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PARAMOUNT FORGETM

Draft Red Herring Prospectus
Dated: Wednesday, December 20, 2023
Please read Section 26 and 32 of The Companies Act,
2013
100% Book Built Issue

PARAMOUNT SPECIALITY FORGINGS LIMITED

CIN: U24109MH2023PLC402307

REGISTERED OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
3, 1, Guru Himmat Building, Dr. Mascarenhas Road Anjirwadi, Mazgaon, Mumbai - 400010, Maharashtra, India	Ms. Ankita Anil Patankar, Company Secretary and Compliance Officer	compliance@paramountforge.org 91-22-2373 2656	www.paramountforge.com

THE PROMOTERS OF OUR COMPANY ARE MR. ALIASGAR ROSHAN HARARWALA, MR. ALIASGAR ABDULLA BHAGAT, MR. MOHAMMED SALIM HARARWALA, MR. ABDULLA ALIASGAR BHAGAT, MR. HOOZEFA SALEEM HARARWALA, MR. ABBASALI SALIM HARARWALA, MR. ZAHID MOHAMADI HARARWALA, MR. ROSHAN ALIHUSAIN HARARWALA.

DETAILS OF THE OFFER TO PUBLIC

THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER IX OF THE SEBI (ICDR) REGULATIONS (INITIAL PUBLIC OFFER OF SMALL AND MEDIUM ENTERPRISES) AND THE EQUITY SHARES ISSUED AND OFFERED THROUGH THE DRAFT RED HERRING PROSPECTUS ARE PROPOSED TO BE LISTED ON THE EMERGE PLATFORM OF THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (“NSEIL EMERGE”).

TYPE	FRESH ISSUE	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY
Fresh Issue and Offer for Sale	Up to 48,02,400 Equity Shares aggregating to ₹[●] Lakhs	Up to 6,79,200 Equity Shares aggregating to ₹[●] Lakhs	Up to 54,81,600 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 ₹1,000 Lakhs but does not exceed ₹2,500 Lakhs.

DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR RESPECTIVE WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE

NAME	TYPE	NUMBER OF SHARES OFFERED / AMOUNT IN ₹*	WEIGHTED AVERAGE COST OF ACQUISITION IN ₹ PER EQUITY SHARE
Mr. Aliasgar Roshan Hararwala	Promoter	Up to 66,500 aggregating to ₹[●] Lakhs	Not Applicable
Mr. Aliasgar Abdulla Bhagat	Promoter	Up to 1,19,700 aggregating to ₹[●] Lakhs	Not Applicable
Mr. Mohammed Salim Hararwala	Promoter	Up to 1,19,700 aggregating to ₹[●] Lakhs	Not Applicable
Mr. Abdulla Aliasgar Bhagat	Promoter	Up to 80,000 aggregating to ₹[●] Lakhs	Not Applicable
Mr. Hoozeefa Saleem Hararwala	Promoter	Up to 66,600 aggregating to ₹[●] Lakhs	Not Applicable
Mr. Abbasali Salim Hararwala	Promoter	Up to 66,600 aggregating to ₹[●] Lakhs	Not Applicable
Mr. Zahid Mohamadi Hararwala	Promoter	Up to 80,000 aggregating to ₹[●] Lakhs	Not Applicable
Mr. Roshan Alihusain Hararwala	Promoter	Up to 80,100 aggregating to ₹[●] Lakhs	Not Applicable

*Subject to finalization of Basis of Allotment.

RISKS IN RELATION TO THE FIRST OFFER

The face value of the Equity Shares is ₹10 per Equity Share. The Floor Price, the Cap Price, and the Offer Price (proposed to be determined by our Company in consultation with the BRLM in accordance with the SEBI (ICDR) Regulations), and on the basis of the assessment of market demand for the Equity Shares by way of the book building process, as stated in “Basis for Offer Price” beginning on page 100, should not be considered 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 and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

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. Bidders are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, Bidders must rely on their own examination of our Company and the Offer, 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 Draft Red Herring Prospectus. Specific attention of the Bidders is invited to “Risk Factors” beginning on page 25 of this Draft Red Herring Prospectus.

ISSUER’S AND PROMOTER SELLING SHAREHOLDERS’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft 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 Draft 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.

Each Promoter Selling Shareholder, severally and not jointly, accepts responsibility for and confirms only such statements made by them in this Draft Red Herring Prospectus to the extent such information specifically pertains to such Promoter Selling Shareholder and its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect. Further, each Promoter Selling Shareholder, severally and not jointly, assumes no responsibility for any other statements made in this Draft Red Herring Prospectus, including any of the statements made by or relating to our Company or Company’s business or any other Selling Shareholder.

LISTING

The Equity Shares offered through the Draft Red Herring Prospectus are proposed to be listed on the Emerge Platform of the National Stock Exchange of India Limited (“NSE EMERGE”). In terms of the Chapter IX of the SEBI ICDR Regulations, as amended from time to time, our Company has received in-principal approval letter dated [●] from NSE EMERGE for using its name in this Offer document for listing our shares on the NSE EMERGE. For the purpose of this Issue, the Designated Stock Exchange will be National Stock Exchange of India Limited.

BOOK RUNNING LEAD MANAGER TO THE OFFER



SWARAJ SHARES AND SECURITIES PRIVATE LIMITED

Contact Person: Tanmoy Banerjee/ Pankita Patel, Contact Number: +91-22-6964-9999,

Email: compliance@swarajshares.com, Website: www.swarajshares.com

REGISTRAR TO THE OFFER



PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED

Contact Person: Ms. Deepali Dhuri, Contact Number: +91 022 2301 8261; Fax No: +91 022 2301 2517

E-mail: support@purvashare.com, Website: www.purvashare.com

BID/ OFFER PROGRAMME

ANCHOR INVESTOR BID/ OFFER PERIOD

[●]

OFFER OPENS ON

[●]

OFFER CLOSES ON

[●]

Our Company may, in consultation with the Book Running Lead Manager, 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/Offer Opening Date.



PARAMOUNT FORGETM

PARAMOUNT SPECIALITY FORGINGS LIMITED

Draft Red Herring Prospectus
Dated: Wednesday, December 20, 2023
Please read Section 26 and 32 of The Companies Act, 2013
100% Book Built Issue

CIN: U24109MH2023PLC402307

Our Company, Paramount Speciality Forgings Limited was originally established as a partnership firm in the name and style of 'Paramount Forge' under the Partnership Act, 1932 with the Registrar of Firms, Mumbai on November 01, 1994. Subsequently, our firm was converted from a Partnership Firm to a Limited Liability Partnership (LLP) and consequently the name of our firm was changed to 'Paramount Speciality Forgings LLP', and a fresh certificate of incorporation dated June 27, 2019, was issued to our LLP by the RoC. The constitution of our LLP was further changed from LLP to a Public Limited Company and consequently the name of our LLP was changed to 'Paramount Speciality Forgings Limited', and a fresh certificate of incorporation dated May 05, 2023, was issued to our Company by the Registrar of Companies, Mumbai at Maharashtra. The corporate identification number of our Company is U24109MH2023PLC402307. For further details of Incorporation and Change in Registered Office of our Company, please refer to section titled 'Our History and Certain Other Corporate Matters' beginning on page 159 of this Draft Red Herring Prospectus.

Registered Office: 3, 1, Guru Himmat Building, Dr. Mascarenhas Road, Anjirwadi, Mazgaon, Mumbai, 400010, Maharashtra, India, 400010 ;

Contact Number: + 91 +91-22-2373-2656; **E-mail:** compliance@paramountforge.org; **Website:** www.paramountforge.com

Contact Person: Ms. Ankita Anil Patankar, Company Secretary and Compliance Officer;

THE PROMOTERS OF OUR COMPANY ARE MR. ALIASGAR ROSHAN HARARWALA, MR. ALIASGAR ABDULLA BHAGAT, MR. MOHAMMED SALIM HARARWALA, MR. ABDULLA ALIASGAR BHAGAT, MR. HOOZEFA SALEEM HARARWALA, MR. ABASALI SALIM HARARWALA, MR. ZAHID MOHAMADI HARARWALA, MR. ROSHAN ALIHUSAIN HARARWALA

THE OFFER IS BEING MADE IN ACCORDANCE WITH CHAPTER IX OF THE SEBI (ICDR) REGULATIONS (INITIAL PUBLIC OFFER OF SMALL AND MEDIUM ENTERPRISES) AND THE EQUITY SHARES ISSUED AND OFFERED THROUGH THE DRAFT RED HERRING PROSPECTUS ARE PROPOSED TO BE LISTED ON THE EMERGE PLATFORM OF THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED.

PUBLIC ISSUE OF UPTO 54,81,600* EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF PARAMOUNT SPECIALITY FORGINGS LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY (THE "ISSUE PRICE") AGGREGATING TO ₹[●] LAKHS ("THE ISSUE") COMPRISING A FRESH ISSUE OF 48,02,400* EQUITY SHARES AGGREGATING TO ₹[●] LAKHS (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF 6,79,200* EQUITY SHARES BY THE PROMOTER SELLING SHAREHOLDERS ("OFFER FOR SALE") AGGREGATING TO ₹[●] LAKHS OF WHICH [●] EQUITY SHARES 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 [●] EQUITY SHARES AGGREGATING TO ₹[●] LAKHS (THE "NET ISSUE"). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●]% AND [●]% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

***Subject to finalization of Basis of Allotment.**

THE FACE VALUE OF THE EQUITY SHARES IS ₹10/- EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM") AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER [●], ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER [●] AND [●] EDITIONS OF THE MARATHI REGIONAL NEWSPAPER [●], A MARATHI NEWSPAPER, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED OFFICE IS LOCATED, EACH WITH WIDE CIRCULATION, AT LEAST 2(TWO) WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", REFERRED TO AS THE "STOCK EXCHANGE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

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 PUBLIC NOTICE, AND ALSO BY INDICATING THE CHANGE ON THE RESPECTIVE WEBSITES OF THE BOOK RUNNING LEAD MANAGERS AND AT THE TERMINALS OF THE SYNDICATE MEMBERS AND BY INTIMATION TO DESIGNATED INTERMEDIARIES AND THE SPONSOR BANK, AS APPLICABLE.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50 % of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), 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 Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, 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 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% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer 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. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSEBs or by the Sponsor Bank 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, see "Offer Procedure" beginning on page 246 of this Draft Red Herring Prospectus.

RISK IN RELATION TO THE FIRST OFFER

The face value of the Equity Shares is ₹10 per Equity Share. The Floor Price, the Cap Price and the Offer Price (as determined by our Company in consultation with the BRLM in accordance with the SEBI (ICDR) Regulations), on the basis of the assessment of market demand for the Equity Shares by way of the book building process, as stated in "Basis for Offer Price" beginning on page 100, should not be considered 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 and/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 Bidders should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Bidders 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 Offer, 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 25 of this Draft Red Herring Prospectus.

ISSUER'S AND PROMOTER SELLING SHAREHOLDERS'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft 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 Draft 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.

Each Promoter Selling Shareholder, severally and not jointly, accepts responsibility for and confirms only such statements made by them in this Draft Red Herring Prospectus to the extent such information specifically pertains to such Promoter Selling Shareholder and its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect. Further, each Promoter Selling Shareholder, severally and not jointly, assumes no responsibility for any other statements made in this Draft Red Herring Prospectus, including any of the statements made by or relating to our Company or Company's business or any other Selling Shareholder.

LISTING

The Equity Shares offered through the Draft Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited i.e., NSE Emerge. Our Company has received 'in-principle' approval from the NSE for using its name in the offer document for the listing of the Equity Shares, pursuant to letter dated [●]. For the purpose of the Issue, the Designated Stock Exchange shall be NSE.

BOOK RUNNING LEAD MANAGER TO THE ISSUE

SWARAJ
SHARES & SECURITIES PVT LTD
SWARAJ SHARES AND SECURITIES PRIVATE LIMITED
304, A Wing, 215 Atrium Near, Courtyard Marriot, Andheri Kurla Road, Andheri East,
Mumbai - 400093, Maharashtra, India
Tel: +91-22-6964-9999
Email: compliance@swarajshares.com
Website: www.swarajshares.com
SEBI Registration Number: INM00012980
Contact Person: Tanmoy Banerjee/ Pankita Patel
CIN: U51101WB2000PTC092621

REGISTRAR TO THE ISSUE

PURVA SHAREREGISTRY (INDIA) PRIVATE LIMITED
9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East) Mumbai 400011,
Maharashtra, India.
Tel: +91 022 2301 8261; Fax No: +91 022 2301 2517
E-mail: support@purvashare.com
Website: www.purvashare.com
SEBI Registration: INR000001112
Contact Person: Ms. Deepali Dhuri
CIN: U67120MH1993PTC074079

BID/OFFER PROGRAMME

ANCHOR INVESTOR BID/ OFFER PERIOD	ISSUE OPENS ON	ISSUE CLOSES ON
[●]	[●]	[●]

Our Company may, in consultation with the Book Running Lead Manager, 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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PURSUANT TO SCHEDULE VI OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL
AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the same meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, 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 Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meaning as prescribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under.

GENERAL TERMS	
Term	Description
Company, Issuer, PSFL	Paramount Speciality Forgings Limited, a company incorporated under the Companies Act, 2013, having its registered office at 3, 1, Guru Himmat Building, Dr. Mascarenhas Road Anjirwadi, Mazgaon ,Mumbai - 400010, Maharashtra, India
Promoters	Aliasgar Roshan Hararwala, Aliasgar Abdulla Bhagat, Mohammed Salim Hararwala, Abdulla Aliasgar Bhagat, Hoozefa Saleem Hararwala, Abbasali Salim Hararwala, Zahid Mohamadi Hararwala, Roshan Alihusain Hararwala
Promoter's Group	Companies, individuals and entities (other than companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled "Our Promoters and Promoters' Group" on page 175 of this Draft Red Herring Prospectus.

COMPANY RELATED TERMS	
Term	Description
Articles/ Articles of Association/ AOA	Articles of Association of our Company.
Audit Committee	The Audit Committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013. For details refer section titled "Our Management" on page 160 of this Draft Red Herring Prospectus.
Auditor / Statutory Auditor/	Statutory auditor of our Company, namely, Kalyaniwalla & Mistry LLP, Chartered Accountants. For details refer section titled "General Information" on page 61 of this Draft Red Herring Prospectus.
Bankers to the Company	Union Bank of India
Board of Directors/ Board/ BOD	The Board of Directors of Paramount Speciality Forgings Limited unless otherwise specified.
Companies Act	The Companies Act, 1956/2013 as amended from time to time.
CIN	Corporate Identification Number of our Company i.e. U24109MH2023PLC402307
CMD	Chairman and Managing Director
Chief Financial Officer (CFO)	The Chief Financial Officer of Our Company, being Farkhanda Abdul Razak Pagarkar
Company Secretary and Compliance Officer (CS)	The Company Secretary and Compliance Officer of our Company, being Ankita Anil Patankar
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Director Identification Number
Director(s)	Director(s) on the Board
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company
ED/ Executive Director	Executive Director, for details refer section titled "Our Management" on page 160 of this Draft Red Herring Prospectus.
Group Companies	Companies with which there have been related party transactions, during the last three financial years, as covered under the applicable accounting standards and other companies as considered material by the Board in accordance with the Materiality Policy.
Independent Director	A non-executive & Independent Director as per the Companies Act, 2013 and the SEBI

COMPANY RELATED TERMS	
Term	Description
	(Listing Obligations and Disclosure Requirements) Regulations, 2015
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	INE0Q6001012
Key Managerial Personnel / Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled “Our Management” on page 160 of this Draft Red Herring Prospectus.
LLP	LLP incorporated under the Limited Liability Partnership Act, 2008.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on Wednesday, November 01, 2023, in accordance with the requirements of the SEBI ICDR Regulations.
MD	The Managing Director of our Company
MOA/ Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time
Non-Residents	A person resident outside India, as defined under FEMA
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board of Directors constituted in accordance with Companies Act, 2013. For details refer section titled “Our Management” on page 160 of this Draft 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 and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulations, 2000.
Peer Review Auditor	Independent Auditor having a valid Peer Review certificate in our case being, M/s SSRV & Associates, Chartered Accountants, bearing Firm Registration No. 135901W.
Registered Office	3, 1, Guru Himmat Building, Dr. Mascarenhas Road Anjirwadi, Mazgaon ,Mumbai - 400010, Maharashtra, India
Restated Financial Information	The Restated Financial Information of our Company, which comprises the Restated Statement of assets and liabilities, the Restated Statement of profit and loss, the Restated Statement of cash flows for the month period ended June 30, 2023 and for the year ended on March 31, 2023, 2022, 2021 along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 32 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.
ROC / Registrar of Companies	Registrar of Companies, Maharashtra at Mumbai.
Selling Shareholder	Selling Shareholder in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations means any shareholder of the issuer who is offering for sale the specified securities in a public issue in accordance with these Regulations;
Shareholder(s)	Equity shareholder(s) of our Company from time to time
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details refer section titled “Our Management” on page 160 of this Draft Red Herring Prospectus.
Stock Exchange	Unless the context requires otherwise, refers to, the Emerge Platform of National Stock Exchange of India Limited.
WTD	Whole-Time Director of our company

OFFER RELATED TERMS	
Terms	Description
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Application
Allotment	Issue of the Equity Shares pursuant to the Offer to the successful applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Allotment/Allot/Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Fresh Issue pursuant to successful Bidders.
Allottee (s)	The successful applicant to whom the Equity Shares are being / have been offered

OFFER RELATED TERMS	
Terms	Description
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹200 Lakhs.
Anchor Investor Allocation Price	[●]
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/Offer Period	[●], being one Working Day prior to the Bid / Offer Opening Date, on which Bids by Anchor Investors will be submitted, prior to and after which the Book Running Lead Manager do not accept any Bids from Anchor Investors, and allocation to Anchor Investors is completed
Anchor Investor Offer Price	[●] per Equity Share
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), the Anchor Investor Bid/Offer Period
Anchor Investor Portion	50% of the QIB Portion, or [●]* Equity Shares, which will 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. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price *Subject to finalization of Basis of Allotment
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
ASBA Bid	A Bid made by ASBA Bidder
Bankers to the Offer and Refund Banker	[●]
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Offer and which is described in paragraph titled “Basis of allotment” under chapter titled “Offer Procedure” starting from page 246 of this Draft Red Herring Prospectus.
Bid	An indication to make an Offer during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA 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 Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Draft 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 Draft Red Herring Prospectus.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/ Offer Period	The period between the Bid/ Offer Opening Date and the Bid/ Offer 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. Our Company and the Selling Shareholders in consultation with the Book Running Lead Manager may consider closing the Bid/Offer Period for the QIB Portion One Working Day prior to the Bid/Offer 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.

