2,088.90
<b>Total</b>	<b>2,942.15</b>	<b>3,796.92</b>	<b>2,550.32</b>	<b>2,088.90</b>

**Revenue from Sale of products**

Particulars	Period ended December 31, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Domestic Sales	2,942.15	3,796.92	2,550.32	2,088.90
Foreign Sales	-	-	-	-
<b>Total</b>	<b>2,942.15</b>	<b>3,796.92</b>	<b>2,550.32</b>	<b>2,088.90</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

**ANNEXURE- XXI**

**DETAILS OF OTHER INCOME AS RESTATED**

Particulars	Period ended December 31, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Rent Income	27.23	36.40	36.13	35.75
Interest Income	29.37	22.88	32.03	50.91
Testing Charges	0.09	0.12	0.69	0.49
Misc. Income	0.21	15.92	2.50	3.62
<b>Total</b>	<b>56.90</b>	<b>75.32</b>	<b>71.35</b>	<b>90.77</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

**ANNEXURE- XXII**  
**DETAILS OF COST OF MATERIAL CONSUMED AS RESTATED**

Particulars	Period ended December 31, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Inventory at the beginning of the year	550.18	201.58	140.71	373.44
<b>Add : Purchases</b>	<b>1,462.35</b>	<b>1,558.82</b>	<b>589.61</b>	<b>395.89</b>
<b>Add : Direct Expenses</b>	<b>486.16</b>	<b>1,004.14</b>	<b>500.18</b>	<b>296.73</b>
	<b>2,498.69</b>	<b>2,764.54</b>	<b>1,230.50</b>	<b>1,066.06</b>
<b>Less : Inventory at the end of the year</b>	<b>595.45</b>	<b>550.18</b>	<b>201.58</b>	<b>140.71</b>
<b>Cost of material Consumed</b>	<b>1,903.24</b>	<b>2,214.36</b>	<b>1,028.92</b>	<b>925.35</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

**ANNEXURE- XXIII**  
**DETAILS OF CHANGE IN INVENTORIES OF STOCK-IN-TRADE AS RESTATED**

Particulars	Period ended December 31, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
<b>Inventories at the end of the year</b>				
- Semi Finished Goods	88.70	47.71	6.99	30.24
- Finished Goods	843.97	257.98	124.68	62.90
	932.67	305.69	131.67	93.14
<b>Inventories at the beginning of the year</b>				
- Semi Finished Goods	47.71	6.99	30.24	28.29
- Finished Goods	257.98	124.68	62.90	206.14
	305.69	131.67	93.14	234.43
<b>Net (increase)/decrease</b>	<b>-626.98</b>	<b>-174.02</b>	<b>-38.53</b>	<b>141.29</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

**ANNEXURE- XXIV**

**DETAILS OF EMPLOYEE BENEFIT EXPENSES AS RESTATED**

Particulars	Period ended December 31, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Salaries and wages	163.92	232.01	211.80	182.74
Contribution to provident and other funds	4.76	6.04	6.63	7.74
Managerial Remuneration	63.00	92.50	72.00	72.00
Staff welfare expenses	7.83	30.23	11.67	33.49
<b>Total</b>	<b>239.51</b>	<b>360.78</b>	<b>302.10</b>	<b>295.97</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

**ANNEXURE- XXV**

**DETAILS OF FINANCE COST AS RESTATED**

Particulars	Period ended December 31, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Bank Charges	12.96	16.99	16.25	11.44
Interest expense on:				-
- Borrowings	97.92	86.68	33.68	60.72
- Delayed payment of statutory dues	4.93	4.68	9.77	1.19
<b>Total</b>	<b>115.81</b>	<b>108.35</b>	<b>59.70</b>	<b>74.78</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XXVI

DETAILS OF OTHER EXPENSES AS RESTATED

Particulars	Period ended December 31, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)	(Rs. in lakhs)
Power and fuel	315.89	52.76	16.96	13.64
Advertisement Expenses	1.29	-	-	-
Discount & Bad Debts	-	0.04	1.17	3.48
Books & Subscription	0.06	0.08	0.06	0.04
Rent	6.82	9.43	1.74	0.79
Insurance	0.19	4.86	3.98	5.21
Repairs and maintenance- Machinery & Others	7.88	37.45	84.50	25.90
Business Promotion Expenses	1.11	0.95	12.75	10.05
Additional Custom Duty	22.71	6.96	17.48	28.89
Carriage Outward	46.23	116.93	61.61	49.77
Computer Expenses	1.44	3.01	1.55	1.19
Electrical Expenses	1.80	3.57	0.07	0.02
Guest House Maintenance Charges	2.06	4.81	5.09	3.59
Travelling and conveyance	41.38	54.55	44.40	30.45
Testing Fee	-	0.25	0.01	0.11
Printing & Stationery	0.94	1.42	2.22	0.41
Postage & Courier	0.37	1.14	3.29	1.05
Internet & Telephone Expenses	0.93	0.42	-	-
Water Charges	0.38	0.51	0.39	0.29
Donation	-	-	10.08	0.25
Rates & Taxes	-	2.77	1.93	3.10
Legal and professional fees	23.11	32.28	23.39	12.67
Laboratory Expenses	0.75	2.58	1.26	0.98
Late Delivery Charges	14.18	10.94	4.97	2.94
License Fees	-	0.91	1.57	0.05
Testing Charges	1.93	3.59	0.48	1.02
Payment to auditor	0.57	0.25	1.75	0.11
Security Charges	9.42	11.52	7.09	6.94
ROC Charges	-	0.31	0.29	-
Vehicle Expenses and Hire Charges	14.93	10.21	12.87	11.14
Miscellaneous expenses	61.04	52.65	102.15	5.38
<b>Total</b>	<b>577.41</b>	<b>427.17</b>	<b>425.07</b>	<b>219.46</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets & liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

**ANNEXURE- XXVII**

**RESTATED STANDALONE STATEMENT OF FINANCIAL RATIO**

Sr. No.	Ratios	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
1	Current Assets	2,740.00	2,448.56	1,765.65	2,016.14
	Current Liabilities	2,194.65	2,390.94	1,153.64	653.80
	<b>Current Ratio</b>	<b>1.25</b>	<b>1.02</b>	<b>1.53</b>	<b>3.08</b>
	Variance		-33.09%	-50.37%	
	<b>Reason</b>	Due to increase in Current Liabilities as compared to the rate of increase in Current Assets.			
2	Total Debt: Borrowings	2,341.80	2,048.63	1,570.12	1,234.18
	Equity	1,976.58	1,668.64	1,476.90	1,189.86
	<b>Debt-Equity Ratio</b>	<b>1.18</b>	<b>1.23</b>	<b>1.06</b>	<b>1.04</b>
	Variance		15.48%	2.49%	
	<b>Reason</b>	Change is less than 25%			
3	Earnings Available for Debt Service	572.36	406.02	381.73	269.86
	Debt Service	2,457.61	2,156.98	1,629.82	1,308.97
	<b>Debt Service Coverage Ratio</b>	<b>0.23</b>	<b>0.19</b>	<b>0.23</b>	<b>0.21</b>
	Variance		-19.63%	13.61%	
	<b>Reason</b>	Change is less than 25%			
4	Net Profit After taxes	307.94	191.74	287.04	156.39
	Average Shareholders Equity	1,976.58	1,572.77	1,333.38	1,111.88
	<b>Return on Equity (ROE)*</b>	<b>15.58%</b>	<b>12.19%</b>	<b>21.53%</b>	<b>14.07%</b>
	Variance		-43.37%	53.05%	
	<b>Reason</b>	Due to increase in Shareholders Equity and decrease in Net Profits as compared to the previous period.			
5	Cost of Goods Sold	1,516.70	2,621.27	1,461.78	1,338.99
	Average Inventory	1,528.12	594.57	283.56	420.86
	<b>Inventory Turnover Ratio*</b>	<b>0.99</b>	<b>4.41</b>	<b>5.16</b>	<b>3.18</b>
	Variance		-14.48%	62.03%	
	<b>Reason</b>	Due to increase in cost of goods sold and decrease in inventory as compared to previous period.			
6	Net Sales	2,942.15	3,796.92	2,550.32	2,088.90
	Average Accounts Receivable	694.33	700.98	684.87	968.23
	<b>Trade Receivables Turnover Ratio*</b>	<b>4.24</b>	<b>5.42</b>	<b>3.72</b>	<b>2.16</b>
	Variance		45.46%	72.60%	
	<b>Reason</b>	Due to increase in sales as compared to previous period.			
7	Net Purchases	2,143.68	2,795.29	1,500.31	1,197.69
	Average Accounts Payables	1,936.83	844.37	346.76	270.78
	<b>Trade Payables Turnover Ratio*</b>	<b>1.11</b>	<b>3.31</b>	<b>4.33</b>	<b>4.42</b>
	Variance		-23.49%	-2.18%	
	<b>Reason</b>	Due to increase in purchases as compared to previous period.			
8	Revenue	2,942.15	3,796.92	2,550.32	2,088.90
	Working capital	545.35	57.62	612.01	1,362.34
	<b>Net Capital Turnover Ratio</b>	<b>5.39</b>	<b>65.90</b>	<b>4.17</b>	<b>1.53</b>
	Variance		1481.33%	171.77%	
	<b>Reason</b>	Due to increase in Current Liabilities and consequent decrease in working capital as compared to the previous period.			

9	Profit After Tax	307.94	191.74	287.04	156.39
	Revenue	2,942.15	3,796.92	2,550.32	2,088.90
	<b>Net Profit Ratio</b>	<b>10.47%</b>	<b>5.05%</b>	<b>11.26%</b>	<b>7.49%</b>
	Variation		-55.13%	50.33%	
	<b>Reason</b>	Due to increase in sales as compared to previous period.			
10	Profit before interest and tax	423.75	300.09	346.74	231.18
	Capital Employed	4,329.99	3,732.26	3,047.02	2,424.04
	<b>Return on Capital employed (ROCE)</b>	<b>9.79%</b>	<b>8.04%</b>	<b>11.38%</b>	<b>9.54%</b>
	Variation		-29.34%	19.32%	
	<b>Reason</b>	Due to decrease in Profit before interest and tax and increase in Capital Employed as compared to the previous period.			
11	Share of Profits in Associate Companies	41.34	41.34	30.91	0
	Investment in Associate Companies	581.25	581.25	581.25	0
	<b>Return on investment</b>	<b>7.11%</b>	<b>7.11%</b>	<b>5.32%</b>	<b>NA</b>
	Variation		33.74%	-	
	<b>Reason</b>	Due to increase in share of profit of Associate Company.			

**Note: Variation for December 31, 2023 and March 31, 2023 has not been calculated since both the data are not comparable.**

\*The Ratios for the Stub-Period have been calculated by taking the balances as at December 31, 2023 instead of Average Balances for the period.

**The definitions of ratio / formulas used for actual computation are as follows:**

- 1 Current Ratio = Current Assets/Current Liabilities
- 2 Debt Equity Ratio = Total Debt / Shareholders Equity
- 3 Debt Service Coverage Ratio = Earning available for Debt Service / Debt Service
- 4 Return on Equity (ROE) = Net Profit after taxes / Average Shareholders Equity
- 5 Inventory Turnover Ratio = Cost of goods sold / Average Inventory
- 6 Trade Receivables Turnover Ratio = Revenue from Operation / Average account receivable
- 7 Trade Payables Turnover Ratio = Cost of Material Consumed/ Average Trade Payables
- 8 Net Capital Turnover Ratio = Revenue from Operations / Working capital
- 9 Net Profit Ratio = Profit After Tax / Revenue from Operation
- 10 Return on Capital employed (ROCE) = Profit before interest and tax / (Networth+ Total Debt + Deferred tax liability)
- 11 Return on Investment = Net Gain on Sale of Investment / Cost of Investment

**ANNEXURE- XXVIII**

**DETAILS OF RELATED PARTIES TRANSACTIONS AS RESTATED**

**(a) Key Managerial Personnel (KMP):**

Dayashankar K. Shetty	Director
Pratibha D. Shetty	Director
Prajna Shetty	Chairperson & Managing Director
Suraj Shetty	Director
Neelam Mandawat	Company Secretary & Compliance Officer
Majur Jothiprakash	Whole-time Director
Ammar Huseni Rangwala	Chief Financial Officer

**(b) Promoters & their Relatives having control:**

Dayashankar K. Shetty	Director
Pratibha D. Shetty	Director
Prajna Shetty	Chairperson & Managing Director
Praday Shetty	Relative of Director
Janani Shetty	Relative of Director
Kishore Shetty	Relative of Director
Yogeshwar Shetty	Relative of Director
Vishalakshi Adyanthaya	Relative of Director
Meenakshi Punja	Relative of Director
Suresh Hegde	Relative of Director
Satish Hegde	Relative of Director
Asha R Shetty	Relative of Director
Shravan S Shetty	Relative of Director
Rishik Shetty	Relative of Director
Rhea Shetty	Relative of Director

**(c) Relatives of Promoters who are under the employment of the company:**

Praday Shetty	Relative of Director
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**(d) Companies over which KMP's have significant influence or control:**

Windsor Refractories Limited
Shapes Refractory Private Limited
Excel Micron (Poona) Private Limited

**(e) Other entities over which KMP's have significant influence or control:**

Asteri Exports
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**B. Details of related party transactions during the year:**

Particulars	Relationship	Ended on December 31, 2023	Ended on March 31, 2023	Ended on March 31, 2022	Ended on March 31, 2021
<b><u>Sales</u></b>					
Windsor Refractories Limited	Companies over which KMP's have significant influence or control	578.68	666.85	604.38	792.72
Excel Micron (Poona) Private Limited	Companies over which KMP's have significant influence or control	8.66	15.76	20.60	48.23
Asteri Exports	Other entities over which KMP's have significant influence or control	-	-	-	32.06
<b><u>Purchases</u></b>					
Excel Micron (Poona) Private Limited	Companies over which KMP's have significant influence or control	45.72	203.93	5.72	27.80
<b><u>Director's Remuneration</u></b>					
- Dayashankar K. Shetty	Director	27.00	19.00	36.00	36.00
- Pratibha D. Shetty	Director	27.00	36.00	36.00	36.00
- Prajna Shetty	Chairperson & Managing Director	13.50	18.00	18.00	18.00
- Suraj Shetty	Director	4.50	1.50	-	-

<b>Vehicle Hire Charges</b>						
- Dayashankar K. Shetty	Director		4.05	6.00	6.00	6.00
<b>Professional Fees</b>						
- Dayashankar K. Shetty	Director		-	17.00	-	-
<b>Salary Expenses</b>						
Praday Shetty	Relative of Director		13.50	18.00	18.00	18.00
<b>Loan Repaid</b>						
Windsor Refractories Limited	Companies over which KMP's have significant influence or control		61.40	-	-	-
Dayashankar Krishna Shetty	Director		38.60	-	126.86	-
Pratibha Dayashankar Shetty	Director		-	104.50	9.40	-
Prajna Shravan Shetty	Chairperson & Managing Director		-	78.76	-	-
<b>Loan Accepted</b>						
Windsor Refractories Limited	Companies over which KMP's have significant influence or control		61.40	-	-	-
Dayashankar Krishna Shetty	Director		-	-	-	475.51
Pratibha Dayashankar Shetty	Director		-	-	-	404.55
Prajna Shravan Shetty	Chairperson & Managing Director		-	-	136.26	-
<b>Loan Advanced</b>						
Shapes Refractory Private Limited	Companies over which KMP's have significant influence or control		-	-	122.16	65.55
<b>Trade Receivables</b>						
Windsor Refractories Limited	Companies over which KMP's have significant influence or control		72.49	8.44	133.52	378.01
Asteri Exports	Companies over which KMP's have significant influence or control		8.76	8.76	17.11	19.81
<b>Trade Payables</b>						
Excel Micron (Poona) Private Limited	Companies over which KMP's have significant influence or control		9.96	24.42	-	-

**Balance Outstanding as on 31st December 2023**

Particulars	Amount	
Windsor Refractories Limited	2,04,96,681	Receivable
Excel Micron (Poona) Private Limited	(3,73,62,726)	Payable
Shapes Refractory Private Limited	2,21,793	Receivable

## ANNEXURE- XXIX

### RESTATED STATEMENT OF CAPITALIZATION AS AT DECEMBER 31, 2023

Particulars	Pre Issue	Post Issue (Rs. in lakhs)
<b>Borrowings</b>		
Short-Term Borrowings (A)	1234.74	(*)
Long-Term Borrowings (B)	1107.06	(*)
<b>Total Borrowings (C)</b>	<b>2341.8</b>	(*)
<b>Shareholder's Fund (Equity)</b>		
Share Capital	1580.00	(*)
Reserve & Surplus	396.58	(*)
<b>Total Shareholder's Fund (D)</b>	<b>1976.58</b>	(*)
<b>Long-Term Borrowings/ Equity (B/D)</b>	0.56	(*)
<b>Total Borrowings/ Equity (C/D)</b>	1.18	(*)

\*The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

#### **Notes:**

1. The figures disclosed above are based on the restated summary of Profit & Loss of the Company.
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

ANNEXURE- XXX

STATEMENT OF TAX SHELTER AS RESTATED

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021	(Rs. in lakhs)
<b>Profit before tax, as restated (A)</b>	401.00	248.75	338.03	211.79	
Normal Corporate Tax Rate (%)	27.82%	27.82%	27.82%	27.82%	
Minimum Alternate Tax Rate (%)	16.69%	16.69%	16.69%	16.69%	
As per Section 115BAA Rate (%)	25.17%	25.17%	25.17%	25.17%	
<b>Adjustments:</b>					
<b>Permanent Differences</b>					
<i>Expenses disallowed under Income Tax Act, 1961</i>					
Gratuity Provision	-	-	-	-	
Other disallowance including u/s 36 & 37	-	-	10.08	2.39	
<b>Total Permanent Differences (B)</b>	-	-	10.08	2.39	
Income considered separately (C)	-18.15	-59.11	-68.16	-83.82	
<b>Timing Differences</b>					
Depreciation as per Books	148.61	105.93	34.99	38.68	
Depreciation as per Income Tax Act	158.25	169.96	31.32	35.48	
Other disallowances including under section 43B	-	-	-	-	
<b>Total Timing Differences (D)</b>	-9.64	-64.03	3.67	3.20	
<b>Net adjustments (E) = (B+C+D)</b>	-27.79	-123.14	-54.41	-78.24	
<b>Tax expenses/(saving) thereon on net adjustment</b>	-7.00	-30.99	-13.69	-19.69	
Income from House Property (F)	18.15	36.30	36.13	33.00	
Income from other sources (G)	-	22.81	32.03	50.82	
Exempt Income/ Non-Taxable (H)	5.45	10.89	10.84	9.90	
<b>Income/ (Loss) (A+E+F+G-H)</b>	385.91	173.83	340.94	207.48	
<b>Brought Forward Loss Set Off</b>					
- Ordinary Business Loss & Unabsored Depreciation					
Taxable income/(loss)	385.91	173.83	340.94	207.48	
<b>Tax as per Normal Provisions</b>	107.36	48.36	94.85	57.72	
<b>Tax as per Section 115BAA</b>	97.13	43.75	85.82	52.22	
Income as per MAT	401.00	248.75	338.03	211.79	
Taxable Income/(Loss) as per MAT	401.00	248.75	338.03	211.79	
<b>Tax as per MAT</b>	66.93	41.52	56.42	35.35	
Tax Paid as per-	Section 115BAA	Section 115BAA	Section 115BAA	Section 115BAA	

**ANNEXURE- XXXI**

**DETAILS OF CONTINGENT LIABILITIES & COMMITMENTS AS RESTATED**

	Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a.	Contingent liabilities				
i)	Bank Guarantee	122.32	187.51	235.18	102.80

**ANNEXURE- XXXII**

**OTHER FINANCIAL INFORMATION AS RESTATED**

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Restated PAT as per statement of Profit & Loss (For Basic EPS Purpose) (A)	307.94	191.74	287.04	156.39
Add: Depreciation	148.61	105.93	34.99	38.68
Add: Finance Cost	115.81	108.35	59.70	74.79
Add: Income Tax/ Deferred Tax	93.06	67.44	82.90	55.40
Less: Other Income	56.89	75.31	71.35	90.77
Less: Share of Profit from Associate	-	10.43	31.91	-
<b>Restated Earnings Before Interest, Tax, Depreciation &amp; Amortization (EBITDA)</b>	<b>608.53</b>	<b>387.72</b>	<b>361.37</b>	<b>234.49</b>
<b>EBITDA Margin (%)</b>	<b>20.68%</b>	<b>10.21%</b>	<b>14.17%</b>	<b>11.23%</b>
Number of Equity Shares at the end of the period (B)	1,58,00,000	10,000	10,000	10,000
Number of Equity Shares considering Bonus and Share Split Impact (C) (Post Bonus after restated period with retrospective effect)	3,15,90,000	1,58,00,000	1,58,00,000	1,58,00,000
Net Worth, as restated (D)	1,976.58	1,668.64	1,476.90	1,189.86
<b>Earnings per Share</b>				
Restated Basic EPS (Before Bonus and Share Split) (A/B)	1.95	1,917.40	2,870.40	1,563.90
Restated Basic EPS (After Bonus and Share Split) (A/C)	0.97	1.21	1.82	0.99
Return on Net Worth (%) (A/D)	15.58%	11.49%	19.44%	13.14%
Net Assets value per Equity Share (Before Bonus and Share Split) (D/B)	12.51	16,686.40	14,769.00	11,898.60
Net Assets value per Equity Share (After Bonus and Share Split) (D/C)	6.26	10.56	9.35	7.53

**The definitions of ratio / formulas used for actual computation are as follows:**

1. Restated EBITDA = Restated PAT+Depreciation+Finance cost+Income tax-other income
2. EBITDA Margin = EBITDA/REVENUE FROM OPERATION
3. Restated Basic EPS (Before Bonus) = Restated PAT/No of shares at the end of period
4. Restated Basic EPS (After Bonus) = Restated PAT/No of shares after bonus
5. Return on Net Worth (%) = Restated PAT/No of shares after bonus
6. Net Assets value per Equity Share (Before Bonus) = Net worth restated/No of equity shares at the end of the Period
7. Net Assets value per Equity Share (After Bonus) = Net worth restated/No of equity shares after Bonus Impact

**Note:** The company has allotted 1,57,00,000 Equity Shares as Bonus Share in the ratio of 1570:1 on December 20, 2023. As per Accounting Standard 20 (AS - 20), In case of a bonus issue or a share split, equity shares are issued to existing shareholders for no additional consideration. Therefore, the number of equity shares outstanding is increased without an increase in reserves. The number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equities shares outstanding as if the event had occurred at the beginning of the earliest period reported.

#### ANNEXURE- XXXIII

##### Notes to the Standalone Restated Financial Statements:

###### **I. Long Term Employee Benefits [AS-15]- Defined Contribution Plans:**

Accounting Standard (AS)- 15 issued by ICAI is mandatory. The Company is not required to provide for Long Term employee benefits as the Company has opted for the Defined Contribution Plan and accordingly the Company is making contributions to the LIC fund.

**ANNEXURE- XXXIII**

**II. Details on derivative instruments and unhedged foreign currency exposures**

(Rs. in lakhs)

Particulars	Period ending December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
The year-end foreign currency exposures that have been hedged by a derivative instrument	NIL	NIL	NIL	NIL
The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise	NIL	NIL	NIL	NIL

**III. Income and Expenditure in Foreign Currency**

i **Income earned in foreign currency (accrual basis)**

(Rs. in lakhs)

Particulars	Period ending December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Sales of Products	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

ii **Expenditure incurred in foreign currency (accrual basis)**

(Rs. in lakhs)

Particulars	Period ending December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Purchases of Raw Material and Traded Goods	49.60	78.85	151.30	75.82
<b>Total</b>	<b>49.60</b>	<b>78.85</b>	<b>151.30</b>	<b>75.82</b>

**IV. Segment Information**

The Company operates in a single reportable segment which is governed by same set of risks and returns, thus the reporting requirements under Accounting Standard 17 'Operating Segments' have not been presented in the financial statements.

**V. Restated Standalone Statement of Earnings per Equity Share**

Particulars	Period ending December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>Before Exceptional Items</b>				
1. Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. in Lakhs)	307.94	191.74	287.04	156.39
2. Weighted Average number of equity shares used as denominator for calculating EPS (Pre-Bonus and Share Split)	10,000	10,000	10,000	10,000
3. Weighted Average number of equity shares used as denominator for calculating EPS (Post-Bonus and Share Split)	3,15,90,000	1,58,00,000	1,58,00,000	1,58,00,000
4. Basic and Diluted Earning per Share (On Face value of Rs. 10/ per share) (Pre-Bonus and Share Split)	<b>3,079.40</b>	<b>1,917.40</b>	<b>2,870.40</b>	<b>1,563.90</b>
5. Basic and Diluted Earning per Share (On Face value of Rs. 10/ per share) (Post-Bonus and Share Split)	<b>0.97</b>	<b>1.21</b>	<b>1.82</b>	<b>0.99</b>

**VI. Details of CSR**

(Rs. in lakhs)

Particulars	For the period ended on			
	Period ending December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1. Amount Required to be spent during the year	-	-	-	-
2. Amount of expenditure incurred	-	-	-	-
3. Shortfall at the end of the year	-	-	-	-
4. Total of previous years shortfall	-	-	-	-
5. Reasons for shortfall	NA	NA	NA	NA
6. Nature of CSR Activities	NA	NA	NA	NA

**VII. Additional regulatory information****(a) Relationship with struck off companies**

The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the period ended on December 31, 2023 and for the year ended March 31, 2023, 2022 & 2021.

**(b) Compliance with approved scheme of arrangements**

The Company is not engaged in any scheme of arrangements.

**(c) Details of crypto currency or virtual currency**

The Company has neither traded nor invested in Crypto currency or Virtual Currency during the period ended on December 31, 2023 and for the year ended March 31, 2023, 2022 & 2021. Further, the Company has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency.

**(d) Undisclosed income**

During the Periods, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**(e) Compliance with numbers of layers of companies**

The Company is in compliance with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the period ended on December 31, 2023 and for the year ended March 31, 2023, 2022 & 2021.

**(f) Whistleblower Complaint**

The Company has not received any whistleblower complaint during the year. No frauds had been noticed by or reported to the Company.

**(g) Utilisation of borrowed funds and share premium**

During the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

**(h)** There are no proceedings initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.**(i)** The Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.**VI. Material Regroupings:**

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

**VIII. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006**

Based on the information available with the Company in respect of MSME (as defined in the Micro, Small and Medium Enterprises Development Act, 2006) and as confirmed to us there are no delays in payment of dues to such enterprise during the year.

The identification of Micro, Small and Medium Enterprises Suppliers as defined under "The Micro, Small and Medium Enterprises Development Act, 2006" is based on the information available with the management. As certified by the management, the amounts overdue as on December 31, 2023 and for the year ended March 31, 2023, 2022 & 2021 to Micro, Small and Medium Enterprises on account of principal amount together with interest, aggregate to Rs. Nil.

**IX. Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits**

Balances of Trade Receivables, Trade Payables, Borrowings and Loans & Advances and Deposits are subject to confirmation.

**X. Re-grouping/re-classification of amounts**

The figures have been grouped and classified wherever they were necessary.

**XI. Pending Litigations**

1. There are outstanding demands of Rs. 4.42 Lakhs related to TDS defaults appearing on the TRACES portal as on date of preparation of the Restated Financial Statements. The defaults mainly relates to the short payment and short deduction of TDS and late filing fees, interest u/s 220 and 221 of Income Tax Act, 1961. The Income Tax Authorities has issued communication notices and the Authorities may at any time issue recovery notices in which event the same shall become payable.
2. There is outstanding demand of Rs. 3.94 Lakhs raised by the Income Tax Authorities during the scrutiny Assessment under section 143(3) of the Income Tax Act, 1961 for the F.Y. 2017-18. The demand has been raised on the ground of excess contribution to PF/Superannuation fund / Gratuity fund. However, the Company has disputed the said demand and preferred appeal against the same.

## OTHER FINANCIAL INFORMATION

(Rs. in lakhs)

Particulars	As at Decemb er 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Restated PAT as per statement of Profit & Loss (For Basic EPS Purpose) (A)	307.94	191.74	287.04	156.39
Add: Depreciation	148.61	105.93	34.99	38.68
Add: Finance Cost	115.81	108.35	59.70	74.79
Add: Income Tax/ Deferred Tax	93.06	67.44	82.90	55.40
Less: Other Income	56.81	75.31	71.35	90.77
<b>Restated Earnings Before Interest, Tax, Depreciation &amp; Amortization (EBITDA)</b>	<b>608.53</b>	<b>387.72</b>	<b>361.37</b>	<b>234.49</b>
<b>EBITDA Margin (%)</b>	<b>20.68%</b>	<b>10.21%</b>	<b>14.17%</b>	<b>11.23%</b>
Number of Equity Shares at the end of the period (B)	1,58,00, 000	10,000	10,000	10,000
Number of Equity Shares considering Bonus and Share Split Impact (C)	1,58,00, 000	15,800,000	15,800,000	15,800,000
(Post Bonus after restated period with retrospective effect)				
Net Worth, as restated (D)	396.58	1,658.64	1,466.90	1,179.86
<b>Earnings per Share</b>				
Restated Basic EPS (Before Bonus and Share Split) (A/B)	1.95	1,917.40	2,870.40	1,563.90
Restated Basic EPS (After Bonus and Share Split) (A/C)	0.97	1.21	1.82	0.99
Return on Net Worth (%) (A/D)	15.58%	11.49%	19.44%	13.14%
Net Assets value per Equity Share (Before Bonus and Share Split) (D/B)	12.51	16,686.40	14,769.00	11,898.60
Net Assets value per Equity Share (After Bonus and Share Split) (D/C)	6.26	10.56	9.35	7.53

*The definitions of ratio / formulas used for actual computation are as follows:*

1. Restated EBITDA = Restated PAT + Depreciation + Finance cost + Income tax-other income
2. EBITDA Margin = EBITDA/ Revenue from Operations
3. Restated Basic EPS (Before Bonus) (A/B) = Restated PAT/No of shares at the end of period
4. Restated Basic EPS (After Bonus) (A/C) = Restated PAT/No of shares after bonus
5. Return on Net Worth (%) (A/D) = Restated PAT/Net Worth restated
6. Net Assets value per Equity Share (Before Bonus) (D/B) = Net worth restated/No of equity shares at the end of the Period
7. Net Assets value per Equity Share (After Bonus) (D/C) = Net worth restated/No of equity shares after Bonus Impact

**Note:** The company has allotted 1,57,00,000 Equity Shares as Bonus Share in the ratio of 157:1 on December 20, 2023. As per Accounting Standard 20 (AS - 20), In case of a bonus issue or a share split, equity shares are issued to existing shareholders for no additional consideration. Therefore, the number of equity shares outstanding is increased without an increase in reserves. The number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equities shares outstanding as if the event had occurred at the beginning of the earliest period reported.

**CAPITALISATION STATEMENT**

(Rs. in lakhs)

<b>Particulars</b>	<b>Pre Issue</b>	<b>Post Issue</b>
<b>Borrowings</b>		
Short-Term Borrowings (A)	1,234.74	(*)
Long-Term Borrowings (B)	1,107.06	(*)
<b>Total Borrowings (C)</b>	<b>2,341.80</b>	(*)
<b>Shareholder's Fund (Equity)</b>		
Share Capital	1,580.00	(*)
Reserve & Surplus	396.58	(*)
<b>Total Shareholder's Fund (D)</b>	<b>1,976.58</b>	(*)
<b>Long-Term Borrowings/ Equity (B/D)</b>	0.56	(*)
<b>Total Borrowings/ Equity (C/D)</b>	1.18	(*)

\*The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

**Notes:**

1. The figures disclosed above are based on the restated summary of Profit & Losses of the Company
2. The above statement should be read with the notes to restated summary statements of assets & liabilities, profit & losses, cash flows & significant accounting policies and notes appearing in Annexure I, II, III & IV respectively.

## FINANCIAL INDEBTEDNESS

Our Company has availed borrowings in the ordinary course of our business. Set forth below is a brief summary of our aggregate outstanding borrowings as on December 31, 2023:

*(₹ in lakhs)*

<b>Nature of Borrowing</b>	<b>Amount</b>
Secured Borrowing	1,410.33
Unsecured Borrowings	931.47
<b>Total</b>	<b>2,341.80</b>

### Details of Secured Borrowings:

*(₹ in lakhs)*

<b>Name of Lender</b>	<b>Purpose</b>	<b>Sanctioned Date</b>	<b>Sanctioned Amount</b>	<b>Securities offered</b>	<b>Rate of Interest p.a.</b>	<b>Re-Payment Schedule</b>	<b>Outstanding amount as on (as per Books)</b>
							<b>31-12-2023</b>
Bank of Baroda	Term Loan	17.07.2023	97.00	1) Hypothecation of Book Debts and Inventories both present and future. 2) Cash Margin on Bank Guarantee/ SBLC limit @25%. 3) Hypothecation of Plant & Machinery of the Company to be purchased out of Fresh Term Loan. 4) Equitable mortgage of all the piece and parcel of immovable property (Factory Land and Building) comprising of Industrial Shed/ Factory Building constructed (financed by term loan)	Baroda Repo linked lending Rate (BRLLR)+SP+.50 % i.e. Repo Rate + Mark up + SP + 0.50% = 9.75%	Repayable in 84 monthly installments with tenure of 95 months including moratorium of 11 months	86.31

Name of Lender	Purpose	Sanctioned Date	Sanctioned Amount	Securities offered	Rate of Interest p.a.	Re-Payment Schedule	Outstanding amount as on (as per Books)
							31-12-2023
				on factory land at Rev Survey No. 105, Paiki 11, Near Multi Stone Jetprada Road/ Jali Road, Jetprada- 363621, taluka Wankaner, District Morbi in the name of Refractory Shapes Private Limited 5) Extension of Equitable mortgage of Factory land and building admeasuring 1616 Sq. Mtrs. at Pimpri Industrial Estate at Plot No. S-7 & 28, MIDC, Village Bhosari within PCMC Limit, taluk Haveli, Pune owned by the company 6) Extension of Equitable Mortgage on factory land and building at Plot no S- 30, MIDC Village Bhosari, taluk Haveli, Pune			

Name of Lender	Purpose	Sanctioned Date	Sanctioned Amount	Securities offered	Rate of Interest p.a.	Re-Payment Schedule	Outstanding amount as on (as per Books)	
							31-12-2023	
				admeasuring 808 Sq. Mtrs. owned by M/s. Refractory Shapes Private Limited. 7) Extension of Equitable Mortgage of industrial land and building at Plot no S-8, admeasuring 808 sqm., MIDC Pimpri Industrial Estate, Village Bhosari, Taluka Haveli, Pune held in the name of M/s. Refractory Shapes Private Limited purchase vide lease agreement dt. 26.03.2019 for Rs. 2.11 crores. 8) Lien on FDR valued Rs. 0.35 Crores.				
	Cash Credit	17.07.2023	1200.00		Baroda Repo linked lending Rate (BRLLR)+SP+.50 % i.e. Repo Rate + Mark up + SP + 0.50% = 10.10%	-	1159.02	
	Additional Working	17.07.2023	165.00		1 Year BRLLR + 1% capped at	Repayable in 36 monthly	165.00	

Name of Lender	Purpose	Sanctioned Date	Sanctioned Amount	Securities offered	Rate of Interest p.a.	Re-Payment Schedule	Outstanding amount as on (as per Books)
							31-12-2023
	Capital Term Loan				maximum 9.25% p.a.	installment with tenure of 48 months including moratorium of 24 months	
<b>TOTAL</b>			<b>1,712.00</b>	-	-		<b>1,410.33</b>

**Details of Unsecured Borrowings:**

(₹ in Lakhs)

Name of Lender	Purpose	Securities offered	Rate of Interest	Repayment Schedule	Outstanding amount as on (as per Books)
					31-12-2023
Dayashankar Krishna Shetty	Working Capital	NIL	NIL	On demand	281.90
Pratibha Dayashankar Shetty	Working Capital	NIL	NIL	On demand	277.24
Prajna Shravan Shetty	Working Capital	NIL	NIL	On demand	372.32
<b>Total</b>					<b>931.47</b>

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion and analysis of our financial condition and results of operations for the period ended December 31, 2023 and financial years ended on 2023, 2022 and 2021 is based on, and should be read in conjunction with, our Restated Financial Statements, including the schedules, notes and significant accounting policies thereto, included in the chapter titled "Restated Financial Statements" beginning on page 200 of this Red Herring Prospectus. Our Restated Financial Statements have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note.*

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in this Red Herring Prospectus. You should also read the section titled "Risk Factors" beginning on page 28 of this Red Herring Prospectus, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.*

*In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Refractory Shapes Limited (formerly known as Refractory Shapes Private Limited), our Company. Unless otherwise indicated, financial information included herein are based on our "Restated Financial Statements" for the period ended December 31, 2023 and financial years ended on 2023, 2022 and 2021 included in this Red Herring Prospectus beginning on page 200 of this Red Herring Prospectus.*

*Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward Looking Statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.*

### Overview

Refractory Shapes Limited ("Company" or "Refractory Shapes") is primarily engaged in the manufacturing of different types of Bricks, Castables, High Alumina Catalyst and Ceramic Balls which includes Pre Cast & Pre Fired Blocks ("PCPF"), Burner Blocks, Special shaped Refractory bricks, Dense & Insulating Castables & Mortars. Our Company was established in the year 1973 as a Proprietary Firm named as M/s. Refractory Shapes which was then converted into a Private Limited Company vide Certificate of Incorporation dated January 08, 1996, whose main object was to take over the running Business of M/s. Refractory Shapes, Further the Business was then taken over by Mr. Dayashankar Krishna Shetty and Ms. Pratibha Dayashankar Shetty vide a Deed of Assignment dated June 19, 1996.

On conversion of a Proprietary Firm into the Company, Mr. Dayashankar Krishna Shetty, one of the Promoters and Executive Director of our Company, introduced various new products which included Special Shaped and Custom-made Refractory shapes. Our Company is currently promoted by Mr. Dayashankar Krishna Shetty, Ms. Pratibha Dayashankar Shetty, Ms. Prajna Shravan Shetty and Mr. Suraj Sadanand Shetty. Our Promoters manage and control the major affairs of our Business Operations with their considerable experience in our Industry. For more details, please see the chapter titled, "Our Management" and "Our Promoter and Promoter Group" on page 172 and 191 of this Red Herring Prospectus.

Our Company started developing and supplying products to Refineries and Steel Industries since its inception in 1973. In the year 2007 and 2011, Our Company had for the first time become an approved vendor with Engineer India Limited ("The EIL") and also got enlisted with EIL for "High Alumina Refractory Bricks", Our Company is the Original Equipment Manufacturer in many projects executed by EIL, which increased the opportunities of our Company in many green field projects, these EIL enlistment is re-validated every 3 years.

The tailored made products shaped by the Company finds its application in a diverse range of Industries, including Steel, Refineries, Fertilizers, Petrochemicals, Glass, Cement etc. The company's refractories are engineered to endure the harsh conditions of these industries, contributing to enhanced operational efficiency and extended equipment life. The tailored made finished goods provide diversity in the products being manufactured by our Company wherein modern manufacturing equipment are installed for scaling the manufacturing.

In addition to the manufacturing activity being carried out by the Company, Refractory Shapes is often involved in receiving orders for those items from clients which are not a part of Company's operations in manufacturing activities. These items include Metallic Anchors which are used as support for installing refractory castables for which Raw Materials such as tabular alumina, low alumina bricks and insulation bricks, etc are required, For such orders, our company procures these

items from their approved vendors and sells to the clients, hence, our Company is also involved in trading of the aforesaid products.

For the period ended December 31, 2023, our Company's Total Income and Restated Profit after tax were Rs.2,999.04 Lakhs and Rs. 307.94 Lakhs. For the year ended March 31, 2023, our Company's Total Income and Restated Profit after tax were Rs.3872.23 Lakhs and Rs.191.74 Lakhs, compared to our Company's Total Income and Restated Profit after tax were Rs.2621.67 Lakhs and Rs.287.04 Lakhs respectively, over previous year ended i.e. March 31, 2022. For the year ended March 31, 2021, our Company's Total Income and Restated Profit after tax were Rs. 2179.67 Lakhs and Rs. 156.39 Lakhs respectively.

#### Key Performance Indicators of our Company.

Key Financial Performance	(₹ in lakhs)			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations <sup>(1)</sup>	2,942.15	3,796.92	2,550.32	2,088.90
EBITDA <sup>(2)</sup>	608.53	387.72	361.37	234.49
EBITDA Margin <sup>(3)</sup>	20.68%	10.21%	14.17%	11.23%
PAT	307.94	191.74	287.04	156.39
PAT Margin <sup>(4)</sup>	10.47%	5.05%	11.26%	7.49%

#### Notes:

- (1) Revenue from operation means revenue from sales.
- (2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses – Other Income - Profit from Associate
- (3) EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
- (4) PAT Margin is calculated as PAT for the period/year divided by revenue from operations

#### Explanation for KPI metrics

Key Financial Performance	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our Business
PAT	Profit after tax provides information regarding the overall profitability of the business
PAT Margin	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.

#### Operational KPI's of the Company:

Key Financial Performance	(₹ in lakhs)			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue split between domestic and exports				
Domestic Market (in Lakhs)	2,942.15	3796.92	2550.32	2088.90
Export Market (in Lakhs)	-	-	-	-
Domestic Market (%)	100%	100%	100%	100%
Export Market (%)	-	-	-	-

#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to the chapter titled “*Restated Financial Statements*” beginning on page 200 of this Red Herring Prospectus.

#### Factors Affecting our Results of Operations

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” beginning on page 28 of this Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

1. Disruption in our manufacturing process.
2. Our ability to successfully implement our strategy, our growth and expansion, technological changes.
3. Fail to attract, retain and manage the transition of our management team and other skilled & unskilled employees;
4. Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
5. Ability to respond to technological changes;
6. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
7. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
8. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
9. Recession in the market;
10. Changes in laws and regulations relating to the industries in which we operate;
11. Effect of lack of infrastructure facilities on our business;
12. Our ability to meet our capital expenditure requirements;
13. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
14. Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
15. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
16. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
17. Conflicts of interest with affiliated companies, the promoter group and other related parties;
18. The performance of the financial markets in India and globally;
19. Any adverse outcome in the legal proceedings in which we are involved;
20. Our ability to expand our geographical area of operation;
21. Concentration of ownership among our Promoters.

## RESULTS OF OUR OPERATION

(₹ in lakhs)

Particulars	For the Period ended December 31, 2023	% of Total Revenue	For The Year Ended 31st March					
			2023	% of Total Revenue	2022	% of Total Revenue	2021	% of Total Revenue
<b>Revenue:</b>								
Revenue from Operations	2,942.15	98.10 %	3796 .92	98.06 %	2550 .32	97.28 %	2088 .9	95.84 %
Other income	56.89	1.90 %	75.3 1	1.94 %	71.3 5	2.72 %	90.7 7	4.16 %
<b>Total revenue</b>	<b>2,999.04</b>	<b>100 %</b>	<b>3872 .23</b>	<b>100.0 0%</b>	<b>2621 .67</b>	<b>100.0 0%</b>	<b>2179 .67</b>	<b>100.0 0%</b>
<b>Expenses:</b>								
Cost of Material Consumed	1,903.24	63.46 %	2214 .36	57.19 %	1028 .92	39.25 %	925. 36	42.45 %
Purchase of Stock in Trade	240.44	8.02 %	580. 93	15.00 %	471. 39	17.98 %	272. 34	12.49 %
Change in inventory of Stock in Trade	(626.98)	(0.21 02) %	(174. 02)	(4.49 %)	(38. 53)	(1.47 %)	141. 29	6.48 %
Employee Benefits Expenses	239.51	7.99 %	360. 77	9.32 %	302. 09	11.52 %	295. 97	13.58 %
Finance costs	115.81	3.86 %	108. 35	2.80 %	59.7	2.28 %	74.7 9	3.43 %
Depreciation and Amortization	148.61	4.96 %	105. 93	2.74 %	34.9 9	1.33 %	38.6 8	1.77 %
Other expenses	577.40	19.25 %	427. 17	11.03 %	425. 07	16.21 %	219. 46	10.07 %

<b>Total Expenses</b>	<b>2,598.03</b>	<b>86.63 %</b>	<b>3623 .49</b>	<b>93.58 %</b>	<b>2283 .63</b>	<b>87.11 %</b>	<b>1967 .89</b>	<b>90.28 %</b>
<b>Profit/ (Loss) before Share of Profit/ (Loss) from Associate</b>	<b>401.00</b>	<b>13.37 %</b>	<b>248. 75</b>	<b>6.42 %</b>	<b>338. 03</b>	<b>12.89 %</b>	<b>211. 79</b>	<b>9.72 %</b>
Share of Profit/ (Loss) of Associate	-	-	10.4 3	0.27 %	31.9 1	1.22 %	-	-
<b>Profit before exceptional and extraordinary items and tax</b>	<b>401.00</b>	<b>13.37 %</b>	<b>259. 18</b>	<b>6.69 %</b>	<b>369. 94</b>	<b>14.11 %</b>	<b>211. 79</b>	<b>9.72 %</b>
Exceptional Items	-	-	-	-	-	-	-	-
<b>Profit before extraordinary items and tax</b>	<b>401.00</b>	<b>13.37 %</b>	<b>259. 18</b>	<b>6.69 %</b>	<b>369. 94</b>	<b>14.11 %</b>	<b>211. 79</b>	<b>9.72 %</b>
Extraordinary items	-	-	-	-	-	-	-	-
<b>Profit before tax</b>	<b>401.00</b>	<b>13.37 %</b>	<b>259. 18</b>	<b>6.69 %</b>	<b>369. 94</b>	<b>14.11 %</b>	<b>211. 79</b>	<b>9.72 %</b>
<b>Tax expense:</b>								
Current tax	96.44	3.22 %	43.7 6	1.13 %	83.4 8	3.18 %	52.2 2	2.40 %
Earlier year Tax	-	-	7.57	0.20 %	-	-	3.97	0.18 %
Deferred Tax	(3.38)	(0.11 )%	16.1 1	0.42 %	(0.5 8)	(0.02 %)	(0.7 9)	(0.04 %)
<b>Net Total Tax Expenses</b>	<b>93.06</b>	<b>3.10 %</b>	<b>67.4 4</b>	<b>1.74 %</b>	<b>82.9</b>	<b>3.16 %</b>	<b>55.4</b>	<b>2.54 %</b>
<b>Profit / (Loss) for the period from continuing operations</b>	<b>307.94</b>	<b>10.27 %</b>	<b>191. 74</b>	<b>4.95 %</b>	<b>287. 04</b>	<b>10.95 %</b>	<b>156. 39</b>	<b>7.17 %</b>

## Review of Restated Financials,

### Key Components of Company's Profit and Loss Statement

**Revenue from operations:** Revenue from operations mainly consists from Sales of products.

**Other Income:** Other Income Consist of Interest Income, Discount Received & Other Misc. Incomes etc.

**Expenses:** Company's expenses consist of, Cost of Material Consumed, Changes in Inventories of Finished Goods WIP & Stock in Trade, Depreciation Expenses, Employee Benefit Expenses, Finance Cost & Other Expenses.

**Cost of Material Consumed:** Cost of Material Consumed consist of Opening Stock, Purchase of Raw Material, Direct Expenses & Closing Stock.

**Purchase of Stock in Trade:** Purchase of Stock in Trade consist of purchase of trading goods.

**Change in inventory of Stock in Trade:** Change in inventory of Stock in Trade consist of difference between opening & closing Value of Stock.

**Employee Benefits Expense:** Employee benefit expenses includes Salaries and Wages, Directors Remuneration & Contribution to Statutory Funds, Gratuity Expenses etc.

**Finance Cost:** Finance Cost includes Interest paid on borrowings & Bank Charges.

**Depreciation and Amortization Expense:** We recognize Depreciation and Amortization expense on a SLM Basis as per the rates set forth in the Companies Act, 2013/ Companies Act, 1956, as applicable.

**Other Expenses:** Other expenses include Rent, Repair & Maintenance. Commission Expenses, Travelling & Conveyance etc.

## **Review of Operations for the period ended on December 31, 2023:**

### ***Revenue from Operation***

Revenue from operations for the period ended on December 31, 2023 amounting to ₹ 2,942.15 lakhs represents 98.10% of Total Revenue.

### ***Other Income***

Other Income consisting of Interest Income, Rent Income & Misc. Income amounting to ₹ 56.89 Lakhs represents 1.90% of Total Revenue.

### ***Cost of Material Consumed***

*Cost of Material Consumed* for the period ended on December 31, 2023 amounting to ₹ 1,903.24 lakhs represents 63.46% of Total Revenue.

### ***Purchase of Stock in Trade***

Purchase of Stock in Trade for the period ended on December 31, 2023 amounting to ₹ 240.44 lakhs represents 8.02% of Total Revenue.

### ***Change in inventory of Stock in Trade***

Change in inventory of Stock in Trade amounting to ₹ (626.98) Lakhs represents (20.91) % of Total Revenue.

### ***Employee Benefit Cost***

Employee benefit expenses includes Salaries and Wages, Managerial Remuneration, Contribution to provident and other funds & Staff welfare expenses amounting to ₹ 239.51 Lakhs represents 7.99% of Total Revenue.

### ***Finance Cost***

Finance Cost includes Bank Charges, Interest on Borrowings & Delayed Payment of Statutory Dues amounting to ₹ 115.81 Lakhs represents 3.86% of Total Revenue.

### ***Depreciation and Amortization***

Depreciation is charged on WDV method amounting to ₹ 148.61 Lakhs represents 4.96% of Total Revenue

### ***Other Expenses***

Other expenses include Power and Fuel expenses, Carriage Outward, Travelling and conveyance, Legal and professional fees, vehicle expenses and hire charges etc. amounting to ₹ 577.40 Lakhs represents 19.25% of Total Revenue.

### ***Share of Profit/(Loss) from the Associate***

The Share of Profit/(Loss) from the Associate for the period ended on December 31, 2023 is not included as the Financial Statements of the Associate are not audited for the period ended December 31, 2023.

### ***Profit Before Tax***

The Profit before tax for the period ended on December 31, 2023 was ₹ 401.00 Lakhs representing 13.37% of Total Revenue.

### ***Tax Expenses***

Tax Expenses consisting of Current Tax & Deferred Tax for the period ended on December 31, 2023 was ₹ 96.44 Lakhs and ₹ (3.38) Lakhs respectively, representing 3.22% and (0.11) % respectively of Total Revenue.

### ***Profit After Tax***

The Profit after tax for the period ended on December 31, 2023 was ₹ 307.94 Lakhs representing 10.27% of Total Revenue.

### **Fiscal 2023 compared with Fiscal 2022**

#### ***Revenue from Operation***

Revenue from operations had increased by 48.88% from ₹ 2550.32 lakhs in Fiscal 2022 to ₹ 3796.92 lakhs in Fiscal 2023. This increase was due to increase in sales of products during the year. Since in the year 2023 company has increased its business promotion and marketing operations due to which the order book of the company has increased & in result the revenue of the company has also increased in year 2023 as compared to the fiscal year 2022.

#### ***Other Income***

Other income had increased from ₹ 71.35 lakhs in Fiscal 2022 to ₹ 75.31 lakhs in Fiscal 2023 due to increase in Rent Income and Miscellaneous Income received. The company's interest income in the year 2022 was ₹ 32.03 Lakhs which increased in the year 2023 to ₹ 22.88 Lakhs. Further in the year 2022 the company has received Miscellaneous Income (income on sale of vehicle, accounts written off etc) amounting to ₹ 2.50 Lakhs which got increased to ₹ 15.92 Lakhs in the year 2023.