OFFER RELATED TERMS	
Terms	Description
	In cases of force majeure, banking strike or similar circumstances, our Company, and the Selling Shareholders in consultation with the Book Running Lead Manager, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days.
Bid/Offer Closing Date	Except in relation to Anchor Investors The date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] and editions of [●] (a widely circulated Hindi national daily newspaper), Marathi editions of [●] (a widely circulated Regional language daily newspaper) (Marathi being the regional language of Maharashtra, where our Registered Office is located). Our Company and the Selling Shareholders in consultation with the Book Running Lead Manager, may, consider closing the Bid Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Offer Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the Book Running Lead Manager 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/ Offer Opening Date was published, as required under the SEBI ICDR Regulations
Bid/Offer Opening Date	Except in relation to Anchor Investors The date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] and editions of [●] (a widely circulated Hindi national daily newspaper) and Marathi editions of [●] (a widely circulated Regional language daily newspaper) (Marathi being the regional language of Maharashtra, where our Registered Office is located).
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of Red Herring Prospectus.
Bidding Centers	Centers 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 Centers for Registered Brokers, Designated RTA Locations for RTAs, and Designated CDP Locations for CDPs.
Bidding Centers	Centers 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 Centers for Registered Brokers, Designated RTA Locations for RTAs, and Designated CDP Locations for CDPs.
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	Book Running Lead Manager to the Offer, in this case being Swaraj Shares & Securities Private Limited, SEBI Registered Category I Merchant Banker.
Broker Centers	Broker centers notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price will not be finalized and above which no Bids will be accepted.
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. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015,

OFFER RELATED TERMS	
Terms	Description
	issued by SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Book Running Lead Manager, the Registrar to the Offer and the Stock Exchange.
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.
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Intermediaries/ Collecting Agent	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue. In relation to ASBA Forms submitted by UPI Applicants where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Applicant using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/agents, Registered Brokers, SCSBs, CDPs 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 CDP Locations	Such locations of the CDPs where bidder can submit the Bid cum 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 Bid cum Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Draft Red Herring Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue.
Designated RTA Locations	Such locations of the RTAs where bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA bidder and a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/ Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	Emerge Platform of National Stock Exchange of India Limited (“NSE EMERGE”)
DP ID	Depository Participant’s Identity Number
Draft Red Herring Prospectus	Draft Red Herring prospectus filed with NSE EMERGE for obtaining in-principal approval for the issue in accordance with Section 32 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Draft Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Eligible QFI(s)	QFI(s) from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Emerge Platform of National Stock Exchange of India Limited	The EmERGE Platform of National Stock Exchange of India Limited for Listing of Equity Shares offered under Chapter IX of SEBI (ICDR) Regulations which was approved by SEBI as a National Stock Exchange of India Limited EmERGE on October 14, 2011.
Escrow Account	Accounts opened with the Banker to the Issue
First/ Sole bidder	The bidder whose name appears first in the Bid cum Application Form or Revision

OFFER RELATED TERMS	
Terms	Description
	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 will be finalized 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 under 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.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations
Fresh Issue	The Fresh Issue up to 48,02,400* Equity Shares aggregating up to ₹[●] Lakhs. *Subject to finalization of Basis of Allotment.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
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.
Gross Proceeds	The Offer Proceeds, less the amount to be raised with respect to the Offer for Sale
GIR Number	General Index Registry Number
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited.
Market Maker	The Market Maker to the Offer, in this case being [●].
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of ₹10 each at an Offer price of ₹[●] each aggregating to ₹[●] Lakhs to be subscribed by Market Maker in this Issue.
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Selling Shareholders, Book Running Lead Manager and Market Maker.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Offer	The Offer excluding the Market Maker Reservation Portion of [●] Equity Shares of Face Value of ₹10 each fully paid for cash at a price of ₹[●] Equity Share aggregating ₹[●] Lakhs by our Company.
Net Proceeds	The Gross Proceeds less our Company's share of the Issue expenses applicable to the Fresh Issue. For details about use of the Net Proceeds and the Offer related expenses, see "Objects of the Offer" on page 88 of this Draft Red Herring Prospectus.
Non-Institutional Applicant / Investors	All Applicants, including FPIs which are individuals, corporate bodies, and family offices, that are not QIBs or RIIs and who have Application for Equity Shares for an amount of more than ₹2.00 Lakhs (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price or through such other method of allocation as may be introduced under applicable law
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Offer Agreement	The agreement dated Friday, December 08, 2023, between our Company and the

OFFER RELATED TERMS	
Terms	Description
	Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Offer Closing	Our Offer shall close on [●].
Offer Document	Includes Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus to be filed with Registrar of Companies.
Offer for Sale/ Offered Shares	Sale by Selling Shareholders of up to 6,79,200* Equity Shares of face value of ₹10/- each fully paid of our Company for cash at a price of ₹[●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating ₹[●] Lakhs *Subject to finalization of Basis of Allotment
Offer Opening Date	Our Offer shall open on [●].
Offer Period	The periods between the Offer Opening Date and the Offer Closing Date inclusive of both days and during which prospective Applicants may submit their Bidding application.
Offer Price	The price at which the Equity Shares are being issued by our Company through this Draft Red Herring Prospectus, being ₹[●] (including share premium of ₹[●] per Equity Share).
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company based on the total number of Equity Shares Allotted at the Issue Price. For further information about use of the Offer Proceeds, see “Objects of the Offer” on page 88 of this Draft Red Herring Prospectus.
Offer/ Offer Size/ Initial Public Offer/ Initial Public Offering/ IPO	The initial public offering of up to 54,81,600* Equity Shares for cash at a price of ₹[●] each, aggregating up to ₹[●] Lakhs comprising of comprising of a fresh issue of up to 48,02,400* equity shares aggregating up to ₹[●] lakhs by our Company and an offer for sale of up to 6,79,200* Equity Shares by the Promoter Selling Shareholders aggregating to ₹[●] Lakh. *Subject to finalization of Basis of Allotment
Person/Person(s)	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 ₹[●]. The Price Band will be decided by our Company and the Promoter Selling Shareholders in consultation with the Book Running Lead Manager 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.
Pricing Date	The date on which our Company and the Promoter Selling Shareholders, in consultation with the Managers, will finalize the Issue Price.
Promoter Selling Shareholder(s) or the Selling Shareholders	Collectively, Aliasgar Roshan Hararwala, Aliasgar Abdulla Bhagat, Mohammed Salim Hararwala, Abdulla Aliasgar Bhagat, Hoozefa Saleem Hararwala, Abbasali Salim Hararwala, Zahid Mohamadi Hararwala, Roshan Alihusain Hararwala
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 Agreement	Agreement to be entered into by our Company, Promoter Selling Shareholders, the Registrar to the Issue, the Book Running Lead Manager, and the Public Issue Bank/ Banker to the Issue for collection of the Application Amounts.
Public Issue Account	Account to be opened with the Banker to the Issue to receive monies from the SCsBs from the bank account of the ASBA bidder, on the Designated Date.
Qualified Institutional Buyers / QIBs	The qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus / RHP	The Red Herring Prospectus to be 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 offered and the size of the Offer, including any addenda or corrigenda thereto.

OFFER RELATED TERMS		
Terms	Description	
Refund Banker(s)	Bank(s)/	Refund
Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being [●].	
Refund Account	Account to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made.	
Registered Broker	Individuals or companies registered with SEBI as “Trading Members”(except Syndicate/ Sub-Syndicate Members) who hold valid membership of either BSE or National Stock Exchange of India Limited 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 http://www.nseindia.com/membership/content/cat_of_mem.htm	
Registrar / Registrar to the Offer	Registrar to the Offer being Purva Sharegistry (India) Private Limited.	
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.	
Reservation Portion	The portion of the Issue reserved for category of eligible bidders as provided under the SEBI (ICDR) Regulations, 2018	
Reserved Category/ Categories	Categories of persons eligible for making bid under reservation portion.	
Retail Individual Investors /(RII)	Individual investors (including HUFs applying through their Karta and Eligible NRI Bidders) who applies or bids for the Equity Shares of a value of not more than ₹2.00 Lakhs.	
Retail Portions	Portion of the Offer being not less than 35% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation to RIBs (subject to valid Bids being received at or above the Offer Price), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion, and the remaining Equity Shares to be Allotted on a proportionate basis	
Revision Form	The form used by the bidders to modify the quantity of Equity Shares or the bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)	
SCSB	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and Issues the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35	
Sponsor Bank	The Banker to the Issue registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the Retail Individual Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars.	
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 bidders, as proof of registration of the bid.	
Underwriter	The Book Running Lead Manager who has underwritten this Offer 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 entered into between the Underwriter and our Company dated [●]	
UPI	Unified payment Interface, which is an instant payment mechanism, developed by NPCI.	
UPI Circular	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, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number 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/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022, SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30,	

OFFER RELATED TERMS	
Terms	Description
	2022 and any subsequent circulars or notifications issued by SEBI or any other governmental authority in this regard.
UPI ID	ID created on UPI for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Mandate Request	A request (intimating the Retail Individual Bidder by way of a notification on the Mobile App and by way of a SMS directing the Retail Individual Bidder to such Mobile App) to the Retail Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by a RII to make a Bid in the Offer in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
Willful Defaulter	Willful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulation, working day means all days on which commercial banks in the city as specified in the Draft Red Herring Prospectus are open for business :- However, in respect of announcement of price band and Issue Period, working day shall mean all days, excluding Saturday, Sundays, and Public holidays, on which commercial banks in the city as notified in this Draft Red Herring Prospectus are open for business. In respect to the time period between the Issue Closing Date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holiday in accordance with circular issued by SEBI.

CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS	
Term	Description
A/c	Account
Act or Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time
AGM	Annual General Meeting
AO	Assessing Officer
ASBA	Application Supported by Blocked Amount
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment Year
BG	Bank Guarantee
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
CDSL	Central Depository Services (India) Limited
CFSS	Companies Fresh Start Scheme under Companies Act, 2013
CIN	Corporate Identity Number
CIT	Commissioner of Income Tax
CRR	Cash Reserve Ratio
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996 as amended from time to time
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended from time to time
DIN	Director identification number
DP/ Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
DP ID	Depository Participant's Identification
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization
ECS	Electronic Clearing System
EMERGE	The SME platform of National Stock Exchange of India Limited
EoGM	Extra-ordinary General Meeting
EPS	Earnings Per Share i.e. profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year

CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS	
Term	Description
Financial Year/ Fiscal Year/ FY	The period of twelve months ended March 31 of that particular year
FDI	Foreign Direct Investment
FDR	Fixed Deposit Receipt
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there-under and as amended from time to time
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended
FIs	Financial Institutions
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
Gov/ Government/GoI	Government of India
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standard
ICSI	Institute of Company Secretaries of India
ICAI	Institute of Chartered Accountants of India
IMPS	Immediate Payment Service
Indian GAAP	Generally Accepted Accounting Principles in India
I.T. Act	Income Tax Act, 1961, as amended from time to time
ITAT	Income Tax Appellate Tribunal
INR/ Rs./ Rupees / ₹	Indian Rupees, the legal currency of the Republic of India
KYC	Know your customer
LIC	Low-Income Country
Ltd.	Limited
Pvt. Ltd.	Private Limited
MCA	Ministry of Corporate Affairs
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended
MOF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
MSME	Micro, Small, and Medium Enterprises
NA	Not Applicable
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NR/ Non-Residents	Non-Resident
NPCI	National Payments Corporation of India
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NTA	Net Tangible Assets
p.a.	Per annum
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time

CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS	
Term	Description
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SAT	Securities Appellate Tribunal
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to Time
SCSBs	Self-Certified Syndicate Banks
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI ICDR Regulations / ICDR Regulations / SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Merchant Bankers Regulation	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI Rules and Regulations	SEBI (ICDR) Regulations, 2018, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time
Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended
S&P BSE SENSEX	S&P Bombay Stock Exchange Sensitive Index
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a State of India
Stock Exchanges	Unless the context requires otherwise, refers to, the National Stock Exchange of India Limited
STT	Securities Transaction Tax
TDS	Tax Deducted at Source
TAN	Tax deduction account number
TIN	Tax payer Identification Number
TRS	Transaction Registration Slip
UIN	Unique Identification Number
U.S. GAAP	Generally accepted accounting principles in the United States of America
U.S. Holder	A beneficial owner of Equity Shares that is for United States federal income tax purposes: (a) an individual who is a citizen or resident of the United States; (b) a corporation organized under the laws of the United States, any state thereof or the District of Columbia; (c) an estate whose income is subject to United States federal income taxation regardless of its source; or (d) a trust that (1) is subject to the primary supervision of a court within the United States and the control of one or more U.S. persons for all substantial decisions of the trust, or (2) has a valid election in effect under the applicable U.S. Treasury regulations to be treated as a U.S. person
VCFs	Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as

CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS	
Term	Description
	amended, which have been repealed by the SEBI AIF Regulations. In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.
VAT	Value Added Tax
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31

INDUSTRY RELATED TERMS	
Term	Description
AIFI	Association of Indian Forging Industry
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
IMF	International Monetary Fund
U.S.	United States of America
US\$	United States Dollar

Notwithstanding the foregoing, terms in “*Description of Equity Shares and Terms of Articles of Association*”, “*Statement of Possible Tax Benefits*”, “*Industry Overview*”, “*Key Industrial Regulations and Policies*”, “*Financial Information*”, “*Outstanding Litigation and Material Developments*” and “*Offer Procedure*” on pages 269, 104, 108, 152, 186, 215, and 246, respectively of this Draft Red Herring Prospectus, will have the meaning ascribed to such terms in these respective sections.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references to “India” contained in this Draft Red Herring Prospectus 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 Government of India, central or state, as applicable.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Red Herring Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled “*Financial Information*” on Page 186 of this Draft Red Herring Prospectus.

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 twelve (12) month period ended on March 31 of that year.

The Restated Financial Statements of our Company for the stub period ended June 30, 2023 and for the Financial Years ended March 2023, 2022 and 2021 which comprise restated summary statement of assets and liabilities, the restated summary statement of profit and loss, the restated summary statement of cash flow and restated summary statement of changes in equity together with the annexures and notes thereto and the examination report thereon, as compiled from the Indian GAAP financial statements for respective period/year and in accordance with the requirements provided under the provisions of the Companies Act, SEBI ICDR Regulations and the Guidance Note on “*Reports in Company Prospectuses (Revised 2019)*” issued by ICAI.

There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, the Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft 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 Position and Results of Operations*” on pages 27, 192, 118, and 192 respectively, of this Draft Red Herring Prospectus, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the Restated Financial Statements of our Company, prepared in accordance with Indian GAAP, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

In this Draft 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 the percentage figures have been rounded off to two decimal places including percentage figures in “*Risk Factors*”, “*Industry Overview*” and “*Our Business*” on pages 27, 108, and 118 respectively, this Draft Red Herring Prospectus.

Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India;
- “Euro” or “€” are to Euro, the official currency of the 19 countries of the European Union.

- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America.

Our Company has presented all numerical information in is Draft Red Herring Prospectus in “Lakhs” units or in whole numbers where the numbers have been too small to represent in Lakhs. One lac represents 1,00,000 and one million represents 10,00,000.

Exchange rates

This Draft Red Herring Prospectus contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Currency	Exchange rate as on			
	June 30, 2023 (Amount in ₹)	March 31, 2023 (Amount in ₹)	March 31, 2022 (Amount in ₹)	March 31, 2021 (Amount in ₹)
1 USD	82.04	82.22	75.81	73.50
1 EUR	89.59	89.28	84.22	85.92

(Source: RBI reference rate)

(Source: www.rbi.org.in/ www.fbil.org.in/ www.x-rates.com)

Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft 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.

The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, “Basis for Offer Price” on page 99 of this Draft Red Herring Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the Book Running Lead Manager have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “Risk Factors” on page 27 of this Draft Red Herring Prospectus.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from the report titled “Metal Forging Market Report”, issued on Friday, December 15, 2023, by Fortune Business Insights Private Limited, and publicly available information as well as other industry publications and sources. Fortune Business Insights Private Limited has been appointed by the Company pursuant to the engagement letter dated Monday, December 11, 2023, and such report has been exclusively commissioned by our Company for the purposes of confirming our understanding of the industry in which the Company operates, in connection with the Offer. The Metal Forging Market Report is available on the website of our Company at www.paramountforge.com.

“The report has been prepared as a general summary of matters on the basis of our interpretation of the publicly available information, our experiences and the information provided to us, and should not be treated as a substitute for a specific business advice concerning individual matters, situations or concerns. Procedures we have performed do not constitute an

audit of the Company's historical financial statements nor do they constitute an examination of prospective financial statements. Accordingly, we express no opinion, warranty, representation or any other form of assurance on the historical or prospective financial statements, management representations. We have not carried out any financial, tax, environmental or accounting due diligence with respect to the Company."

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable. Although the industry and market data used in this Draft Red Herring Prospectus is reliable, the data used in these sources may have been re-classified by us for the purposes of presentation however, no material data in connection with the Offer has been omitted. Data from these sources may also not be comparable. These industry sources and publications are prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates and assumptions that may prove to be incorrect. The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "Risk Factors on page 27. Industry information included in this Draft Red Herring Prospectus has been derived from an industry report exclusively commissioned and paid for by us for such purpose.", on page 27 of this Draft Red Herring Prospectus. Accordingly, investment decisions should not be based solely on such information.

FORWARD - LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. These forward-looking statements, whether made by us or a third party, are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India in which we operate 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 which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence 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 and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- Inability to retain our existing clients and failure to augment our clients’ base;
- Loss of clients in the Application Industries to which we cater to;
- Our inability to attract and retain qualified personnel;
- Our inability to adopt and response to the changing landscape of the business verticals and need of our clients;
- Failure to bid for contracts from government entities which are awarded through tender based process;
- Any significant impact in the cost of our components, to the extent we are unable to pass it on to our Clients;
- Changes in the competition landscape;
- Our ability to finance our business growth and obtain financing on favorable terms;
- Our ability to manage our growth effectively;
- Our ability to compete effectively, particularly in new markets and businesses;
- Changes in laws and regulations relating to the industry in which we operate changes in government policies and regulatory actions that apply to or affect our business; and
- Developments affecting the Indian economy;
- Any adverse outcome in the legal proceedings in which we are involved.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on pages 27, 118 and 192, respectively, of this Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates 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.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect current views as on the date of this Draft Red Herring Prospectus 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. Neither our Company, our Directors, the Promoters 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 the SEBI ICDR Regulations, our Company, the Promoters and the Book Running Lead Manager will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange for the Offer. In accordance with the requirements of SEBI, each of the Promoter Selling Shareholders will ensure that investors are informed of material developments in relation to the statements and undertakings specifically undertaken or confirmed by it in the Red Herring Prospectus until the date of Allotment. Only statements and undertakings which are specifically confirmed or undertaken by each of the Promoter Selling Shareholders to the extent of information pertaining to it and/or its respective portion of the Offered Shares, as the case may be, in this Draft Red Herring Prospectus shall be deemed to be statements and undertakings made by such Selling Shareholders.

SECTION II – SUMMARY OF THE OFFER DOCUMENT

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections entitled “*Risk Factors*”, “*Industry Overview*”, “*Outstanding Litigation and Material Developments*”, “*Our Promoter and Promoter Group*”, “*Financial Information*”, “*Objects of the Offer*”, “*Our Business*”, “*Offer Procedure*” and “*Description of Equity Shares and Terms of Articles of Association*” beginning on pages 27, 108, 215, 175, 186, 88, 118, 246, and 269, respectively of this Draft Red Herring Prospectus.

1. Summary of Primary Industry in which the Company is operating

The forging industry is a key link between critical manufacturing segments--metal suppliers (both ferrous and nonferrous) and end user industries. Over the years, the Indian forging industry has evolved from being a labour-intensive industry to capital-intensive manufacturing sector. The forging industry of India provides direct employment to about 95,000 people. The small and very small units are mainly dependant on manual labour, however medium and large units are more mechanized. Current share of auto sector is about 58% of total forging production while the rest is with the non-auto sector. Changes in Indian automobile industry directly impact Indian forging industry, because the forging components form the backbone of the Indian automobile industry.

For further details, please refer chapter titled “*Our Industry*” on page 108 of this Draft Red Herring Prospectus.

2. Summary of Primary Business of our Company

We are manufacturers of steel forgings in India with range of forged Products. Since inception in 1996, we have expanded our business and scale of operations and have invested in an array of machinery to increase and diversify our production capabilities. Today, we have the capacity to manufacture and supply forged components weighing from 1Kg up to 4 metric tons in rough or finish-machined condition.

For further details, please refer chapter titled “*Our Business*” on page 118 of this Draft Red Herring Prospectus.

3. Promoters

Aliasgar Roshan Hararwala, Aliasgar Abdulla Bhagat, Mohammed Salim Hararwala, Abdulla Aliasgar Bhagat, Hoozefa Saleem Hararwala, Abbasali Salim Hararwala, Zahid Mohamadi Hararwala and Roshan Alihusain Hararwala are the promoters of the Company.

For further details please refer to the chapter titled “*Our Promoters and Promoter Group*” beginning on page 175 of this Draft Red Herring Prospectus.

4. Details of the Offer

Our Company is proposing the public offer of up to 54,81,600* Equity Shares of face value of ₹10/- each of our Company for cash at a price of ₹[●] per Equity Share including a share premium of ₹[●] per Equity Share aggregating to ₹[●] Lakhs, comprising a fresh issue of up to 48,02,400* Equity Shares aggregating to ₹[●] Lakhs and an offer for sale of up to 6,79,200* Offer Shares by the Promoter Selling Shareholders aggregating to ₹[●] Lakhs of which up to [●] Equity Shares 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 Offer. The Offer less the Market Maker Reservation Portion i.e. Net Offer of up to [●] Equity Shares 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 Offer”. The Offer and the Net Offer will constitute [●]% and [●]%, respectively, of the post Offer paid up Equity Share capital of our company. The face value of the Equity Shares is ₹10.00/- each.

The price band will be decided by our Company and the Promoter Selling Shareholders in consultation with the Book Running Lead Manager and will be advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] and editions of [●] (a widely circulated Hindi national daily newspaper) and Marathi editions of [●] (a widely circulated Regional language daily newspaper) (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, at least 2 (two) working days prior to the bid/ offer opening date with the relevant financial ratios calculated at the floor price and the cap price and shall be made available to the Emerge platform of NSEIL for the purpose of uploading on their website for further details kindly refer to chapter titled “*Terms of the Offer*” beginning on page 233 of this Draft Red Herring Prospectus.

5. Details of the Promoter Selling Shareholders

The Promoter Selling Shareholders have consented to participate in the Offer for Sale in the following manner:

Name	Type	Date of the consent letter	Pre-Offer Equity Shares		Offered Equity Shares	
			Number of Equity Shares held	% of the pre-Offer paid-up Equity Share capital	Number of the Equity Shares offered	% of the pre-Offer paid-up Equity Share capital
Aliasgar Roshan Hararwala	Promoter Selling Shareholder	Wednesday, December 06, 2023	25,50,432	17.14%	Up to 1,19,700	0.80%
Aliasgar Abdulla Bhagat	Promoter Selling Shareholder	Wednesday, December 06, 2023	17,00,784	11.43%	Up to 80,000	0.54%
Mohammed Salim Hararwala	Promoter Selling Shareholder	Wednesday, December 06, 2023	14,18,064	9.53%	Up to 66,600	0.45%
Abdulla Aliasgar Bhagat	Promoter Selling Shareholder	Wednesday, December 06, 2023	25,50,432	17.14%	Up to 1,19,700	0.80%
Hoozefa Saleem Hararwala	Promoter Selling Shareholder	Wednesday, December 06, 2023	14,16,576	9.52%	Up to 66,600	0.45%
Abbasali Salim Hararwala	Promoter Selling Shareholder	Wednesday, December 06, 2023	14,16,576	9.52%	Up to 66,500	0.45%
Zahid Mohamadi Hararwala	Promoter Selling Shareholder	Wednesday, December 06, 2023	21,26,352	14.29%	Up to 80,100	0.54%
Roshan Alihusain Hararwala	Promoter Selling Shareholder	Wednesday, December 06, 2023	17,00,784	11.43%	Up to 80,000	0.54%

The Promoter Selling Shareholders has confirmed that the Equity Shares proposed to be offered and sold in the Offer are eligible in term of SEBI (ICDR) Regulations, and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance, or third-party rights. The Promoter Selling Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.