#### ***Cost of Material Consumed***

Cost of Material Consumed had increased by 115.21% from ₹ 1028.91 lakhs in Fiscal 2022 to ₹ 2214.35 lakhs in Fiscal 2023. This increase was due to increase in sales during the year.

#### ***Purchase of Stock in Trade***

Purchase of Stock in Trade had increased by 23.24% from ₹ 471.39 lakhs in Fiscal 2022 to ₹ 580.93 lakhs in Fiscal 2023. This increase was due to increase in sales of trading products during the year.

#### ***Change in inventory of Stock in trade***

Change in inventory of Stock in trade had increased by 351.65% from ₹ (38.53) lakhs in Fiscal 2022 to ₹ (174.02) lakhs in Fiscal 2023. This increase was primarily due to higher closing inventories during the year. In the year 2023 we have higher order book which will scheduled to be delivered after March 31, 2023. Since delivery was due after March 31, 2023, our closing Inventories of Finished goods & Semi Finished goods got increased & due to this our changes in Inventories of Finished goods, Semi Finished Goods & Stock in Trade got increased.

#### ***Employee Benefit Expenses***

Employee benefit expenses had increased by 19.42% from ₹ 302.09 lakhs in Fiscal 2022 to ₹ 360.77 lakhs in Fiscal 2023. This increase was primarily due to increase in salary & wages from ₹ 211.80 Lakhs in year 2022 to ₹ 233.51 Lakhs in year 2023, increase in Managerial Remuneration from ₹ 72.00 Lakhs in year 2022 to ₹ 91.00 Lakhs in year 2023 & increase in the staff welfare expenses from ₹ 11.67 lakhs in year 2022 to ₹ 30.23 Lakhs in year 2023.

#### ***Finance Cost***

Finance Cost had increased by 81.49% from ₹ 59.70 lakhs in Fiscal 2022 to ₹ 108.35 lakhs in Fiscal 2023. This increase was primarily due to increase in Interest on borrowings during the year.

#### ***Depreciation and Amortization Expenses***

Depreciation had increased by 202.74% from ₹ 34.99 lakhs in Fiscal 2022 to ₹ 105.93 lakhs in Fiscal 2023. Since in the year 2023 company has made capex of ₹ 708.30 Lakhs, due to which Depreciation has been increased significantly.

#### ***Other Expenses***

Other expenses had increased by 0.49% from ₹ 425.07 lakhs in Fiscal 2022 to ₹ 427.17 lakhs in Fiscal 2023. The increase was primarily due to increase in Power and Fuel, Rent, Carriage Outward, Travelling and conveyance, Legal and Professional fees, Late Delivery Charges etc. In the year 2023, company has to incur additional power and fuel expenses due to increase in level of operation which got increased from ₹ 16.96 Lakhs to ₹ 52.76 lakhs in the year 2023. Furthermore, Carriage Outward has increased from ₹ 61.61 lakhs in the year 2022 to ₹ 116.93 lakhs in the year 2023, Legal and professional fees have increased from ₹ 23.39 Lakhs in the year 2022 to ₹ 32.28 Lakhs in the year 2023.

### ***Share of Profit/ (Loss) from Associate***

The Share of Profit/ (Loss) from Associate was ₹ 10.43 lakhs in the Fiscal 2023.

### ***Tax Expenses***

The Company's tax expenses had decreased by ₹ 15.46 lakhs from ₹ 82.90 lakhs in the Fiscal 2022 to ₹ 67.44 lakhs in Fiscal 2023. This was primarily due to decrease in current tax expenses during the year which got decreased from ₹ 83.48 Lakhs in the year 2022 to ₹ 43.76 lakhs in the year 2023 & increase in Deferred Tax Expenses from ₹ (0.58) Lakhs in the year 2022 to ₹ 16.11 lakhs in the year 2023.

### ***Profit after Tax***

We had invested approximately 20 crores for setting up Gujarat Plant (Unit I) which was commissioned in July 2022. Hence, in the Financial Year ("FY") 2023, we capitalized the plant and machinery due to which there was a decrease in the PAT for FY 2023 as compared to increase in PAT for the year FY 2022. We would like to reiterate that since the year 1996, our company has always been a profitable organization.

### ***Fiscal 2022 compared with Fiscal 2021***

#### ***Revenue from Operation***

Revenue from operations had increased by 22.09% from ₹ 2088.90 lakhs in Fiscal 2021 to ₹ 2550.32 lakhs in Fiscal 2022. This increase was due to increase in sales of products during the year. Since in the year 2022 company has increased its business promotion and marketing operations due to which the order book of the company has increased & in result the revenue of the company has also increased in year 2022 as compared to the fiscal year 2021.

#### ***Other Income***

Other income had decreased by 21.39% from ₹ 90.77 lakhs in Fiscal 2021 to ₹ 71.35 lakhs in Fiscal 2022 due to decrease in receipt of Interest Income from ₹ 50.91 Lakhs in Fiscal 2021 to ₹ 32.03 Lakhs in Fiscal 2022.

#### ***Cost of Material Consumed***

Cost of Material Consumed had increased by 11.19% from ₹ 925.36 Lakhs in the Fiscal 2021 to ₹ 1028.92 Lakhs in Fiscal 2022. This was due to increase in level of operation by company during the year 2022.

#### ***Purchase of Stock in Trade***

Purchase of Stock in Trade had increased by 73.09% from ₹ 272.34 lakhs in Fiscal 2021 to ₹ 471.39 lakhs in Fiscal 2022. This was primarily due to increase in level of operation of company.

#### ***Changes in Inventories of Stock in trade***

Changes in Inventories of Stock in Trade had increased by 127.27% from ₹ 272.34 lakhs in Fiscal 2021 to ₹ (38.53) lakhs in Fiscal 2022. This increase was primarily due to higher closing inventories during the year. This increase was primarily due to higher closing inventories during the year. In the year 2022 we have higher order book which will be delivered after March 31, 2022. Since delivery was due after March 31, 2022, our closing Inventories of Finished goods got increased & due to this our changes in Inventories of Finished goods, Semi Finished Goods & Stock in Trade got increased.

#### ***Employee Benefit Expenses***

Employee benefit expenses had increased by 2.07% from ₹ 295.97 lakhs in Fiscal 2021 to ₹ 302.09 lakhs in Fiscal 2022. This increase was primarily due to increase in salary & wages from ₹ 182.74 Lakhs in year 2021 to ₹ 211.80 Lakhs in year 2022.

#### ***Finance Cost***

Finance Cost had decreased by 20.18% from ₹ 74.79 lakhs in Fiscal 2021 to ₹ 59.70 lakhs in Fiscal 2022. This decrease was primarily due to decrease in interest on borrowings from ₹ 60.72 lakhs in Fiscal 2021 to ₹ 33.68 Lakhs in Fiscal 2022.

#### ***Depreciation and Amortization Expenses***

Depreciation had decreased by 9.54% from ₹ 38.68 lakhs in Fiscal 2021 to ₹ 34.99 lakhs in Fiscal 2022.

#### ***Other Expenses***

Other expenses had increased by 93.69% from ₹ 219.46 lakhs in Fiscal 2021 to ₹ 425.07 lakhs in Fiscal 2022. The increase was primarily due to increase in Power and fuel, Repair and Maintenance, Business Promotion Expenses, Carriage Outward, Travelling and conveyance, Printing charges etc. Further Repair and maintenance expenses has increased from ₹ 25.90 Lakhs in Fiscal 2021 to ₹ 84.50 lakhs, Printing Charges from ₹ 0.41 lakhs in Fiscal 2021 to ₹ 2.22 lakhs, Carriage Outward from ₹ 49.77 Lakhs in Fiscal 2021 to ₹ 61.61 Lakhs in Fiscal 2022, Travelling and conveyance from ₹ 30.45 Lakhs in Fiscal 2021 to ₹ 44.40 Lakhs in Fiscal 2022, Donation from ₹ 0.25 Lakhs in Fiscal 2021 to ₹ 10.08 Lakhs in Fiscal 2022 and Legal and Professional fees from ₹ 12.67 Lakhs in Fiscal 2021 to ₹ 23.39 Lakhs in Fiscal 2022.

#### ***Share in Profit/ (Loss) of Associate***

The Share in Profit/ (Loss) of Associate for Fiscal 2022 is 31.91

#### ***Tax Expenses***

The Company's tax expenses had increased by ₹ 27.50 lakhs from ₹ 55.40 lakhs in the Fiscal 2021 to ₹ 82.90 lakhs in Fiscal 2022. This was primarily due to increase in Current Tax Expenses from ₹ 52.22 Lakhs in Fiscal 2021 to ₹ 83.48 Lakhs in Fiscal 2022. The Current Tax Expenses has been increased due to higher profit during the year.

#### ***Profit after Tax***

After accounting for taxes at applicable rates, our Company reported a net profit of ₹ 287.04 lakhs in Fiscal 2022 as compared to a net profit of ₹ 156.39 lakhs in Fiscal 2021. The company has made higher profit after tax in the fiscal 2022 due to higher revenue from operations during the year.

#### ***Cash Flows***

<b>Particulars</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>	<b>(₹ in lakhs)</b>
Net Cash from Operating Activities	(210.64)	170.15	757.03	517.77	
Net Cash from Investing Activities	(113.48)	(676.11)	(1,181.06)	35.16	
Net Cash from Financing Activities	176.96	342.85	274.24	(536.07)	

#### ***Cash Flows from Operating Activities***

Net cash from operating activities for period ended December 2023 was at ₹ (210.64) lakhs as compared to the Profit Before Tax at ₹ 401.00 lakhs. This was primarily due to adjustments against, changes in Working Capital & Income Tax Paid.

Net cash from operating activities for fiscal 2023 was at ₹ 170.15 lakhs as compared to the Profit Before Tax at ₹ 248.75 lakhs while for fiscal 2022 net cash from operating activities was at ₹ 757.03 lakhs as compared to the Profit Before Tax at ₹ 338.03 Lakhs. This was primarily due to adjustments against, changes in Working Capital & Income Tax Paid.

Net cash from operating activities for fiscal 2022 was at ₹ 757.03 lakhs as compared to the Profit Before Tax at ₹ 338.03 lakhs while for fiscal 2021 net cash from operating activities was at ₹ 517.77 lakhs as compared to the Profit Before Tax at ₹ 211.79 Lakhs. This was primarily due to adjustments against, changes in Working Capital & Income Tax Paid.

#### ***Cash Flows from Investment Activities***

For the period ended December 2023, the net cash invested in Investing Activities was ₹ (113.48) lakhs. This was mainly on account of Purchases of Fixed Assets.

In fiscal 2023, the net cash invested in Investing Activities was ₹ (676.11) lakhs. This was mainly on account of Purchases of Fixed Assets.

In fiscal 2022, the net cash invested in Investing Activities was ₹ (1181.06) lakhs. This was mainly on account of Purchases of Fixed Assets.

In fiscal 2021, the net cash invested in Investing Activities was ₹ 35.16 lakhs. This was mainly on account of Purchases of Fixed Assets.

#### ***Cash Flows from Financing Activities***

For the period ended December 2023, the net cash from financing activities was ₹ 176.96 lakhs. This was on account of proceeds from Long Term & Short-Term Borrowings.

In fiscal 2023, the net cash from financing activities was ₹ 342.85 lakhs. This was on account of proceeds from Long Term & Short-Term Borrowings.

In fiscal 2022, the net cash from financing activities was ₹ 274.24 lakhs. This was on account of proceeds from Long Term & Short-Term Borrowings.

In fiscal 2021, the net cash from financing activities was ₹ (536.07) lakhs. This was on account of proceeds from Long Term & Short-Term Borrowings.

#### **Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:**

**An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:**

##### ***1. Unusual or infrequent events or transactions***

There has not been any unusual trend on account of our business activity. There are no Unusual or infrequent events or transactions in our Company. The transactions are as per usual business operations.

##### ***2. Significant economic changes that materially affected or are likely to affect income from continuing operations.***

Except for any change in economic policy affecting our industry in India, there are no other significant economic changes that may materially affect or likely to affect income from continuing operations.

##### ***3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.***

Apart from the risks as disclosed under Section “Risk Factors” beginning on page 28 in the Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

##### ***4. Future changes in relationship between costs and revenues***

Our Company’s future costs and revenues will be determined by growth of industry in which we operate.

##### ***5. Increases in net sales or revenue and Introduction of new products or increased sales prices***

Increases in revenues are by and large linked to increases in volume of our business.

##### ***6. Status of any publicly announced New Products or Business Segment***

Our Company has not announced any new Product.

##### ***7. Seasonality of business***

Our Company’s business is not seasonal.

##### ***8. Dependence on few customers/ clients***

The percentage of contribution of our Company’s Top Customers/Clients is as follows:

(Figures in percentages)				
<b>Particulars</b>	<b>December 31, 2023</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Top Ten Customers (% of revenue from operations)	85.25%	56.35%	60.59%	54.95%

#### **9. Competitive conditions**

Competitive conditions are as described under the Chapters titled “*Industry Overview*” and “*Our Business*” beginning on pages 107 and 124, respectively of the Red Herring Prospectus.

#### **10. Details of material developments after the date of last balance sheet i.e. December 31, 2023**

After the date of last Balance sheet i.e. December 31, 2023, the following material events have occurred after the last audited period.

- a. The Board of our Company has approved to raise funds through Initial Public Offering in the board meeting held on March 23, 2024.
- b. The members of our Company approved proposal of Board of Directors to raise funds through initial public offering in the EOGM held on March 23, 2024.

## SECTION VIII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except as stated below there is no (i) pending criminal litigation involving our Company, Directors, Promoter or Group Companies; (ii) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoter or Group Companies; (iii) outstanding claims involving our Company, Directors, Promoter or Group Companies for any direct and indirect tax liabilities; (iv) outstanding proceedings initiated against our Company for economic offences; (v) defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five years immediately preceding the year of this Red Herring Prospectus; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or any previous companies law against our Company during the last five years immediately preceding the year of this Red Herring Prospectus and if there were prosecutions filed (whether pending or not); (viii) fines imposed or compounding of offences for our Company in the last five years immediately preceding the year of this Red Herring Prospectus; (ix) litigation or legal action against our Promoter by any ministry or Government department or statutory authority during the last five years immediately preceding the year of this Red Herring Prospectus; (x) pending litigations involving our Company, Directors, Promoter, Group Companies or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI (ICDR) Regulations and dues to small scale undertakings and other creditors.*

*For the purpose of material litigation in (x) above, our Board has considered and adopted the following policy on February 03, 2024, materiality with regard to outstanding litigations to be disclosed by our Company in this Red Herring Prospectus:*

- a) All criminal proceedings, statutory or regulatory actions and taxation matters, involving our Company, Promoter, Directors, or Group Companies, as the case may be shall be deemed to be material;*
- b) All pending litigation involving our Company, Promoter, Directors, or Group Companies as the case may be, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' (a) the monetary amount of claim by or against the entity or person in any such pending matter(s) exceeds 5% of revenue of the Company for the most recent audited fiscal period whichever is lower; or (b) where the monetary liability is not quantifiable, each such case involving our Company, Promoter, Directors, or Group Companies, whose outcome would have a bearing on the business operations, prospects or reputation of our Company and as required under the SEBI Regulations have been disclosed on our website at [www.refshape.com](http://www.refshape.com)*
- c) Notices received by our Company, Promoter, Directors, or Group Companies, as the case may be, from third parties (excluding statutory/regulatory authorities or notices threatening criminal action) shall, in any event, not be evaluated for materiality until such time that the Company / Directors / Promoter / Group Companies, as the case may be, are impleaded as parties in proceedings before any judicial forum.*

*Our Company, our Promoter and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoter or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.*

### OUTSTANDING TAXATION MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTER AND SUBSIDIARIES

#### PART 1: LITIGATION RELATING TO OUR COMPANY

##### **A. FILED AGAINST OUR COMPANY**

###### **1) Litigation involving Criminal Laws**

**NIL**

###### **2) Litigation Involving Actions by Statutory/Regulatory Authorities**

**NIL**

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

**Indirect Tax:** NIL

**Direct Tax:**

**1. Pending Demand of TDS:**

As per details available on the TRACES an aggregate outstanding amount of Rs. 4,29,163/- is determined to be paid from Previous years till 2023-24 against M/s. REFRACRY SHAPES PRIVATE LIMITED (hereinafter referred to as the “Assessee”) as default on account of short payment and short deduction of TDS and late filing fees u/s 234E Interest u/s 220 and 221 of Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

**2. A.Y. 2018-19:**

As per details available on the website of the Income Tax Department the return of M/s. Refractory Shapes Private Limited (hereinafter referred to as the “Assessee”) for A.Y. 2018-19 had been scrutinized under E-assessment Scheme, 2019 on the ground of excess contribution to PF/Superannuation fund / Gratuity fund and accordingly an amount of Rs. 3,94,210/- had been determined to be paid by the assessee u/s. 143(3) read with sections 143(3A) & 143(3B) of the Income-tax Act, vide assessment order bearing no. **ITBA/AST/S/143(3)/2020-21/1029134224(1)** dated December 22, 2020 and demand in respect of same had been raised vide demand reference no. 2020201837023408680C passed u/s. 143(1) of the Income Tax Act, 1961, raising a demand of Rs. 3,94,210/- and the same has been disputed by the assessee and is pending.

**3. A.Y. 2005-06:**

As per details available on the website of the Income Tax Department M/s. Refractory Shapes Private Limited (hereinafter referred to as the “Assessee”) have been issued with a demand notice bearing no. 2009200551007389493C dated March 23, 2007 passed u/s. 143(1) of the Income Tax Act, 1961, raising a demand of Rs. 5,58,353/- for A.Y. 2005-06 and the same has been disputed by the assessee and is pending.

**4. A.Y. 2004-05:**

As per details available on the website of the Income Tax Department M/s. Refractory Shapes Private Limited (hereinafter referred to as the “Assessee”) have been issued with a demand notice bearing no. 2009200451007389360C dated March 21, 2006 passed u/s. 143(1) of the Income Tax Act, 1961, raising a demand of Rs. 3,69,132/- for A.Y. 2004-05 and the same has been disputed by the assessee.

However as per details available on the website, the aforementioned demand have been adjusted and an interest of Rs. 1,19,619/- is pending to be paid by the assessee.

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**B. CASES FILED BY OUR COMPANY**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

**Indirect Tax:** NIL

**Direct Tax:** NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**PART 2: LITIGATION RELATING TO OUR DIRECTORS AND PROMOTER OF THE COMPANY**

**A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTER**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

**Indirect Tax:** NIL

**Direct Tax:**

**Ms. Pratibha Dayashankar Shetty (Promoter):**

**1. A.Y. 2014-15:**

As per details available on the website of the Income Tax Department Ms. Pratibha Dayashanker Shetty (hereinafter referred to as the “Assessee”) have been issued with a demand notice bearing no. 2016201437016757411T dated June 08, 2016 passed u/s. 143(1) of the Income Tax Act, 1961, raising a demand of Rs. 45,640/- for A.Y. 2014-15 and the same has been disputed by the assessee and is pending.

**2. A.Y. 2013-14:**

As per details available on the website of the Income Tax Department Ms. Pratibha Dayashanker Shetty (hereinafter referred to as the “Assessee”) have been issued with a demand notice bearing no. 2014201337019672462T dated July 30, 2013 passed u/s. 143(1)(a) of the Income Tax Act, 1961, raising a demand of Rs. 19,650/- for A.Y. 2013-14 and the same has been disputed by the assessee and is pending.

**3. A.Y. 2009-10:**

As per details available on the website of the Income Tax Department Ms. Pratibha Dayashanker Shetty (hereinafter referred to as the “Assessee”) have been issued with a demand notice bearing no. 2010200910040896191T dated November 08, 2010 passed u/s. 143(1) of the Income Tax Act, 1961, raising a demand of Rs. 1,30,270/- for A.Y. 2009-10 and the same has been disputed by the assessee and is pending.

**4. A.Y. 2008-09:**

As per details available on the website of the Income Tax Department Ms. Pratibha Dayashanker Shetty (hereinafter referred to as the “Assessee”) have been issued with a demand notice bearing no. 2010200810042191743T dated October 19, 2010 passed u/s. 143(1)(a) of the Income Tax Act, 1961, raising a demand of Rs. 2,38,330/- for A.Y. 2008-09 and the same has been disputed by the assessee and is pending.

**5. A.Y. 2001-02:**

As per details available on the website of the Income Tax Department Ms. Pratibha Dayashanker Shetty (hereinafter referred to as the “Assessee”) have been issued with a demand notice bearing no. 2010200151078641023T dated October 27, 2002 passed u/s. 143(1)(a) of the Income Tax Act, 1961, raising a demand of Rs. 25,240/- for A.Y. 2001-02 and the same has been disputed by the assessee and is pending.

**Ms. Prajna Shetty (Promoter cum Managing Director)****1. A.Y. 2013-14:**

As per details available on the website of the Income Tax Department Ms. PRAJNA SHRAVAN SHETTY (hereinafter referred to as the “Assessee”) have been issued with a demand notice bearing no. 2014201337062250380T dated February 10, 2015 passed u/s. 143(1)(a) of the Income Tax Act, 1961, raising a demand of Rs. 18,290/- for A.Y. 2013-14 in addition to an interest of Rs. 13,104/- and the same has been disputed by the assessee and is pending.

**2. A.Y. 2012-13:**

As per details available on the website of the Income Tax Department Ms. PRAJNA SHRAVAN SHETTY (hereinafter referred to as the “Assessee”) have been issued with a demand notice bearing no. 2013201237043288976T dated December 30, 2013 passed u/s. 143(1)(a) of the Income Tax Act, 1961, raising a demand of Rs. 30,690/- for A.Y. 2012-13 in addition to an interest of Rs. 26,010/- and the same has been disputed by the assessee and is pending.

**Mr. Siddharth Kumar (Independent Director)****1. A.Y. 2020-21:**

As per details available on the website of the Income Tax Department Mr. SIDDHARTH KUMAR (hereinafter referred to as the “Assessee”) have been issued with a demand notice bearing no. 2021202037026169756T dated November 30, 2021 passed u/s. 143(1)(a) of the Income Tax Act, 1961, raising a demand of Rs. 48,980/- for A.Y. 2020-21 and the same has been disputed by the assessee.

However as per details available on the website, an amount of Rs. 34,040/- in addition to interest of Rs. 15,476/- is pending to be paid.

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**B. LITIGATION FILED BY OUR DIRECTORS AND PROMOTER****1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

Indirect Tax: NIL  
Direct Tax: NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**PART 3: LITIGATION RELATING TO OUR SUBSIDIARIES AND/OR GROUP COMPANIES**

**A. LITIGATION AGAINST OUR SUBSIDIARIES AND /OR GROUP COMPANIES**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

**Indirect Tax: NIL**

**Direct Tax:**

**Windsor Refractories Limited (Group Company)**

**1. Pending Demand of TDS:**

As per details available on the TRACES an aggregate outstanding amount of Rs. 6,85,387/- is determined to be paid from Previous years till 2023-24 against M/s. Windsor Refractories Limited (hereinafter referred to as the “Assessee”) as default on account of short payment and short deduction of TDS and late filing fees u/s 234E Interest u/s 220 and 221 of Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

**2. A.Y2022-23:**

As per details available on the website of the Income Tax Department M/s. Windsor Refractories Limited (hereinafter referred to as the “Assessee”) have been issued with a demand notice bearing no. 2023202237218880936C dated November 26, 2023 passed u/s. 154 of the Income Tax Act, 1961, raising a demand of Rs. 40,60,100/- for A.Y. 2022-23 and the same has been disputed by the assessee.

However as per details available on the website, an amount of Rs. 40,60,100/- in addition to interest of Rs. 6,49,616/- is pending to be paid.

**3. A.Y. 2012-13:**

As per details available on the website of the Income Tax Department M/s. Windsor Refractories Limited (hereinafter referred to as the “Assessee”) have been issued with a demand notice bearing no. 2014201210011066996C dated February 24, 2015 passed u/s. 143(3) of the Income Tax Act, 1961, raising a demand of Rs. 3,16,686/- for A.Y. 2012-13 and the same has been disputed by the assessee and is pending.

## **Excel Micron Poona Private Limited (Group Company)**

### **1. Pending Demand of TDS:**

As per details available on the TRACES an aggregate outstanding amount of Rs. 8,69,463/- is determined to be paid from Previous years till 2023-24 against M/s. Excel Micron Poona Private Limited (hereinafter referred to as the "Assessee") as default on account of short payment and short deduction of TDS and late filing fees u/s 234E Interest u/s 220 and 221 of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

### **2. A.Y. 2015-16:**

The return of income of M/s. Excel Micron Poona Private Limited filed for the A.Y. 2015-16 had been selected for scrutiny through CASS and scrutiny was completed u/s. 143(3) of the Income Tax Act, 1961, on November 27, 2017. Later upon verification of records certain discrepancies were found in the assessed income owing to unallowable depreciation. Accordingly, the assessee was issued with a notice dated March 20, 2020 u/s. 148 of the Act and later upon after due proceedings and receipt of response from the assessee, the assessee was issued with an assessment order bearing no. **ITBA/AST/S/147/2021-22/1035998412(1)** dated September 29, 2021, passed u/s. 147 r.w.s. 144 r.w.s. 144B of the Act, raising a demand of Rs. 7,47,650/- for A.Y. 2015-16 and the same is pending to be paid.

Aggrieved by the order, the assessee herein filed an appeal u/s. 246A before the Joint Commissioner (Appeals) disputing the demand on the ground the disallowed depreciation on the basis of which the demand in dispute has been raised has already been added to the income of the A.Y. 2019-20. The appeal bearing no. NFAC/2014-15/10072974 dated October 29, 2021 is pending with the concerned authority.