6. Objects of the Offer

Particulars	Estimated Amount (₹ in Lakhs)
Gross proceeds of the Fresh Issue*	[●]
Less: Offer related expenses in relation to Fresh Issue ⁽²⁾	[●]
Net Proceeds ⁽¹⁾	[●]

(1) For details with respect to sharing of fees and expenses amongst our Company and the Selling Shareholders, please refer to “- Offer Expenses” on page 95 of this Draft Red Herring Prospectus.

(2) To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

7. Utilization of Net Offer Proceeds

Sr.no	Particulars	Estimated Amount (₹ in Lakhs)
1.	Funding capital expenditure requirements	₹2,955.33

Sr.no	Particulars	Estimated Amount (₹ in Lakhs)
2.	General corporate expenses*(Approx)	[●]
	Net Issue Proceeds	[●]

*To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount to be utilized for general corporate purposes alone shall not exceed 25% of the Gross Proceeds.

For further details, please refer the chapter titled “*Objects of the Offer*” beginning on page 88 of this Draft Red Herring Prospectus .

8. Aggregate Pre-Offer Shareholding of Promoters, Promoter Group, and Promoter Selling Shareholders

Following are the details of the pre-Offer shareholding of Promoters, Promoter Group, and Promoter Selling Shareholders:

Sr. No.	Name of the Shareholders	Pre-Offer		Post-Offer*	
		Number of Equity Shares	% of Pre-Offer Equity Share Capital	Number of Equity Shares	% of Post-Offer Equity Share Capital
Promoter and Promoter Selling Shareholders					
1.	Aliasgar Roshan Hararwala	25,50,432	17.14%	[●]	[●]
2.	Aliasgar Abdulla Bhagat	17,00,784	11.43%	[●]	[●]
3.	Mohammed Salim Hararwala	14,18,064	9.53%	[●]	[●]
4.	Abdulla Aliasgar Bhagat	25,50,432	17.14%	[●]	[●]
5.	Hoozefa Saleem Hararwala	14,16,576	9.52%	[●]	[●]
6.	Abbasali Salim Hararwala	14,16,576	9.52%	[●]	[●]
7.	Zahid Mohamadi Hararwala	21,26,352	14.29%	[●]	[●]
8.	Roshan Alihusain Hararwala	17,00,784	11.43%	[●]	[●]
	Total	1,48,80,000	100.00%	[●]	[●]

*Subject to completion of the Offer and finalization of the Allotment.

Our Promoter Group does not hold any shareholding in our Company.

For further details, please refer to the chapter titled “*Capital Structure*” beginning on Page 73 of this Draft Red Herring Prospectus.

9. Summary of Restated Financial Information

Following are the details as per the Restated Financial Information as at June 30, 2023 and as at the Financial Years ended on March 31, 2023, 2022 and 2021:

(₹ in lacs)

Sr. No.	Particulars	June 30, 2023*	March 31, 2023	March 31, 2022	March 31, 2021
1.	Share Capital	1.00	1.00	1.00	1.00
2.	Net Worth	1,643.19	1,566.14	1,970.49	1,657.05
3.	Revenue from operations	3,005.43	11,035.77	8,758.25	5,162.86
4.	Profit after Tax	77.05	275.84	313.44	-27.36
5.	Earnings per Share	770.53	2,758.40	3,134.37	-273.57
6.	Net Asset Value per equity share	1,643.19	1,566.14	1,970.49	1,656.05
7.	Total borrowings	1,677.63	2,027.65	1,176.93	1,234.55

*Not annualised

It is imperative to note that, in restated financial statement we can see that in the Financial Year ended 2021, the profit before tax is ₹(54.80) Lakhs (Loss). But, in audited financials there was a profit of ₹175.99 Lakhs. A major factor which has affected the profitability in restated financials of Financial Year ended 2021, is “Depreciation”. As in Financial Year ended 2021, in audited financial depreciation was calculated as per depreciation of income tax only, while depreciation mentioned in restated financial depreciation is calculated as per Companies Act. Hence, this depreciation amount is higher than depreciation of income tax which resulted the financials of Financial Year ended 2021, in to loss.

For further details, please refer to the section titled “*Financial Information*” beginning on Page 186 of this Draft Red Herring Prospectus.

10. Auditor qualifications which have not been given effect to in the Restated Financial Information

The Restated Financial Information do not contain any qualifications by the Peer Reviewed Auditors.

11. Summary of Outstanding Litigation

A summary of the pending tax proceedings and other material litigations is provided below:

Name of Entity	Criminal proceedings	Tax proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters	Material civil litigations *	Aggregate amount involved (₹ in Lakhs)**
Company						
By the Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	1	Nil	Nil	Nil	109.81
Directors						
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Promoters						
By the Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Subsidiary						
By the Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
Against the Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
Group Companies (In accordance with the Materiality Policy)						
By the Group Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Group Company	Nil	Nil	Nil	Nil	Nil	Nil

For further details, please refer to the chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 215 of this Draft Red Herring Prospectus.

12. Risk Factors

Please refer to the section titled “*Risk Factors*” beginning on page 27 of this Draft Red Herring Prospectus.

13. Summary of Contingent Liabilities

As per the Restated Financial Information as at June 30, 2023, and as at Financial Years ended on March 31, 2023, 2022 and 2021, the details of Contingent Liabilities as on the date of this Draft Red Herring Prospectus are stated below:

Particulars	For the 3-month stub-period ended June 30, 2023	For the Financial Year ended March 31		
		2023	2022	2021
Guarantees given by the Company to the bankers against which fixed deposits have been placed with the bank under lien.	115.16	132.63	221.13	555.23

Particulars	For the 3-month stub-period ended June 30, 2023	For the Financial Year ended March 31		
		2023	2022	2021
Letter of credit outstanding given by the Company to the bankers against which fixed deposits have been placed with the bank under lien.	-	-	76.00	76.00

For further details, please refer to the chapter titled “*Restated Financial Statements*” beginning on page 186 of this Draft Red Herring Prospectus.

14. Summary of Related Party Transactions

Related Party Disclosures are given below:

Key Managerial Personnel		
Sr. No	Name of the related parties	Relations
i)	Mr. Mohd. S. Hararwala	Director
ii)	Mr. Aliasgar R. Hararwala	Director
iii)	Mr. Abdullah A. Bhagat	Promotor
iv)	Mr. Aliasgar A. Bhagat	Director
v)	Mr. Hoozefa S. Hararwala	Promotor
vi)	Mr. Abbasali S. Hararwala	Promotor
vii)	Mr. Zahid M. Hararwala	Promotor
viii)	Mr. Roshan A. Hararwala	Promotor
ix)	Mrs. Saeeda R. Hararwala	Relative of Director
x)	Mrs. Arfana A. Hararwala	Relative of Director
xi)	Mrs. Arwa A. Bhagat	Relative of Director
xii)	Mrs. Nazifa M. Hararwala	Relative of Director
xiii)	Mrs. Tasneem H. Hararwala	Relative of Director

Transaction with related Parties:

(Amount in ₹Lakhs)

Sr. No.	Particulars	Period Ended 30-Jun-2023	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022	Year Ended 31-Mar-2021
A	Directors Remuneration				
	Mr. Mohd. S. Hararwala	4.29	16.60	10.80	10.53
	Mr. Aliasgar R. Hararwala	5.25	21.00	15.00	11.70
	Mr. Aliasgar A. Bhagat	5.00	18.00	12.00	11.70
B	Promoters Remuneration				
	Mr. Abdullah A. Bhagat	5.00	18.00	12.00	11.70
	Mr. Hoozefa S. Hararwala	3.36	12.60	6.84	6.67
	Mr. Abbasali S. Hararwala	2.85	10.80	6.36	6.20
	Mr. Zahid M. Hararwala	5.00	18.00	12.00	11.70
	Mr. Roshan A. Hararwala	5.25	21.00	15.00	11.70
C	Reimbursement of Expenses				
	Mr. Mohd. S. Hararwala	-	-	-	0.50
	Mr. Aliasgar R. Hararwala	-	-	-	14.29
	Mr. Abdullah A. Bhagat	-	-	-	0.83
	Mr. Aliasgar A. Bhagat	-	-	-	0.07
	Mr. Hoozefa S. Hararwala	-	-	-	0.74
	Mr. Zahid M. Hararwala	-	-	-	0.08
	Mr. Roshan A. Hararwala	-	-	-	0.37
D	Legal and Professional Charges				
	Mrs. Arwa A. Bhagat	1.35	6.00	6.00	5.85
	Mrs. Nazifa M. Hararwala	0.68	3.00	3.00	2.93
	Mrs. Tasneem H. Hararwala	0.00	2.00	6.00	5.85

Sr. No.	Particulars	Period Ended 30-Jun-2023	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022	Year Ended 31-Mar-2021
	Mrs. Arfana A.Hararwala	0.00	0.00	0.00	5.85
E	Loan taken from Directors				
	Mr. Mohd. S. Hararwala	66.71	66.71	0.00	0.00
	Mr. Aliasgar R. Hararwala	119.98	119.98	0.00	0.00
	Mr. Aliasgar A. Bhagat	80.01	80.01	0.00	0.00
F	Loan taken from Promoters				
	Mr. Abdullah A. Bhagat	119.98	119.98	-	-
	Mr. Hoozefa S. Hararwala	66.64	66.64	-	-
	Mr. Abbasali S. Hararwala	66.64	66.64	-	-
	Mr. Zahid M. Hararwala	80.22	80.22	-	-
	Mr. Roshan A. Hararwala	80.01	80.01	-	-
G	Repayment Of Loan				
	Mrs. Saeeda R. Hararwala	-	-	10.00	-

All related party transactions entered during the year were in ordinary course of the business and on arm's length basis.

For further details, please refer “*Annexure 30 : Related Party Disclosures*” from the chapter titled “*Restated Financial Information*” beginning on Page 186 of this Draft Red Herring Prospectus.

15. Financials Arrangements

There are no financing arrangements whereby the Promoters, members of the Promoter Group, the Directors of our Company and their relatives, have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

16. Weighted Average Price of the Equity Shares acquired by our Promoters and Promoter Selling Shareholders in the last one year preceding the date of this Draft Red Herring Prospectus

The details of the weighted average price of the Equity Shares acquired by our Promoters and Promoter Selling Shareholders in the last one year preceding the date of this Draft Red Herring Prospectus is as follows:

Name of Promoters and Promoter Selling Shareholders	No. of shares acquired in last one year from the date of this Draft Red Herring Prospectus	Weighted Average Price (in ₹)
Aliasgar Roshan Hararwala	25,50,432	Kindly note, as Equity Shares were acquired upon conversion of LLP into Company and under Bonus issue, hence, weighted average price is not available.
Aliasgar Abdulla Bhagat	17,00,784	
Mohammed Salim Hararwala	14,18,064	
Abdulla Aliasgar Bhagat	25,50,432	
Hoozefa Saleem Hararwala	14,16,576	
Abbasali Salim Hararwala	14,16,576	
Zahid Mohamadi Hararwala	21,26,352	
Roshan Alihusain Hararwala	17,00,784	

17. Average Cost of Acquisition of Equity Shares for Promoters and Promoter Selling Shareholders

The average cost of acquisition of Equity Shares for the Promoters and Promoter Selling Shareholders is as follows:

Name of Promoters and Promoter Selling Shareholders	No. of shares held	Average Cost of Acquisition (in ₹)
Aliasgar Roshan Hararwala	25,50,432	Kindly note, as Equity Shares were acquired upon conversion of LLP into Company and under Bonus issue, hence, weighted
Aliasgar Abdulla Bhagat	17,00,784	
Mohammed Salim Hararwala	14,18,064	
Abdulla Aliasgar Bhagat	25,50,432	
Hoozefa Saleem Hararwala	14,16,576	
Abbasali Salim Hararwala	14,16,576	

Name of Promoters and Promoter Selling Shareholders	No. of shares held	Average Cost of Acquisition (in ₹)
Zahid Mohamadi Hararwala	21,26,352	average price is not available.
Roshan Alihusain Hararwala	17,00,784	

18. Pre-IPO Placement

Our Company does not contemplate any issuance or placement of Equity Shares in this Offer until the listing of the Equity Shares.

19. Issue of equity shares made in last one year for consideration other than cash

Except following, Our Company has not issued shares for consideration other than cash during last one year preceding the date of this prospectus.

Date of Allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of Allotment
May 05, 2023	10,000	10	-	Conversion of partner's capital into equity share capital of the Company	Equity shares issued pursuant to conversion of LLP into Company
September 05, 2023	1,48,70,000	10	-	Capitalization of retained earnings	Bonus Issue

20. Split or consolidation of Equity Shares in the last one year

No split or consolidation of equity shares has been made in the last one year prior to filing of this Draft Red Herring Prospectus.

21. Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

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SECTION III – RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. 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. The risks described below are not the only ones relevant to us, our Equity Shares, the industry, or the segment in which we operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business, results of operations and financial condition. 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 be adversely affected, the trading price of our Equity Shares could decline, and as prospective investors, you may lose all or part of your investment. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in this Issue. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.

To obtain a complete understanding, you should read this section in conjunction with the sections “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 108, 118 and 192 of this Draft Red Herring Prospectus, respectively. This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates 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, in the section titled “Forward-Looking Statements” on page 17 of this Draft Red Herring Prospectus. 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. Unless the context requires otherwise, the financial information of our Company has been derived from the Restated Financial Information, prepared in accordance with Accounting Standard and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

Materiality:

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

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

The financial and other related implications of risks concerned, whether quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.

In this Draft Red Herring Prospectus, any discrepancies in any table between total and sums of the amount listed are due to rounding off.

In this section, unless the context requires otherwise, any reference to “we”, “us” or “our” refers to Paramount Speciality Forgings Limited.

The risk factors are classified as under for the sake of better clarity and increased understanding.

1. We do not have any long-term agreements with our customers. If our customers choose not to source their requirements from us or manufacture such products in-house, our business and results of operations may be adversely affected.

We do not have firm commitment long-term supply agreements with our customers and instead rely on short term purchase orders to govern terms of our sales of products, from our customers. Many of the purchase orders we receive from our customers specify a price per unit and delivery schedule, and the quantities to be delivered are determined closer to the date of delivery. However, such orders may be amended or cancelled prior to finalisation, and should such an amendment or cancellation take place, it may adversely impact our revenue and production schedules.

Additionally, certain customers have high and stringent standards for product quantity and quality as well as delivery schedules. Any failure to meet our customers' expectations and specifications could result in the cancellation or non-renewal of purchase orders. There are also a number of factors, other than our performance that could cause the loss of a customer. Customers may demand, among others, price reductions, setoff any payment obligations, require indemnification for themselves or their affiliates, change their outsourcing strategy by moving more work in-house, or replace their existing products with alternative products, any of which may have an adverse effect on our business, results of operations and financial condition.

Accordingly, we face the risk that our customers might not place any order or may even cancel existing orders or make change in their policies which may result in reduced quantities being manufactured by us for our customers. Cancellations, reductions or instructions to delay production (thereby delaying delivery of products manufactured by us) by a significant customer could adversely affect our results of operations by reducing our sales volume, as well as by possibly causing delay in our customers' paying us for the order placed for purchasing the inventory with us which we would have manufactured for them. We do not find customers or purchasers for the surplus or excess capacity, in which case we would be forced to incur a loss.

Further, in the event our major customers face any form of adverse effect due to exigent circumstances, resulting in a sustained decline in the demand for their products, could prompt them to reduce their production volumes, in turn affecting their demand for our products. The volume and timing of sales to our major customers may also adversely vary due to variation in: (i) delay in or cancellation; (ii) demand or requirements; (iii) manufacturing strategy; and (iv) growth strategy. As we do not have firm commitment in the form of long-term supply agreements with our customers, there is no commitment on the part of our major customers to continue to place new purchase orders with us and as a result, our cash flow and consequent revenue may fluctuate significantly from time to time. Further, we may not find any other customers for the surplus or excess capacity, in which case we may be forced to incur a loss.

In addition, we make significant decisions, including determining the levels of business that we will seek and accept, production schedules and other resource requirements, based on our estimates of customer orders. The changes in demand for their products (which are in turn manufactured by us) could reduce our ability to estimate accurately future customer requirements, make it difficult to schedule production and limit our ability to maximize utilization of our manufacturing capacity.

2. Demand for our products is related to growth and trends of our end user industry. Decline in sales of our customers may adversely affect the demand for our products which in turn would adversely impact our business, financial condition, results of operations and prospects.

Demand for our products is directly related to the production and sales of our end user industry. For further information, see section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations – Principal Factors Affecting our Results of Operations and Financial Condition" on page 192 of this Draft Red Herring Prospectus.

Set out below are the revenues generated from various end-use industries and as a percentage of our revenue from sale of products:

Sectors	Jun-23		Fiscals 2023		Fiscals 2022		Fiscals 2021	
	Amount (₹ in Lakhs)	% of Total Revenue	Amount (₹ in Lakhs)	% of Total Revenue	Amount (₹ in Lakhs)	% of Total Revenue	Amount (₹ in Lakhs)	% of Total Revenue
Petrochemicals, Chemicals & Fertilizers	885.66	29.56%	4,201.33	39.99%	3,390.05	38.52%	1,649.63	32.20%
Oil & Gas	697.72	23.29%	1386.63	13.20%	1325.59	15.06%	1268.53	24.76%
Nuclear & Power	3.77	0.13%	211.27	2.01%	79.86	0.91%	93.38	1.82%

Sectors	Jun-23		Fiscals 2023		Fiscals 2022		Fiscals 2021	
	Amount (₹ in Lakhs)	% of Total Revenue	Amount (₹ in Lakhs)	% of Total Revenue	Amount (₹ in Lakhs)	% of Total Revenue	Amount (₹ in Lakhs)	% of Total Revenue
Heavy Engineering & Other Sectors	363.04	12.12%	1,379.6	13.13%	1,422.16	16.16%	1,049.73	20.49%
Overseas Customers	692.08	23.10%	1994.12	18.98%	1494.09	16.98%	599.95	11.71%
Others	353.4	11.80%	1332.92	12.69%	1088.23	12.37%	462.27	9.02%

The production and sales of our end user industry for which we supply products are affected by a variety of other factors that are beyond our control, including changes in government policies, changes in consumer demand, product mix shifts favouring other types of vehicles, fuel prices, vehicle electrification, economic conditions, demographic trends, employment and income levels and interest rates, disruptions in these industries' supply chain, vehicle age, labour relations, regulatory requirements, credit availability and cost of credit and general economic and industry conditions.

It is difficult to forecast events which affect the profitability and liquidity of our customers or the success or sustainability of any strategies undertaken by any of our customers in response to ongoing economic or industry trends. Reduced demand in the industries we currently supply to, continued uncertainty and other unexpected fluctuations or change in regulations, customs, taxes or other barriers or restrictions adversely affecting the market, particularly those impacting our customers could have a material adverse impact on our business, results of operations, cash flows and financial condition.

For further information on our key customers, see section entitled "Our Business" on page 118 of this Draft Red Herring Prospectus.

3. ***We obtain a substantial portion of our raw materials from a limited number of suppliers, and we do not have long-term contracts with our suppliers. If one or more of our top suppliers were to suffer a deterioration of their business, cease doing business with us or substantially reduce their dealings with us, our business, results of operations, cash flows and financial condition may be adversely affected.***

The following table sets forth details of our Top 10 supplier concentration (by value of raw materials purchased):

Supplier concentration by value	Three months period ended June 30, 2023 Amount (₹ in Lakhs)	For the Financial Year ended March 31		
		2023 Amount (₹ in Lakhs)	2022 Amount (₹ in Lakhs)	2021 Amount (₹ in Lakhs)
Top 10*	697.48	4,551.07	7,155.39	2,699.88

**Top 10 Suppliers may vary across Fiscals / period and does not refer to the same Supplier across all Fiscal / period*

In the three-months period ended June 30, 2023 and the Financial Years 2023, 2022 and 2021, we purchased an aggregate of ₹697.48 Lakhs, ₹4,551.07 Lakhs, ₹7,155.39 Lakhs and ₹2,699.88 Lakhs of raw materials, respectively, from our top 10 suppliers, constituting 43.39%, 54.39%, 85.15% and 93.86%, respectively, of our total raw materials purchased during such periods. Accordingly, a significant percentage of our raw material requirements are met by these suppliers and our business is dependent on the successful continuation of our relationship with these suppliers. The loss of any of our major suppliers, due to our inability to renew our contracts with them or failure to secure orders from them, or a decision by any one of them to reduce the volumes of raw materials supplied to us could result in a decline in our revenues due to an inability to meet our manufacturing schedules. Further, if any of our major suppliers' financial conditions were to deteriorate in the future, and as a result, one or more of these suppliers was required to cease their operations or are otherwise unable to supply to our Company due to any reason, our business and results of operations would be significantly affected.