### **5) Other Pending Litigation based on Materiality Policy of our Company**

#### **Ms. Kalpana K. Naik (Complainant) V/s. M/s. Excel Micron (Poona) Pvt. Ltd. (Respondent)**

(Case No. 24/2021 filed under the provisions of Section 28(1) r/w. Item -9 & 10 of Schedule IV of Maharashtra Recognition of Trade Union & Prevention of Unfair Labour Practices Act, 1971 before the Maharashtra Industrial and Labour Court, Pune)

The Complainant herein was an employee of the Respondent from June 01, 2006 till March 04, 2009 and was allegedly terminated from the job vide oral order without service of any written notice and aggrieved by this the complainant herein raised an industrial dispute before the Conciliation Officer under the Industrial Disputes Act. The said dispute was referred to for adjudication to the 4th Labour Court, Pune bearing Ref.(IDA) No. 256/2009 wherein the respondent was directed to re-instate the complainant with continuity of Service & 50% back wages to which the respondent filed the Misc.(IDA) No. 12/2013 before the labour court, for restoration which was rejected by the court vide its order dated July 31, 2017. The Complainant later filed the matter with the Industrial Court Maharashtra, Pune vide Complainant No. 26/2019 CNR No. MHIC-12-000036-2019 wherein the respondent was held guilty and was directed to re-instate the Complainant.

However as per the complainant herein, the respondent has been untraceable since her termination in 2009 and said to have never attended the hearings of the concerned court and hence she could not be re-instated.

As alleged further, again in 2021, some lawyer has reopened the case to which the respondent herein has not replied as the case seems to be fake and the same is pending.

## **B. LITIGATION FILED BY OUR SUBSIDIARIES AND/ OR GROUP COMPANIES**

### **1) Litigation involving Criminal Laws**

NIL

### **2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

### **3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTER, DIRECTORS, GROUP COMPANIES AND PROMOTOR GROUP DURING THE LAST 5 FINANCIAL YEARS**

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoters, Directors or Group Companies during the last 5 financial years including outstanding actions except as disclosed above.

**PAST INQUIRIES, INSPECTIONS OR INVESTIGATIONS**

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last five years immediately preceding the year of this Red Herring Prospectus in the case of our Company, Promoter, Directors. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of the Red Herring Prospectus.

**OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY**

As on the date of the Red Herring Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

**PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES**

There are no proceedings initiated against our Company for any economic offences.

**NON-PAYMENT OF STATUTORY DUES**

As on the date of the Red Herring Prospectus there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) over dues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company, or (iv) contingent liabilities not paid for.

**MATERIAL FRAUDS AGAINST OUR COMPANY**

There have been no material frauds committed against our Company in the five years preceding the year of this Red Herring Prospectus.

**DISCLOSURES PERTAINING TO WILFUL DEFAULTERS**

Neither our Company, nor our Promoters, nor Group Companies and nor Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

**DISCLOSURES PERTAINING TO FRAUDULENT BORROWER**

Our Company or any of our Promoters or Group Companies or Directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.

**MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE**

Except as disclosed in Chapter titled “*Management’s Discussion & Analysis of Financial Conditions & Results of Operations*” beginning on page 207 there have been no material developments that have occurred after the Last Balance Sheet Date.

#### **OUTSTANDING DUES TO CREDITORS**

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company.

Below are the details of the Creditors where outstanding amount as on December 31, 2023: -

<b>Name</b>	<b>Balance as on December 31, 2023 (in Lacs)</b>
Total Outstanding dues to Micro and Small & Medium Enterprises	-
Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises	785.21

## GOVERNMENT AND OTHER STATUTORY APPROVALS

*We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Red Herring Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.*

*In view of the approvals listed below, we can undertake this Issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Red Herring Prospectus.*

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

### APPROVALS IN RELATION TO OUR COMPANY'S INCORPORATION

1. Certificate of Incorporation dated January 08, 1996 from the Registrar of Companies, Maharashtra, RoC-Bombay, under the Companies Act, 1956 as “REFRACTORY SHAPES PRIVATE LIMITED” (Company registration no. U26921MH1996PTC096012)
2. Fresh Certificate of Incorporation dated February 02, 2024 from the Registrar of Companies, Maharashtra, RoC-Mumbai, consequent to conversion of the Company “REFRACTORY SHAPES PRIVATE LIMITED” to “REFRACTORY SHAPES LIMITED” (Corporate Identification No. - U26921MH1996PLC096012)

### APPROVALS IN RELATION TO THE ISSUE

#### *Corporate Approvals*

1. Our Board of Directors has, pursuant to resolutions passed at its meeting held on March 23, 2024 authorized the Issue, subject to the approval by the shareholders of our Company under section 62(1)(c) of the Companies Act, 2013.
2. Our shareholders have, pursuant to a resolution dated March 23, 2024, under Section 62(1)(c) of the Companies Act, 2013, authorized the Issue.
3. Our Board of Directors has, pursuant to a resolution dated March 28, 2024 and April 27, 2024 authorized our Company to take necessary action for filing the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus respectively with NSE Emerge.

#### *Approvals from Stock Exchange*

1. Our Company has received in- principle listing approval from the NSE Emerge dated April 25, 2024 for listing of Equity Shares issued pursuant to the Issue.

#### *Other Approvals*

1. The Company has entered into a tripartite agreement dated March 02, 2024 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited, for the dematerialization of its shares.
2. The Company has entered into an agreement dated February 21, 2024, with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited, for the dematerialization of its shares.

### APPROVALS / LICENSES / PERMISSIONS IN RELATION TO OUR BUSINESS:

#### *Tax Related Approvals*

S.No	Description	Address of Place of Business / Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Permanent Account Number (PAN)	NA	AABCR3917M	Income Tax Department	January 08, 1996	Valid till Cancelled
2.	Tax Deduction and Collection Account Number (TAN)	Room No. 43/RD, FL, Rustom Building, 29 Veer Nariman Road, Mumbai-400023, Maharashtra	PNER06131G	Income Tax Department	May 04, 2004	Valid till Cancelled
3.	Tax Deduction and Collection Account Number (TAN)	M/s. Refractory Shapes Private Limited, Revenue Survey No 105, P 11 Jetpara Wakaner, Morbi, Gujarat-363621	RKTR08498A	Income Tax Department	February 12,2023	Valid till Cancelled
4.	GST Registration Certificate (Gujarat)	Before Multi Stone Tiles, Revenue Survey No 105 P 11, JaliJetparada Road, Jetparada, Wakaner, Morbi-363621, Gujarat	24AABCR3917M2Z8	Goods and Services Tax department	July 26, 2021	Valid till Cancelled
5.	GST Registration Certificate (Maharashtra)	S-7, Bhosari Industrial Area, Off Telco Road, Pune, Pune, Maharashtra, 411026  Additional Add: GAT No. 402, Near K K Nag Pvt. Ltd., urse Tal Maval, Pune, Maharashtra  B-201, 2 Floor, Rustamjee Central Park, CTS 484, Mathuradas Vasanji Road, Andheri East, Mumbai-400069	27AABCR3917M1Z3	Goods and Services Tax department	Valid W.e.f. July 01, 2017	Valid till Cancelled
6.	Professional Tax Registration Certificate (PTRC) (Maharashtra)	M/s. Refractory Shapes Pvt. Ltd. S-7, Bhosari Industrial Area, Off Telco Road, Pune, Pune, Maharashtra, 411026	27820002892P	Maharashtra Sales Tax Department	April 02, 2013	Valid till Cancelled

**Registrations related to Labour Laws:**

S.No.	Description	Address	License Number	Issuing Authority	Date of issue	Date of Expiry
1.	Registration under Maharashtra Shops and	M/S. Refractory Shapes Pvt. Ltd. B-201, Rustamjee Central Park Chakala, Andheri-Kurla Road,	890821738/KE Ward/Commercial II	Maharashtra Labour Department	January 31, 2024	Valid till Cancelled

S.No.	Description	Address	License Number	Issuing Authority	Date of issue	Date of Expiry
	Establishments Act, 2017	Andheri (East), Mumbai City, Mumbai-400069, Maharashtra				
2.	Factory License under Factories Act, 1948	M/s. Refractory Shapes Pvt. Ltd. S 7, Off Telco Road, Opposite Hotel Shreyash, Bhosari Industrial Area Bhosari Pune, Haveli, Pune-411026, Maharashtra,	Registration no.: 1221023954000R License No.: 10013179	Directorate of Industrial safety & Health	January 01, 2020	December 31, 2024
3.	Factory License under Factories Act, 1948	M/s Refractory Shapes Pvt. Ltd.(87176) Plot No.: Sr. No.: 105/P11, Before Multi Stone Tiles, At-Jetparda-363621, Tal: Wankaner & Dist.: Morbi	Registration no.: 3206/23913/2023 License No.: 49512	Directorate of Industrial safety & Health	January 01, 2023	December 31, 2027
4.	Udyam Registration Certificate	M/s. Refractory Shapes Pvt. Ltd. S-7, Bhosari Industrial Estate, Pune-411026, Maharashtra	UDYAM-MH-26-0007266	Ministry of Micro Small & Medium Enterprises	August 17, 2020	Valid till Cancelled
5.	Registration under Employee State Insurance Act (ESIC)	M/s. Refractory Shapes Pvt. Ltd. S-7, Bhosari Industrial Estate, Pune-411026, Maharashtra	33000333960000999	Employees' State Insurance Corporation,	July 26, 2010	Valid till Cancelled
6.	Registration under the Employees Provident fund (EPF)	M/s. Refractory Shapes Pvt. Ltd. S-7, Bhosari Industrial Estate, Pune-411026, Maharashtra	PUPUN0019184000	Employees Provident fund	June 10, 2015	Valid till Cancelled

**Business Related Approvals:**

S.No .	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Import Export Code (IEC)	M/s Refractory Shapes Pvt. Ltd. B-201, Rustomjee Central Park Chakala, Andheri Kurla Road, Andheri E, Mumbai Suburban-400069, Maharashtra	0300018461	Ministry of Commerce and Industry Directorate General of Foreign Trade, (New Delhi)	July 05, 2000	Valid till cancelled
2.	Combined consent for discharge of effluents under the Water	M/s Refractory Shapes Pvt. Ltd.(87176) Plot No.: Sr. No.: 105P11, Before Multi Stone Tiles,	(NOC) CTE-53632	Gujarat Pollution Control Board, Morbi	May 13, 2022	March 31, 2029

S.No .	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
	(Prevention and control of Pollution) Act, 1974 and emission under air (Prevention and control of Pollution) Act, 1981 of Gujarat	At-Jetparda-363621, Tal: Wankaner & Dist.: Morbi		Regional officer, Morbi		
3.	Combined consent for discharge of effluents under the Water (Prevention and control of Pollution) Act, 1974 and emission under air (Prevention and control of Pollution) Act, 1981 of Maharashtra	M/s. Refractory Shapes Pvt. Ltd. S-7, Bhosari Industrial Estate,Pune-411026, Maharashtra	Application No. MPCB-CONSENT-0000153027/CR/23050023 98	Maharashtra Pollution Control Board, Pune Regional officer, Pune	May 30, 2023	December 31, 2025
4	ISO 9001:2015 Manufacturing and Dispatch of High Alumina Refractories, Pre cast shapes, Insulation Refractories, Castables & Mortars	M/s. Refractory Shapes Pvt. Ltd. S-7, Bhosari Industrial Estate, Pune-411026, Maharashtra	Certificate Number IND.23.5052/IM/U IN042995	Bureau Veritas (India) Private Limited	February 15, 2005	February 14, 2026
5.	ISO 9001:2015 Quality Management System for Manufacturing and Dispatch of High Alumina Refractories, Pre cast shapes, Insulation Refractories, Castables & Mortars	M/s. Refractory Shapes Pvt. Ltd. RS. No. 105P 11, Jetparda, Taluka: Wakaner, Dist.: Morbi, Gujarat-363621, India	Certificate Number IAS191094221	SAGACI Certifications Private Limited	October 19, 2022	October 18, 2024

S.No .	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
6.	ISO 14001:2015, Manufacturing and Dispatch of High Alumina Refractories, Pre cast shapes, Insulation Refractories, Castables & Mortars	M/s. Refractory Shapes Pvt. Ltd. S-7, Bhosari Industrial Estate, Pune-411026, Maharashtra	Certificate Number IND.23.5052/IM/U IN042994	Bureau Veritas (India) Private Limited	February 15, 2020	February 14, 2026
7.	ISO 45001:2018 Manufacturing and Dispatch of High Alumina Refractories, Pre cast shapes, Insulation Refractories, Castables & Mortars	M/s. Refractory Shapes Pvt. Ltd. S-7, Bhosari Industrial Estate, Pune-411026, Maharashtra	Certificate Number IND.23.5052/IM/U IN042993	Bureau Veritas (India) Private Limited	February 15, 2023	February 14, 2026
8.	ISO 45001:2018 Quality Management System for Manufacturing and Dispatch of High Alumina Refractories, Pre cast shapes, Insulation Refractories, Castables & Mortars	M/s. Refractory Shapes Pvt. Ltd. RS. No. 105P 11, Jetparda, Taluka: Wakaner, Dist.: Morbi, Gujarat-363621, India	Certificate Number IAS1910454222	SAGACI Certifications Private Limited	October 19, 2022	October 18, 2024
9.	ISO/IEC 17025:2017 (in the field of testing)General Requirements for the Competence of testing & Calibration Laboratories	M/s. Refractory Shapes Pvt. Ltd. S-7, Bhosari Industrial Estate, MIDC, Pune-411026, Maharashtra	Certificate No.: TC-8523	National Accreditation Board for Testing and Calibration Laboratories	July 16, 2022	July 15, 2024

S.No .	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
10	LEI Certificate	M/s Refractory Shapes Pvt. Ltd. B-201, Rustomjee Central Park Chakala, Andheri Kurla Road, Andheri (East), Mumbai-400069, Maharashtra	98450040D3F9058G9421	Legal Entity Identifier India Limited	June 03, 2022	June 03, 2024
11	No Objection Certificate / Approval from the Chief Fire Officer with respect to Factory	M/s. Refractory Shapes Pvt. Ltd. S 7,Off Telco Road,Opposite Hotel Shreeyash,Bhosari Industrial Area Bhosari Pune, Haveli, Pune-411026, Maharashtra,	No./EE of the /IFMS/C08369/2023	Office of Executive Engineer, M.I.D.C, Civil Division, Chinchwad, Pune	December 14, 2023	--
12	Registration cum Membership Certificate (RCMC) of Federation of Indian Export Organization	M/s Refractory Shapes Pvt. Ltd. B-201, Rustomjee Central Park Chakala, Andheri Kurla Road, Andheri (East), Mumbai-400069, Maharashtra	WR/1081/2022-2023	Federation of Indian Export Organization	January 10, 2024	March 31, 2026
13.	Approval for conversion of Agricultural land to Industrial land	Sr. No.: 105, P11, Before Multi Stone Tiles, At- Jetparda-363621, Tal: Wankaner & Dist.: Morbi premises	-	Office of the collector & District Magistrate, Morbi	June 23, 2021	Valid till cancelled
14.	Approval for conversion of Agricultural land to Industrial land	Sr. No.: 105, P12, Before Multi Stone Tiles, At- Jetparda-363621, Tal: Wankaner & Dist.: Morbi premises	-	Office of the collector & District Magistrate, Morbi	April 24, 2024	Valid till cancelled
15.	Approval of civil construction layout plan	Plot No.: Sr. No.: 105 P11, Before Multi Stone Tiles, At-Jetparda-363621, Tal: Wankaner & Dist.: Morbi (Remaining Vacant Land)	-	Gram Panchayat (Morbi)	March 29, 2024	Valid till cancelled

#### INTELLECTUAL PROPERTY

Trademarks / patents / copyright/registered/objection/abandoned in the name of our company:

**Trademarks registered/Objected/Abandoned in the name of our company**

S. No	Brand Name/Logo Trademark	Class	Nature of Trademark and registration number	Owner	Authority	Date of Registration/ Application	Validity
1.	REFRAPURE	1	Reg. No. 4605857	Refractory Shapes Private Limited	Trademarks Registry, Mumbai	August 11, 2020	August 11, 2030

**Copyright registered/Objected/Abandoned in the name of our company**

S. No	Brand Name/Logo Trademark	Owner	Authority	Registration Number	Date of Application
1.		Refractory Shapes Private Limited	The Office of the TradeMarks Registry, Mumbai	Temporary Registration no.: 9850119	January 03, 2024

#### **Domain Name**

S.No	Domain Name and ID	Sponsoring Registrar and ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
1.	<a href="https://www.refshape.com/">https://www.refshape.com/</a>	70249420_DOMAIN_COM-VRSN	Refractory Shapes Pvt. Ltd.	May 03, 2001	May 03, 2024

In addition to above licenses and approvals and except as stated in this chapter, it is hereby mentioned that no application has been made for license / approvals required by the Company and no approval is pending in respect of any such application made with any of the authorities except that for change of name of the Company pursuant to change of its constitution from Private Limited to Public Limited and change of address at few places.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

Our Board of Directors have vide resolution dated March 23, 2024 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013.

The shareholders have authorized the Issue, by passing a Special Resolution at the Extra Ordinary General Meeting held on March 23, 2024 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

The Company has obtained approval from NSE vide letter dated April 25, 2024 to use the name of NSE in this Offer Document for listing of equity shares on the NSE Emerge. NSE is the designated stock exchange.

### IN-PRINCIPLE LISTING APPROVALS

The Company has obtained approval from NSE vide letter dated April 25, 2024 to use the name of NSE in this Offer Document for listing of equity shares on the NSE Emerge. NSE is the designated stock exchange.

### PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

Further, our company, promoters, members of the promoter group, directors, are not debarred or prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court as on the date of this Red Herring Prospectus.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India. However, the Company had filed the Draft Prospectus on February 07, 2024 on NSE EMERGE platform which was withdrawn due to change in the objects of the Issue and change in the method from fixed price issue to Book-built issue.

None of the companies with which our Promoters and Directors are associated with as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities.

None of our Directors are associated with securities market related business, in any manner and there have been no outstanding actions initiated by SEBI against our Directors in the five years preceding the date of this Red Herring Prospectus.

Our Company, Promoters or Directors have not been declared as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters offered by the RBI.

Our Promoters or Directors have not been declared as fugitive economic offenders under section 12 of the Fugitive Economic Offenders Act, 2018.

### PROHIBITION BY RBI

Neither our Company nor any of our Promoters or Directors has been declared as willful defaulter(s) or fraudulent borrowers by the RBI or any other governmental authority.

### DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are associated with the securities market and there has been no outstanding action initiated by SEBI against them in the five years preceding the date of this Red Herring Prospectus.

### COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company, Promoters and members of the Promoter Group confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Red Herring Prospectus.

### ELIGIBILITY FOR THE ISSUE

Our Company is an “Unlisted Issuer” in terms of the SEBI ICDR Regulations; and this Issue is an “Initial Public Offer” in terms of the SEBI ICDR Regulations.

This Issue is being made in terms of Regulation 229(2) of Chapter IX of the SEBI ICDR Regulations, as amended from time to time, whereby, an issuer whose post Issue face value capital is exceed ₹ 10 crores but does not exceed ₹ 25 crores rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the NSE Emerge).

As per Regulation 229 (3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of NSE Emerge.

- a) Our Company was incorporated on January 08, 1996 under the provisions of Companies Act, 1956 with the Registrar of Companies, Bombay. Hence, our Company is in existence for a period of 27 years on the date of filing the Red Herring Prospectus with NSE.
- b) As on the date of this Red Herring Prospectus, our Company has a total paid-up capital (face value) of ₹ 1,580.00 Lakhs comprising 1,58,00,000 Equity Shares of ₹10/- each and the Post Issue paid-up Capital (face value) will be ₹ [●] Lakhs comprising [●] Equity Shares which shall be below ₹ 25 crores.
- c) Our Company confirms that it has track record of more than 3 years.
- d) As per the Restated Financial Statements, our company has operating profit (earnings before interest, depreciation and tax) from operations for the period ended December 31, 2023 is ₹ 608.53 Lakhs, ₹ 387.72 Lakhs in Fiscal 2023, ₹ 361.37 Lakhs in Fiscal 2022 Lakhs and ₹ 234.49 Lakhs in Fiscal 2021 i.e., in all the 3 financial years and the for the 6 months preceding the date of this Red Herring Prospectus and its net-worth is positive.
- e) Our Company has not been referred to Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code against our company and promoting companies.
- f) There is no winding up petition against the company, which has been admitted by NCLT/ Court of competent jurisdiction or a liquidator has not been appointed.
- g) No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past three years against our Company.
- h) Other Disclosures:
  - We have disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoter/promoting company(ies), group companies, companies promoted by the promoter/promoting company(ies) of our company in the Red Herring Prospectus.
  - There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our company, promoter/promoting company(ies), group companies, companies promoted by the promoter/promoting company(ies) during the past three years except as mentioned in the Red Herring Prospectus.
  - We have disclosed the details of our company, promoter/promoting company(ies), group companies, companies promoted by the promoter/promoting company(ies) litigation record, the nature of litigation, and status of litigation. For details, please refer the chapter "*Outstanding Litigations and Material Developments*" on page 217 of this Red Herring Prospectus.
  - We have disclosed all details of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of offer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc. For Details, refer the chapter "*Outstanding Litigations and Material Developments*" on page 217 of this Red Herring Prospectus.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- a) The Red Herring Prospectus has been filed with NSE and our Company has made an application to NSE for listing of its Equity Shares on the Emerge platform of NSE. NSE is the Designated Stock Exchange.
- b) Our Company has entered into an agreement dated February 21, 2024 with NSDL and agreement dated March 02, 2024 with CDSL for dematerialisation of its Equity Shares already issued and proposed to be issued.

- c) The entire pre-issue capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO are fully paid-up.
- d) The entire Equity Shares held by the Promoters are in dematerialised form.
- e) The fund requirements set out for the Objects of the Issue are proposed to be met entirely from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue as required under the SEBI ICDR Regulations. For details, please refer the chapter “*Objects of the Issue*” on page 83 of this Red Herring Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

1. Neither our Company nor our Promoters, members of our Promoter group or our directors is debarred from accessing the capital markets by the SEBI.
2. None of our Promoters or Directors is Promoters or director of any other companies which are debarred from accessing the capital markets by the SEBI.
3. Neither our Company nor our Promoters or Directors is a wilful defaulter or a fraudulent borrower.
4. None of our Promoters or Directors is a fugitive economic offender.

We further confirm that we shall be complying with all other requirements as laid down for such issue under Chapter IX of SEBI ICDR Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

**We further confirm that:**

1. In accordance with Regulation 246 the SEBI ICDR Regulations, the book running lead manager shall ensure that the offeror shall file copy of the Red Herring Prospectus with SEBI along with relevant documents as required at the time of filing the Red Herring Prospectus to SEBI.
2. In accordance with Regulation 260 of the SEBI ICDR Regulations, this issue has been one hundred percent (100%) underwritten and that the Book Running Lead Manager to the issue has underwritten at least 15% of the Total Issue Size. For further details, pertaining to said underwriting please see “*General Information*” beginning on page 60 of this Red Herring Prospectus.
3. In accordance with Regulation 268 of the SEBI ICDR Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not unblocked within four (4) days from the date our Company becomes liable to unblock it, then our Company and every officer in default shall, on and from expiry of fourth day, be liable to unblock such application money with interest as prescribed under the SEBI ICDR Regulations, the Companies Act 2013 and applicable laws.

**COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS**

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI ICDR Regulations.

**DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER**

**HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, SHRENI SHARES LIMITED (FORMERLY KNOWN AS SHRENI SHARES PRIVATE LIMITED) HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●] IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THIS OFFER DOCUMENT.**

**Note:** All legal requirements pertaining to the Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act. All legal requirements pertaining to the Issue will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 33(1) and 33(2) of the Companies Act.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This issue is being made in India to persons resident in India including Indian nationals resident in India (who are not minors, except through their legal guardian), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. This Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares issued hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

No person outside India is eligible to Bid for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India.

#### **Eligibility and Transfer Restrictions**

The Equity Shares offered in the Issue have not been, and will not be, registered under the U.S. Securities Act 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 accordingly, the Equity Shares are being offered and sold (i) within the United States solely to persons who are reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) in transactions exempt from the registration requirements of the U.S. Securities Act, and (ii) outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law.

#### **DISCLAIMER FROM OUR COMPANY, THE DIRECTORS AND THE BOOK RUNNING LEAD MANAGER**

Our Company, our Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, <https://www.refshape.com/>, or the website of any affiliate of our Company, would be doing so at his or her own risk.

The Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement to be entered into between the Underwriter and our Company and Market Maker Agreement entered into among Market Maker and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at bidding centres elsewhere.

The Book Running Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Shreni Shares Limited (*Formerly known as Shreni Shares Private Limited*) is not an associate of the Company and is eligible to be appointed as the Book Running Lead Manager in this Issue, under SEBI MB Regulations.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Book Running Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Neither our Company nor Book Running Lead Manager is liable for any failure in (i) uploading the Applications due to faults in any software/ hardware system or otherwise, or (ii) the blocking of the Application Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on the account of any errors, omissions or non-compliance by various parties involved, or any other fault, malfunctioning, breakdown or otherwise, in the UPI Mechanism.

Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

#### **DISCLAIMER CLAUSE OF THE NSE**

As required, a copy of the Red Herring Prospectus shall be submitted to the NSE Emerge. The Disclaimer Clause as intimated by the NSE Emerge to us, post scrutiny of the Draft Red Herring Prospectus, is included in the Red Herring Prospectus and shall be included Prospectus prior to the filing with RoC.

#### **LISTING**

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the EMERGE Platform of NSE. Application have been made to the EMERGE Platform of NSE for obtaining permission for listing of the Equity Shares being issued and sold in the Issue on its NSE Emerge Platform after the allotment in the Issue. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our company has obtained In-principle approval from NSE vide letter dated April 25, 2024 to use name of NSE in the Red Herring Prospectus for listing of equity shares on NSE EMERGE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE EMERGE the Company shall unblock, without interest, all moneys received from the applicants in pursuance of the Red Herring

Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE EMERGE mentioned above are taken within three (3) Working Days of the Bid/Issue Closing Date or such period as may be prescribed by SEBI. If our Company does not allot Equity Shares pursuant to the Issue within 3 Working Days from the Bid/Issue Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% p. a, for the delayed period.