4. *We depend on our Plant and Machinery for critical functions of our business. Failure to properly maintain our plant and machineries or any adverse remark during the Inspection of our Products may result in disruptions to or lower quality of our services and our business, results of operations and financial condition may be adversely affected.*

We rely on our plant and machineries for our business operations. For further information, see “Our Business - Plant and Machineries” on page 118 of this Draft Red Herring Prospectus. We further intend to continue spending on our machineries to meet the demands of our Buyers. For details, see “Objects of the Offer” on page 88 of this Draft Red Herring Prospectus. Whilst there have been no instances of technology failures in the last three Fiscals and in the three months ended June 30, 2023, however, going forward, any failure to identify and adapt to technological developments within the industry may cause us to lose our competitiveness, which would adversely affect our business, results of operations and financial condition. The table below provides total expenses in maintaining our plant and machineries (other than the payroll cost for employees in the technology and product team) for Fiscal 2021, 2022 and 2023 and the three months ended June 30, 2023:

Category	For the stub-period of Three months period ended June 30, 2023		For the Financial Year ended March 31					
			2023		2022		2021	
	Amount (₹ in Lakhs)	Percentage of Total Expenses	Amount (₹ in Lakhs)	Percentage of Total Expenses	Amount (₹ in Lakhs)	Percentage of Total Expenses	Amount (₹ in Lakhs)	Percentage of Total Expenses
Repairs and maintenance – Buildings	Nil	0.00%	10.97	0.10%	4.13	0.05%	20.62	0.39%
Repairs and maintenance – Machinery	Nil	0.00%	77.64	0.71%	34.21	0.39%	42.00	0.80%
Repairs and maintenance – others	24.50	0.86%	14.06	0.13%	10.48	0.12%	13.12	0.25%
Inspection Charges	1.84	0.06%	10.16	0.09%	8.46	0.10%	11.15	0.21%
Total	26.35	0.92%	112.83	1.04%	57.28	0.65%	86.89	1.66%

Maintaining and upgrading our plant and machineries carries certain risks, including the risk of disruptions caused by deployment errors, delays or deficiencies, which has made and may continue to make our manufacturing activities come to a halt or standstill. Certain of our competitors may have access to similar or superior technology or may have better adapted themselves to technological changes. We may also implement additional or enhanced machinery in the future to accommodate our growth and to provide additional capabilities and functionalities. The implementation of new or enhanced machinery may be disruptive to our business and can be time-consuming and expensive and may increase management responsibilities and divert management attention. If we fail to properly maintain or promptly upgrade our plant and machinery, our services may be disrupted or become of lower quality or unprofitable, and our results of operations and financial condition may be adversely affected.

5. *Exchange rate fluctuations may adversely affect our results of operations as majority portion of our revenues and are denominated in foreign currencies.*

We are exposed to foreign exchange-related risks as a portion of our revenue from operations are in foreign currency, including the Euro, and US Dollar each of which significantly contribute to our revenues in currencies other than Indian Rupees. The table below provides our revenue from operations generated in currency other than Indian Rupees for Fiscal 2021, 2022 and 2023 and three months ended June 30, 2023:

Geographical Presence Revenue of Operations	For the period April 01, 2023, to May 04, 2023		For the period May 04, 2023, to June 30, 2023		For the stub-period of Three months period ended June 30, 2023		For the Financial Year ended March 31					
							2023		2022		2021	
	Amount (₹ in Lakhs)	Percentage of Revenue from Operations	Amount (₹ in Lakhs)	Percentage of Revenue from Operations	Amount (₹ in Lakhs)	Percentage of Revenue from Operations	Amount (₹ in Lakhs)	Percentage of Revenue from Operations	Amount (₹ in Lakhs)	Percentage of Revenue from Operations	Amount (₹ in Lakhs)	Percentage of Revenue from Operations
Europe	229.29	72.59%			229.95	33.50%	1172.38	45.42%	353.12	18.64%	171.15	14.88%
Canada	86.6	27.41%	370.45	100%	456.39	66.50%	1385.61	53.68%	1054.99	55.70%	453.92	39.48%
Middle East	-	-	-	-	-	-	23.46	0.90%	485.92	25.66%	524.74	45.64%
Total	315.89	100.00%	370.45	100.00%	686.34	100.00%	2581.45	100.00%	1894.03	100.00%	1149.81	100.00%

The table below provides our foreign exchange gain/loss-net and as a percentage of revenue from operations as stated in the Restated Financial Information:

Geographical Presence Revenue of Operations	For the stub-period of Three months period ended June 30, 2023		For the Financial Year ended March 31					
			2023		2022		2021	
	Amount (₹ in Lakhs)	Percentage of Other Income	Amount (₹ in Lakhs)	Percentage of Other Income	Amount (₹ in Lakhs)	Percentage of Other Income	Amount (₹ in Lakhs)	Percentage of Other Income
Foreign exchange gain/ loss-net	5.24	84.69%	40.54	21.53%	27.10	5.59%	6.99	22.12%

The exchange rate between the Indian Rupee and foreign currencies, primarily the USD, has fluctuated in the past and our results of operations have been impacted by such fluctuations and may be impacted by such fluctuations in the future. For example, during times of strengthening of the Indian Rupee, we expect that our revenue from offerings from markets outside India will generally be negatively impacted as foreign currency received will be translated into fewer Indian Rupees. However, the converse positive effect of depreciation in the Indian Rupee may not be sustained or may not show an appreciable impact in our results of operations in any given financial period due to other variables impacting our business and results of operations during the same period. Accordingly, any appreciation or depreciation of the Indian Rupee against these currencies can impact our results of operations.

6. *The Restated Financial Statements for the 3 months period-ended June 30, 2023, and for the Financial Years ended on March 31, 2023, 2022 and 2021 have been provided by peer reviewed chartered accountants who was not statutory auditor of our Company.*

The Restated Financial Statements of our Company for the stub-period of 3 months ended June 30, 2023, and for financial years ended on March 31, 2023, 2022, and 2021, has been provided by a peer reviewed chartered accountant who was not statutory auditor of our Company. Due to our predecessor statutory auditors pre-occupancy, we have appointed another auditor having peer reviewed who have provided the Restated Financial Statements of our Company for the stub-period of 3 months ended June 30, 2023, and financial years ended on March 31, 2023, 2022 and 2021. For further details on our Statutory Auditor, and Peer Reviewed Auditor, kindly refer to the chapter titled “General Information” on page 61 of this Draft Red Herring Prospectus.

7. *Our manufacturing facilities are located in the same geographical location and any disruptions in our manufacturing process due to local and regional factors could have an adverse effect on our business, financial condition, and results of operations.*

We currently operate through two manufacturing facilities in Kamothe and Khalapur Plant. For details of our manufacturing facilities, see section entitled “Our Business” on page 118 of this Draft Red Herring Prospectus. There are no instances in the three month period ended June 30, 2023 and the past three Fiscals linked to the location of the Company’s manufacturing facilities that have materially and adversely affected business and operations of the Company.

However, due to the geographic concentration of our manufacturing operations, our operations are susceptible to local and regional factors, such as accidents, system failures, economic and weather conditions, natural disasters, demographic and population changes, political uncertainty and changes in regulations by state government, adverse changes in availability of key inputs including labour and power, the outbreak of infectious diseases and other unforeseen events and circumstances. Such disruptions could result in the damage or destruction of a significant portion of our manufacturing abilities, significant delays in the transport of our products and raw materials, adversely impact our ability to maintain capacity utilization levels and/or otherwise adversely affect our business, financial condition and results of operations. Further, such disruptions, damage or destruction of those facilities may severely affect our ability to meet our customers’ demand and the loss of any one of our key customers or a significant reduction in demand from such customers could have an adverse effect on our business, results of operations and financial conditions.

8. *Volatility in the supply and pricing of our raw materials may have an adverse effect on our business, financial condition, and results of operations. Our raw material suppliers could fail to meet their obligations, which may have a material adverse effect on our business, results of operations and financial condition.*

The principal raw materials used in our manufacturing process include Ingots, Rounds, Plates, Billets, Bars etc. Our cost of raw materials consumed, for the three month period ended June 30, 2023, and for the Fiscals 2023, 2022, and 2021, was ₹1,620.11 Lakhs, 8,367.18 Lakhs, ₹6,093.05 Lakhs, and ₹2,876.39 Lakhs, respectively, which represented 53.91% and 75.82%, 69.57% and 55.71%, of our revenue from operations, net of excise duty on sale of goods, respectively. We do not have long term agreements with any of our raw material suppliers and we acquire such raw materials pursuant to our purchase orders from suppliers. Raw material supply and pricing can be volatile due to a number of factors beyond our control, including global demand and supply, general economic and political conditions, tariff disputes, transportation and labour costs, labour unrest, natural disasters, competition, import duties, tariffs and currency exchange rates and there are inherent uncertainties in estimating such variables, regardless of the methodologies and assumptions that we may use. Further, discontinuation of such supply or a failure of these suppliers to adhere to the delivery schedule or the required quality could hamper our production schedule and therefore affect our business and results of operations. There can be no assurance that demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials. If we were to experience a significant or prolonged shortage of raw materials from any of our suppliers, and we cannot procure the raw materials from other sources, we would be unable to meet our production schedules for our key products and to deliver such products to our customers in a timely manner, which would adversely affect our sales, margins and customer relations. Therefore, we cannot assure you that we will be able to procure adequate supplies of raw materials in the future, as and when we need them and on commercially acceptable terms.

The prices of raw materials used by us are volatile and are subject to various factors including fluctuation in commodity prices, global economic conditions and market speculation, among other factors. This exposes us to a significant risk of price fluctuations.

Further, any change in the supplying pattern of our raw materials can adversely affect our business and profits. We use third parties for the supply of our raw materials and for deliveries of finished products to our customers. Any delay in the supply or delivery of raw materials to us by our suppliers may in turn delay our process of manufacture and delivery of products to our customers and this may have an adverse effect on our business and results of operations. Additionally, transportation strikes have in the past and could in the future have an adverse effect on our supplies from particular facilities on a timely and cost efficient basis. An increase in freight costs or the unavailability of adequate transportation for our raw materials to us may have an adverse effect on our business and results of operations.

9. We have significant power and fuel requirements and any disruption to power or fuel sources could increase our production costs and adversely affect our business, financial condition, cash flows and results of operations.

We require power and fuel for our manufacturing facilities. The following table sets forth below our power and fuel expenses (net) in the years indicated:

Particulars	For the stub-period of Three months period ended June 30, 2023		For the Financial Year ended March 31					
			2023		2022		2021	
	Amount (₹ in Lakhs)	Percentage of Total Expenses	Amount (₹ in Lakhs)	Percentage of Total Expenses	Amount (₹ in Lakhs)	Percentage of Total Expenses	Amount (₹ in Lakhs)	Percentage of Total Expenses
Power and Fuel Expenses	83.54	2.92%	3,68.42	3.39%	281.17	3.17%	2,40.96	4.59%

We purchase utilities for our operations from the state electricity boards. In case the cost of electricity from state electricity boards is increased significantly and we are not able to pass on such increase to our customers, our cost of production and profitability will be adversely affected. Interruptions of electricity supply can result in production shutdowns, increased costs associated with restarting production and the loss of production in progress. Any significant increase in power price or increased interruptions may require us to add captive power generation capacity which will lead to incremental capital expenditure which may adversely impact our results from operations. If energy costs were to rise, or if electricity supplies or supply arrangements were disrupted, our business and results from operations will be adversely impacted.

10. If our customers dispute or default on their payment obligations to us, we may be subject to adverse cash flows and may be required to spend significant amounts in recovering amounts due, in turn adversely impacting our cash flows, results of operations and future prospects.

We are subject to counterparty credit risk and a significant delay in receiving payments or non-receipt of large payments from our customers may adversely impact our business, financial condition, cash flows and results of operations. Due to the inherent nature of our industry, we are required to extend credit terms to our customers and in the event of defaults or disputes with our customers, we may be subject to adverse cash flows or acute working capital mismatches. The following table sets forth below details of our credit cycle, as well as our trade receivables, in the corresponding periods:

Particulars	Three months period ended June 30, 2023	For the Financial Year ended March 31		
		2023	2022	2021
Trade Receivables (₹ in Lakhs)	1,387.43	1,720.76	1265.32	861.03
Trade receivables turnover ratio	1.93	7.39	8.24	4.70
Trade receivables days	168	56	50	61
Trade Receivables ageing schedule of undisputed trade receivables – considered good				
Outstanding for less than 6 months	1,003.82	1,490.50	1,224.42	797.98
Outstanding for more than 6 months	383.61	230.26	40.89	63.04

While we have not faced any instances of default by customers in the three month period ended June 30, 2023 and the past three Fiscals, there can be no assurance that we would not be subject to such credit risks in the future. Further, for the Fiscal 2023, 2022 and 2021, our Company made a provision for doubtful receivables and advance for ₹0.56 Lacs, ₹9.38, Lacs and ₹23.63 Lacs respectively.

If a significant customer defaults on or delays payment on any order to which we have devoted significant resources, it may affect our profitability and liquidity and decrease capital resources available to us for other uses, including our obligations under the credit facilities granted to us by our lenders as well as our ability to fund payables to our suppliers, which may further result in reduced availability of raw materials and/or increased raw material costs. If we are unable to finance our working capital needs or to secure other financing, when needed, on acceptable commercial terms, it may adversely affect our business, financial condition, results of operations and prospects.

11. Nearly all of our revenues from operations are derived on sales made within India. Our business is therefore significantly affected by fluctuations in general economic activity in India.

Our sales are primarily made to customers located in India. For the three month period ended June 30, 2023 and the past three Fiscals, our revenues by geography were as follows:

Particulars	For the stub-period of Three months period ended June 30, 2023		For the Financial Year ended March 31					
			2023		2022		2021	
	Amount (₹ in Lakhs)	Percentage of Revenue from Operations	Amount (₹ in Lakhs)	Percentage of Revenue from Operations	Amount (₹ in Lakhs)	Percentage of Revenue from Operations	Amount (₹ in Lakhs)	Percentage of Revenue from Operations
India	2319.75	77.19%	8,454.32	76.61%	6,864.22	78.37%	4,013.05	77.73%
Outside India	685.68	22.81%	2,581.45	23.39%	1,894.03	21.63%	1,149.81	22.27%
Total	3,005.43	100.00%	11,035.77	100.00%	8,758.25	100.00%	5,162.86	100.00%

Due to the concentration of our revenues from a single geographical region, we are susceptible to economic, social, geographical and political conditions affecting the Indian market in general and factors affecting Indian petrochemical, oil & gas and other sector in particular. Our results of operations are affected by the level of credit availability, interest rates, customer preferences, unemployment rates, availability and cost of electricity, rate of inflation, currency exchange rates, tariffs, incentives, intensity of industry competition, product quality and other such factors, which in turn are affected by the macroeconomic conditions in the Indian economy.

As a part of our strategy, we intend to increase our proportion of revenues from operations coming from outside India which exposes us to markets, customers and risks that we have not managed in the past and we cannot assure you that we will be able to grow such business at a profitable basis. Further, such increased contribution in revenues from operations from outside India, also exposes us to macroeconomic conditions, exchange rate risks, counterparty risks, regulatory risk in such geographies and we may not be able to successfully manage such risks which will adversely impact our business, results of operations and financial condition.

12. If we are unable to sustain or manage our growth, our business, results of operations and financial condition may be materially adversely affected.

For Fiscal 2023, Our Total Income increased by 21.43 % and ₹ 1,980.94 from ₹ 9,243.16 in Fiscal Year 2022 to ₹11,224.10 in Fiscal Year 2023. In Financial Year ended March 31, 2022, total revenue has increased by ₹4,048.71 Lakhs and 77.94% from ₹5,194.45 Lakhs in the Financial Year ended March 31, 2021, to ₹9,243.16 Lakhs for the Financial Year ended March 31, 2022. Our operations have grown significantly over the last few Fiscals. We may not be able to sustain our rates of growth, due to a variety of reasons including an increased price competition, non-availability of raw materials, lack of management availability or a general slowdown in the economy. A failure to sustain our growth may have an adverse effect on our business, results of operations and financial condition.

We are focusing on operational efficiencies to improve returns. Such a growth strategy will place significant demands on our management as well as our financial, accounting and operating systems and require us to continuously evolve and improve our operational, financial and internal controls across our organization. In particular, continued expansion increases the challenges involved in:

- making accurate assessments of the resources we will require;
- preserving a uniform culture, values, and work environment across our projects;

- developing and improving our internal administrative infrastructure, particularly our financial,
- operational, communications, internal control, and other internal systems;
- acquiring new customers and increasing or maintaining contribution from existing customer;
- recruiting, training, and retaining sufficient skilled management, technical and marketing personnel;
- maintaining high levels of customer satisfaction; and
- adhering to expected performance and quality standards.

If we are unable to increase our production capacity, we may not be able to successfully execute our growth strategy.

Further, as we scale-up and diversify our products, we may not be able to execute our operations efficiently, which may result in delays, increased costs and lower quality products. We cannot assure you that our future performance or growth strategy will be in line with our past performance or growth strategy. Our failure to manage our growth effectively may have an adverse effect on our business, results of operations and financial condition.

13. *If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks.*

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. There can be no assurance that additional deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls.

14. *Our inability to accurately forecast demand for our standardized products, and accordingly manage our inventory or plan capacity increases, may have an adverse effect on our business, cash flows, financial condition, and results of operations.*

As is typical in the aluminium recycling industry, we maintain a high level of inventory of standardized raw materials, work in progress and finished goods. We plan our production volumes based on our forecast of the demand for our products. Any error in forecasting could result in surplus stock which would have an adverse effect on our profitability. In order to pursue our expansion strategy, we have increased production levels and our inventory of raw materials, work-in-progress, and finished goods. As of June 30, 2023, our inventory of raw materials, work-in-progress, and finished goods amounted to ₹1,346.32 Lakhs, ₹5,65.82 Lakhs, and ₹5,05.16 Lakhs, respectively. Our high level of inventory increases the risk of loss and storage costs to us as well as increasing the need for working capital to operate our business. Further, we do not have firm commitment long-term supply agreements with our customers and instead rely on short term purchase orders to govern the volume and other terms of the sales of products. As our customers are not obliged to purchase our products or provide us with a binding long term commitment, there can be no assurance that customer demand will match our production levels. Our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, cash flows, financial condition and results of operations.

We typically plan capacity increases of our manufacturing facilities on the basis of purchase orders. Any increase in our turn-around time could affect our production schedules and disrupt our supply which could have an adverse effect on our business, cash flows, financial condition and results of operations.

15. *We face significant risk with regard to length of time needed to complete each project and there could be unscheduled delays and cost overruns in relation to our ongoing and future projects.*

As on the date of this Draft Red Herring Prospectus, our Company is recognized by our clients for quality and timely execution of the projects undertaken. There has not been any material past instances of unscheduled delays with respect to our completed projects and phases thereof that have caused any material cost overruns. However, our business is extremely dynamic in nature and there could be unscheduled delays and cost overruns in relation to our ongoing or forthcoming projects. During the time there can be changes to the national, state and local business conditions and regulatory environment, local market conditions, perception of prospective clients with respect to the convenience and attractiveness of the project and changes with respect to competition from other companies. Further, any changes to the business environment such as non-availability of raw materials or increase in cost of construction materials during such time may

affect the cost and revenues associated with the project and may ultimately affect the timelines of a project. We cannot assure you that we will be able to complete our projects within the expected budgets and time schedules at all. We may be penalized from the regulatory authorities as well as our client for delay in completion of project.

16. *Significant security breaches in our computer systems and network infrastructure and fraud could adversely impact our business.*

We seek to protect all the computer systems and network infrastructure in our offices from physical break-ins as well as security breaches and other disruptive problems. Computer break-ins and power disruptions could affect the security of information stored in and transmitted through these computer systems and networks. To address these issues and to minimise the risk of security breaches we employ security systems, including firewalls and intrusion detection systems, conduct periodic penetration testing for identification and assessment of potential vulnerabilities and, use encryption technology for transmitting and storing critical data such as passwords. However, these systems may not guarantee prevention of frauds, break-ins, damage and failure. A significant failure in security measures could have an adverse effect on our business.

17. *We rely on third-party transportation providers for procurement of raw materials and for supply of our products and failure by any of our transportation providers could result in loss in sales.*

We depend on third-party road transportation for procuring our raw materials as well as for distributing our products to our customers. This makes us dependent on various intermediaries such as domestic logistics companies and container freight station operators. Weather-related problems, strikes, or other events could impair our ability to procure raw materials from our suppliers or the ability of our suppliers to deliver raw materials to us which may in turn delay the process of manufacturing and supplying our products to our customers, leading to cancellation or non-renewal of purchase orders, and this could adversely affect the performance of our business, results of operations and cash flows.

Additionally, if we lose one or more of our third-party transportation providers, we may not be able to obtain terms as favourable as those we receive from the third-party transportation providers that we currently use, which in turn would increase our costs and thereby adversely affect our operating results. Further, our third-party transportation providers do not carry any insurance coverage and therefore, any losses that may arise during the transportation process will have to be claimed under the Company's insurance policy. There can be no assurance that we will receive compensation for any such claims in a timely manner or at all, and consequently, any such loss may adversely affect our business, financial condition, results of operations and cash flows.

18. *Our manufacturing facilities are subject to operating risks. Any breakdown or shutdown of our manufacturing facilities of our existing or future manufacturing facilities or other production problems caused by unforeseen events may reduce sales and adversely affect our business, cash flows, results of operations and financial condition.*

As of the date of this Draft Red Herring Prospectus, we own and operate three manufacturing facilities, of which two are located at Khalpur and one located at Khapoli. Our manufacturing facilities are subject to operating risks and we may encounter manufacturing problems or experience difficulties or delays in production as a result of occurrence of the following events or any other events beyond our control:

- forced or voluntary closure of manufacturing plants, including as a result of regulatory actions;
- problems with supply chain continuity, including as a result of natural or man-made disasters at any of our manufacturing facilities;
- manufacturing shutdowns, breakdown or failure of equipment, equipment performance below expected levels of efficiency, obsolescence of our equipment and production facilities, industrial accidents, and the need to comply with the directives of relevant government authorities;
- labor disputes, strikes, lockouts that may result in temporary shutdowns or manufacturing disruptions;
- any changes in the availability of power or water availability which impacts the entire region;
- failure of a supplier to provide us with the critical raw materials or components for an extended period of time, which could impact continuous supply; and
- changes in political relationships between India and the countries in which we export and local political tensions.

There is no assurance that our business and financial results may not be adversely affected by any disruption of operations at our manufacturing facilities, including as a result of any of the factors mentioned above. Disruption in our manufacturing operations may result in reduced production and reduced sales or higher costs to arrange for alternative arrangements to meet our customer obligations.

Further, as of the date of this Draft Red Herring Prospectus, we operate two manufacturing facilities located at Khalpur and one located at Khapoli. In three months period June 30, 2023, and Fiscal 2023, 2022 and 2021, our overall forging capacity utilization was 12,000 MT in each year and three months period June 30, 2023, respectively and our overall machining capacity utilization was 25.00%, 39.00%, 31.30% and 25.00% respectively. For further information, see “*Our Business – Installed Capacity, Average Annual Available Capacity, Actual Production and Capacity Utilisation*” on page 118 of this Draft Red Herring Prospectus. While our overall machining capacity utilization has increased in the last three Fiscals, underutilization of our existing manufacturing facilities for machining may arise due to various reasons such as changes in demand for our products and supply chain disruptions, which could have a material adverse effect on our business, financial condition, results of operations, and cash flows.

19. *Our operations involve activities and materials which are hazardous in nature and could result in a suspension of operations and/or the imposition of civil or criminal liabilities which could adversely affect our business, results of operations, cash flow and financial condition.*

Our operations are subject to operating risks associated with forged and machined products manufacturing. Certain operations at our manufacturing facilities, including die-grinding, forging or heat treatment can cause accidents during the manufacturing process resulting in serious injuries or death of employees or other persons, if improperly handled, and cause damage to our properties or equipment and the properties of others or to the environment. For instance, the audiometry of our employees may be impacted by the sound generated from hammering of forged products. Despite ensuring that employee safety manuals covering employee safety and environmental procedures are in place and that hazard identification and risk assessments with respect to our operations are periodically carried out, our operations are subject to significant hazards, including explosions, fires, mechanical failures and other operational problems, inclement weather and natural disasters, discharges or releases of hazardous substances, chemicals or gases; and other environmental risks.

The occurrence of any of these hazards could result in a suspension of operations and/or the imposition of civil or criminal liabilities. We may also face claims and litigation, filed on behalf of persons alleging injury predominantly as a result of occupational exposure to hazards at our facilities. If these claims and lawsuits, individually or in the aggregate, are resolved against us, our business, results of operations, cash flows and financial condition could be adversely affected. Further, our customers may require us to invest in additional safety protocols which impose incremental expenses and may impact our ability to operate at optimum efficiencies. Any such action by any of our customers may adversely impact our business, results of operations, cash flows and financial condition.

20. *We are subject to strict quality requirements and standards and inspections and the success and acceptance of our products by our customers is largely dependent on our ability to meet such quality requirements and standards. Our failure to comply with the quality standards and technical specifications prescribed by such customers may lead to a loss of business from such customers and could negatively impact our reputation, which would have an adverse impact on our business prospects and results of operations.*

Any lapse in our quality controls or other reasons due to which our products are rendered defective may result in a cancellation of orders placed by customers with our Company or an embargo on our products, which would have a material adverse effect on our financial condition, cash flows, results of operations, business and prospects. Our customers also have the right to return or reject our products in the event that they do not conform to the quality standards set out under the agreements. While we seek to maintain quality standards for our products through quality checks and inspections at our manufacturing facilities prior to delivering products to our customers, we may not be able to achieve such quality on a consistent basis, which may adversely affect our business, reputation and financial condition. Further, we are subject to regulatory requirements of the authorities in the jurisdictions in which we operate, such as the Maharashtra Pollution Control Board in relation to our both manufacturing plant. Historically, we have not received any notices pursuant to any inspection or audit undertaken by Indian or regulatory agencies or our customers. However, any regulatory action in the future by such regulators may adversely impact our business and operations, including temporary or permanent shut-down of our facilities. In addition, if any of our products are, or are alleged to be, defective, we may voluntarily recall, or be required by applicable regulators, to recall that product if the defect or the alleged defect relates to safety. In the event of a recall, we may experience lost sales and be exposed to litigation and contractual claims and reputational risk. Product liability, warranty and recall costs may have a material adverse effect on our business, financial condition and results of operations. However, as on date, we have not experienced any product recalls or incurred losses due to product

liability claims, hence no compensation for certain defects in products delivered by our Company. We cannot assure you that we will not experience product recalls or product liability losses in the future. Any product recall, product liability claim or adverse regulatory action may adversely affect our reputation and brand image, business, results of operations and financial condition. We also face the risk of loss resulting from adverse publicity associated with manufacturing or quality control problems. Such adverse publicity harms the brand image of our products. 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.

21. Certain unsecured loans have been availed by us which may be recalled by lenders.

As of June 30, 2023, on a we had availed unsecured loans aggregating to ₹680.19 Lakhs. Any failure to service such indebtedness, or otherwise perform any obligations under such financing agreements may lead to acceleration of payments under such credit facilities, which may adversely affect our Company. For further information, please see “Financial Indebtedness” on page 190 of this Draft Red Herring Prospectus.

22. We have experienced negative cash flows in prior years.

We have experienced negative cash flows from operations in the recent past, represented by our cash flow for the 3-month stub-period ended June 30, 2023, and for the Financial Years ended March 31, 2023, 2022, and 2021, as set forth in the table below:

Particulars	For the 3-month stub-period ended June 30, 2023 (₹ in Lakhs)	For the Financial Year ended		
		March 31, 2023 (₹ in Lakhs)	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
Net cash from / (used in) operating activities	369.89	(40.82)	401.19	84.87
Net cash from / (used in) investing activities	5.92	(91.87)	254.00	(28.91)
Net cash from / (used in) financing activities	(387.97)	27.07	(542.58)	(173.78)
Net increase/ (decrease) in cash and cash Equivalents	(12.16)	(105.62)	112.60	(117.81)

We had these negative cash flows primarily due to operating losses. Any negative cash flows in the future could adversely affect our results of operations and financial condition. For further details, see “Management’s Discussion and Analysis of our Financial Condition and Results of Operations –Cash Flows” on page 192 of this Draft Red Herring Prospectus.

23. There are pending litigations against our Company, Group Companies and certain Promoters and Directors. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties and may adversely affect our business, cash flows, financial condition and reputation.

Certain legal proceedings involving our Company. In the event of adverse rulings in these proceedings or consequent levy of penalties, we may need to make payments or make provisions for future payments, which may increase expenses and current or contingent liabilities and may have an adverse effect on our business, cash flows, financial condition and reputation.

A summary of outstanding litigation proceedings involving our Company, Subsidiaries, Group Companies and certain Promoters and Directors, as disclosed in “Outstanding Litigation and Material Developments” on page 215 of this Draft Red Herring Prospectus, in terms of the SEBI ICDR Regulations as of the date of this Prospectus is provided below:

Name of Entity	Criminal proceedings	Tax proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters	Material civil litigations *	Aggregate amount involved (₹ in Lakhs)**
Company						
By the Company	Nil	Nil	Nil	Nil	Nil	Nil

Name of Entity	Criminal proceedings	Tax proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters	Material civil litigations *	Aggregate amount involved (₹ in Lakhs)**
Against the Company	Nil	1	Nil	Nil	Nil	109.81
Directors						
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Promoters						
By the Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Subsidiary						
By the Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
Against the Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
Group Companies (In accordance with the Materiality Policy)						
By the Group Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Group Company	Nil	Nil	Nil	Nil	Nil	Nil

For further details, see “Outstanding Litigation and Material Developments” on page 215 of this Draft Red Herring Prospectus. We cannot assure you that any of the outstanding litigation matters will be settled in our favour, or that no additional liability will arise out of these proceedings. Our Company is in the process of litigating these matters and based on the assessment in accordance with applicable accounting standards, our Company has presently not made provision for any of the pending legal proceedings.

In addition to the foregoing, we could also be adversely affected by complaints, claims or legal actions brought by persons before various forums such as courts, tribunals, consumer forums or sector-specific or other regulatory authorities in the ordinary course or otherwise, in relation to our products and services, our production processes and/or our intellectual property, our branding or marketing efforts or campaigns or any other acts or omissions. There can be no assurance that such complaints or claims will not result in investigations, enquiries or legal actions by any courts, tribunals or regulatory authorities against us.

24. *We intend to utilize the Net Proceeds for funding our capital expenditure requirements. Our inability to successfully implement such capacity expansion or any future capacity expansion plans could have a material adverse effect on our business, prospects, operations, prospects or financial results.*

We intend to use the Net Proceeds for funding the expansion of capacity through the purchase of equipment and machinery for our manufacturing facilities at our Kamothe and Khalapur Plant. Such expansion of our manufacturing capacities may be subject to regulatory restrictions and we may face other operational challenges in implementing such expansion. We cannot assure you that such expansion plans will be successfully implemented. Any delay or increase in the costs of construction and equipment could have a material adverse effect on our business or results of operations. We are yet to place orders for the total capital expenditure proposed to be undertaken. We have not entered into any definitive agreements to utilize the Net Proceeds for this object of the Offer and have relied on the estimated amount and quotation, an independent chartered engineer and quotations received from third parties for estimation of the cost. We have obtained the quotations from various vendors in relation to such capital expenditure; however most of these quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors, including our financial and market condition, business and strategy, competition, negotiation with suppliers, variation in cost estimates on account of factors, including changes in design or configuration of the equipment and interest or exchange rate fluctuations and other external factors including changes in the price of the equipment due to variation in commodity prices which may not be within the control of our management.

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. For details, see “Objects of the Offer” at page 88 of this Draft Red Herring Prospectus.

Further, we cannot assure you that we will be able to increase the capacity utilization of our manufacturing plant, including due to any inability to secure orders from customers for our products. Additionally, the capital expenditure incurred in relation to the manufacturing plant is generally long term in nature and may not generate the expected returns due to market conditions or due to reduced demand from our customers. Significant adverse changes from our expected returns on investment in manufacturing plant could have a material adverse effect on our business, prospects, operations, prospects or financial results.

25. *We have not placed orders for machinery of value of ₹2,955.33.00 Lakhs constituting approximately 100% of the value of the total machinery to be purchased from the Net Proceeds.*

We intend to use a portion of the Net Proceeds towards funding capital expenditure of our Company. For details, see “Objects of the Offer” on page 88 of this Draft Red Herring Prospectus. As of the date of this Draft Red Herring Prospectus, our Company has not placed any orders for total machinery of ₹2,955.33.00 Lakhs which are proposed to be purchased from the Net Proceeds. For details regarding such machinery, see “Objects of the Offer” on page 88 of this Draft Red Herring Prospectus. We cannot assure you that we will be able to purchase such machinery from the suppliers disclosed or at the prices quoted in this Draft Red Herring Prospectus, including due to exchange rate fluctuations. Any delays in placing orders for such machinery may result in a cost and time overrun, which could have a material adverse effect on the operations and profitability of our Company.

26. *Our operating expenses include overheads that may remain fixed in the medium term. In case there is any decline in our operating performance, we may be unable to reduce such expenses.*

Our operating expenses include various fixed costs, which are as such, not dependent on sales revenue. Any shortfall in sales may cause significant variations in operating results in any particular quarter, as we would not be able to reduce our fixed operating expenses in the short term. The effect of any decline in sales may thereby be magnified because a portion of our earnings are committed to paying these fixed costs. Accordingly, we believe that period-to-period comparisons of our results may not necessarily give a correct presentation of the performance and should not be relied upon as indications of future performance.

27. *Our insurance coverage may not be sufficient or adequate to protect us against all hazards, which may adversely affect our business, results of operations and financial condition.*

We could be held liable for accidents that occur at our manufacturing plants or otherwise arising out of our operations. In the event of personal injuries, fires or other accidents suffered by our employees or other people, we could face claims alleging that we were negligent, provided inadequate supervision or be otherwise liable for the injuries. However, as on date of this Draft Red Herring Prospectus, no such instances, have occurred in the past.

As of June 30, 2023, the aggregate coverage of the insurance policies obtained by us on was ₹1,125.14 Lakhs, for further details kindly refer to the sub-section “Insurance”, under the section titled “Our Business” on page 147 of this Draft Red Herring Prospectus. We cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage, for which we have not obtained or maintained insurance, or which is not covered by insurance, which exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our business, results of operations and financial condition could be adversely affected.

28. *Failure to obtain or maintain pre-qualifications from customers or loss of our pre-qualified status from our existing customers could adversely impact our business.*

Majority of our customers require forging manufacturers to undergo pre-qualification processes. These processes evaluate both the technical ability to provide relevant products with the exact specifications needed by the end-user, and the production capabilities of the supplier. These processes generally take time to complete and involves incurring significant upfront expenses in learning and meeting customer qualification requirements. We continuously strive to retain our pre-qualification status as approved suppliers, with the existing customers. Our failure to obtain pre-qualifications from newer

customers or loss of our prequalified status from our existing customers could have an adverse impact on our profits, results of operations and cash flows.

29. *Our Promoters, certain members of our Promoter Group, Directors, Key Managerial Personnel and Senior Management have interests in our business other than reimbursement of expenses incurred or normal remuneration or benefits. Our Company in future may enter in related party transactions subject to necessary compliances.*

Details of remuneration paid to our Promoters, members of our Promoter Group, Directors, Key Managerial Personnel and Senior Management, in absolute terms and as a percentage of our Company's profit after tax, on a restated consolidated basis, during the quarter ended June 30, 2023 and the Financial Years 2023, 2022 and 2021 are set out below:

Nature of Transaction	For the 3 month stub-period ended June 30, 2023		For the Financial Year ended March 31					
	₹ in Lakhs	Percentage of Total Revenue	2023		2022		2021	
			₹ in Lakhs	Percentage of Profit After Tax	₹ in Lakhs	Percentage of Profit After Tax	₹ in Lakhs	Percentage of Profit After Tax
Directors Remuneration								
Mr. Mohd. S.	4.29	0.14%	16.60	0.15%	10.80	0.12%	10.53	0.20%
Hararwala Mr. Aliasgar R. Hararwala	5.25	0.17%	21.00	0.19%	15.00	0.16%	11.70	0.23%
Mr. Aliasgar A. Bhagat	5.00	0.17%	18.00	0.16%	12.00	0.13%	11.70	0.23%
Total	14.54	0.48%	55.60	0.50%	37.80	0.41%	33.93	0.65%
Promoters Remuneration								
Mr. Abdullah A. Bhagat	5.00	0.17%	18.00	0.16%	12.00	0.13%	11.70	0.23%
Mr. Hoozefa S. Hararwala	3.36	0.11%	12.60	0.11%	6.84	0.07%	6.67	0.13%
Mr. Abbasali S. Hararwala	2.85	0.09%	10.80	0.10%	6.36	0.07%	6.20	0.12%
Mr. Zahid M. Hararwala	5.00	0.17%	18.00	0.16%	12.00	0.13%	11.70	0.23%
Mr. Roshan A. Hararwala	5.25	0.17%	21.00	0.19%	15.00	0.16%	11.70	0.23%
Total	21.46	0.71%	80.40	0.72%	52.20	0.56%	47.97	0.92%
Reimbursement of Expenses								
Mr. Mohd. S. Hararwala	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.50	0.01%
Mr. Aliasgar R. Hararwala	0.00	0.00%	0.00	0.00%	0.00	0.00%	14.29	0.28%
Mr. Abdullah A. Bhagat	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.83	0.02%
Mr. Aliasgar A. Bhagat	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.07	0.00%
Mr. Hoozefa S. Hararwala	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.74	0.01%
Mr. Abbasali S. Hararwala	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Mr. Zahid M. Hararwala	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.08	0.00%
Mr. Roshan A. Hararwala	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.37	0.01%
Total	0.00	0.00%	0.00	0.00%	0.00	0.00%	16.87	0.32%
Legal and Professional Charges								
Mrs. Arwa A. Bhagat	1.35	0.04%	6.00	0.05%	6.00	0.06%	5.85	0.11%

Nature of Transaction	For the 3 month stub-period ended June 30, 2023		For the Financial Year ended March 31					
	₹ in Lakhs)	Percentage of Total Revenue	2023		2022		2021	
			₹ in Lakhs)	Percentage of Profit After Tax	₹ in Lakhs)	Percentage of Profit After Tax	₹ in Lakhs)	Percentage of Profit After Tax
Mrs. Nazifa M.Hararwala	0.68	0.02%	3.00	0.03%	3.00	0.03%	2.93	0.06%
Mrs. Tasneem H.Hararwala	0.00	0.00%	2.00	0.02%	6.00	0.06%	5.85	0.11%
Mrs. Arfana A.Hararwala	0.00	0.00%	0.00	0.00%	0.00	0.00%	5.85	0.11%
Total	2.03	0.07%	11.00	0.10%	15.00	0.16%	20.48	0.39%
Loan Taken from Directors								
Mr. Mohd. S. Hararwala	66.71	2.22%	66.71	0.59%	0.00	0.00%	0	0.00%
Mr. Aliasgar R. Hararwala	119.98	3.98%	119.98	1.07%	0.00	0.00%	0	0.00%
Mr. Aliasgar A. Bhagat	80.01	2.66%	80.01	0.71%	0.00	0.00%	0	0.00%
Total	266.70	8.86%	266.70	2.38%		0.00%	0	0.00%
Loan Taken from Promoters								
Mr. Abdullah A. Bhagat	119.98	3.98%	119.98	1.07%	0.00	0.00%	0	0.00%
Mr. Hoozefa S. Hararwala	66.64	2.21%	66.64	0.59%	0.00	0.00%	0	0.00%
Mr. Abbasali S. Hararwala	66.64	2.21%	66.64	0.59%	0.00	0.00%	0	0.00%
Mr. Zahid M. Hararwala	80.22	2.66%	80.22	0.71%	0.00	0.00%	0	0.00%
Mr. Roshan A. Hararwala	80.01	2.66%	80.01	0.71%	0.00	0.00%	0	0.00%
Total	413.49	13.73%	413.49	3.68%	0.00	0.00%	0	0.00%
Repayment of Loan								
Mrs. Saeeda R. Hararwala	0	0.00%	0	0.00%	10.00	0.11%	0.00%	0.00%
TOTAL	718.21	23.85%	827.19	7.37%	115.00	1.24%	119.25	2.30%

Except as set out above, we have not paid remuneration to any members of our Promoter Group. We may also enter into related party transactions with our Promoters and members of the Promoter Group for the reimbursement of stores/capital items from time to time.

The transactions with related parties have been conducted in the ordinary course of business and on an arm's length basis, in accordance with applicable laws, and are not prejudicial to the interest of our Company. It is likely that we will continue to enter into related party transactions in the future. Some of these transactions may require significant capital outlay and there can be no assurance that we will be able to make a return on these investments. Although all related-party transactions that we may enter into will be subject to Audit Committee, Board or shareholder approval, as may be required under the Companies Act, 2013 and the SEBI (LODR) Regulations, we cannot assure you that such transactions, individually or in the aggregate, will perform as expected/ result in the benefit envisaged therein, or that we could not have undertaken such transactions on more favourable terms with any unrelated parties.