## **CONSENTS**

Consents in writing of: (a) Directors, Promoters, the Chief Financial Officer, Company Secretary & Compliance Officer, the Statutory and Peer Review Auditors, (b) the Book Running Lead Manager, Registrar to the Issue, the Legal Advisors to the Issue, Bankers to the Issue Bankers to the company, Market Maker and Underwriters to act in their respective capacities, have been obtained and shall be filed along with a copy of the Red Herring Prospectus with the RoC, as required under Section 26 of the Companies Act, 2013.

In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, Peer Reviewed Auditors , M/s. Vinay Bhushan & Associates, Chartered Accountants, have provided their written consent to the inclusion of Restated Financial Statements dated April 27, 2024 and to the inclusion of their reports dated April 27, 2024 on Statement of Tax Benefits, which may be available to the Company and its shareholders, included in this Red Herring Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Red Herring Prospectus.

## **EXPERT OPINION**

Except the report of the Peer Reviewed Auditors on statement of tax benefits and report on Restated Financial Statements for the period ended December 31, 2023 and the financial years ended March 31, 2023, 2022 and 2021 as included in this Red Herring Prospectus, our Company has not obtained any expert opinion.

Here, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

## **PREVIOUS PUBLIC OR RIGHTS OFFERS DURING THE LAST FIVE YEARS**

We have not made any rights to the public and public offers in the past, and we are an “Unlisted Company” in terms of the SEBI ICDR Regulations and this Issue is an “Initial Public Offer” in terms of the SEBI ICDR Regulations.

## **COMMISSION AND BROKERAGE PAID ON PREVIOUS OFFERS OF OUR EQUITY SHARES IN LAST FIVE YEARS**

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

## **CAPITAL OFFERS DURING THE LAST THREE YEARS BY OUR COMPANY, LISTED GROUP COMPANIES, SUBSIDIARIES & ASSOCIATES OF OUR COMPANY**

Except as disclosed in Chapter titled “*Capital Structure*” on page 70 of Red Herring Prospectus, our Company has not made any capital issue during the previous three years.

## **PERFORMANCE VIS-À-VIS OBJECTS**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 70 of this Red Herring Prospectus, we have not made any previous rights and / or public issues during the last five (5) years and are an “Unlisted Issuer” in terms of SEBI ICDR Regulations and this Issue is an “Initial Public Offer” in terms of the SEBI ICDR Regulations, the relevant data regarding performance vis-à-vis objects is not available with the Company.

For details in relation to our group companies, please see chapter titled “Our Group Company” on page 197 of Red Herring Prospectus.

## **PRICE INFORMATION OF THE PAST OFFERS HANDLED BY THE BOOK RUNNING LEAD MANAGER**

**Price information of past issues handled by Shreni Shares Limited (Formerly known as Shreni Shares Private Limited)**

**Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Shreni Shares Limited (Formerly known as Shreni Shares Private Limited):**

Sr. No.	Issuer name	Issue size (₹ Crores)	Issue price (Rs.)	Listing Date	Opening price on Listing Date (in Rs.)	+/- % change in closing price, [+/- % change in closing benchmark] - 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180 <sup>th</sup> calendar days from listing
<b>Mainboard IPO Issues</b>								
-	-	-	-	-	-	-	-	-
<b>SME IPO Issues</b>								
1.	C P S Shapers Limited	11.10	185.00	September 07, 2023	450.00	+138.92% [-0.37%]	+149.86% [+5.72%]	+76.95% [+13.58%]
2.	Meson Valves India Limited	31.09	102.00	September 21, 2023	193.80	+203.87% [-1.26%]	+360.39% [+7.86%]	+473.73% [+9.84%]
3.	Marco Cables & Conductors Limited	18.73	36.00	September 28, 2023	38.70	+45.83% [-2.44%]	+46.25% [+9.82%]	+20.00% [+13.18%]
4.	KK Shah Hospitals Limited <sup>^</sup>	8.78	45.00	November 06, 2023	56.10	+84.00% [+6.68%]	+56.67% [+10.97%]	-
5.	Swasthik Plascon Limited	40.76	86.00	December 05, 2023	120.10	+20.00% [+2.97%]	+2.33% [+6.42%]	-
6.	Net Avenue Technologies Limited	10.25	18.00	December 08, 2023	42.00	+75.28% [+3.54%]	+10.56% [+7.18%]	-
7.	AIK Pipes and Polymers Limited	15.02	89.00	January 02, 2024	100.00	+33.34% [-0.20%]	+29.21% [+2.45%]	-
8.	Delaplex Limited	46.08	192.00	February 02, 2024	309.00	+43.36% [+2.22%]	-	-
9.	Gabriel Pet Straps Limited	8.06	101.00	February 07, 2024	115.00	+32.67% [+2.73%]	-	-
10.	Yash Optics & Lens Limited	53.15	81.00	April 08, 2024	90.00	-	-	-

Source: [www.bseindia.com](http://www.bseindia.com) / [www.nseindia.com](http://www.nseindia.com)

**Notes:**

1. The BSE SENSEX and CNX NIFTY are considered as the Benchmark Index.
2. Price on BSE/NSE are considered for all the above calculations.
3. In case 30th, 90th and 180th day is not a trading day, closing price of the previous trading day has been considered.
4. In case 30th, 90th and 180th day, scripts are not traded then the last trading price has been considered.
5. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the lead manager are provided.

**Summary statement of price information of past issues handled by Shreni Shares Limited (Formerly known as Shreni Shares Private Limited):**

Financial Year	Total no. of IPOs	Total funds raised (₹ Crores )	Nos. of IPOs trading at discount on as on 30 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at premium on as on 30 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at discount as on 180 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at premium as on 180 <sup>th</sup> calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%- 50%	Less than 25%	Over 50%	Between 25%- 50%	Less than 25%	Over 50%	Between 25%- 50%	Less than 25%
2024-2025 <sup>\$</sup>	1 <sup>&amp;</sup>	53.15	-	-	-	-	-	-	-	-	-	-	-	-
2023-2024 <sup>@</sup>	13** *	260.67	-	-	-	6	6	1	-	-	-	6	-	1
2022-2023	10**	156.29	-	-	-	5	2	3	-	-	1	5	-	4

<sup>\*\*</sup>The script of *Fidel Softech Limited, SKP Bearing Industries Limited, Olatech Solutions Limited, Ameya Precision Engineers Limited, DAPS Advertising Limited, Amiable Logistics (India) Limited, PNGS Gargi Fashion Jewellery Limited, Arihant Academy Limited, Srivasavi Adhesive Tapes Limited and Bright Outdoor Media Limited* were listed on June 10, 2022, July 13, 2022, August 29, 2022, September 08, 2022, November 14, 2022, November 16, 2022, December 20, 2022, December 29, 2022, March 09, 2023 and March 24, 2023 respectively.

<sup>\*\*\*</sup>The script of *Sancode Technologies Limited, Veefin Solutions Limited, Global Pet Industries Limited, AccelerateBS India Limited, C P S Shapers Limited, Meson Valves India Limited, Marco Cables & Conductors Limited, KK Shah Hospitals Limited, Swasthik Plascon Limited, Net Avenue Technologies Limited, AIK Pipes and Polymers Limited, Delaplex Limited and Gabriel Pet Straps Limited* were listed on April 18, 2023, July 05, 2023, July 10, 2023, July 19, 2023, September 07, 2023, September 21, 2023, September 28, 2023, November 06, 2023, December 05, 2023, December 08, 2023, January 02, 2024, February 02, 2024 and February 07, 2024 respectively.

<sup>@</sup> The script of *KK Shah Hospitals Limited, Swasthik Plascon Limited, Net Avenue Technologies Limited, AIK Pipes and Polymers Limited, Delaplex Limited and Gabriel Pet Straps Limited* have not completed 180 days from the date of listing.

<sup>\$</sup>The script of *Yash Optics & Lens Limited* has not completed 180 days from the date of listing.

<sup>&</sup> The script of *Yash Optics & Lens Limited* was listed on April 08, 2024.

<sup>^</sup> In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with proviso to Regulation 244(3) of the SEBI ICDR Regulations, Shreni Shares Limited being associate of KK Shah Hospitals Limited and its role was limited to marketing of the Issue.

**Note:** Rights Issues lead managed by Shreni Shares Limited (Formerly known as Shreni Shares Private Limited) have not been included in the abovementioned Summary Statement of Disclosure as the disclosure is limited to IPOs only.

#### TRACK RECORD OF PAST OFFERS HANDLED BY BOOK RUNNING LEAD MANAGER

For details regarding track record of the Book Running Lead Manager to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Book Running Lead Manager at: [www.shreni.in](http://www.shreni.in).

#### STOCK MARKET DATA OF EQUITY SHARES

This being an initial public offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

#### MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for retention of records with the Registrar to the Issue for a period of three years from the date of listing and commencement of trading of the Equity Shares to enable the Bidders to approach the Registrar to the Issue for redressal of their grievances. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving full details such as name of the sole or First Bidder, ASBA Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of ASBA Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchange with a copy to the Registrar to the Issue.

All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the Book Running Lead Manager where the Bid cum Application Form was submitted by the Anchor Investor.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding Two Working Days from the Bid / Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding Two Working Days from the Bid / Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) and SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (to the extent applicable).

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for nonallotted/partially-allotted applications, for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the BRLMs shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount for the period of such delay. Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

The following compensation mechanism has become applicable for investor grievances in relation to Bids made through the UPI Mechanism for public offers opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchange till the date of actual unblock

Scenario	Compensation amount	Compensation period
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	<ol style="list-style-type: none"> <li>Instantly revoke the blocked funds other than the original application amount and</li> <li>₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher</li> </ol>	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	<ol style="list-style-type: none"> <li>Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and</li> <li>₹100 per day or 15% per annum of the difference amount, whichever is higher</li> </ol>	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted / partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the Book Running Lead Manager shall be liable to compensate the investor ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Our Company, the BRLM and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

For helpline details of the Book Running Lead Manager pursuant to the SEBI/HO/CFD/DIL-2/OW/P/2021/2481/1/M dated March 16, 2021, see “*General Information – Book Running Lead Manager*” on page 60 of this Red Herring Prospectus.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

All grievances relating to Bids submitted with Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLM and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the SEBI ICDR Regulations.

The Registrar to the Issue shall obtain the required information from the SCSBs and Sponsor Bank for addressing any clarifications or grievances of ASBA Applicants. Applicants can contact our Company Secretary and Compliance officer or the Registrar to the Issue in case of any pre-issue or post-issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Anchor Investors are required to address all grievances in relation to the Issue to the Book Running Lead Manager.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned herein.

Our Company has also appointed Ms. Neelam Mandawat, Company Secretary and Compliance officer for the Issue. For details, see “*General Information*” beginning on page 60 of this Red Herring Prospectus.

#### STATUS OF INVESTOR COMPLAINTS

We confirm that we have not received any investor complaint during the three years preceding the date of this Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Red Herring Prospectus.

#### DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 7 (seven) days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints within 30 days of receipt of complaint or upon receipt of satisfactory documents.

Our Company shall, after filing of this Red Herring Prospectus, obtain authentication on the SCORES in terms of the SEBI circular bearing number CIR/OIAE/1/2013 dated April 17, 2013 read with SEBI circular bearing number SEBI/HO/OIAE/IGRD/CIR/P/2021/642 dated October 14, 2021 and shall comply with SEBI circular bearing number CIR/OIAE/1/2014 dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Further, our Board by a resolution on February 03, 2024, has also constituted a Stakeholders' Relationship Committee. The composition of the Stakeholders' Relationship Committee is as follows:

Name of the Directors	Nature of Directorship	Designation in Committee
Mr. Ravindra Venkatesh Hulyalkar	Non-Executive Independent Director	Chairman
Mr. Siddharth Kumar	Non-Executive Independent Director	Member
Mr. M Jothiprakash	Whole Time Director	Member

For further details, please see the chapter titled "*Our Management*" beginning on page 172 of this Red Herring Prospectus.

#### **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

Our company has not applied or received any exemption from complying with any provisions of securities laws by SEBI.

#### **Other confirmations**

No person connected with the Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the Issue, except for fees or commission for services rendered in relation to the Issue.

## SECTION IX – ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of this Red Herring Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note (“CAN”), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Issue.*

*Please note that in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Bid-cum-Application forms. Investor may visit the official website of the concerned for any information on operational utilization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.*

### AUTHORITY FOR THE ISSUE

This Issue has been authorized by a resolution of the Board passed at their meeting held on March 23, 2024 subject to the approval of shareholders through a special resolution to be passed pursuant to section 62(1)(c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the Extra ordinary General Meeting of the Company held on March 23, 2024.

### RANKING OF EQUITY SHARES

The Allotees upon Allotment of Equity Shares under the Issue will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares being offered and allotted shall be subject to the provisions of the Companies Act 2013, our Memorandum of Associations and Articles of Association shall rank pari passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled “*Main Provisions of the Articles of Association*” beginning on page 280 of this Red Herring Prospectus.

### MODE OF PAYMENT OF DIVIDEND

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment will be payable to the Bidders who have been allotted or transferred Equity Shares pursuant to the Issue, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” beginning on page 199 and 280, respectively of this Red Herring Prospectus.

### FACE VALUE, ISSUE PRICE, FLOOR PRICE AND PRICE BAND

The face value of each Equity Share is ₹ 10 and the Issue Price is ₹ [●] per Equity Share. The Floor Price is ₹ [●] per Equity Share and at the Cap Price is ₹ [●] per Equity Share, being the Price Band. The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Issue Price, Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM, and advertised in all editions of Financial Express,, an English national daily newspaper and all editions of

Janasatta, a Hindi national daily newspaper and Pratahkal, Marathi Edition of Regional newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/ Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager, after the Bid/ Issue Closing Date on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares, unless otherwise permitted by law.

### **COMPLIANCE WITH DISCLOSURE AND ACCOUNTING NORMS**

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **RIGHTS OF THE EQUITY SHAREHOLDERS**

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

1. Right to receive dividends, if declared;
2. Right to receive Annual Reports and notices to members;
3. Right to attend general meetings and exercise voting rights, unless prohibited by law;
4. Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
5. Right to receive offers for rights shares and be allotted bonus shares, if announced;
6. Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
7. Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
8. Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI LODR Regulations, and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation or splitting, see "*Main Provisions of the Articles of Association*" beginning on page 280 of this Red Herring Prospectus.

### **ALLOTMENT ONLY IN DEMATERIALISED FORM**

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

1. Tripartite agreement dated March 02, 2024 amongst our Company, CDSL and Bigshare Services Private Limited.
2. Tripartite agreement dated February 21, 2024 between our Company, NSDL and Bigshare Services Private Limited.

For details in relation to the Basis of Allotment, see "*Issue Procedure*" on page 256 of this Red Herring Prospectus.

### **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the Emerge platform of NSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

*Further, in accordance with SEBI ICDR Regulations the minimum application size in terms of number of specified securities shall not be less than ₹1.00 Lakh per application.*

## **JOINT HOLDERS**

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

## **JURISDICTION**

The courts of Mumbai, Maharashtra, India will have exclusive jurisdiction in relation to this Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any 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 under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

## **NOMINATION FACILITY TO BIDDERS**

In accordance with Section 72 of the Companies Act read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon the production of such evidence as may be required by our Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialised mode there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change their nomination, they are requested to inform their respective Depository Participant.

Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

### **OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM**

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchange.

### **WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Banks (in case of UPI Bidders), to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Issue to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchanges will also be informed promptly. In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit reports of compliance with the applicable listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. Further, in case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding three Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final ROC approval of the Prospectus after it is filed with the ROC. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an Issue, our Company shall file a fresh Prospectus.

### **BID/ISSUE PROGRAM**

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

<b>Event</b>	<b>Indicative Date</b>
<b>Bid/Issue Opens on</b>	Monday, May 06, 2024 <sup>(1)</sup>
<b>Bid/Issue Closes on</b>	Thursday, May 09, 2024 <sup>(2)(3)</sup>
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or before Friday, May 10, 2024
<b>Initiation of Refunds / unblocking of funds from ASBA Account*</b>	On or before Monday, May 13, 2024
<b>Credit of Equity Shares to demat account of the Allotees</b>	On or before Monday, May 13, 2024
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or before Tuesday, May 14, 2024

- Our Company in consultation with the BRLM, may consider participation by Anchor Investors. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations*
- Our Company in consultation with the BRLM, may consider closing the Bid/Issue Period for QIBs one day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations*
- UPI mandate end time and date shall be at 5:00 pm IST on Bid/ Issue Closing Date, i.e. Thursday, May 09, 2024*

*\*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled / withdrawn / deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation / withdrawal / deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts*

are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted / partially allotted Application, exceeding two Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue LM shall be liable for compensating the Applicant at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

**The above timetable other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation or liability on our Company or the BRLM.**

Any circulars or notifications from the SEBI after the date of this Red Herring Prospectus may result in changes to the timelines. Further, the Issue procedure is subject to change to any revised circulars issued by the SEBI to this effect.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within such time as prescribed by SEBI, the timetable may be extended due to various factors, such as extension of the Bid/Issue Period by our Company in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. In terms of the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, our Company shall within three days from the closure of the Issue, refund the subscription amount received in case of non – receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. The Shareholder, severally and not jointly, has specifically confirmed that it shall extend such reasonable support and co-operation required by our Company and the BRLM for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchange within such time as prescribed by SEBI.

**The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day.**

In terms of the UPI Circulars, in relation to the Issue, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within such time as prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

#### **Submission of Bids (other than Bids from Anchor Investors)**

<b>Bid Period (except the Bid/Issue Closing Date)</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST"))
<b>Bid/Issue Closing Date</b>	
Submission and Revision in Bids*	Only between 10.00 a.m. and 3.00 p.m. IST

\* UPI mandate end time and date shall be at 5.00 pm IST on Bid/Issue Closing Date.

#### **On the Bid/Issue Closing Date, the Bids shall be uploaded until:**

- i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

ii. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange in case of Bids by RIBs.

On Bid/Issue Closing Date, extension of time will be granted by Stock Exchange only for uploading Bids received by RIBs after taking into account the total number of Bids received and as reported by the Book Running Lead Manager to the Stock Exchange.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to the limitation of time available for uploading the Bid-Cum- Application Forms on the Bid/Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid-Cum- Application Forms are received on the Bid/ Issue Closing Date, as is typically experienced in public Issue, some Bid-Cum- Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum- Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid-Cum- Application Forms due to faults in any software/hardware system or otherwise; or blocking of application amount by SCSBs on receipt of instructions from the Sponsor Bank due to any errors, omissions, or otherwise non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in the UPI Mechanism.

Our Company in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e., the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly, but the Floor Price shall not be less than the Face Value of the Equity Shares.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid-Cum- Application Forms prior to the Bid/ Issue Closing Date. Allocation to Retail Individual Bidders, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum- Application Form, for a particular Bidder, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid-Cum- Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSBs /RTAs / DPs / stock brokers, as the case may be, for the rectified data.

**In case of revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, may extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public announcement and also by indicating the change on the respective websites of the BRLM and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

In case of discrepancy in data entered in the electronic book vis-à-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

## **MINIMUM SUBSCRIPTION**

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond Two days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly

and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Prospectus and shall not be restricted to the minimum subscription level. For details of underwriting arrangement, kindly refer the chapter titled “General Information - Underwriting” on page 60 of this Red Herring Prospectus.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹ 1,00,000/- (Rupees One Lac only) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## **ARRANGEMENTS FOR DISPOSAL OF ODD LOTS**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the NSE Emerge.

## **RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES**

Except for the lock-in of the pre- Issue capital of our Company, lock-in of the Promoters’ minimum contribution and the Anchor Investor lock-in as provided in “Capital Structure” beginning on page 70 of this Red Herring Prospectus and except as provided in our Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, see “Main Provisions of the Articles of Association” beginning on page 280 of this Red Herring Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

## **NEW FINANCIAL INSTRUMENTS**

As on the date of this Red Herring Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue. Further, our Company is not issuing any new financial instruments through this Issue.

## **ALLOTMENT OF SECURITIES IN DEMATERIALISED FORM**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

## **APPLICATION BY ELIGIBLE NRIS, FPIs OR VCFS REGISTERED WITH SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

## **AS PER THE EXTENT GUIDELINES OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

## **MIGRATION TO MAIN BOARD**

SEBI vide Circular Nos. CIR/MRD/DSA/17/2010 dated May 18, 2010, has stipulated the requirements for migration from SME platform to main board. The migration policy of NSE was intimated vide circular Download Ref. No.: NSE/SME/26110 dated March 10, 2014, further revised vide circular Download Ref. No. NSE/SME/37551 dated April 18, 2018 and NSE/SME/47077 dated January 21, 2021. NSE has further reviewed and revised the migration policy effective from April 20, 2023 from NSE Emerge to NSE Main Board vide circular Download Ref. No.: NSE/SME/61057 dated March 07, 2024 to be effective from April 01, 2024 as follows:

1. The paid-up equity capital of the company shall not be less than ₹10 crores and the capitalisation of the company's equity shall not be less than ₹25 crores\*\*

*\*\*Explanation for this purpose, capitalisation will be the product of the price (average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during 3 months preceding the application date) and the post Issue number of equity shares*

2. The company should have positive cash accruals (Earnings before Interest, Depreciation and Tax) from operations for each of the 3 financial years preceding the migration application and has positive PAT in the immediate Financial Year of making the migration application to Exchange.
3. The company should have been listed on SME platform of the Exchange for at least 3 years.
4. The Company has not referred to the Board of Industrial & Financial Reconstruction (BIFR) &/OR No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
5. The company has not received any winding up petition admitted by a NCLT.
6. The net worth of the company should be at least ₹75 crores.
7. Total number of public shareholders on the last day of preceding quarter from date of application should be at least 1000.
8. The company desirous of listing its securities on the main board of the Exchange should also satisfy the Exchange on the following:
  - a) The Company should have made disclosures for all material Litigation(s) / dispute(s) / regulatory action(s) to the stock exchanges where its shares are listed in adequate and timely manner.
  - b) Cooling period of two months from the date the security has come out of trade-to-trade category or any other surveillance action, by other exchanges where the security has been actively listed.
  - c) Redressal mechanism of Investor grievance.
  - d) PAN and DIN no. of Director(s) of the Company.
  - e) Change in Control of a Company/Utilisation of funds raised from public.

## **MARKET MAKING**

The shares Offered through this Issue are proposed to be listed on the NSE Emerge with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be

prescribed by the Stock Exchange, from the date of listing on NSE Emerge. For further details of the market making arrangement please refer the chapter titled “*General Information*” beginning on page 60 of this Red Herring Prospectus.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is more than ₹10 crores and up to ₹25 crores, shall issue equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the Emerge Platform of NSE). For further details regarding the salient features and terms of such an issue, please refer chapter titled “*Terms of the Issue*” and “*Issue Procedure*” beginning on Page No. 243 and 256 respectively of this Red Herring Prospectus.

### ISSUE STRUCTURE

This Issue comprised of Initial Public Offering of up to 60,00,000 Equity Shares for Cash at an Issue Price of ₹ [●] per Equity Share. The Issue comprises a reservation of up to 3,04,000 Equity Shares of face value of ₹10/- each for subscription by the designated Market Maker (“**the Market Maker Reservation Portion**”) and Net Issue to Public of up to 56,96,000 Equity Shares of face value of ₹10/- each (“**the Net Issue**”). The Issue and the Net Issue will constitute 27.52% and 26.13 %, respectively of the post Issue paid-up equity share capital of the Company. The Issue is being made through the Book Building Process.

The Issue is being made through the Book Building Process.

Particulars	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non - Institutional Investors/Bidders	Retail Individual Investors/Bidders
<b>Number of Equity Shares available for allocation or allotment<sup>(2)</sup></b>	Up to 3,04,000 Equity Shares	Not more than 28,44,000 Equity Shares	Not less than 8,56,000 Equity Shares	Not less than 19,96,000 Equity Shares
<b>Percentage of Issue Size available for Allocation</b>	5.07% of the Issue Size	<p>Not more than 50% of the Net Issue being available for allocation to QIB Bidders.</p> <p>However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion</p>	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue
<b>Basis of Allotment<sup>(3)</sup></b>	Firm allotment	<p>Proportionate as follows (excluding the Anchor Investor Portion):</p> <p>(a) Up to 52,000 Equity Shares shall be available for allocation on a proportionate basis to</p>	<p>Proportionate basis subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares. For details, see “<i>Issue Procedure</i>” beginning on page 256 of this Red Herring Prospectus.</p>	<p>Proportionate basis subject to minimum allotment of [●] Equity Shares. For details, see “<i>Issue Procedure</i>” beginning on page 256 of this Red Herring Prospectus.</p>

Particulars	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non - Institutional Investors/Bidders	Retail Individual Investors/Bidders
		<p>Mutual Funds only; and</p> <p>(b) Up to 11,44,000 Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.</p> <p>(c) Up to 60% of QIB Portion (of up to 17,00,000 Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Domestic Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price</p>		
<b>Mode of Bid</b>	Only through ASBA Process	ASBA only except for Anchor Investors <sup>(4)</sup>	Only through ASBA Process	Through ASBA Process, Through Banks or by using UPI ID for payment
<b>Mode of allotment</b>	Compulsorily in dematerialized form			
<b>Minimum Bid Size</b>	[●] Equity Shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹ 2.00 Lakhs	Such number of Equity shares in multiple of [●] Equity shares that Bid size exceeds ₹ 2.00 Lakhs	[●] Equity Shares in multiple of [●] Equity shares so that the Bid Amount does not exceed ₹ 2.00 Lakhs
<b>Maximum Bid Size</b>	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, (excluding the Anchor portion), subject to limits applicable to each Bidder	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue (excluding the QIB portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹2.00 Lakhs
<b>Bid Lot</b>	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
<b>Trading Lot</b>	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof

Particulars	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non - Institutional Investors/Bidders	Retail Individual Investors/Bidders
	the SEBI ICDR Regulations			
<b>Who can apply?<sup>(5)</sup></b>	Market Maker	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual funds registered with SEBI, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, registered with SEBI, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹2500 lakhs, pension fund with minimum corpus of ₹2500 lakhs, National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs, in accordance with applicable laws including FEMA Rules.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, family offices, trusts, FPIs who are individuals, corporate bodies and family offices	Resident Indian individuals, HUFs (in the name of Karta) and Eligible NRIs applying for Equity Shares such that the Bid amount does not exceed ₹2.00 Lakhs in value
<b>Terms of Payment</b>		<p><b>In case of all other Bidders:</b> Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.</p> <p><b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids<sup>(6)</sup></p>		

(1) Our Company in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Issue Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹200.00 Lakhs, (ii) minimum of two and maximum of fifteen Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹200.00 Lakhs but up to ₹2,500.00 Lakhs under the Anchor Investor Portion, subject to a minimum Allotment of ₹100.00 Lakhs

per Anchor Investor, and (iii) in case of allocation above ₹2,500.00 Lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of fifteen Anchor Investors for allocation up to ₹2,500.00 Lakhs, and an additional ten Anchor Investors for every additional ₹2,500.00 Lakhs or part thereof will be permitted, subject to minimum allotment of ₹100.00 Lakhs per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹200.00 Lakhs. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors.

- (2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI ICDR Regulations, this is an Issue for at least 25% of the post Issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI ICDR Regulations.
- (3) Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.
- (4) Anchor Investors are not permitted to use the ASBA process.
- (5) In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.
- (6) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.
- (7) SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the Bidders. Accordingly, Stock Exchanges shall, for all categories of Bidders viz. QIBs, NIBs and RIBs and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

The Bids by FPIs with certain structures as described under “Issue Procedure” on page 256 of this Red Herring Prospectus and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see “Terms of the Issue” on page 243.

**In case of any revision in the Price Band, the Bid/ Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a public announcement and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate.**

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment

## ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issue, prepared and issued in accordance with the SEBI circular no CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI and updated pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and updated pursuant to SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 (the "General Information Document") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of Stock Exchange, the Company and the Book Running Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v) issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date; (xii) disposal of applications; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("UPI") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the process and timeline of T+6 days. ("UPI Phase I"). The UPI Phase I was effective until June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by UPI Bidders through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II"). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders ("UPI Phase III") and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time.

The BRLMs shall be the nodal entity for any Issues arising out of the public issuance process. In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.

Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances, including the reduction of time period for unblocking of application monies from 15 days to four days. This circular is effective for initial public offers opening on or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, as amended, are deemed to form part of this Red Herring Prospectus.

Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹5.00 lakhs shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. Pursuant to SEBI circular

no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/Issue Closing Date, in accordance with the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding three Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, has reduced the timelines for refund of Application money to two days.*

*The BRLM shall be the nodal entity for any issues arising out of public issuance process.*

*Our Company and the BRLM, members of the syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the GID and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus, when filed.*

*Further, our Company and the Members of the Syndicate are not liable for any adverse occurrences' consequent to the implementation of the UPI Mechanism for application in the Issue.*

## **BOOK BUILDING PROCEDURE**

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") read with Regulation 252 of SEBI ICDR Regulations, the Issue is being made for at least 25% of the post- Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229 (2) of Chapter IX of SEBI ICDR Regulations via book building process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. 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. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue shall be 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.

Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager, and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. However, undersubscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021 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.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

**Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms, which do not have the details of the Bidders' depository account, including DP ID, Client ID, UPI ID (in case of UPI Bidders using the UPI Mechanism) and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.**

However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws. Phased implementation of UPI.

## PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public Issue closure to listing continued to be six Working Days. For further details, refer to the General Information Document available on the website of the Stock Exchange and the Book Running Lead Manager.

**Phase II:** This phase has become applicable from July 1, 2019. and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public Issue closure to listing continues to be six Working Days during this phase.

**Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (“T+3 Notification”). In this phase, the time duration from public Issue closure to listing has been reduced from six Working Days to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Issue is being made under Phase III of the UPI (on a mandatory basis).

Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 issued by SEBI, as amended by the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 (the “UPI Streamlining Circular”), SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streamlining Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors’ complaints, the relevant SCSB as well as the post- issue BRLM will be required to compensate the concerned investor.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI RTA Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law. The Issue will be made under UPI Phase III of the UPI Circular.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as the Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders.

Individual investors bidding under the Non-Institutional Portion bidding for more than ₹2.00 lakhs and up to ₹5.00 lakhs, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 ("UPI Streamlining Circular"), SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streamlining Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Book Running Lead Manager.

## **BID CUM APPLICATION FORM**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the Book Running Lead Manager, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the website of the NSE ([www.nseindia.com](http://www.nseindia.com)), at least one day prior to the Bid/Issue Opening Date.

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the Book Running Lead Manager.

UPI Bidders Bidding using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain the UPI ID are liable to be rejected.

Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The ASBA Bidders, including UPI Bidders, shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, which shall be effective from September 1, 2022.

ASBA Bidders (not using the UPI Mechanism) must provide bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected. The ASBA Bidders shall ensure that they have sufficient balance in their bank accounts

to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, which shall be effective from September 1, 2022. All ASBA Bidders are required to provide either, (i) bank account details and authorizations to block funds in the ASBA Form; or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that did not contain such details will be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable to be rejected. The UPI Bidders must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain the UPI ID are liable to be rejected. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Banks, as applicable at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

Since the Issue is made under Phase III, ASBA Bidders may submit the ASBA Form in the manner below:

- (a) RIBs (other than the UPI Bidders using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (b) UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (c) QIBs and NIIs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.
- (d) ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked.

In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked. The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application form*
Resident Indians, including QIBs, Non-institutional Investors and Retail Individual Bidders, each resident in India and Eligible NRIs applying on a non-repatriation basis.	White
Non-Residents including Eligible NRIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion), FPIs or FVCIs registered multilateral and bilateral development financial institutions applying on a repatriation basis	Blue
Anchor Investors**	White

\* Excluding electronic Bid cum Application Form.

\*\* Bid cum Application Forms for Anchor Investors will be made available at the office of the Book Running Lead Manager. Electronic Bid cum Application forms will also be available for download on the website of NSE ([www.nseindia.com](http://www.nseindia.com)).

In case of ASBA forms, the relevant Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. Further, SCSBs shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges and the Stock Exchanges validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. The Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on application monies blocked. For UPI Bidders, the Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded. The Stock Exchanges

shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Bidders) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

For UPI Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis through API integration to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate the UPI Bidders in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the Bankers to the Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Issue shall provide the audit trail to the Book Running Lead Managers for analysing the same and fixing liability.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the Book Running Lead Managers in the format and within the timelines as specified under the SEBI UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022. For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm IST on the Bid/Issue Closing Date (**“Cut-Off Time”**). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification/cancellation of Bids (if any) shall be allowed in parallel during the Bid/Issue Period until the Cut-Off Time.

Pursuant to NSE circular dated August 3, 2022 with reference no. 25/2022, the following is applicable to all initial public offers opening on or after September 1, 2022:

- a) Cut-off time for acceptance of UPI mandate shall be up to 5:00 pm on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the Issue and Depository Participants shall continue till further notice;
- b) There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued;
- c) Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 5 pm on the initial public offer closure day;

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid/ Issue Opening Date until the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Issue Bidding process.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in accordance with SEBI circular no: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following intermediaries (Collectively called – Designated Intermediaries”):

1. An SCSB, with whom the bank account to be blocked, is maintained
2. A syndicate member (or sub-syndicate member)
3. A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4. A Depository Participant ("DP") (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5. A Registrar to an Issue and share transfer agent ("RTA") (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by Investors to SCSBs:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants. Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorising blocking of funds that are available in the bank account specified in the Application Form used by ASBA Applicants. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms/ Application Forms to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

### **Who Can Apply?**

In addition to the category of Applicants set forth in the General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

1. Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: —Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non-Institutional investor's category;
10. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
11. Foreign Venture Capital Investors registered with the SEBI;
12. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
13. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
14. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
15. Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
16. Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
17. National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
18. Insurance funds set up and managed by army, navy or air force of the Union of India;
19. Multilateral and bilateral development financial institution;
20. Eligible QFIs;
21. Insurance funds set up and managed by army, navy or air force of the Union of India;
22. Insurance funds set up and managed by the Department of Posts, India;
23. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

24. Applications not to be made by:

- a) Minors (except through their Guardians)
- b) Partnership firms or their nominations
- c) Foreign Nationals (except NRIs)
- d) Overseas Corporate Bodies

### **ELECTRONIC REGISTRATION OF BIDS**

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Issue.
- b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.
- c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 5:00 pm on the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.
- d) QIBs and Non-Institutional Investors can neither revise their bids downwards nor cancel/withdraw their bids.

### **PARTICIPATION BY PROMOTERS, PROMOTER GROUP, THE BOOK RUNNING LEAD MANAGER, THE SYNDICATE MEMBERS AND PERSONS RELATED TO PROMOTERS/PROMOTER GROUP/THE BOOK RUNNING LEAD MANAGER**

The Book Running Lead Manager and the Syndicate Members shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Manager and the Syndicate Members may Bid for Equity Shares in the Issue, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis or in any other manner as introduced under applicable laws, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the Book Running Lead Manager and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the Book Running Lead Manager nor any associate of the Book Running Lead Manager can apply in the Issue under the Anchor Investor Portion:

- (i) mutual funds sponsored by entities which are associate of the Book Running Lead Manager;
- (ii) insurance companies promoted by entities which are associate of the Book Running Lead Manager;
- (iii) AIFs sponsored by the entities which are associate of the Book Running Lead Manager; or
- (iv) FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the Book Running Lead Manager.

Further, an Anchor Investor shall be deemed to be an “associate of the Book Running Lead Manager” if:

- (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or
- (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or
- (iii) there is a common director, excluding nominee director, amongst the Anchor Investors, the Book Running Lead Manager.

### **BIDS BY MUTUAL FUNDS**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which such Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity-related instruments of any single company, provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

### **BIDS BY ELIGIBLE NON-RESIDENT INDIANS**

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (White in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour).

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their respective SCSB to block their NRE accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorise their respective SCSB to block their NRO accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Eligible NRIs applying on a non-repatriation basis in the Issue through the UPI Mechanism are advised to enquire with their relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the members of the Indian company in a general meeting.

NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

For details of restrictions on investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page 279 of this Red Herring Prospectus.

Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

### **BIDS BY HUFs**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Bids/Applications by HUFs may be considered at par with Bids from individuals.

### **BIDS BY FPIs**

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control)) shall be below 10% of our post- Issue Equity Share capital on a fully diluted basis. In case the total holding of an FPI or

investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents (Blue in colour).

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

As specified in 4.1.4.2 (b)(i) and 4.1.4.2 (c)(iv) of the General Information Document, it is hereby clarified that bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations (“**MIM Structure**”), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids are liable to be rejected. Further, in the following cases, the bids by FPIs will not be considered as multiple Bids: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments (“**ODI**”) which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category 1 FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

With effect from the April 1, 2020, the aggregate limit shall be the sectoral caps applicable to the Indian company as prescribed in the FEMA Rules with respect to its paid-up equity capital on a fully diluted basis. While the aggregate limit as provided above could have been decreased by the concerned Indian companies to a lower threshold limit of 24%, 49% or 74% as deemed fit, with the approval of its board of directors and its shareholders through a resolution and a special resolution, respectively before March 31, 2020, our Company has not decreased such limit and accordingly the applicable limit with respect to our Company is 100%.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to *inter alia* the following conditions:

- (a) such offshore derivative instruments are transferred only to persons in accordance with Regulation 22(1) of the SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Participation of FPIs in the Issue shall be subject to the FEMA Rules

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid. Further, please note that as disclosed in this Red Herring Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum Application Form *“exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus.”*

For example, an FPI must ensure that any Bid by a single FPI and/ or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collective, the “FPI Group”) shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Any Bids by FPIs and/ or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Issue Equity Share capital shall be liable to be rejected.

### **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance finds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹2,500.00 lakhs and pension funds with a minimum corpus of ₹2,500.00 lakhs (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

Our Company in consultation with the Book Running Lead Manager in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

### **BIDS BY SEBI REGISTERED VCFs, AIFs AND FVCIs**

The SEBI FVCI Regulations, inter alia, prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, subject to FEMA Rules, VCFs and FVCIs can invest only up to 33.33% of their investible funds in various prescribed instruments, including in public offerings.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. Our Company, the Book Running Lead Manager will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of VCFs, AIFs or FVCIs in the Issue shall be subject to the FEMA Rules.

**All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

### **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum

Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof.

### **BIDS BY BANKING COMPANIES**

In case of Bids made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended, (the "Banking Regulation Act"), and the Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in excess of 30% of the paid-up share capital of the investee company, (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (iii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

### **BIDS BY SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

### **BIDS BY INSURANCE COMPANIES**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended ("IRDAI Investment Regulations"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

### **BIDS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Bids made by provident funds/pension funds with minimum corpus of ₹2,500.00 lakhs, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserve the right to reject any Bid, without assigning any reason thereof.

### **BIDS BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Bids made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Bid cum Application Form.

Failing this, our Company in consultation with the Book Running Lead Manager, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time

## **BIDS BY ANCHOR INVESTORS**

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section, the key terms for participation by Anchor Investors are provided below.

- 1) Anchor Investor Application Forms will be made available for the Anchor Investors Portion at the offices of the Book Running Lead Manager.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹200.00 lakhs.
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
- 5) Our Company in consultation with the Book Running Lead Manager, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than ₹200.00 Lakhs but up to ₹2,500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than ₹2,500.00 Lakhs:(i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation up to ₹2,500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹2,500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the Book Running Lead Manager before the Bid/ Issue Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within Anchor Investor Pay-in Date specified in the CAN. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
- 9) The Equity Shares Allotted in the Anchor Investor Portion will be locked in, in accordance with the SEBI ICDR Regulations. 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.
- 10) Neither the (a) Book Running Lead Manager or any associate of the Book Running Lead Manager (other than mutual funds sponsored by entities which are associate of the Book Running Lead Manager or insurance companies promoted by entities which are associate of the Book Running Lead Manager or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the Book Running Lead Manager or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the Book Running Lead Manager) nor (b) the Promoters, Promoter Group or any person related to the Promoters or members of the Promoter Group shall apply under the Anchor Investors category.

For more information, please read the General Information Document.

**The information set out above is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as will be specified in the Red Herring Prospectus.**

### **Information for Bidders**

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

### **GENERAL INSTRUCTIONS**

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs can revise their Bid(s) during the Bid Period and withdraw or lower the size of their Bid(s) until Bid/Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid Period.

#### ***Do's:***

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that your PAN is linked with Aadhaar and you are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021
3. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
4. Ensure that you have Bid within the Price Band;
5. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
6. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not a UPI Bidder in the Bid cum Application Form and if you are a UPI Bidder ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
7. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document;

8. UPI Bidders Bidding in the Issue shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party
9. UPI Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs;
10. Ensure that you mandatorily have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
11. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;
12. Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
13. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or acknowledgment specifying the application number as a proof of having accepted the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
14. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment.
15. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008 issued by SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of the circular dated July 20, 2006 issued by SEBI, may be exempted from specifying their PAN for transacting in the securities market, and (iii) persons/entities exempt from holding a PAN under applicable law, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficial owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
17. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;
19. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;
20. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.
21. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
22. Since the Allotment will be in dematerialised form only, ensure that the depository account is active, the correct DP ID, Client ID, UPI ID (for UPI Bidders Bidding through UPI mechanism) and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for UPI Bidders Bidding through UPI

mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidders Bidding through UPI mechanism) and PAN available in the Depository database;

23. In case of QIBs and NIIs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in));
24. Ensure that you have correctly signed the authorisation / undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Banks, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
25. Ensure that the Demographic Details are updated, true and correct in all respects;
26. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Issue, which is UPI 2.0 certified by NPCI;
27. Bidders (except UPI Bidders) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of RIBs, once the Sponsor Banks issues the Mandate Request, the RIBs would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
28. Bidding through UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI pin. Upon the authorization of the mandate using his/her UPI pin, a UPI Bidder Bidding through UPI Mechanism shall be deemed to have verified the attachment containing the application details of the RIB Bidding through UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Banks Issue a request to block the Bid Amount specified in the Bid cum Application Form in his/her ASBA Account;
29. UPI Bidders should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;
30. UPI Bidders who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Banks to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner;
31. Bids by Eligible NRIs for a Bid Amount of less than ₹2.00 lakhs would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹2.00 lakhs would be considered under the Non-Institutional Category for allocation in the Issue;
32. UPI Bidders using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019; and
33. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 12:00 p.m. of the Working Day immediately after the Bid/ Issue Closing Date.
34. The ASBA bidders shall ensure that bids above ₹5.00 lakhs, are uploaded only by the SCSBs.

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.**

***Don'ts:***

1. Do not Bid for lower than the minimum Bid Lot;
2. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
3. Do not Bid for a Bid Amount exceeding ₹2.00 lakhs (for Bids by RIBs) and ₹5.00 lakhs for Bids by Eligible Employees Bidding in the Employee Reservation Portion;
4. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
5. Do not Bid/ revise the Bid amount to less than the Floor Price or higher than the Cap Price;
6. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
10. Do not submit the Bid for an amount more than funds available in your ASBA account;
11. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
12. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
13. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
14. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
15. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;
16. In case of ASBA Bidders (other than UPI Bidders using UPI mechanism), do not submit more than one Bid cum Application Form per ASBA Account;
17. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;
18. Anchor Investors should not bid through the ASBA process;
19. Do not submit the Bid cum Application Form to any non-SCSB bank or our Company;
20. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
21. Do not submit the GIR number instead of the PAN;
22. Anchor Investors should submit Anchor Investor Application Form only to the Book Running Lead Manager;
23. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;
24. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/ Issue Closing Date;

25. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders or Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bids on or before the Bid/ Issue Closing Date;
26. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are a UPI Bidder and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;
27. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
28. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID details if you are a UPI Bidder. Further, do not provide details for a beneficiary account which is suspended or for which details cannot be verified to the Registrar to the Issue;
29. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;
30. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;
31. Do not Bid if you are an OCB;
32. UPI Bidders using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected; and
33. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders.
34. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹5.00 lakhs;

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.**

#### **GROUND FOR TECHNICAL REJECTION**

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Banks);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. ASBA Form by the RIBs by using third party bank accounts or using third party linked bank account UPI IDs;
10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/22/2010 dated July 29, 2010;
11. GIR number furnished instead of PAN;

12. Bids by RIBs with Bid Amount of a value of more than ₹2.00 lakhs;
13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
14. Bids accompanied by stock invest, money order, postal order or cash; and
15. Bids uploaded by QIBs after 4:00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchanges. On the Bid/ Issue Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Bidders, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid-cum-Application Forms as stated herein and as informed to the Stock Exchanges.

Further, in case of any pre- Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance officer. For details of the Company Secretary and Compliance officer, see “*General Information*” beginning on page 60 of this Red Herring Prospectus.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding three Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

#### **NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER**

The authorised employees of the Stock Exchange, along with the Book Running Lead Manager and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

#### **Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

#### **Terms of payment**

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

#### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

#### **METHOD OF ALLOTMENT AS MAY BE PRESCRIBED BY SEBI FROM TIME TO TIME**

Our Company will not make any allotment in excess of the Equity Shares offered through this Offer document.

The allotment of Equity Shares to bidders other than to the RIBs, NIIs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion and the remaining available shares, if any, shall be allotted on a proportionate basis. Further, not less than 15% of the Net Issue shall be available for allocation to Non-Institutional Bidders in accordance with the SEBI ICDR Regulations. Further, the allocation to each Non-Institutional Investor shall not be less than Minimum NIB Application Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.

#### **PAYMENT INTO ANCHOR INVESTOR ESCROW ACCOUNTS**

Our Company in consultation with the Book Running Lead Manager will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which, the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account should be drawn in favor of:

- (a) In case of resident Anchor Investors: "**Refractory Shapes Limited- Anchor Investor R Account**"
- (b) In case of Non-Resident Anchor Investors: "**Refractory Shapes Limited- Anchor Investor NR Account**"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections of Bid amounts from Anchor Investors.

#### **PRE- ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre- Issue advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of English

national daily newspaper, Financial Express, all editions of Hindi national daily newspaper, Jansatta, all editions of the Hindi daily newspaper Pratahkal (Marathi being the regional language of Maharashtra where our Registered Office is located) each with wide circulation.

In the pre- Issue advertisement, we shall state the Bid/ Issue Opening Date and the Bid/ Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

## **ALLOTMENT ADVERTISEMENT**

Our Company, the Book Running Lead Manager and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of English national daily newspaper, Financial Express, all editions of Hindi national daily newspaper, Jansatta and all editions of the Marathi daily newspaper Pratahkal (Marathi being the regional language of Maharashtra, where our Registered Office is located) each with wide circulation.

**The information set out above is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.**

## **SIGNING OF THE UNDERWRITING AGREEMENT AND FILING WITH THE ROC**

Our company has entered into an Underwriting Agreement and addendum to the Underwriting Agreement dated March 26, 2024 and April 26, 2024 respectively.

After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which would then be termed as the Prospectus. The Prospectus will contain details of the Issue Price, the Anchor Investor Issue Price, the Issue size, and underwriting arrangements and will be complete in all material respects.

## **Depository Arrangements**

The Allotment of the Equity Shares in the Issue shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). For more information, see “*Terms of the Issue*” on page 243 of this Red Herring Prospectus.

## **IMPERSONATION**

**Attention of the bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:**

**“Any person who:**

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or**
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,**

**shall be liable for action under Section 447.”**

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹10.00 lakhs or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹10.00 lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹50.00 lakhs or with both.

## **UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders. the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/ Issue Closing Date or such other period as may be prescribed;
- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the unsuccessful Bidder within three Working Days from the Bid/ Issue Closing Date or such other prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- Promoters' contribution, if any, shall be brought in advance before the Bid/ Issue Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allotees;
- that if our Company does not proceed with the Issue after the Bid/ Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/ Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The Stock Exchanges shall be informed promptly;

## **UTILISATION OF ISSUE PROCEEDS**

Our Company, severally and not jointly, specifically confirm that all monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.

Details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Net Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and

Details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued, issued the Consolidated FDI Policy Circular of 2020 (“**FDI Policy**”), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI SAST Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Issue shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Nondebt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India.

As per the FDI policy, FDI in companies engaged in the sector in which our Company operates, is permitted up to 100% of the paid-up share capital of such company under the automatic route.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see “*Issue Procedure*” on page 256 of this Red Herring Prospectus. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Issue Period.

**The Equity Shares issued in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and, unless so registered, 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 U.S. Securities Act and applicable state securities laws of the United States. Accordingly, the Equity Shares are only being issued and sold only outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those issues and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

The above information is given for the benefit of the Bidders. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations, seek independent legal advice about its ability to participate in the Issue and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

**SECTION X – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION**

**THE COMPANIES ACT, 2013**

**COMPANY LIMITED BY SHARES**

**(Incorporated under the Companies Act, 1956)**

**ARTICLES OF ASSOCIATION1**

**OF**

**REFRACTORY SHAPES LIMITED**

**1) a) Table “F” not to apply but company to be governed by these Articles**

No regulations contained in Table “F” to the Companies Act, 2013 (“Table F”) as are applicable to a public company limited by shares, shall apply to the Company except: (a) so far as they are not inconsistent with any of the provisions contained in these articles or modifications thereof; or (b) to the extent that there is no specific provision in these articles. In case of any conflict between the provisions of these articles and table F, the provisions of these articles shall prevail.

**b) Applicability of Stock Exchange Regulations**

Notwithstanding anything contained herein in these Articles, any inconsistency as to clause or time stipulated therein with the regulations and conditions of listing agreement of applicable stock exchanges, where the shares/securities of the Company are listed, shall stand modified so as to be consistent with the regulations and conditions of the listing agreement as amended from time to time.

Where any regulations and conditions as modified from time to time of any recognized stock exchange/s, which are required to be stipulated and included in the articles of association of a company at the time of listing of shares / securities or thereafter, these Articles shall stand to have been modified or amended so as to include such regulation and condition without further requirement of alteration of the Articles of Association of the Company.

**INTERPRETATION**

In the interpretation of these Articles the following expressions shall have the following meanings, unless repugnant to the subject or context:

**THE ACT**

“The Act” means the Companies Act, 2013 and the rules and regulations prescribed thereunder, as now enacted or as amended from time to time and shall include any statutory modification or re-enactment thereof for the time being in force.

**ARTICLES**

The “Articles” or “Articles of Association” means these articles of association of the Company or as altered from time to time.

**BOARD OR BOARD OF DIRECTORS**

“Board” or “Board of Directors” means the board of directors of the Company, as constituted from time to time.

**CHAIRMAN**

“The Chairman” means the Chairman of the Board of Directors / Committee for the time being of the Company.

**THE COMPANY OR THIS COMPANY**

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\*(In pursuance of the Special Resolution passed at the extra-ordinary general meeting of the members of the Company held on 18th January, 2024 these articles have been amended and adopted as the new articles of association of the Company)

“The Company” or “This Company” means **REFRACTORY SHAPES LIMITED**.

## **RULES**

Rules means the applicable rules for the time being in force as prescribed under relevant sections of the Act.

## **MONTH**

“Month” means a calendar month.

## **PERSONS**

“Person” or “person” shall mean any natural person, limited or unlimited liability company, body corporate or corporation, limited liability partnership, partnership (whether limited or unlimited), proprietorship, voluntary association, joint venture, unincorporated organization Hindu undivided family, trust, union, association, government or any agency or political subdivision thereof or any other entity, whether incorporated or not, that whether acting in an individual, fiduciary or other capacity may be treated as a person under applicable law.

## **GENDER**

Words importing one gender also include the other gender(s).