See "Restated Consolidated Financial Information —Annexure 30 —Restated Consolidated Summary Statement of Related Party Transactions" on page 186 of this Draft Red Herring Prospectus for further details. In addition, the Promoters and certain members of the Promoter Group have extended unsecured credit facilities to our Company for the purposes of working capital of our Company. As of June 30, 2023, ₹680.19 Lakhs were outstanding in respect of such unsecured credit facilities availed by our Company. Also see "Our Management—Interests of Directors" and "Restated Financial Information—Annexure 30 —Restated Summary Statement of Related Party Transactions" on pages 160, 211 and 186, respectively, of this Draft Red Herring Prospectus. The Promoters and members of the Promoter Group have not

committed to provide such forms of support in future. For details of the outstanding borrowings of our Company on a basis as on June 30, 2023, see “Financial Indebtedness” on page 190 of this Draft Red Herring Prospectus.

- 30. *We may need to seek financing in the future to support our growth strategies. Any failure to raise additional financing could have an adverse effect on our business, results of operations, and cash flows. As on date of this Draft Red Herring Prospectus, we have not identified any alternate source of raising the funds required for the object of the Issue and the deployment of funds is entirely at our discretion and as per the details mentioned in the section titled “Objects of the Offer”.***

We will continue to incur significant expenditure in maintaining and growing our existing infrastructure, developing and implementing new technologies as part of our platform and solutions. Our strategy to grow our business may require us to raise additional funds for our working capital or long-term business plans. While we have historically funded our working capital requirements primarily through our cash flow from operations and minimal third-party investments, we cannot assure you that we will have sufficient capital resources for our current operations or any future expansion plans that we may have. If our internally generated capital resources and available credit facilities are insufficient to finance our capital expenditure and growth plans, we may, in the future, have to avail financing from third parties from the sanctioned facilities from the banks and financial institutions.

Our Company has not identified any alternate source of funding for our object of the Issue and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of funds or may result in borrowing funds on unfavorable terms, both of which scenarios may affect the business operation and financial performance of the company. Further the deployment of the funds raised in the issue will be entirely at the discretion of the management and any revision in the estimates may require us to reschedule our projected expenditure and may have a bearing on our expected revenues and earnings. For further details of Please refer section titled “Object for the Offer” beginning on page 90 of this Draft Red Herring Prospectus.

Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. If we decide to meet our capital requirements through availing sanctioned debt facilities, we may be subject to certain restrictive covenants. Our financing agreements may contain terms and conditions that may restrict our ability to operate and manage our business, such as terms and conditions that require us to maintain certain pre-set debt service coverage ratios and leverage ratios and require us to use our assets, including our cash balances, as collateral for our indebtedness. For details, see “Financial Indebtedness” on page 190 of this Draft Red Herring Prospectus. If we are unable to obtain such financing in a timely manner, at a reasonable cost and on acceptable terms or at all, we may be forced to delay our expansion plans, downsize, or abandon such plans, which may adversely affect our business, financial condition, and results of operations, as well as our future prospects. We may also be required to finance our growth, whether organic or inorganic, through future equity offerings, which may lead to the dilution of shareholding of the Shareholders.

- 31. *We do not have any comparable listed peers in India or abroad. Accordingly, valuation of our Company as compared with other listed Indian platforms operating in the travel industry, global companies operating in travel industry and other online platforms listed in India, may not be comparable and could be higher on account of certain aspects.***

We are manufacturers of steel forgings in India offering a diverse range of forged products. There is no comparable listed player in India which is of comparable size, belonging to the same industry or follow a similar business model.

Our valuation and those of companies mentioned above may be impacted by a number of external factors including but not limited to actual or threatened war or terrorist activities, the COVID-19 or similar pandemics, occurrence of travel related accidents, natural disasters, political unrest, civil strife, or other geopolitical uncertainty. We cannot and do not, by providing the aforementioned information, intend to confirm, follow, or provide details of the valuation methods used and associated factors taken into consideration by such other entities in India or outside India. Considering that our valuation may be higher, investors are cautioned against benchmarking us, our business and operations or our financial performance against such companies or placing undue reliance on such benchmarking when making a decision to invest in our Equity Shares. For a discussion on our financial and operational performance during the aforementioned periods, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations —Results of Operations” on page 192 of this Draft Red Herring Prospectus.

32. Information relating to installed capacities and the historical production and capacity utilization of our manufacturing facilities included in this Prospectus is based on various assumptions and estimates by the independent chartered engineer verifying such information and our future production and capacity utilization may vary.

Information relating to installed capacities and the historical production and capacity utilization of our manufacturing facilities is based on various assumption and estimates by Ashok E. Patil, an independent chartered engineer, as set out in his certificate dated Tuesday, December 19, 2023 including those relating to the number of shifts in a day, number of production batches in a day, number of manufacturing hours in a day and number of working days in a year. The installed production capacity for the Kahalpur Plant (Ring Rolling & Open Forging) Plant and Kamothé Plant (Closed Die Forging) has been calculated on the basis of two four-hour shifts and the sum total of various different products which the relevant plant is capable of manufacturing and is already manufacturing. Such assumptions and estimates may not continue to be true and future production and capacity utilization may vary. Calculation of the installed capacities and historical production and capacity utilization of our manufacturing facilities in India by the independent chartered engineer may not have been undertaken based on any standard methodology and may not be comparable to that employed by competitors.

33. Our Company will not receive the proceeds from the Offer for Sale.

The Offer includes a Fresh Issue of Equity Shares aggregating up to ₹[●] Lakhs by our Company and an Offer for Sale of up to 6,79,200 Equity Shares by the Selling Shareholders. The proceeds from the Offer for Sale will be paid to the Promoter Selling Shareholders, in proportion to their respective portion of the Offered Shares (net of their proportion of the Offer-related expenses), and our Company will not receive any such proceeds. For further details, see “Objects of the Offer” on page 88 of this Draft Red Herring Prospectus.

34. The Net Proceeds might not be applied in ways that increase the value of your investment. Further, it is not subject to any monitoring by any independent agency.

Our funding requirements and the deployment of the proceeds of the Offer are purely based on our management’s estimates and have not been appraised by any bank or financial institution. We may have to revise such estimates from time to time and consequently our funding requirements may also change. We currently intend to use the Net Proceeds from the Fresh Issue towards ₹2,955.33 Lakhs to meet our future capital requirements. Further, we are not required to appoint a monitoring agency in relation to the Offer under Regulation 41 of the SEBI ICDR Regulations.

35. We have substantial capital expenditure and working capital requirements and may require additional financing to meet those requirements, which could have an adverse effect on our results of operations and financial condition.

Our business is capital intensive as we require significant capital to operate. Historically, we have funded our capital expenditure requirements through a combination of internal accruals and term loans. Our capital expenditure which represents 312.83 Lakhs, 208.45 Lakhs and 252.48 Lakhs for the Financial Year ended March 31, 2023, Financial Year ended March 31, 2022, and Financial Year ended March 31, 2021, are set out below in the respective tables:

Particulars	For the Financial Year ended March 31		
	2023 (₹ in Lakhs)	2022 (₹ in Lakhs)	2021 (₹ in Lakhs)
Current Assets (A)			
Current Investment	5.00	5.00	5.00
Inventories	2,942.21	1,758.07	1,697.01
Trade receivables	1,720.76	1,265.32	861.03
Cash & Cash Equivalents	106.39	132.90	44.73
Short term loan and advances	1,164.53	771.35	592.52
Other Current Assets	14.85	59.12	71.16
Total Current Assets (A)	5,953.75	3,991.76	3,271.45
Current liabilities (B)			
Short-term borrowings	1,956.99	999.93	1,016.43
Trade payables	3,216.12	1,766.32	1,351.59
Other Financial Liabilities	-	-	-
Short-term provisions	26.06	77.07	82.05
Other current liabilities	345.07	427.80	530.32
Total Current liabilities (B)	5,544.25	3,271.12	2,980.40

Particulars	For the Financial Year ended March 31		
	2023 (₹ in Lakhs)	2022 (₹ in Lakhs)	2021 (₹ in Lakhs)
Working Capital	409.50	720.63	291.05

The actual amount and timing of our future capital requirements may differ from estimates as a result of, among other factors, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, economic conditions, weather related delays, technological changes and additional market developments and new opportunities. Furthermore, we require a significant amount of working capital to maintain optimum inventory levels of finished goods as well as to issue credit to our customers, and fulfil our payment obligations towards our suppliers. The table below sets forth our working capital as of the dates stated:

Particulars	For the Financial Year ended March 31		
	2023 (₹ in Lakhs)	2022 (₹ in Lakhs)	2021 (₹ in Lakhs)
Working Capital	409.50	720.63	291.05
Working capital (in number of days)	18.69	21.08	-

Notes:

Working capital has been calculated as inventories plus trade receivables less trade payables

Working capital days is computed as Inventory days plus Trade receivable days minus Trade payable days. Inventory days is calculated as Inventory divided by revenue from operations multiplied by 365 days. Trade receivables days is calculated as

Trade receivables divided by revenue from operations multiplied by 365 days. Trade payable days is calculated as Trade payable divided by revenue from operations multiplied by 365 days.

Our working capital requirements may increase if payment terms lead to reduced advance payments from our customers or longer payment schedules, and we may need to raise additional capital from time to time to meet these requirements. While we do not anticipate seeking additional working capital financing in the immediate future, an inability to do so on terms acceptable to us could adversely affect our business operations.

Our sources of additional financing, where required to meet our capital expenditure plans or working capital requirements, may include the incurrence of debt or the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, would result in a dilution of your shareholding. For details in relation to the terms of our existing financing arrangements, see “**Financial Indebtedness**” on page 190 of this Draft Red Herring Prospectus.

36. We have incurred significant indebtedness, and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business and financial condition.

As of March 31, 2023, we had aggregate outstanding borrowings (including current borrowings and non-current borrowings) of ₹246.16 Lakhs. For further details on the nature of our outstanding borrowings, see ‘**Financial Indebtedness**’ on page 190 of this Draft Red Herring Prospectus. The table below sets forth certain information on our total borrowings, debt to equity ratio, finance cost and interest coverage ratio as of the dates stated:

Particulars	For the 3-month stub-period ended June 30, 2023	For the Financial Year ended March 31		
		2023	2022	2021
Total Borrowings (₹ in Lakhs)	1,677.63	2,027.65	1,176.93	1,234.55
Debt to equity ratio	1.02	1.29	0.60	0.75
Finance cost	37.95	143.25	130.35	215.64
Interest coverage ratio	4.96	3.50	3.94	0.75

Notes:

Total borrowing is calculated as the sum of current and non-current borrowings

Debt to equity ratio is calculated as total borrowings divided by total equity

Interest coverage ratio is calculated as profit before tax (PBIT) plus finance cost divided by finance cost

Any increase in interest rates will increase our finance costs, which may adversely affect our business and financial condition. In the event we fail to service our debt obligations, the lenders have the right to enforce the security in respect of our secured borrowings and dispose of our assets to recover the amounts due from us which would adversely affect our business, financial condition, and results of operations.

Furthermore, our loan agreements with our lenders also contain certain negative covenants, including but not limited to, that our Company cannot change the shareholding pattern of our Promoters or Company's management or constitution or effect a merger, amalgamation, compromise, or reconstruction, undertake a buyback, or effect any change in our shareholding pattern without the consent of the relevant lender. Furthermore, any alteration to our Memorandum of Association and Articles of Association in a manner that adversely affects the rights or interests of the lender under these financing agreements, also require the consent of the concerned lender. Any failure on our part to comply with these terms in our financing agreements including the security agreements would generally result in events of default under these financing agreements. In such a case, the lenders under each of these respective loan agreements may, at their discretion, accelerate payment and declare the entire outstanding amounts under these loans due and payable, and in certain instances, enforce their security which has been constituted. While there have been no instances in the past of any such default of our debt obligations or breach of covenants in our financing agreements, we cannot assure you that we will be able to obtain necessary approvals to undertake any of these activities as and when required or to comply with such covenants or other covenants in the future. For details in relation to the terms of our financing arrangements, see '*Financial Indebtedness*' on page 190 of this Draft Red Herring Prospectus.

37. *We have certain contingent liabilities that have not been provided for in our financial statements, which if they materialize, may adversely affect our financial condition.*

Particulars	For the 3-month stub-period ended June 30, 2023	For the Financial Year ended March 31		
		2023	2022	2021
Guarantees given by the Company to the bankers against which fixed deposits have been placed with the bank under lien.	115.16	132.63	221.13	555.23
Letter of credit outstanding given by the Company to the bankers against which fixed deposits have been placed with the bank under lien.	-	-	76.00	76.00

There can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future and if a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition, and results of operations. For further information, see "Restated Consolidated Financial Information—Note 37" and "Outstanding Litigation and Material Developments—Tax claims against relevant parties" on pages 301 and 375, respectively, of this Draft Red Herring Prospectus.

38. *We depend on the skills and experience of our Promoters, Key Managerial Personnel, Senior Management, and employees with technical expertise for our business and future growth.*

We benefit from the strategic guidance of our Promoters. If their involvement in our business reduces in the future, we may be unable to implement our plans as anticipated or maintain administrative control as we currently do, which in turn could adversely affect our business, results of operations, financial condition, and prospects. As our Promoters are presently engaged in other businesses, any increased focus on such real estate business may divert their attention from our business. For further information, see '*Our Promoters and Promoter Group – Interest of our Promoters*' on page 175 of Draft Red Herring Prospectus.

Furthermore, our future performance will also depend on the continued service of our Key Managerial Personnel and Senior Management and persons with technical expertise, and the loss of any such employee and the inability to find an adequate replacement may impair our relationship with our customers and our level of technical expertise, which may adversely

affect our business, results of operations, financial condition, and prospects. For details of our Board, Key Managerial Personnel and Senior Management, see '*Our Management – Key Managerial Personnel and Senior Management*' on page 160 of this Draft Red Herring Prospectus.

In addition, our success in expanding our business will also partly depend on our ability to attract, retain, and motivate mid-to-senior management personnel. The table below sets forth the breakdown of our staff:

We cannot assure you that we will be able to retain our staff or find adequate replacements in a timely manner, or at all. Competition for skilled personnel is intense, and we may need to increase our levels of employee compensation to attract and retain our staff. Even if we were to issue higher compensation and other benefits, there is no assurance that these individuals will continue to work for us or that we will successfully attract new talent.

We may also require significant time to hire and train replacement personnel when skilled personnel terminate their employment with us. The loss of the services of our staff could adversely affect our business, results of operations and financial condition.

39. *Our Promoters, who are also our Directors, and members of our Promoter Group will continue to hold a significant equity stake in our Company after the Issue and their interests may differ from those of the other shareholders.*

Post this Issue, our Promoters and Promoter Group will collectively own [●]% of our post issue equity share capital. As a result, our Promoters, together with the members of the Promoter Group, will continue to exercise a significant degree of influence over Company and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act, 2013 and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing, or deterring a change in control of our Company. In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or other shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

40. *Conflict of interest may arise out of common business objects shared by our Company and our Promoter Group.*

Some of our Promoter Group Entities are in similar business line as of our Company. As a result, there may be conflict of interests in allocating business opportunities between us and our Promoter Group Entities. Our Promoters have not entered into a Non-Compete Agreement with the Company and therefore there is no assurance that all business activities related shall be undertaken only through or by our Company, due to which the effects would be visible on the results of our operations and financial condition.

41. *Our success depends heavily upon our Promoters, Directors and Key Managerial Personnel for their continuing services, strategic guidance, and financial support. Our success depends heavily upon the continuing services of Promoters, Directors and Key Managerial Personnel who are the natural person in control of our Company.*

Our Promoters and Directors have a vast experience in the business undertaken by our company. They have established cordial relations with various customers and suppliers over the past several years, which have immensely benefitted our Company's current customer and supplier relations. We believe, our Promoters and Directors, who have rich experience in this industry, managing customers and handling overall businesses, has enabled us to experience growth and profitability. We benefit from our relationship with our Promoters, Director and Key Managerial Personnel and our success depends upon their continuing services. We also depend significantly on our Directors and Key Managerial Persons for executing our day-to-day activities. The loss of any of our Promoters, Directors and Key Management Personnel, or failure to retain, recruit suitable or comparable replacements, could have an adverse effect on us. The loss of service of the Promoters and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. If we are unable to retain qualified employees at a reasonable cost, we may be unable to execute our growth strategy. For further details of our Directors and Key Managerial Personnel, please refer to the *Section titled* "Our Management" on page 160 of this Draft Red Herring Prospectus.

42. ***We have not been able to obtain certain records, such as Income Tax Return, Experience Letters of our Independent Directors, and our promoters, and have relied on information available on public domain, declarations and undertakings furnished by them for details of his profiles included in this Draft Red Herring Prospectus.***

Our Promoters and Independent Directors have been unable to trace copies of documents pertaining to certain of their Experience Letters and Income Tax Returns. Accordingly, reliance has been placed on information available on public domain, declarations, undertakings, and affidavits furnished by them to us and the Book Running Lead Manager to disclose details of their profile in this Draft Red Herring Prospectus. We and the Book Running Lead Manager have been unable to independently verify these details prior to inclusion in this Draft Red Herring Prospectus. Further, there can be no assurances that they will be able to trace the relevant documents pertaining to their profiles in the future, or at all.

43. ***The Objects of the offer for which funds are being raised have not been appraised by any bank or financial institution. The deployment of funds is entirely at the discretion of our management and as per the details mentioned in the section titled “Objects of the Offer”. Any revision in the estimates may require us to reschedule our expenditure and may have a bearing on our expected revenues and earnings.***

Our funding requirements and the deployment of the proceeds of the Issue are purely based on our management’s estimates and have not been appraised by any bank or financial institution. Our Company may have to revise such estimates from time to time and consequently our funding requirements may also change. Our estimates may exceed the value that would have been determined by third party appraisals and may require us to reschedule our expenditure which may have a bearing on our expected revenues and earnings. Further, the deployment of the funds towards the Objects of the Offer is entirely at the discretion of our management. The Board after consideration and approval by the Audit Committee will disclose the utilisation of Net Proceeds under separate head in our balance sheet along with relevant details for all sum amounts that have not been utilized. Our Company will issue a disclosure to the Stock Exchange, on a half-yearly basis, deviations, if any, in the Use of Proceeds of the Issue from the Objects stated in this Draft Red Herring Prospectus or by way of an explanatory statement to the notice for a general meeting.

44. ***Any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus shall be subject to certain compliance requirements, including prior Shareholders’ approval. If there are delays or cost overruns in utilization of Net Proceeds, our business, financial condition, and results of operations may be adversely affected.***

In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus without obtaining the shareholders’ approval through a special resolution. In the event of any such circumstances that requires us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the Shareholders’ approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders’ approval may adversely affect our business or operations. Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to modify the objects of the Offer as prescribed in the SEBI (ICDR) Regulations. If our shareholders exercise such exit option, our business and financial condition could be adversely affected. Therefore, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company, which may restrict our ability to respond to any change in our business or financial condition and may adversely affect our business and results of operations. For further details of the proposed objects of the Offer, refer section titled “***Objects of the Offer***” on page 88 of this Draft Red Herring Prospectus.

45. ***Product liability and other civil claims and costs incurred because of product recalls could harm our business, results of operations and financial condition.***

We face an inherent business risk of exposure to product liability or recall claims in the event that our products are damaged. While there have been no such claims in the past, we cannot assure you that we will not experience any material product liability claims in the future or that we will not incur significant costs to defend any such claims. We cannot assure you that such claims will not be brought against us in the future, and any adverse determination may have an adverse effect on our business, results of operations and financial condition and reputation.

46. *If there is deterioration in the reputation and market perception of our brands, or if our sales and marketing efforts are ineffective, it could adversely affect our sales, profitability, and the implementation of our growth strategy.*

Our brand and reputation are among our important assets, and the performance and quality of products are critical to the success of our business. In particular, we produce and sell our products under our “Josh” brand which has been registered under the Trademarks Act. The success of our products depends on the effectiveness of the product design, quality of the materials. While there have been no such instances of deterioration in our brand and reputation in the past, any adverse change in the quality of products rendered by us including due to reasons beyond our control, or allegations of defects, even when false, at any of our manufacturing facilities could tarnish the image of our brands, result in negative reviews and feedback from our customers. For further details, ‘*Our Business*’ and ‘*Government and Other Approvals*’ on pages 118, and 217 of this Draft Red Herring Prospectus for further details.

Furthermore, our brand building also depends on the effectiveness of sales and promotional activities and choice of channel partners. There can be no assurance that our efforts in these areas would always be effective. Any adverse development or decline in our brand value and reputation may adversely affect our business, results of operations and financial condition.

47. *We may not be able to detect or prevent fraud or other misconduct committed by our employees or third parties.*

Fraud or other misconduct by our employees, such as unauthorized business transactions, bribery may be difficult to detect or prevent. It could subject us to financial loss while seriously damaging our reputation. While we have not experienced any material instances of fraud or other misconduct in the past, we cannot assure you that fraud or other misconduct will not occur in the future. In such event, our ability to effectively attract prospective stakeholders, obtain financing on favourable terms and conduct other business activities may be impaired.

48. *Industry information included in this Draft Red Herring Prospectus has been derived from industry report. 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 Draft 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 Draft Red Herring Prospectus.