## **SINGULAR NUMBER**

Words importing the singular number include, where the context admits or requires, the plural number, and vice versa.

a. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

## **EXPRESSION IN THE ACT TO BEAR THE SAME MEANING IN ARTICLES**

Unless the context otherwise requires, words and expressions contained in these Articles shall bear the same meaning as in the Act. In these Articles, all capitalized items not defined herein below shall have the meanings assigned to them in the other parts of these Articles when defined.

### **2) PUBLIC COMPANY**

The company is a public company as defined in Section 2(71) of the Act.

### **CAPITAL, SHARES AND CERTIFICATES**

### **3) CAPITAL**

- a) The Authorised Share Capital of the Company is as stated in the Clause V of the Memorandum of Association with the rights, privileges and conditions attached thereto as provided in law for the time being in force with powers to the Company to issue share capital as provided under Section 43 of the Act and divide share capital for the time being of the Company into several classes / kinds (being those specified in the Act) and to attach thereto respectively such preferential, qualified, differential or special rights, privileges or conditions as may be determined by or in accordance with the law or the Articles of Association of the Company for the time being in force and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the law for the time being in force or provided by the Articles of Association of the Company.
- b) Subject to the provision of the Act and Rules and these articles, the Board may issue and allot shares in the capital of the Company in consideration of payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business or as sweat equity and any shares which may be so allotted may be issued as fully paid up or partly paid up otherwise than cash and if so issued shall be deemed to be fully paid or partly paid up shares as the case may be.

### **4) INCREASE OF CAPITAL BY THE COMPANY**

The Company in general meeting may from time to time, by ordinary resolution, increase the capital by creation of new shares and of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe, and in particular, such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at a general meeting of the Company in conformity with Sections 47 of the Act.

**5) ISSUE OF SECURITIES**

Subject to the provisions of the Act and the rules and other applicable laws the Company shall have the right to issue any kind of shares/ securities / warrants having such rights as to conversion, redemption or otherwise and other terms and conditions and for consideration in cash or in consideration of any property or asset of any kind wherever sold or transferred goods or machinery supplied or for services rendered to the Company in the conduct of its business.

**6) ISSUE OF REDEEMABLE PREFERENCE SHARES**

Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more class which are liable to be redeemed or converted into equity shares on such terms and conditions and in such manner as may be determined by the Board in accordance with the Act and the Rules.

**7) SHARES UNDER THE CONTROL OF THE BOARD**

Subject to the Section 62 of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions either at a premium or at par or at a discount (subject to the compliance with the provision of Section 53 of the Act) and at such times as it may from time to time think fit and proper, and with full power of the sanction of the Company in General Meeting, to give to any Person the option or right to call for any shares either at par or at a premium during such time and for such consideration as the Board thinks fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid up shares and is so issued, shall be deemed to be fully paid up shares.

Provided that the option or right to call of shares shall not be given to any persons except with the sanction of the Company in General Meeting.

**8) PURCHASE / BUY BACK OF SHARES**

(a) Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other laws for the time being in force, the Company shall be entitled to purchase its own shares or other specified securities on such terms as deemed fit.

(b) Subject to all applicable provisions of the Act or any other laws for the time being in force, the Company shall also be entitled to provide loan or any financial assistance to any person to purchase shares or securities of the Company.

**9) REDUCTION OF CAPITAL**

The Company may (subject to the provisions of Section 52, 55, 66 and/or other applicable provisions, if any, of the Act) from time to time by special resolution, reduce (a) its share capital, (b) any capital redemption, reserve account, or (c) any share premium account in any manner and with and subject to any incidents, authorise the consent required by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. The Article is not to derogate from any power the Company would have if it were omitted.

**10) CONSOLIDATION, DIVISION, SUB-DIVISION AND CANCELLATION OF SHARES**

Subject to the provisions of Section 61 of the Act, the Company in general meeting may from time to time by an ordinary resolution alter the conditions of its Memorandum as follows:

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division, the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;

(c) Cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this sub-clause shall not be deemed to be a reduction of share capital within the meaning of the Act.

## **11) MODIFICATION OF RIGHTS**

Whenever the capital, by reason of the issue of shares including preference shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 of the Act, be varied, modified, commuted, affected or abrogated, or dealt with, with the consent in writing of the holders of not less than three-fourths of the issued capital of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of that class, and all the provisions hereafter contained as to general meetings shall, mutatis mutandis, apply to every such meeting. This Article, is not to derogate from any power the Company would have if this Article was omitted.

The rights conferred upon the holders of the shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith. This Article, is not to derogate from any power the Company would have if this Article was omitted.

## **12) ISSUE OF FURTHER SHARES NOT TO AFFECT RIGHTS OF EXISTING MEMBERS**

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith. This Article, is not to derogate from any power the Company would have if this Article was omitted.

## **13) FURTHER ISSUE OF SHARES/SECURITIES**

A further issue of shares/securities may be made in any manner whatsoever as the Board may determine including by way of preferential offer, private placement, rights issue, bonus issue, pursuant to employee stock options, sweat equity or in any other manner as permitted by the Act and at such time as the Board may from time to time think fit.

## **15) ISSUE OF SHARES TO EMPLOYEES**

Subject to applicable rules and regulation, the Board may issue and allot shares/securities as sweat equity or under employees stock option scheme. The Board is authorised absolutely at its sole discretion to determine the terms and conditions of issue of such shares and modify the same from time to time.

## **16) LIABILITY OF MEMBERS**

Every member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon in such amounts, at such time or times, and in such manner as the Board of Directors shall from time to time, in accordance with the Company's regulations, require or fix for the payment thereof.

## **17) SHARE CERTIFICATES**

The Company shall cause to be kept a register of members in accordance with Section 88 of the Act.

Every person whose name is entered as a member in the register of members shall be entitled to receive, within two months after allotment (or within such other period as the conditions of issue shall provide), or within fifteen days after the application for the registration of transfer or transmission is received by the Company, without

payment, certificate for all the shares registered in his name, every share certificate specifying the name of the person in whose favour it is issued, the share certificate number and the distinctive number(s) of the shares to which it relates and the amount paid up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in case of issues against letters of acceptance or of renunciation or in cases of issue of bonus shares provided that if the letter of allotment is lost or destroyed, the Board may impose such reasonable terms, if any, as it thinks fit, as to evidence and indemnity and the payment of out of pocket expenses incurred by the Company in investigating the evidence.

(b) Certificate of title to shares shall be issued and shall be signed in conformity with the provisions of the Companies (Share Capital and Debentures) Rules, 2014 or any statutory modification or re-enactment thereof for the time being in force. Printing of blank forms to be used for issue of share certificates and maintenance of books and documents relating to issue of share certificates shall be in accordance with the provisions of aforesaid rules. Such certificates of title to shares shall be completed and kept ready for delivery within two months after the allotment unless the conditions of issue of shares provide otherwise.

(c) Any two or more joint allottees or holders of share shall, for the purpose of this Article, be treated as a single member and the certificate of any share, which may be the subject of joint ownership, may be delivered to any one of such joint owners on behalf of all of them. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of the certificate for a share to one of several joint shareholders shall be sufficient delivery to all such holder.

## **18) FRACTIONAL CERTIFICATES**

(a) If and whenever, as a result of issue of new shares on consolidation or sub-division of shares, any member becomes entitled to any fractional part of a share, the Board may subject to the provisions of the Act and these Articles and to the directions, if any, of the Company in General Meeting:-

(i) Issue to such member fractional certificate or certificates representing such fractional part. Such fractional certificate or certificates shall not be registered, nor shall they bear any dividend until exchanged with other fractional certificates for an entire share. The Directors may, however, fix the time within which such fractional certificates are to be exchanged for an entire share and may extend such time and if at the expiry of such time, any fractional certificates shall be deemed to be canceled and the Directors shall sell the shares represented by such canceled fractional certificates for the best price reasonably obtainable or

(ii) Sell the shares represented by all such fractional parts for the best price reasonably obtainable.

(b) In the event of any shares being sold, in pursuance of sub-clause (a) above, the Company shall pay and distribute to and amongst the persons entitled, in due proportion the net sale proceeds thereof.

(c) For the purpose of giving effect to any such sale, the Board may authorise any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he shall not be bound to see to the application of purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the same.

(d) The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.

(e) Notwithstanding the above, the Board shall have power to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares/securities becoming distributable in fractions.

## **19) RENEWAL OF SHARE CERTIFICATE**

No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn, or old, decrepit, worn out, or where the pages on the reverse for recording transfers have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company.

Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfers have been fully utilised.

Provided further that in case of any share certificate being lost or destroyed or if there be no further space on the bank for endorsement of transfer, the Company may issue a duplicate certificate in place of the certificate so lost or destroyed on such terms as to evidence out of pocket expenses in regard to investigation of such evidence and on execution of indemnity as the Board may determine.

The Company shall issue certificates or receipts or advices, as applicable, of subdivision, split, consolidation, renewal, exchanges, endorsements, issuance of duplicates thereof or issuance of new certificates or receipts or advices, as applicable, in cases of loss or old decrepit or worn out certificates or receipts or advices, as applicable within a period of thirty days from the date of such lodgement.

Provided that notwithstanding what is stated above, the Board shall comply with such rules or regulation or requirements of any stock exchanges or the rules made under the Act or rules made under the Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.

The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.

**20) COMPANY NOT BOUND TO RECOGNISE ANY INTEREST IN SHARE OTHER THAN REGISTERED HOLDER**

Except as ordered by a Court of competent jurisdiction or as by law required the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles expressly provided) any right in respect of a share other than an absolute right thereto/ in accordance with these Articles, in the person whose name appears in the Register of Members as holder of shares or whose name appears as the beneficial owner of the shares in the records of the depository, but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

**21) COMPANY ENTITLED TO DEMATERIALISE ITS SHARES AND SECURITIES**

Notwithstanding anything contained in the Articles of Association, the Company shall be entitled to dematerialize its shares, debenture and other securities in a dematerialised form. The Company shall further be entitled to maintain a Register of Members with the details of members holding shares/securities both in material and dematerialised form in any media as permitted by law including any form of electronic media.

**22) GENERAL AUTHORITY**

Where in the Act, it has been provided that a company shall have any right, privilege or authority or that a company could carry out any transactions only if such company is so authorized by its articles of association, in every such case this Articles of Association hereby authorizes and empowers the Company, its Board, its Directors and/or its members to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any specific provision in that behalf herein. Following are a few illustrations of such rights, privileges, authorities and transactions as set out with relevant Section numbers from the Act:

Section 40: to pay commission on issue of shares and debentures

Section 43: to issue shares with differential voting rights

Section 48: to alter rights of holders of special class of shares

Section 50: to accept amount on share capital although not called up

Section 51: to pay dividend in proportion to amount paid-up

Section 55: to issue preference shares.

Section 61: to alter the share capital of the company

Section 42: to issue shares on preferential basis

Section 62: to further issue shares/securities

Section 63: to issue bonus shares

Section 68: to buy back the shares of the Company

Section 88: to keep foreign register of members of debenture holders

Section 161: to appoint additional, alternate and nominee directors

The above authority does not include rights, privileges, authorities under Section 163 of the Act.

**23) POWER TO PAY COMMISSION IN CONNECTION WITH SECURITIES ISSUED**

1. The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.

2. The rate or amount of the commission shall not exceed the rate or amount prescribed in the Act and the Rules.

3. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

**24) BROKERAGE**

The Company may on any issue of shares, debentures or any other securities pay such brokerage or commission as may be prescribed under the Act.

**CALLS**

**25) BOARD MAY MAKE CALLS**

Subject to the provisions of Section 49 of the Act, the Board of Directors may, from time to time, by a resolution passed at a meeting of the Board (and not by a circular resolution) make such calls as it thinks fit upon the members in respect of moneys unpaid on the shares, whether on account of the nominal value of the shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine at any time.

**26) NOTICE OF CALLS**

At least Fourteen (14) days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.

**27) CALLS TO TAKE EFFECT FROM THE DATE OF RESOLUTION**

A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board of Directors and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Board on such subsequent date as shall be fixed by the Board of Directors.

**28) CALLS ON SHARES OF SAME CLASS TO BE ON UNIFORM BASIS**

All calls shall be made on a uniform basis on all shares falling under the same class.

Explanation: Shares of different class having the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.

**29) BOARD MAY EXTEND TIME**

The Board of Directors may, from time to time at its discretion, extend the time fixed for the payments of any call, and may extend such times as to all or any of the members who, on account of residence at a distance or other cause, the Board of Directors may deem fairly entitled to such extension, but no member shall be entitled to such extension as of right except as a matter of grace and favour.

**30) AMOUNT PAYABLE AT FIXED TIME OR BY INSTALMENTS TO BE TREATED AS CALLS**

If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or instalment shall be payable by the person who for the time being and from time to time is or shall be the registered holder of the shares or legal representative of a deceased registered shareholder, as if it were a call duly made by the Board and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.

**31) DEPOSIT AND CALL, ETC. TO BE DEBT PAYABLE**

The money (if any) which the Board of Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall, immediately on the inscription of the name of the allottee in the register of members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

**32) INTEREST ON CALL OR INSTALMENT**

If the sum payable in respect of any call or instalment is not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at the rate as may be determined by the Board from the due date appointed for the payment thereof till the time of actual payment. However, the Board may waive payment of such interest wholly or in part.

**33) PARTIAL PAYMENT NOT TO PRECLUDE FORFEITURE**

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time-to-time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.

**34) PAYMENT IN ANTICIPATION OF CALLS MAY CARRY INTEREST**

(a) The Board of Directors may, if it thinks fit, subject to the provisions of the Act, agree to and receive from any member willing to advance the same, all or any part of the amount due upon the shares held by him beyond the sums actually called for and upon the moneys so paid in advance or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Company may pay or allow interest, at such rate not exceeding, unless the Company in general meeting shall otherwise direct, nine (9) per cent per annum as the member paying the sum in advance and the Board of Directors agree upon. The Board of Directors may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to such members three months notice in writing.

(b) No member paying any such sum in advance shall be entitled to voting rights or dividend or to participate in profits in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

35) The provisions of these Articles relating to calls on shares shall mutatis mutandis apply to any other securities including debentures of the Company.

**LIEN**

**36) COMPANY TO HAVE LIEN ON SHARES/ DEBENTURES**

The Company shall have a first and paramount lien upon all shares/debentures (other than fully paid up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not), called or payable at a fixed time in respect of such shares/debentures and no equitable interests in any such share/debentures shall be created except upon the footing and condition that this Article is to have full legal effect. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of shares/ debentures.

Unless otherwise agreed, the registration of a transfer of such shares/ debentures shall operate as a waiver of the Company's lien if any, on such shares/ debentures. PROVIDED THAT the Board of Directors may, at any time, declare any share/ debentures to be wholly or in part exempt from the provisions of this Article.

### **37) AS TO ENFORCING LIEN BY SALE**

The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien for the purpose of enforcing the same. PROVIDED THAT no sale shall be made:

- (a) Unless a sum in respect of which the lien exists is presently payable; or
- (b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency. For the purpose of such sale the Board may cause to be issue a duplicate certificate in respect of such shares and may authorise one of the members to execute a transfer thereof on behalf of and in the name of such members.

### **38) TRANSFER OF SHARES SOLD UNDER LIEN**

- (1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereto;
- (2) The Purchaser shall be registered as the holder of the shares comprised in any such transfer;
- (3) The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.
- (4) The Purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

### **39) APPLICATION OF PROCEEDS OF SALE**

- (1) The net proceeds of any such sale shall be received by the Company and applied in or towards such part of the amount in respect of which the lien exists as is presently payable, and
- (2) The residue, if any, shall be paid to the person entitled to the shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the share before the sale).

### **40) OUTSIDER'S LIEN NOT TO AFFECT COMPANY'S LIEN**

In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

41) The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the Company.

### **JOINT HOLDERS**

### **42) THE FIRST NAMED OF JOINT HOLDERS DEEMED SOLE HOLDER**

If any share stands in the names of two or more persons, first named in the register shall, as regards receipts of dividends or bonus or service of notices and all or any other matter connected with the Company, except voting at meeting and the transfer of the shares, be deemed the sole holder thereof but the joint holder of a share shall, severally as well as jointly, be liable for the payment of all installments and calls due in respect of such share, and for all incidents thereof according to the Company's regulations.

**43)** Where two or more persons are registered as the holders of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefit of survivorship subject to the following and other provisions contained in these articles:-

#### **NOT MORE THAN FOUR**

(a) The Company shall not be bound to register more than four persons as the holders of any share.

(b) The joint holders of any share shall be liable severally as well as jointly for and in respect of all installments, calls and other payments which ought to be made in respect of such share.

#### **TITLE OF SURVIVORS**

On the death of any of such joint holder the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.

#### **RECEIPT OF ONE SUFFICIENT**

(d) Any one of such joint holders may give effectual receipts of any dividends or other moneys payable in respect of such share.

#### **DELIVERY OF CERTIFICATE AND GIVING OF NOTICE**

(e) Only the person whose name stands first in the Register of Members as one of the joint holders of any share unless otherwise directed by all of them in writing shall be entitled to delivery of certificate relating to such share or to receive any documents from the Company and any document served on or sent to such person shall be deemed service on all the joint holders.

(f) The provisions of these Articles relating to joint holders of shares shall mutatis mutandis apply to any other securities including debentures of the Company registered in joint names.

#### **FORFEITURE OF SHARES**

**44) IF MONEY PAYABLE ON SHARES NOT PAID NOTICE TO BE GIVEN TO MEMBER**

If any member fails to pay any call or any installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board of Directors may, at any time thereafter, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

**45) ALLOTMENT MONEY SHALL BE DEEMED TO BE A CALL**

For the purpose of provisions of these presents relating to forfeiture of shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such share on the day of allotment.

**46) EFFECT OF NONPAYMENT OF SUMS**

In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

**47) FORM OF NOTICE**

The notice shall name a day (not being less than fourteen(14) days from the date of the notice) and a place or places on and at which such call or installment and such interest thereon at such rate and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed the shares in respect of which the call was made or installment is payable will be liable to be forfeited.

**48) IN DEFAULT OF PAYMENT SHARES TO BE FORFEITED**

If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given may at any time thereafter before payment of all calls or installments interest and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect by the forfeited shares and not actually paid before the forfeiture. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided.

**49) NOTICE OF FORFEITURE TO A MEMBER**

When any share shall have so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forth with be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

**50) FORFEITED SHARE TO BE THE PROPERTY OF THE COMPANY AND MAY BE SOLD ETC.**

Any share so forfeited, shall be deemed to be the property of the Company and may be sold, reallocated or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.

**51) CANCELLATION OF FORFEITURE**

At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

**52) MEMBER STILL LIABLE TO PAY MONEY OWING AT THE TIME OF FORFEITURE AND INTEREST**

Any member whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay, and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of forfeiture until payment, at such rate not exceeding twelve (12) per cent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if they think fit, but shall not be under any obligation so to do.

**53) EFFECT OF FORFEITURE**

The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in, and all claims and demands against the Company in respect of the share, and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

**54) VALIDITY OF FORFEITURE**

1) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or Secretary of the Company, and that a share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration shall be conclusive evidence of the facts stated as against all persons claiming to be entitled to the share.

2) The Company may receive the consideration if any, given for the share on any sale, re-allotment or other disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

3) The person to whom such share, is sold, re-allotted or disposed of shall thereupon be registered as the holder of the share;

4) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay any calls, amounts, installments, interest and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interest and bonuses accrued or which might have accrued upon the share before the time of completing such purchase or before such allotment.

5) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale re-allotment or other disposal of the share.

**55) CANCELLATION OF SHARE CERTIFICATES IN RESPECT OF FORFEITED SHARES**

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Board shall be entitled to issue a new certificate in respect of the said shares to the persons entitled thereto.

**56) VALIDITY OF SALES**

Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares, the validity of the sale shall not be impeached by any person.

**57) SURRENDER OF SHARES**

The Board may, subject to the provisions of the Act, accept a surrender of any share from or for any member desirous of surrendering on such terms as they think fit.

**58) The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.**

**TRANSFER AND TRANSMISSION OF SHARES**

**59) INSTRUMENT OF TRANSFER TO BE EXECUTED BY TRANSFEROR AND TRANSFeree**

- 1) For shares in physical form, the instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and transferee.
- 2) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- 3) The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereof.

**60) BOARD MAY REFUSE TO REGISTER TRANSFER**

Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a shareholder in the Company. Further, subject to the provisions of Section 56 of the Act and section 22A and other relevant provisions of the Securities Contracts (Regulation) Act, 1956, as amended, the Board may, at its absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal shall not be affected by the circumstances that the proposed transferee is already a shareholder of the Company. The Board shall, within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except where the Company has a lien on shares. Transfer of shares / debentures in whatever lot shall not be refused.

**61) BOARD MAY DECLINE TO RECOGNIZE INSTRUMENT OF TRANSFER**

The Board may decline to recognize any instrument of transfer unless –

- a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act;
- b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

the instrument of transfer is in respect of only one class of shares.

**62) TRANSFER OF SHARES WHEN SUSPENDED**

On giving of previous notice of at least seven (7) days or such lesser period in accordance with the Act and Rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty (30) days at any one time or for more than forty- five (45) days in the aggregate in any year.

**63) TRANSFER OF PARTLY PAID SHARES**

Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered, unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the date of receipt of the notice.

**64) TRANSFER TO MINORS, ETC.**

- (a) No share shall in any circumstances be transferred to an insolvent or a person of unsound mind.
- (b) A minor may be admitted and registered as a member of the Company in respect of any fully paid up share or shares in his or her name. The father or the mother of a minor or a guardian appointed by a competent court shall have a right to represent and act for the minor in all respects including voting and/or giving proxy in respect of any share or shares held by such minor.

**65) THE COMPANY NOT LIABLE FOR DISREGARD OF A NOTICE PROHIBITING REGISTRATION OF A TRANSFER**

The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof as shown or appearing in the register of members to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some books of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board of Directors shall so think fit.

**66) TITLE TO SHARES OF DECEASED MEMBER**

The executors or administrators of a deceased member or the holder of a succession certificate or the legal representatives in respect of the shares of a deceased member (not being one of two or more joint holders) shall be the only persons recognised by the Company as having any title to the shares registered in the names of such members, and the Company shall not be bound to recognise such executors or administrators or holders of a succession certificate or the legal representatives unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration, or Succession certificate, as the case may be, from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board may upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register under this Article the name of any person, who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member.

**67) TITLE TO SHARES ON DEATH OF A MEMBER**

On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares.

**68) ESTATE OF DECEASED MEMBER LIABLE**

Nothing shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

**69) TRANSMISSION CLAUSE**

Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time-to-time properly be required by the Board and subject as hereinafter provided, elect, either –

- a) to be registered himself as holder of the share; or
- b) to make such transfer of the share as the deceased or insolvent member could have made.

**70) BOARD'S RIGHT UNAFFECTED**

The Board shall in either case have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

**71) INDEMNITY TO THE COMPANY**

The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.

**72) BOARD'S RIGHT UNAFFECTED**

The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

**73) NO FEE ON TRANSFER OR TRANSMISSION**

No fee shall be charged for registration of transfer, grant of probate, Succession Certificate and Letters of Administration, Certificates of Death or Marriage, Power of Attorney or similar other documents.

**74)** Notwithstanding anything contained in the Articles of Association, in the case of transfer of shares or other marketable securities, where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996, shall apply.

**75)** The provisions of these Articles relating to transfer & transmission of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

**MEETINGS OF MEMBERS**

**76) ANNUAL GENERAL MEETING**

The Company shall in each year hold in addition to any other meetings, a general meeting as its annual general meeting, except in the case where any extension of time for holding any annual general meeting is granted/availed under applicable laws. Not more than 15 (fifteen) months shall elapse between the date of one annual general meeting of the Company and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the registrar under the provisions of Section 96 of the Act to extend the time within which any annual general meeting may be held. Every annual general meeting shall be called during business hours on a day that is not a national holiday, and shall be held either at the registered office or at some other place within the city in which the registered office of the Company is situate, as the Board may determine.

**77) EXTRAORDINARY GENERAL MEETING**

All general meetings other than annual general meeting shall be called extra-ordinary general meeting.

The Board may, whenever they think fit, convene an extra-ordinary general meeting.

The Board shall on the requisition of such number of members of the Company as is specified in Section 100 of the Act, forthwith proceed to call an extra-ordinary general meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all other provisions of Section 100 of the Act shall for the time being apply.

**CALLING GENERAL MEETING**

A general meeting of the Company may be convened by giving not less than clear 21 (twenty-one) days' notice either in writing or through electronic/permitted mode in such manner as prescribed under the Act, provided that a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode: (a) in the case of an annual general meeting, by not less than 95% (ninety-five percent) of the members entitled to vote at such meeting, and (b) in the case of any other general meeting, by members holding, majority in number of members entitled to vote and who represent not less than 95% (ninety-five percent) of such part of the paid-up share capital of the Company as gives a right to vote at such meeting. Provided further that where any member is entitled to vote only on some resolution or resolutions to be moved at a general meeting and not on the others, that member shall be taken into account for the abovementioned purposes, in respect of the former resolution(s) and not in respect of the latter.

Notice of every general meeting shall be given to the members and to such other person or persons as required by and in accordance with Section 101 and 102 of the Act and it shall be served in the manner authorized by Section 20 of the Act.

The accidental omission to give notice of any meeting to or the non-receipt of any notice by any member or other person to whom it should be given shall not invalidate the proceedings at the meeting or the resolutions passed thereat.

**NATURE OF BUSINESS**

The ordinary business of an annual general meeting shall be to receive and consider the financial statements and the report of the Board and of the auditors, to reappointment of Directors retiring by rotation, to appointment of auditors and to declare dividends. All other business transacted at such meeting and all business transacted at an extra ordinary meeting shall be deemed special.

**78) QUORUM**

1) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

2) No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant.

3) The quorum for a general meeting shall be as provided in the Act.

**79) CHAIRMAN OF GENERAL MEETING**

The chairman of the Board shall be entitled to take the chair at every general meeting, whether annual or extraordinary. If there be no such chairman of the Board, or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he shall be unable or unwilling to take the chair then the members present shall elect another Director as chairman, and if no Director be present or if all the Directors present decline to take the Chair, then the members present shall elect one of the members to be the chairman of that meeting.

**80) BUSINESS CONFINED TO ELECTION OF CHAIRMAN WHILST CHAIR VACANT**

No business shall be discussed at any general meeting except the election of a Chairman whilst the chair is vacant.

**81) CHAIRMAN MAY ADJOURN MEETING**

The Chairman may, suo moto, adjourn the meeting from time to time and from place to place.

In the event a quorum as required herein is not present within 30 (thirty) minutes of the appointed time, then subject to the provisions of Section 103 of the Act, the general meeting shall stand adjourned to the same place and time 7 (seven) days later, provided that the agenda for such adjourned general meeting shall remain the same. The said general meeting if called by requisitionists under Section 100 of the Act (read with provisions of these Articles) shall stand cancelled.

No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

The required quorum at any adjourned general meeting shall be the same as that required at the original general meeting.

Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned meeting.

**82) CHAIRMAN'S DECLARATION OF RESULT OF VOTING ON SHOW OF HANDS**

A declaration by the Chairman that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of votes in favour or against such resolution.

**83) CHAIRMAN'S CASTING VOTE**

In the case of an equality of votes, the chairman shall both on a show of hands and a poll (if any) have a second or casting vote in addition to the vote or votes to which he may be entitled as a member.

**84) VOTING THROUGH ELECTRONIC MEANS**

A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.

**85) MEMBERS PAYING MONEY IN ADVANCE NOT TO BE ENTITLED TO VOTE IN RESPECT THEREOF**

A member paying the whole or a part of the amount remaining unpaid on any share held by them although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.

**86) NUMBER OF VOTES TO WHICH MEMBER ENTITLED**

i) Subject to the provisions of the Act and these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every Member, shall be entitled to vote in the manner prescribed under the Act and Articles.

ii) Subject to the provisions of this Act and this Articles any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

iii) Any member shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.

**87) VOTING IN PERSON OR BY PROXY**

The instrument appointing a proxy and/or the power of attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 (forty eight) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or in the case of a poll, not less than 24 (twenty four) hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

An instrument appointing a proxy shall be in the form as prescribed under the Act and the rules framed thereunder.

The proxy so appointed shall have no right to speak at the meeting.

A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Unless specifically provided as part of terms of preference shares, the preference shares shall not confer on the holders thereof the right to vote either in person or by proxy at any general meeting of the Company save to the extent and in the manner provided by Section 47(2) of the Act.

**88) MEMBERS IN ARREARS NOT TO VOTE**

No members shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and has exercised any right of lien.

**89) MINUTES OF PROCEEDINGS OF MEETINGS AND RESOLUTIONS PASSED BY POSTAL BALLOT**

The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed under the Act and the Rules

**90) INSPECTION OF MINUTE BOOKS OF GENERAL MEETING**

The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:

- a) be kept at the registered office of the Company; and
- b) be open to inspection of any member without charge, during 2 p.m. (IST) to 4.30 p.m. (IST) on all working days.

**91) MEMBERS MAY OBTAIN COPY OF MINUTES**

Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes of general meetings:

Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.

**92) POWERS TO ARRANGE SECURITY AT MEETINGS**

The Board, and also any person(s) authorized by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.

## **DIRECTORS**

### **93) NUMBER OF DIRECTORS**

a) Until otherwise determined by a general meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (excluding Debenture Directors, Government Directors, Ex-officio Directors, if any) shall be not less than 3 and not more than 15. However, maximum number can exceed 15 by passing such resolutions as required under the Act.

b) The first Directors of the Company were Mrs. Nargis E. Chaney and Mr. Arish E. Chaney.

(c) It shall not be necessary for a Director to hold any share in the Company.

### **94) DIRECTORS NOT LIABLE TO RETIRE BY ROTATION**

The shareholders/ members shall have the power to determine the Directors whose period of office is or is not liable to determination by retirement of Directors by rotation subject to compliance of the Act and the Rules made thereunder. Mrs. Prajna Shravan Shetty and Mr. Majur Jothiprakash shall not be liable to retire by rotation, unless mandated by the applicable laws. Each of them shall be entitled to hold the office until he resigns on his own accord.

Subject to provisions of the relevant laws and these Articles, not less than 2/3rd of the total number of Directors for the time being shall be those whose period of office is liable for determination of retirement by rotation. For the purposes of this article, the total number of Directors shall not include independent directors, whether appointed under the Act or any other law for the time being in force, on the Board.

A retiring Director shall be eligible for re-election.

### **95) SAME INDIVIDUAL MAY BE CHAIRPERSON AND MANAGING DIRECTOR/ CHIEF EXECUTIVE OFFICER**

The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.

### **96) (a) APPOINTMENT OF ALTERNATE DIRECTOR**

The Board may appoint an Alternate Director to act for a Director (hereinafter called “the original Director”) during his absence for a period of not less than three months from the India which meetings of the Board are ordinarily held. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meeting of Board and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such meetings to have and exercise all powers and duties and authorities of the original Director. The Alternate Director appointed under this Article shall vacate office as and when original Director returns to the India. If the terms of office of the original Director is determined before he returns to the India, any provision in the Act or in this Article for the automatic re-appointment of retiring Director in default of another appointment shall apply to the original Director and not to the Alternate Director.

### **(b) APPOINTMENT OF SPECIAL DIRECTOR**

The Company shall, subject to the provisions of the Act, be entitled to agree with the Central or State Government, or any person, firm, corporation or authority that he or it shall have the right to appoint his or its nominees on the Board of Directors of the Company upon such terms and conditions as the Directors may deem fit. Such nominees and their successors in office appointed under this Article shall be called Special Directors. Special Directors shall be entitled to hold office until requested to retire by authority, person, firm or corporation who may have appointed them and will not be bound to retire by rotation. As and whenever a Special Director vacates office, whether upon request as aforesaid or by death, resignation or otherwise, the authority, person, firm or corporation who appointed such Special Director may, if the agreement so provides, appoint another Director in his place.

The Special Directors, appointed under sub-clause (i) above, shall be entitled to hold office until requested to retire by the person, firm or corporation who may have appointed them and will not be bound to retire by rotation. As and whenever a Special Director vacates office whether upon request as aforesaid or by death, resignation or otherwise, the person, firm or corporation who have appointed such special Director may appoint any other Director in his place. The Special Director may at any time by notice in writing to the Company resign his office. Subject as

aforsaid a Special Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

**(c) APPOINTMENT OF DEBENTURE DIRECTORS**

Any Trust Deed for securing debentures or debenture stocks may, if so agreed, provide for the appointment, from time to time, by the Trustees thereof, or by the holders of debentures or debenture stocks, of some person to be a Director and may empower such Trustees or holder of debentures or debenture stocks, from time to time, to remove and re-appoint any Director so appointed. The Director so appointed under this Article herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provision as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

**(d) APPOINTMENT OF NOMINEE DIRECTORS**

Notwithstanding anything to the contrary contained in these Articles, so long as any money remain owing by the Company to financial institutions, financing company or body or credit corporation, out of any loans granted by them to the Company or so long as the financial institution, financing company or body corporate or Credit Corporation (each of the financial institutions, financing company or body or credit corporation is hereinafter in this Article referred to as "The Corporation") continue to hold debentures in the Company by direct subscription or private placement, or so long as the Corporation holds shares in the Company as result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, wholifetime or non-wholifetime, (which Directors or Directors is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s in terms of the agreement executed with such Corporation/ provisions of the respective statute/ or otherwise agreed to by the Board.

The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation, such Nominee Director/s shall not be required to hold any share qualification in the Company. Also, at the option of the Corporation, such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s so appointed shall hold the said office only so long as any money remain owing by the Company to the Corporation or so long as the Corporation holds Debentures in the Company as result of direct subscription or private placement or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of the Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the money owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of the Guarantee furnished by the Corporation.

The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend to General Meetings, Board Meetings and of the Meetings of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.

The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission, money or remuneration in any form is payable to the Directors of the Company, the fees, commission, money and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation.

Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s. Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation or as per rules and regulations/or agreement entered into with such corporation

In the event of the Nominee Director/s being appointed as Whole-time Director/s, such Nominee Director/s shall exercise such powers and have such rights as are usually exercised or available to a whole-time Director in the

management of the affairs of the Company. Such Wholetime Director/s shall be entitled to receive such remuneration, fees, commission and money as may be approved by the Corporation.

**97) DIRECTORS MAY FILL VACANCIES**

The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board or Directors at a meeting of the Board. Any person so appointed shall retain his office only upto the date upto which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid but he shall then be eligible for re-election.

**98) APPOINTMENT OF ADDITIONAL DIRECTORS**

The Directors shall also have power at any time and from time to time to appoint any other person to be a Director as an addition to the Board under Section 161 of the Act but so that the total number of Directors shall not at any time exceed the maximum fixed. Any person so appointed as an addition to the Board shall retain his office only upto the date of the next annual general meeting but shall be eligible for election at such meeting.

**99) APPOINTMENT OF OTHER DIRECTORS**

The Board shall appoint Woman Director and Independent Director in the manner required under the provisions of Act and other applicable laws.

**100) APPOINTMENT OF MANAGING DIRECTOR OR MANAGING DIRECTOR(S) OR WHOLE TIME DIRECTOR OR WHOLE TIME DIRECTOR(S)**

Subject to the provisions of Section 196 / 203 and other applicable provisions of the Act and these Articles, the Board shall have power to appoint or reappoint from time to time Managing Director or Managing Directors or whole time Director or whole time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss or reappoint him or them from office and appoint another or others in his or their place or places.

**101) REMUNERATION OF DIRECTORS**

1) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

2) The remuneration payable to the Directors, including any managing or whole-time director or manager, if any, shall be determined, in accordance with and subject to the provisions of the Act.

3) In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel, sitting fees and other expenses properly incurred by them –

a) in attending, and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or

b) in connection with the business of the Company

c) Subject to the provisions of the Act, every Director shall be paid out of the funds of the Company such sum as the Board may from time to time determine for attending every meeting of the Board or any committee of the Board, subject to the ceiling prescribed under the Act.

4) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

**PROCEEDING OF THE BOARD OF DIRECTORS**

**102) MEETINGS OF DIRECTORS**

A meeting of the Board of Directors shall be held at least four (4) times every year and not more than 120 days shall lapse between two (2) Board meetings.

No business shall be conducted at any meeting of the Directors unless a quorum is present. The quorum for the meeting of the Board shall be one third of its total strength or 2 (two) Directors, whichever is higher, and the participation of the Directors by video conferencing or by other audio-visual means or any other means (to the extent permitted under the Act and the rules framed thereunder or otherwise provided by the Ministry of Corporate Affairs), in each case from time to time, shall also be counted for the purposes of quorum, provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength of the Board, the number of remaining Directors, that is to say the number of Directors who are not interested and present at the meeting being not less than 2 (two), shall be the quorum during such time.

If quorum is found to be not present within 30 (thirty) minutes from the time when the meeting should have begun or if during the meeting, valid quorum no longer exists, the meeting shall be reconvened at the same time and at the same place 7 (seven) days later. At the reconvened meeting, the Directors present and not being less than 2 (two) persons shall constitute the quorum and may transact the business for which the meeting was called and any resolution duly passed at such meeting shall be valid and binding on the Company.

**103) WHEN MEETING TO BE CONVENED**

- i) The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board.
- ii) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

**104) QUORUM**

The quorum for the Board meeting shall be as provided above.

**105) CHAIRMAN**

The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of the Directors to be Chairperson of the meeting.

**106) QUESTIONS AT BOARD MEETING HOW DECIDED**

Subject to provisions of the Act, questions arising at any meeting of the Board shall be decided by a simple majority of votes, and in case of equality of votes, the chairman shall have second or casting vote.

**107) CIRCULAR RESOLUTION**

Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held provided that a draft of such resolution together with the information required to make a fully-informed good faith decision with respect to such resolution and appropriate documents required to evidence passage of such resolution, if any necessary papers, if any, was sent to all of the Directors or members of the committee (as the case may be) at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be prescribed under the Act, and has been approved by a majority of the Directors or members who are entitled to vote on the resolution.

**108) ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING DEFECT IN APPOINTMENT**

All acts, done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director. Provided nothing in this Article shall be deemed to give validity to acts done by a director after his appointment has been shown to the Company to be invalid or to have been terminated.

Every Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then the first meeting held after such change, disclose his concern or interest in any company, companies or bodies corporate, firms or other associations of individuals which shall include the shareholding in such manner as may be prescribed under the Act and the rules framed thereunder.

#### **109) GENERAL POWERS OF THE COMPANY VESTED IN BOARD**

The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made. The Board shall also undertake the corporate social responsibility activities under the provisions of the Act.

The Board may at any time and from time to time by authority letter, board resolution, power of attorney or otherwise appoint any person or persons to be the authorized persons, delegates or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board) and for such periods and subject to such conditions as the Board may from time to time think fit, and may contain powers enabling such authorized persons, delegates or attorneys as aforesaid to sub-delegate/authorise all or any of the powers, authorities and discretions for the time being vested in them.

#### **110) borrowing powers**

Subject to the provisions of the Act and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow money from time to time including but not limited to fund based and non-fund based credit facilities from Bankers and other eligible lenders, loans, fixed deposits etc. for the purpose of the business of the Company to be secured in such manner and upon such terms and conditions as the Board of Directors may thinks fit.

#### **111) ISSUE OF DEBENTURES**

The Board has power to issue debentures of various kinds from time to time.

The Board may, from time to time, at its discretion raise for the purpose of the Company's business such of money as they think fit. The Board may raise any such sums as aforesaid by the issue, at such price as it may think fit, of debentures of debentures-stock, either charged upon the whole or any part of the property and assets of the Company or not so charged or in such other way as the Board may think expedient.

#### **112) DELEGATE POWERS**

Subject to the provisions of the Act including Section 179, as applicable, the Board may, from time to time, and at any time, delegate to any persons so appointed any of the powers, authorities, and discretions for the time being vested in the Board, other than its power to make calls or to make loans or borrow moneys; and to authorise the member for the time being of any such Local Board, or any of them, to fill up any vacancies therein and to act notwithstanding vacancies, and such appointment or delegation may be made on such terms subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.

#### **113) BOARD MAY APPOINT COMMITTEES**

i) The Board of Directors may subject to the provisions of Section 179 and other relevant provisions of the Act and of these Articles appoint committee of the Board, and delegate any of the powers other than the powers to make calls and to issue debentures to such committee or committees and may from time to time revoke and discharge any such committees of the Board either wholly or in part and either as to the persons or purposes, but every committee of the Board so formed shall in exercise of the powers so delegated confirms to any regulation that may from time to time be imposed on it by the Board of Directors. All acts done by any such committee of

the Board in conformity with such regulations and in fulfillment of the purpose of their appointment, but not otherwise, shall have the like force and effect, as if done by the Board.

ii) The participation of Directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

#### **114) CHAIRMAN OF COMMITTEE OF DIRECTORS**

i) Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.

ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

#### **115) FUNCTIONING OF THE COMMITTEE**

1) A Committee may meet and adjourn as it thinks fit.

2) Questions arising at any meeting of a Committee shall be determined by a simple majority of votes of the members present.

3) In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.

#### **116) CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER**

Subject to the provisions of the Act;

i) A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.

ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

The Board shall have the power to appoint an individual as the chairperson of the Company as well as the managing director or chief executive officer of the Company at the same time.

A whole time director / chief financial officer / company secretary of the Company are severally authorised to sign any document or proceeding requiring authentication by the Company or any contract made by or on behalf of the Company.

Any provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

#### **117) STATUTORY REGISTERS**

The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company only by the persons entitled thereto under the Act, on payment, where required, of such fees as may be fixed by the Board

but not exceeding the limits prescribed by the Rules. Subject to aforesaid the Board shall have a power to refuse inspection to any other person, at its discretion.

**117) FOREIGN REGISTERS**

The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such Articles as it may think fit respecting the keeping of any such register. The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.

**119) DIVIDENDS AND RESERVE**

Company in general meeting may declare dividends.

The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.

Interim dividends

Subject to the provisions of the Act, the Board may from time-to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.

Dividends only to be paid out of profits

The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time-to-time, think fit.

Carry forward of profits

The Board may subject to provisions of the Act also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

Payments in Advance

No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.

Dividends to be Apportioned

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom

The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

Retention of dividends

The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause herein before contained, entitled to become a member, until such person shall become a member in respect of such shares.

Dividend how Remitted

A dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

#### Discharge to Company

Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.

#### Receipt of one holder sufficient

Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

#### No interest on Dividends

No dividend shall bear interest against the Company.

#### Waiver of Dividends

The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.

### **120) Winding up**

The Company may be wound up in accordance with the Act and the Insolvency and Bankruptcy Code, 2016 (to the extent applicable).

#### Accounts

Subject to the provisions of the Act, the Company shall keep at its registered office, proper books of accounts and other relevant books and papers and financial statement for every financial year which give a true and fair view of the state of the affairs of the Company, including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting, provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board may decide and when the Board so decides the Company shall, within 7 (seven) days of the decision file with the registrar a notice in writing giving the full address of that other place, provided further that the Company may keep such books of accounts or other relevant papers in electronic mode in such manner as provided in Section 128 of the Act and the rules framed thereunder.

The Board shall be entitled from time to time to determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being Directors. Each Director shall be entitled to examine the books, accounts and records of the Company, and shall have free access, at all reasonable times and with prior written notice, to any and all properties and facilities of the Company. The Company shall provide such information relating to the business, affairs and financial position of the Company as any Director may reasonably require.

No member (not being a Director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board.

All the aforesaid books shall give a true and fair view of the Company's affairs with respect to the matters aforesaid and explain its transactions.

The books of accounts of the Company relating to past periods shall be preserved in good order in compliance with applicable laws.

#### Unpaid or unclaimed dividend

Where the Company has declared a dividend which has not been paid or the dividend warrant in respect thereof has not been posted or sent within thirty days from the date of declaration to any shareholder entitled to payment of the dividend, the Company shall transfer the total amount of dividend, which remained unpaid or unclaimed within seven days from the date of expiry of the said period of thirty days to a special account to be opened by the Company in that behalf in any scheduled bank to be called the “unpaid dividend account”. No unclaimed dividend shall be forfeited by the Board before the claim becomes barred by law and such forfeiture, if effected, shall be annulled in appropriate cases.

Any money so transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the fund established under sub-section (1) of Section 125 of the Act, viz. “investors education and protection fund”.

### **INDEMNITY AND INSURANCE**

#### 1) Directors and officers right to indemnity

(a) Subject to the provisions of the Act, every director, managing director, whole-time director, manager, chief executive officer, chief financial officer, company secretary and officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in anyway in the discharge of his duties in such capacity except such suits, proceedings, cost, charges, losses, damage and expenses, if any, that such director, manager, company secretary and officer shall incur or sustain, by or through his own willful neglect or default.

(b) Subject as aforesaid, every director, managing director, manager, chief executive officer, chief financial officer, company secretary and officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.

Provided, however, that such indemnification shall not apply in respect of any cost or loss or expenses to the extent it is finally judicially determined to have resulted from the gross negligence, willful misconduct or bad faith acts or omissions of such director, managing director, manager, chief executive officer, chief financial officer, company secretary or officer.

#### 2) Insurance

The Company may take and maintain any insurance as the Board may think fit on behalf of its present and / or former Directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

### **124) CAPITALISATION**

#### 1) The Company in General Meeting by Ordinary Resolution may, upon the recommendation of the Board, resolve:

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company’s reserve accounts, or to the credit of the Profit and Loss Account or otherwise available for distribution;

And

(b) that such sum be accordingly set free for distribution in the manner specified in clause no. 2 amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause no. 3 either in or towards :-

(a) paying up any amount for the time being unpaid on any shares held by such members respectively;

- (b) paying up in full un-issued shares of the Company to the allocated and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or
- (c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b).

(3) A share premium account and a Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued share to be issued to members of the Company as fully paid Bonus Shares.

(4) the Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

(5) Any agreement made under such authority shall be effective and binding on such members.

#### **SECRECY CLAUSE**

Every director, manager, auditor, secretary, treasurer, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required, by the Director, before and any time after entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions, operations, business and affairs of the Company and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Board or by law.

#### **126) NO MEMBER TO ENTER THE PREMISES OF THE COMPANY WITHOUT PERMISSION**

No member or other person (not being a Director) shall, without the prior written permission of the Chairperson of the Company or Managing Director be entitled to visit or inspect any property or premises of the Company or to require discovery of or any information respecting any detail of the Company's trading, operation or business, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process, or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Chairperson/Managing Director, it would be inexpedient in the interest of the Company to disclose.

## SECTION XI – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be filed with the RoC. Copies of the contracts and documents for inspection referred to hereunder, may be inspected at our Registered Office between 10 a.m. to 5 p.m. on all Working Days from date of the Red Herring Prospectus until the Bid/ Issue Closing Date. The copies of the contracts and documents for inspection referred to hereunder will be uploaded on the website of our Company at, and will be available for inspection from date of the Red Herring Prospectus until the Bid/ Issue Closing Date (except for such agreements executed after the Bid/ Issue Closing Date).

#### MATERIAL CONTRACTS

1. Issue Agreement dated March 26, 2024 between our Company and the Book Running Lead Manager.
2. Registrar Agreement dated March 26, 2024 between our Company and the Registrar to the Issue.
3. Banker to the Issue agreement dated April 03, 2024 between our Company, Book Running Lead Manager, Registrar to the Issue and Public Issue Bank/refund Bank/Sponsor bank.
4. Market Making Agreement dated March 26, 2024 and Addendum to Market Making Agreement dated April 26, 2024 between our Company and the Book Running Lead Manager and Market Maker.
5. Underwriting Agreement dated March 26, 2024 and Addendum to Underwriting Agreement dated April 26, 2024 between our Company and Book Running Lead Manager and the Underwriter.
6. Syndicate Agreement dated April 09, 2024 amongst our Company, the Book Running Lead Manager, and Syndicate Members.
7. Tripartite agreement between the CDSL, our Company and the Registrar to the Issue dated March 02, 2024.
8. Tripartite agreement between the NSDL, our Company and the Registrar to the Issue dated February 21, 2024.

#### MATERIAL DOCUMENTS

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Copy of Certificate of Incorporation dated January 08, 1996, issued under the name Refractory Shapes Private Limited, issued by Registrar of Companies, Mumbai.
3. Copy of Fresh Certificate of Incorporation dated February 02, 2024, issued by Registrar of Companies, Mumbai consequent to name change from Refractory Shapes Private Limited to Refractory Shapes Limited pursuant to the conversion of our Company into a Public Limited Company.
4. Resolution of the Board of Directors dated March 23, 2024 in relation to the Issue.
5. Resolution of the Shareholders of our Company, passed at the Extra Ordinary General Meeting held on March 23, 2024 in relation to the Issue.
6. Peer Review Auditors Report dated February 06, 2024 and April 27, 2024 on Restated Financial Statements of our Company for the stub period of September 30, 2023 and December 31, 2023 respectively and the years ended March 31, 2023, 2022 & 2021.
7. The Statement of Possible Tax Benefits dated February 06, 2024 and April 27, 2024 from our Peer Review Auditor
8. Copies of Audited Financial Statements of the Company for the period ended September 30, 2023 and December 31, 2023 and for the financial year ended March 31, 2023, 2022, and 2021.

9. Consents of our Directors, Promoters, Company Secretary and Compliance Officer, Chief Financial Officer, Senior Management Personnel, Statutory Auditor, Peer Review Auditor, Banker(s) to the Company, Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Banker to the Issue, Syndicate Member, Underwriter and Market Maker to act in their respective capacities.
10. Certificate on KPI's issued by the Statutory Auditor M/s Vinay Bhushan & Associates, Chartered Accountants, by way of their certificate dated February 06, 2024 and April 27, 2024.
11. Board Resolution dated March 28, 2024 for approval of Draft Red Herring Prospectus, dated April 27, 2024 for approval of Red Herring Prospectus, dated [●] for approval of Prospectus
12. Due Diligence Certificate dated April 27, 2024 to SEBI by the Book Running Lead Manager.
13. Approval from NSE vide letter dated April 25, 2024 to use the name of NSE in this Issue Document for listing of Equity Shares on the NSE Emerge.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government and / or the guidelines or regulations issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, amended, or the rules made thereunder or Guidelines / Regulations issued, as the case may be. We further certify that all statements and disclosures made in this Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-  <b>Ms. Prajna Shravan Shetty</b> Chairperson and Managing Director <b>DIN: 02836327</b>	Sd/-  <b>Mr. M Jothiprakash</b> Whole Time Director <b>DIN: 09594839</b>
Sd/-  <b>Mr. Dayashankar Krishna Shetty</b> Executive Director <b>DIN: 00384537</b>	Sd/-  <b>Mr. Suraj Sadanand Shetty</b> Executive Director <b>DIN: 09706122</b>
Sd/-  <b>Mr. Ammar Huseni Rangwala</b> Executive Director <b>DIN: 09707195</b>	Sd/-  <b>Mr. Siddharth Kumar</b> Non-Executive Independent Director <b>DIN: 05329702</b>
Sd/-  <b>Mr. Abhay Yatin Naik</b> Non-Executive Independent Director <b>DIN: 07488137</b>	Sd/-  <b>Mr. Kemmannu Shashidhara Rao</b> Non-Executive Independent Director <b>DIN: 06713774</b>
Sd/-  <b>Mr. Dhananjay Mayur Dave</b> Non-Executive Independent Director <b>DIN: 10429532</b>	Sd/-  <b>Mr. Ravindra Venkatesh Hulyalkar</b> Non-Executive Independent Director <b>DIN: 10429539</b>

### SIGNED BY THE CFO AND CS OF OUR COMPANY

Sd/-  <b>Mr. Ammar Huseni Rangwala</b> Chief Financial Officer	Sd/-  <b>Ms. Neelam Mandawat</b> Company Secretary and Compliance Officer
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**Date:** April 27, 2024

**Place:** Mumbai