49. *This Draft Red Herring Prospectus contains certain non-GAAP financial measures and certain other selected statistical information related to our operations and financial performance. These non-GAAP measures and statistical information may vary from any standard methodology that is applicable across the manufacturing industry, and therefore may not be comparable with financial or statistical information of similar nomenclature computed and presented by other manufacturing companies.*

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of manufacturing companies, many of which provide such non-GAAP financial measures and other statistical and operational information when reporting their financial results. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other manufacturing companies.

External Risk Factors

50. *Natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could adversely affect our business.*

Natural disasters (such as typhoons, flooding, and/or earthquakes), epidemics, pandemics such as COVID-19, and man-made disasters, including acts of war, terrorist attacks, and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn adversely affect our business, financial condition, and results of operations. Developments in the ongoing conflict between Russia and Ukraine and the Israel and Palestine has resulted in and may continue to result in a period of sustained instability across global financial markets, induce volatility in commodity prices, adversely impact availability of natural gas, increase in supply chain, logistics times and costs, increase borrowing costs, cause outflow of capital from emerging markets and may lead to overall slowdown in economic activity in India. Our operations may be adversely affected by fires, natural disasters, and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity, and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic, and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1, and H1N1 strains of influenza in birds and swine and more recently, the SARS-CoV-2 virus and the monkeypox virus. Another outbreak of the COVID-19 pandemic or future outbreaks of SARS-CoV-2 virus or a similar contagious disease could adversely affect the global economy and economic activity in the region.

51. *Political, economic, or other factors including but not limited to any changes in laws, rules and regulations and legal uncertainties that are beyond our control may have an adverse impact on our business, results of operations, financial condition, and cash flows.*

External risks may have an adverse impact on our business, results of operations, financial condition, and cash flows, should any of them materialize. For instance, (i) an increase in interest rates may adversely impact our access to capital and increase our borrowing costs; (ii) a sustained period of high inflation may increase our employee costs and decrease demand for our products and services, which may have an adverse effect on our profitability and competitive advantage; (iii) a downgrade of India's sovereign rating by international credit rating agencies may adversely impact our access to capital and increase our borrowing costs; (iv) a change in tariff and non-tariff barriers in countries where we import raw materials and export our products may affect our financial condition; (v) a decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy as well as the valuation of the Indian Rupee; (vi) political instability, resulting from a change in government or in economic and Fiscal policies, may adversely affect economic conditions in India; (vii) the occurrence of natural or man-made disaster or epidemic or pandemic such as Covid-19 may adversely affect economic conditions in India; and (viii) civil unrest, acts of violence, terrorist attacks, regional conflicts or situations of war may adversely affect the financial markets, which may impact our business and financial condition. For example, in February 2022, Russia commenced military operations in Ukraine, and the conflict is currently on-going as of the date of this Draft Red Herring Prospectus.

Lastly, changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, which may adversely affect our business, results of operations, financial condition, and prospects. For instance, the Government of India has announced the union budget for the Financial Year ending 2023, pursuant to which the Finance Bill, 2022, has introduced various amendments. The Finance Bill has received assent from the President of India on March 30, 2021, and has been enacted as the Finance Act, 2022. We have not fully determined the impact of these recent and proposed laws and regulations on our business. As such, there is no certainty on the impact that the Finance Act, 2022 may have on our business and operations or on the industry in which we operate.

52. *A slowdown in economic growth in other countries and jurisdictions, such as Europe, China, and the United States, could cause our business to suffer.*

The Indian financial markets and economy are influenced by market and economic conditions in other countries, including conditions in the United States, Europe, and certain emerging economies in Asia. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and us. Furthermore, concerns relating to trade wars between large economies such as the United States of America and China may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Following the United Kingdom's exit from the European Union ("**Brexit**"), there still remains significant

uncertainty around the impact of Brexit on the general economic conditions in the United Kingdom and the European Union and any consequential impact on global financial markets.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries, affecting economic stability in India which may have an adverse effect on our business.

53. *Changes in trade policies may affect us.*

Any change in policies by the countries, in terms of tariff and non-tariff barriers, from which our suppliers import their raw materials, components and/or countries to which we export our products, may have an adverse effect on our profitability.

54. *Our ability to pay dividends in the future will depend on our future earnings, cash flows, working capital requirements, capital expenditures, financial condition, and restrictive covenants of our financing arrangements.*

Our Company did not declare any dividend for the Financial Year ended March 31, 2023, 2022 and 2021. Any dividends to be declared and paid in the future are required to be recommended by our Company's Board of Directors and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013, as amended.

For further information, see '*Dividend Policy*' on page 185 of this Draft Red Herring Prospectus, the amount of our future dividend payments, if any, will depend on our future earnings, cash flows, financial condition, working capital requirements, capital expenditures, restrictive covenants of our financing arrangements, applicable Indian legal restrictions and other factors. We cannot assure you that we will generate sufficient revenues to cover our operating expenses and, as such, pay dividends to our Company's shareholders consistent with our past practices, or at all. We may decide to retain all of our future earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. Additionally, our ability to pay dividends may also be restricted by the terms of financing arrangements that we may enter into. Dividends distributed by us will attract dividend distribution tax at rates applicable from time to time. As a result, we may not declare dividends in the foreseeable future. Accordingly, realization of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

55. *There is no monitoring agency appointed by Our Company to monitor the utilization of the Issue proceeds.*

As per SEBI (ICDR) Regulations, , appointment of monitoring agency is required only for Offer Size above ₹10,000.00 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Offer proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (LODR) Regulations. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the Stock Exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

56. *The average cost of acquisition of Equity Shares by our Promoters could be lower than the Offer Price.*

Our Promoter's average cost of acquisition of Equity Shares in our Company may be lower than the Offer Price may be decided by the Company acting through the IPO Committee, in consultation with the Book Running Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoter in our Company and built-up of Equity Shares by our Promoter in our Company, please refer to "*Capital Structure*" on page 73 of this Draft Red Herring Prospectus.

57. *The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.*

The Offer Price of the Equity Shares will be determined by our Company, in consultation with the Book Running Lead Manager, and through the Book Building Process. This price will be based on numerous factors, as described under "*Basis for Offer Price*" on page 99 of this Draft Red Herring Prospectus and may not be indicative of the market price for the Equity Shares after the Issue. The market price of equity shares may be influenced by many factors, some of which are beyond our control, including:

- the failure of security analysts to cover the Equity Shares after this Issue, or changes in the estimates of our performance by analysts;
- the activities of competitors and business partners;

- future sales of the Equity Shares by our Company or our shareholders;
- investor perception of us and the industry in which we operate;
- our quarterly or annual earnings or those of our competitors;
- developments affecting Fiscal, industrial, or environmental regulations;
- results of operations that vary from the expectations of securities analysts and investors;
- fluctuations in stock market prices and volume;
- the public's reaction to our press releases and adverse media reports; and
- general economic and stock market conditions.

The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to resell your Equity Shares at or above the Issue Price.

58. *QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Application (in terms of quantity of Equity Shares) at any stage after submitting an Application, and Retail Individual Investors are not permitted to withdraw their Bids after Bid/Issue Closing Date.*

Pursuant to the SEBI (ICDR) Regulations, QIBs and Non-Institutional Investors are required to pay the Application Amount on submission of the Application and are not permitted to withdraw their Application (in terms of quantity of Equity Shares) at any stage after submitting an Application. Similarly, Retail Individual Investors can revise or withdraw their Application at any time during the Issue Period and until the Issue Closing Date, but not thereafter. Therefore, QIBs and Non-Institutional Investors will not be able to withdraw or lower their Application following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations or otherwise at any stage after the submission of their Bids.

59. *The Equity Shares have never been publicly traded and after the Offer, the Equity Shares may experience price and volume fluctuations and an active trading market for the Equity Shares may not develop, which may mean you may be unable to resell your Equity Shares at or above the Issue Price, or at all.*

There has been no public market for the Equity Shares of our Company prior to this Issue and an active trading market for the Equity Shares may not develop or be sustained after this Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. Furthermore, the price at which the Equity Shares are initially traded may not correspond to the prices at which the Equity Shares will trade in the market subsequent to this Issue.

The Issue Price of the Equity Shares is proposed to be determined by the Company in consultation with the Book Running Lead Manager and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may fluctuate after this Issue as a result of several factors, including volatility in the Indian and global securities markets, the results of our operations, the performance of our competitors, developments in the automotive industry and changing perceptions in the market about investments in general and our Company including adverse media reports on us or changes in the estimates of our performance or recommendations by financial analysts.

There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share price could fluctuate significantly because of market volatility. A decrease in the market price of our Equity Shares could mean that you may be unable to resell your Equity Shares at or above the Issue Price, or at all.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is 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 gain realized on the sale of listed equity shares held for more than 12 months may be subject to long term capital gains tax in India at the specified rates depending on certain factors, such as whether STT is paid, the quantum of gains and any available treaty exemptions. Furthermore, 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.

Furthermore, if non-resident shareholders of entities holding the Equity Shares exit by way of sale or redemption of the shares held by them, such non-resident shareholders could be taxed on capital gains in India if the offshore shares derive substantial value from Indian assets, subject to certain exemptions.

Capital gains arising from the sale of the Equity Shares will be 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 read with the Multilateral Instrument (“MLI”), if and to the extent applicable, and the seller is entitled to avail benefits thereunder. Generally, 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.

No dividend distribution tax is required to be paid in respect of dividends declared, distributed, or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident. 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 pursuant to any corporate action including dividends. Furthermore, provisions of the MLI have effect on India’s tax treaties, including tax rates specified therein, from Fiscal 2021 onwards where the other country has also ratified the MLI and notified the relevant tax treaty as a Covered Tax Agreement.

General Anti-Avoidance Rules (“GAAR”) seeks to deny the tax benefit to any arrangement, whose main purpose is to obtain a tax benefit, subject to the satisfaction of certain tests. If GAAR provisions are invoked, the tax authorities have wide powers, including cancellation of a proposed transaction or ignoring the impact of a transaction undertaken by the company, denial of tax benefit under the IT Act, denial of a benefit available under a tax treaty, etc.

Similarly, any business income realized from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller.

Furthermore, the Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020 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 non-delivery basis is specified at 0.003% of the consideration amount. As such, there is no certainty on the impact that the Finance Act, 2019 may have on our Company’s business and operations.

Our Company 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 Company’s business, results of operations, financial condition and cash flows.

61. Any future issuance of Equity Shares or convertible securities or other equity linked instruments by us may dilute your shareholding, and significant sales of Equity Shares by our Promoters or major Shareholders, may adversely affect the trading price of the Equity Shares.

Any future equity issuances by us, including a primary issuing or convertible securities or other equity linked instruments, may lead to the dilution of investors’ shareholdings in our Company and may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences for us including difficulty in raising debt-financing. In addition, any perception by investors that such issuances or sales might occur may also affect the trading price of our Equity Shares. Additionally, the disposal, pledge, or encumbrance of the Equity Shares by any of our Promoters or the perception that such transactions may occur, may affect the trading price of the Equity Shares. There can be no assurance that we will not issue further Equity Shares or that our Promoters will not dispose of further Equity Shares after the completion of the Issue (subject to compliance with the lock-in provisions under the SEBI (ICDR) Regulations) or pledge or encumber their Equity Shares.

62. *You will not be able to sell any of the Equity Shares you purchase in the Issue on the Stock Exchanges until the Issue receives the appropriate trading approvals.*

The Equity Shares will be listed on NSE Emerge platform. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with depository participant and listing is expected to commence within the period as may be prescribed under applicable law. Any failure or delay in obtaining the approval or otherwise any delay in commencing trading in the Equity Shares would restrict investors' ability to dispose their Equity Shares. We cannot assure that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods prescribed under law.

63. *The requirements of being a listed company may strain our resources.*

The requirements of being a listed company may strain our resources. We are not a listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance, and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI (LODR) Regulations which will require us to file audited annual and unaudited half-yearly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

64. *Foreign investors are subject to foreign investment restrictions under Indian law, which may adversely affect the market price of the Equity Shares.*

Under the exchange control regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such requirements or falls under any of the exceptions specified by the RBI, then the approval of the RBI will be required. Additionally, shareholders who seek to convert the Indian 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 Indian income tax authority. We cannot assure investors that any required approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all.

Furthermore, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt 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 a 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 GoI, as prescribed in the Consolidated FDI Policy and the FEMA Rules. 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 term or at all.

For further information, see "Restrictions on Foreign Ownership of Indian Securities" on page 267 of this Draft Red Herring Prospectus.

65. *Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.*

Under the Companies Act, a company having share capital and incorporated in India is required to issue holders of its Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the Equity Shares who have voted on such resolution. However, if the laws of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an issuing document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive

rights granted in respect of the Equity Shares, you may suffer future dilution of your ownership position and your proportional interests in us would be reduced.

SECTION IV – INTRODUCTION

THE OFFER

PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS	
Equity Shares Offered through Public Offer ⁽¹⁾⁽²⁾	Up to 54,81,600 Equity Shares aggregating to ₹[●] Lakhs.
The Offer Consists of :	
Fresh Issue	Up to 48,02,400 Equity Shares aggregating to ₹[●] Lakhs
Offer for sale ⁽⁶⁾	Up to 6,79,200 Equity Shares aggregating to ₹[●] Lakhs
Out of which:	
Offer Reserved for the Market Maker	[●] Equity Shares aggregating to ₹[●] Lakhs.
Net Offer to the Public	Up to [●] Equity Shares aggregating to ₹[●] Lakhs
Out of which*	
A. QIB Portion ^{(4) (5)}	Not more than [●] Equity Shares aggregating up to ₹[●] Lakhs
Of which	
(i) Anchor Investor Portion	Up to [●] Equity Shares aggregating up to ₹[●] Lakhs
(ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares aggregating up to ₹[●] Lakhs
Of which	
(a) Available for allocation to Mutual Funds only (5% of the QIB Portion)	Up to [●] Equity Shares aggregating up to ₹[●] Lakhs
(b) Balance of QIB Portion for all QIBs excluding Mutual Funds	Up to [●] Equity Shares aggregating up to ₹[●] Lakhs
B. Non-Institutional Portion	Not less than [●] Equity Shares aggregating up to ₹[●] Lakhs
C. Retail Portion	Not less than [●] Equity Shares aggregating up to ₹[●] Lakhs
Pre and Post – Offer Equity Shares	
Equity Shares outstanding prior to the Offer	1,48,80,000 Equity Shares of face value of ₹10 each
Equity Shares outstanding after the Offer	Up to [●] Equity Shares of face value of ₹10 each
Use of Net Proceeds by our Company	Please see the chapter titled “ <i>Objects of the Offer</i> ” on page 88 of this Draft Red Herring Prospectus.

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

Notes:

- 1) The Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations. This Offer 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 – offer paid up equity share capital of our company are being offered to the public for subscription.
- 2) The Offer has been authorized by the Board of Directors vide a resolution passed at its meeting held on Friday, December 01, 2023, and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on Wednesday, December 06, 2023.
- 3) In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Offer Price. Allocation to investors in all categories, except the Retail Portion, shall be made on a proportionate basis subject to valid bids received at or above the Offer Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Retail Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.
- 4) The SEBI ICDR Regulations permit the offer of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Offer shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Offer Price. Accordingly, we have allocated the Net Offer i.e. not more than 50% of the Net Offer to QIB and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Offer shall be available for allocation to Non-institutional bidders.

- 5) Subject to valid Bids being received at or above the Offer Price, undersubscription, 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.
- 6) Our Company and Promoter Selling Shareholders, in consultation with the Book Running Lead Manager, may allocate up to 50% 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 Offer 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 “Offer Procedure” beginning on page 246 of this Draft Red Herring Prospectus.
- 7) The Equity Shares being offered by the Promoter Selling Shareholders are eligible for being offered for sale as part of the Offer in terms of the SEBI ICDR Regulations. For details of authorizations received for the Offer, see “Other Regulatory and Statutory Disclosures” on page 220.

For details, including grounds for rejection of Bids, refer to “**Offer Structure**” and “**Offer Procedure**” on page 242 and 246, respectively. For details of the terms of the Issue, see “**Terms of the Offer**” on page 233 of this Draft Red Herring Prospectus.

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SUMMARY OF RESTATED FINANCIAL STATEMENTS

The following tables set forth summary financial information derived from Restated Financial Statements for the period ending on June 30, 2023. These financial statements have been prepared in accordance with the Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations.

The summary financial information presented below should be read in conjunction with the sections and notes mentioned therein entitled under 'Management's Discussion and Analysis of Financial Conditions and Results of Operations' and 'Restated Financial Statement' beginning on page 192, and 186 respectively of this Draft Red Herring Prospectus.

Restated Summary Statement of Assets and Liabilities				
				(₹ in Lakhs)
Particulars	Period Ended June 30, 2023	As at 31 March, 2023	As at 31 March, 2022	As at 31 March, 2021
I. EQUITY AND LIABILITIES				
1. Shareholders' funds				
(a) Share capital-	1.00	1.00	1.00	1.00
(b) Reserves and surplus	1,642.19	1,565.14	1,969.49	1,656.05
2. Non-current liabilities				
(a) Long-term borrowings	42.15	70.66	176.99	218.12
(b) Provisions	42.83	42.83	31.87	25.12
(c) Deferred tax liability (net)	-	-	-	-
3. Current liabilities				
(a) Short-term borrowings	1,635.48	1,956.99	999.93	1,016.43
(b) Trade payables	2,680.89	3,216.12	1,766.32	1,351.59
(c) Other Financial Liabilities	-	-	-	-
(d) Short-term provisions	88.98	26.06	77.07	82.05
(e) Other current liabilities	99.13	345.07	427.80	530.32
TOTAL	6232.65	7223.87	5450.48	4880.68
II. ASSETS				
1. Non-current assets				
(a) Property, Plant and Equipment				
Tangible Assets	4,765.00	4,764.85	4,624.19	4,563.40
Less: Accumulated Depreciation	3,723.70	3,676.59	3,417.13	3,203.50
Net Block	1,041.30	1,088.26	1,207.06	1,359.91
(b) Intangible Asset				
Tangible Assets	29.79	29.79	26.64	26.12
Less: Accumulated Depreciation	27.54	27.46	25.45	22.87
Net Block	2.24	2.33	1.20	3.25
(c) Capital work in progress	-	-	35.59	13.25
(b) Long Term Loans and Advances	95.39	87.23	70.83	70.68
(c) Non-Current Investment	0.09	0.09	0.09	0.09
(d) Deferred Tax Assets (net)	24.74	60.46	41.51	9.63
(e) Other non-current assets		31.75	102.44	152.43
2. Current assets				
(a) Current Investment	5.00	5.00	5.00	5.00
(b) Inventories	2,417.30	2,942.21	1,758.07	1,697.01
(c) Trade receivables	1,387.43	1,720.76	1,265.32	861.03
(d) Cash & Cash Equivalents	131.82	106.39	132.90	44.73
(e) Short term loan and advances	1,109.17	1,164.53	771.35	592.52
(f) Other Current Assets	18.17	14.85	59.12	71.16
TOTAL	6,232.65	7223.87	5450.48	4880.68

Restated Summary Statement of Profit and Losses				
(₹ in Lakhs)				
Particulars	Period Ended June 30,2023	As at 31 March, 2023	As at 31 March, 2022	As at 31 March, 2021
I. Revenue from operations	3,005.43	11,035.77	8,758.25	5,162.86
II. Other income	6.18	188.33	484.91	31.60
III. Total Revenue (I + II)	3,011.61	11,224.10	9,243.16	5,194.45
IV. Expenses:				
Cost of Material Consumed	1,620.11	8,367.18	6,093.05	2,876.39
Direct Expenses	-	-	-	-
Changes in inventories of Stock-in-trade	512.08	(790.70)	3.57	(80.00)
Employee benefits expense	130.45	629.09	529.77	429.90
Finance costs	37.95	143.25	130.35	215.64
Depreciation and amortization expense	47.20	261.47	304.28	467.81
Administrative, Selling & Other expenses	-	-	-	-
Other Expenses	513.45	2255.72	1798.88	1339.50
Total expenses	2,861.25	10,866.01	8,859.91	5,249.25
V. Profit before exceptional, extraordinary items and tax	-	-	-	-
Exceptional items	-	-	-	-
VII. Profit before extraordinary items and tax	-	-	-	-
VIII. Extraordinary Items	-	-	-	-
IX. Profit before tax (VII- VIII)	150.36	358.09	383.26	(54.80)
X. Tax expense:				
(1) Current tax	37.59	91.70	101.70	58.43
(2) Prior year tax adjustment	-	9.50	-	-
(3) Deferred tax	35.72	(18.95)	(31.88)	(85.87)
(3) MAT Credit Entitlement	-	-	-	-
Total tax Expenses	73.30	82.25	69.82	(27.44)
XI. Profit (Loss) for the period (IX-X)	77.05	275.84	313.44	(27.36)
XII. Earnings per share (Face Value of ₹10/- each)				
(1) Basic	770.53	2758.40	3134.37	(273.57)
(2) Diluted	770.53	2758.40	3134.37	(273.57)

It is imperative to note that, in restated financial statement we can see that in the Financial Year ended 2021, the profit before tax is ₹(54.80) Lakhs (Loss). But, in audited financials there was a profit of ₹175.99 Lakhs. A major factor which has affected the profitability in restated financials of Financial Year ended 2021, is “Depreciation”. As in Financial Year ended 2021, in audited financial depreciation was calculated as per depreciation of income tax only, while depreciation mentioned in restated financial depreciation is calculated as per Companies Act. Hence, this depreciation amount is higher than depreciation of income tax which resulted the financials of Financial Year ended 2021, in to loss.

Restated Summary Statement of Cash Flows				
(₹ in Lakhs)				
Particulars	Period Ended June 30,2023	As at 31 March, 2023	As at 31 March, 2022	As at 31 March, 2021
CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit Before Tax	150.36	358.09	383.26	(54.80)
Adjustments for:				
Depreciation	47.20	261.47	304.28	467.81
Loss/(gain) on Fixed Assets scrapped/ sold	0.00	0.00	(424.37)	0.44
Loss/(gain) on redemption of Investments/ Mutual Funds	0.00	0.00	0.00	(0.48)
Interest income	(0.08)	(6.48)	(7.59)	(9.85)
Interest expense	37.95	143.46	130.92	222.48
Share issue expenses	0.00	0.00	0.00	0.00
Provision for doubtful Debts	(0.56)	(8.81)	(14.25)	(11.41)
Provision for Doubtful Vendor Advances	0.00	0.00	0.00	8.56
Bad Debts Written Off	0.56	8.95	37.45	28.00
Unrealised foreign exchange (gain)/Loss	(2.85)	(6.78)	(27.10)	10.50
Operating (loss) before Working Capital changes	232.58	749.89	382.59	661.24
Adjustments for :				
(Increase) / Decrease in trade receivables	287.14	(434.53)	(400.53)	447.96
(Increase) / Decrease in loans and advances	55.37	(391.37)	(178.84)	(582.02)
(Increase) / Decrease in Other current assets	(46.66)	(44.71)	42.72	570.63
(Increase)/Decrease in Other non-current assets	31.75	70.69	49.99	(36.54)
(Increase) / Decrease in Inventories	524.91	(1,184.14)	(61.06)	(500.45)
Increase / (Decrease) in trade payables	(501.97)	1416.53	414.73	(467.75)
Increase / (Decrease) in other current liabilities and provisions	(220.62)	(67.97)	261.59	59.11
Cash generated from / (used in) operations:	362.49	114.39	511.19	152.17
Taxes (Paid) / Refund	7.40	(155.22)	(110.00)	(67.29)
Net cash from / (used in) Operating activities	369.89	(40.82)	401.19	84.87
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property, Plant & Equipment	(0.15)	(108.21)	(218.60)	(48.90)
Receipts on Sale of Property, Plant & Equipment	-	0.00	471.25	-
Investment in Fixed Deposits with Banks	-	-	-	-
Sale of Investments	-	0.00	0.00	10.48
Interest received	6.06	16.34	1.34	9.52
Net cash from / (used in) investing activities	5.92	(91.87)	254.00	(28.91)
CASH FLOW FROM FINANCING ACTIVITIES				
Interest paid	(37.95)	(143.46)	(130.92)	(223.08)
Proceeds/ (repayments) from Borrowings	(350.01)	170.53	(411.67)	49.30
Net cash from / (used in) financing activities	(387.97)	27.07	(542.58)	(173.78)
NET INCREASE/ (DECREASE) IN CASH & CASH EQUIVALENTS	(12.16)	(105.62)	112.60	(117.81)
CASH AND CASH EQUIVALENTS as at the beginning of the Year	15.00	120.62	8.02	125.82
CASH AND CASH EQUIVALENTS as at the End of Year	2.85	15.00	120.62	8.02

NOTE

The above statement should be read with the Statement of Notes to the Restated Standalone Financial Information of the Company in Annexure 1, 2 and 4. The Cash Flow Statement has been prepared under Indirect Method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013.

GENERAL INFORMATION

Our Company, Paramount Speciality Forgings Limited was originally established as a partnership firm in the name and style of 'Paramount Forge' under the Partnership Act, 1932 with the Registrar of Firms, Mumbai on 01st November, 1994 as amended through partnership deed dated July 07, 1995, and April 01, 2000. Subsequently, our firm was converted from a Partnership Firm to a Limited Liability Partnership (LLP) and consequently the name of our firm was changed to 'Paramount Speciality Forgings LLP', and a fresh certificate of incorporation dated 27th June, 2019 was issued to our LLP by the RoC. The constitution of our LLP was further changed from a LLP to a Public Limited Company and consequently the name of our LLP was changed to 'Paramount Speciality Forgings Limited', and a fresh certificate of incorporation dated 05th May, 2023 was issued to our Company by the RoC.

The corporate identification number of our Company is U15494TG2019PLC130131.

Registered Office of our Company

Paramount Speciality Forgings Limited

3, 1, Guru Himmat Building, Dr. Mascarenhas Road Anjirwadi, Mazgaon, Mumbai - 400010, Maharashtra, India.

Registration Number: 402307

Telephone: 91-22-2373 2656

E-mail: compliance@paramountforge.org

Investor grievance id: compliance@paramountforge.org

Website: www.paramountforge.com

CIN: U24109MH2023PLC402307

Corporate Office of our Company

As on date of this Draft Red Herring Prospectus, our Company does not have a corporate office.

Registrar of Companies

Our Company is registered with the Registrar of Companies, Mumbai, Maharashtra situated at the following address:

Registrar of Companies, Mumbai

100, Everest, Marine Drive,

Mumbai-400002, Maharashtra, India.

Board of Directors of our Company

Set forth below are the details of our Board of Directors as on the date of this Draft Red Herring Prospectus:

S. No.	Name	Designation	DIN	Address
1.	Aliasgar Roshan Hararwala	Managing Director	00334957	102, Sweet Home Apartments, Plot-147, 10th Road, Near Madhu Park, Khar Delivery, Mumbai – 400052
2.	Mohammed Salim Hararwala	Director	00335357	73, Faridoon Court, S. B Singh Road, Opp. 4th Pasta Lane, Mumbai - 400005
3.	Aliasgar Abdulla Bhagat	Chairman and Executive Director	00335869	1601, Jupiter Tower, 21, Nesbit Road, Near Saletax Office, Mazgaon, Mumbai – 400010
4.	Kurian Pallathuseril Chandy	Independent Director	00855226	Room No. 602 A, 6th Flr., Manavsthal II, Goregaon (East), Mumbai, Maharashtra, India -400063
5.	Apurva Pradeep Joshi	Independent Director	06608172	S-8/9 Rajanigandha Apartment Modikhana, Solapur, Maharashtra India-413001
6.	Nimesh Mukerji	Independent Director	07705885	301, Luxus Tower, 3rd Floor, Plot No. 9, Sector 18, Kharghar, Dist. Raigad-410210 Maharashtra

For detailed profile of our Directors, please refer to the chapter titled “*Our Management*” on page 160 of the Draft Red Herring Prospectus.

Chief Financial Officer

Farkhanda Abdulrazak Pagarkar, is the Chief Financial Officer of our Company, the contact details are set forth hereunder.

3, 1, Guru Himmat Building, Dr. Mascarenhas Road Anjirwadi, Mazgaon, Mumbai - 400010, Maharashtra, India.

Telephone: + 91-22-2373 2656

E-mail: compliance@paramountforge.org

Company Secretary and Compliance Officer

Ms. Ankita Anil Patankar, is the Company Secretary and Compliance Officer of our Company, the contact details are set forth hereunder.

3, 1, Guru Himmat Building, Dr. Mascarenhas Road Anjirwadi, Mazgaon, Mumbai - 400010, Maharashtra, India.

Telephone: + 91-22-2373 2656

E-mail: compliance@paramountforge.org

Investor grievances

Investors can contact the Company Secretary and Compliance Officer, the Book Running Lead Manager, or the Registrar to the Offer in case of any pre-Offer or post-Offer 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 orders and non-receipt of funds by electronic mode.

All grievances relating to the offer may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Bidders should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, details of UPI IDs (if applicable), address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder.

Further, the investors shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances relating to the Anchor Investors may be addressed to the Book Running Lead Manager, giving full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidders DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form.

For all offer related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager.

DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS OFFER

Book Running Lead Manager

Name: Swaraj Shares and Securities Private Limited

304, A Wing, 215 Atrium Near, Courtyard Marriot, Andheri Kurla Road, Andheri East, Mumbai – 400093, Maharashtra, India

Telephone: +91-22-6964-9999

Email ID: compliance@swarajshares.com

Website: www.swarajshares.com

Investor Grievance ID: investor.relations@swarajshares.com

Contact Person: Tanmoy Banerjee/ Pankita Patel

SEBI Registration Number: INM00012980

CIN: U51101WB2000PTC092621

Registrar to the Issue

Purva Sharegistry (India) Private Limited

Address: 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East) Mumbai 400011, Maharashtra, India.

Tel: +91 022 2301 8261

Fax No: +91 022 2301 2517

E-mail: support@purvashare.com

Investor Grievance Email: support@purvashare.com

Website: www.purvashare.com

SEBI Registration: INR000001112

Contact Person: Ms. Deepali Dhuri

CIN: U67120MH1993PTC074079

Legal Advisor to the Issue

JMVD Legal

Address: 402, Asha Dilpasand Imperial, opp. High Court, South Tukoganj, Indore, Madhya Pradesh 452001

Telephone: +91 96322 59597

Contact Person: Mr. Rohit Dubey, Partner

Email: rohitdubey@jmvlegal.com

Website: <http://www.jmvlegal.com/>

Statutory Auditor of our Company

Kalyaniwalla & Mistry LLP

Esplanade House, 29, II Floor, Hazarimal Somani Marg, Fort, Mumbai-400001

Telephone no.: 022-6158 6300

Contact Person: Jamshed K. Udwadia

Email: Jamshed.Udwadia@kmlp.in

Firm Registration No.: 104607W

Peer Review Auditor of our Company

SSRV & Associates

Address: Gala No.215, Gundecha Industrial Estate., Akurli Road, Near Growels Mall, Kandivali East Mumbai - 400101.

Tel: 022-67337013/14/15/24/25

Email – ssrvandassociates@gmail.com

Website: www.ssrv.in

Contact Person: Mr Vishnu Kant Kabra

Firm Registration: 135901W

Membership Number:403437

Peer Review Certificate No.:014729

Bankers to our Company

Union Bank of India

Prem sagar , Nesbit Road, Mazgaon, Mumbai - 400010, Maharashtra, India

Telephone: +91-9372131830

Facsimile: Not Applicable

Email ID: ubin0531839@unionbankofindia.bank/ braj@unionbankofindia.bank

Website: www.unionbankofindia.co.in

Contact Person: Braj Bihari

CIN: U99999MH1919PTC000615

Banker to the Issue

The Banker(s) to the Offer shall be appointed prior to filing of the Red Herring Prospectus.

Refund Bank

The Refund Bank(s) shall be appointed prior to filing of the Red Herring Prospectus.

Sponsor Bank

The Sponsor Bank(s) shall be appointed prior to filing of the Red Herring Prospectus.

Syndicate Member

The Syndicate Member(s) shall be appointed prior to filing of the Red Herring Prospectus.

Designated Intermediaries

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

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, Retail Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time.

SCSBs enabled for UPI Mechanism

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, Retail Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, as amended.

Registered Brokers

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the Stock Exchange, at National Stock Exchange of India Limited at www.nseindia.com as updated from time to time.

Registrar and Share Transfer Agent

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the website of National Stock Exchange of India Limited at www.nseindia.com/products/content/equities/ipos/asba_procedures.htm as updated from time to time.

Collecting Depository Participants

The list of the Collecting Depository Participants (CDPs) eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> for NSDL CDPs and at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18> for CDSL CDPs, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

IPO Grading

Since the Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 there is no requirement of appointing an IPO Grading agency

Credit Rating

As this is an Offer of Equity Shares, credit rating is not required.

Green Shoe Option

No Green Shoe Option is applicable for this Offer.

Brokers to the Offer

All members of the recognized stock exchanges would be eligible to act as Brokers to the Offer.

Debenture Trustees

As this Offer is of Equity Shares, the appointment of Debenture trustees is not required.

Monitoring Agency

As the Net Proceeds of the Offer will be less than ₹10,000 lacs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

Expert Opinion

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

Our Company has received written consent from the Peer Reviewed Auditor namely, **SSRV & Associates**, to include their name in respect of the reports on the Restated Financial Statements dated Wednesday, December 06, 2023 and the Statement of Possible Tax Benefits dated Friday, December 08, 2023 issued by them and included in this Draft Red Herring Prospectus, as required under section 26(5) of the Companies Act, 2013 in this Draft Red Herring Prospectus 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 Draft Red Herring Prospectus.

Inter-se Allocation of Responsibilities

Swaraj Shares and Securities Private Limited, being the sole Book Running Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the Offer. Hence, a statement of inter se allocation of responsibilities is not required.

Filing

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. However, pursuant to sub regulation (5) of Regulation 246 of the SEBI ICDR Regulations, a copy of Red Herring Prospectus shall be furnished to the Board. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of this Red Herring Prospectus, will be filed with the EMERGE Platform of National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed.

A copy of the Prospectus, along with the material contracts and documents will also be filed with the RoC under Section 26 and Section 32 of the Companies Act, 2013 and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do> .

Changes in Auditors during the last three years

Since, the incorporation of this Company under the provisions of the Companies Act, 2013, there has been no change in the Statutory Auditors of the Company.

BOOK BUILDING PROCESS

Book Building, with reference to the Offer, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company and the Promoter Selling Shareholders in consultation with the Book Running Lead Manager in accordance with the Book Building Process and advertised in all editions of the English national newspaper, all editions of Hindi national newspaper and in Regional newspaper where our registered office is situated at least two working days prior to the Bid/Offer Opening date. The Offer Price shall be determined by our Company and the Promoter Selling Shareholders in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/Offer Closing Date.

Principal parties involved in the Book Building Process are-

- Our Company;
- The Book Running Lead Manager, in this case being Swaraj Shares and Securities Private Limited;
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with National Stock Exchange of India Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Offer, in this case being Purva Sharegistry (India) Private Limited
- The Escrow Collection Banks/ Bankers to the Offer and
- The Designated Intermediaries and Sponsor bank

The SEBI ICDR Regulations have permitted the Offer of securities to the public through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations.

The Offer is being made through the Book Building Process wherein 50% of the Net Offer shall be available for allocation on a proportionate basis to QIBs. 5% of the 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, including Mutual Funds, subject to valid Bids being received at or above the Offer Price.

Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Offer shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price.

All potential Bidders may participate in the Offer through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Offer. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company and the Promoter Selling Shareholders in consultation with the Book Running Lead Manager and the Designated Stock Exchange.

All Bidders other than Anchor Investors are mandatorily required to use the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, in the case of UPI Bidders, by using the UPI Mechanism.

In accordance with the SEBI ICDR Regulations, QIB and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date.

Subject to valid Bids being received at or above the Offer Price, allocation to all categories in the Net Offer, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under – subscription, if any, in any category, would be allowed to be met with spill – over from any other category or a combination of categories at the discretion of our Company and the Promoter Selling Shareholders in consultation with the Book Running Lead Manager and the Stock Exchange. 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.

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 Offer 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 Offer 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. For details in this regards, specific attention is invited to the chapter titled “**Offer Procedure**” beginning on page 246 of the Draft Red Herring Prospectus.

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Offer.

For further details on the method and procedure for Bidding, please see section entitled “**Offer Procedure**” beginning on page 246 of the Draft Red Herring Prospectus.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Offer. The Selling Shareholder has specifically confirmed that it will comply with the SEBI ICDR Regulations and any other directions issued by SEBI, as applicable in relation to the Offered Shares. In this regard, our Company and the Selling Shareholder have appointed the Book Running Lead Manager to manage this Offer and procure Bids for this Offer.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Offer. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹24 per share, Offer size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Offer the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹22.00 in the above example. The Company and the Promoter Selling Shareholders in consultation with the Book Running Lead Manager, may finalise the Offer Price at or below such Cut-Off Price, i.e., at or below ₹22.00. All Bids at or above this Offer Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled “**Offer Procedure**” beginning on page 246 of the Draft Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;

- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Offer will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant's verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

Bid/Offer Program:

Event	Indicative Dates
Bid/Offer Opening Date	[●]*
Bid/Offer Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before [●]
Credit of Equity Shares to Demat accounts of Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

* Our Company and the Promoter Selling Shareholders may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. 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 Exchange are taken within 6 Working Days of the Bid/Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Offer Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. 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.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Offer Period (except for the Bid/Offer Closing Date). On the Bid/ Offer Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Applicant on Bid/ Offer Closing Date maybe extended in consultation with the Book Running Lead Manager, RTA and National Stock Exchange of India Limited Emerge taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/ Offer Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Offer Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Offer Closing Date. Any time mentioned in this Draft 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/Offer Closing Date, as is typically experienced in public Offer, 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 Offer. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants 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 Applicants can revise or withdraw their Bid Cum Application Forms prior to the Bid/ Offer Closing Date. Allocation to Retail Individual Applicants, in this Offer 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 Applicant, 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 Applicant, the Registrar to the Offer shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

WITHDRAWAL OF THE OFFER

Our Company and the Promoter Selling Shareholders in consultation with the Book Running Lead Manager, reserve the right not to proceed with the Offer at any time before the Bid/Offer Opening Date without assigning any reason thereof.

If our Company withdraw the Offer any time after the Offer Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Offer Closing Date, providing reasons for not proceeding with the Offer shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchange will also be informed promptly. The Book Running Lead Manager, through the Registrar to the Offer, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

If our Company withdraw the Offer after the Bid/Offer Closing Date and subsequently decides to proceed with an Offer of the Equity Shares, our Company will have to file a fresh Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Offer is subject to obtaining (i) the final listing and trading approval of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment;

UNDERWRITING AGREEMENT

The Company, the Promoter Selling Shareholders and the Book Running Lead Manager to the Offer hereby confirm that the Offer will be 100% Underwritten by the Underwriters [●].

Pursuant to the terms of the Underwriting Agreement dated [●] entered into by Company, the Book Running Lead Manager and Promoter Selling Shareholders, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriters	No. of shares underwritten*	Amount Underwritten (₹ in Lakh)	% of the total Offer Size Underwritten
<p>Swaraj Shares and Securities Private Limited Address: 304, A Wing, 215 Atrium Near, Courtyard Marriot, Andheri Kurla Road, Andheri East, Mumbai – 400093, Maharashtra, India Telephone: +91-22-6964-9999 Facsimile: NA Email ID: compliance@swarajshares.com Website: www.swarajshares.com Investor Grievance ID: investor.relations@swarajshares.com Contact Person: Tanmoy Banerjee/ Pankita Patel SEBI Registration Number: INM00012980 CIN: U51101WB2000PTC092621</p>	[●]	[●]	[●]

*Includes [●] Equity shares of ₹10.00 each for cash 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 our Board of Directors (based on a certificate given by the Underwriter), the resources of the above-mentioned Underwriter is sufficient to enable it to discharge its underwriting obligation in full. The above mentioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act and registered as brokers with the Stock Exchanges.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS OFFER

Our Company has entered into a Market Making Agreement dated [●] with the following Market Maker for fulfilling the Market Making obligations under this Offer:

[●]	[●]	[●]
-----	-----	-----

In accordance with Regulation 261 of the SEBI ICDR Regulations, our Company and the Promoter Selling Shareholders have entered into an agreement with the Book Running Lead Manager and the Market Maker (duly registered with National Stock Exchange of India Limited to fulfil the obligations of Market Making) dated [●] to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Offer.

[●], registered with EMERGE Platform of National Stock Exchange of India Limited 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 National Stock Exchange of India Limited 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. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1,00,000. However, the Investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer 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.
3. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
4. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% of Offer Size (Including the [●] Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Offer over and above [●] Equity Shares would not be taken into consideration of computing the threshold of 25% of Offer Size. As soon as the Shares of market maker in our Company reduce to 24% of Offer Size, 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, National Stock Exchange of India Limited may intimate the same to SEBI after due verification.
6. There would not be more than five Market Maker for the Company's Equity Shares at any point of time and the Market Maker may compete with other Market Maker for better quotes to the investors.
7. 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. In case equilibrium price is not discovered the price band in the normal trading session shall be based on Offer price.
8. The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so.
9. 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.

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

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager 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, the Promoter Selling Shareholders and the Book Running Lead Manager 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.

11. **Risk containment measures and monitoring for Market Maker:** EMERGE Platform of National Stock Exchange of India Limited will have all margins which are applicable on the National Stock Exchange of India Limited Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. National Stock Exchange of India Limited can impose any other margins as deemed necessary from time-to-time.
12. **Punitive Action in case of default by Market Maker:** EMERGE Platform of National Stock Exchange of India Limited 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 (offering 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.
13. 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.
14. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Offer 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 Offer price.
15. Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

S. No.	Market Price Slab (in Rs.)	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

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.

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

Offer Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Offer size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Offer size)
Up to ₹20 Crore	25%	24%
₹20 Crore to ₹50 Crore	20%	19%

Offer Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Offer size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Offer size)
₹50 Crore to ₹80 Crore	15%	14%
Above ₹80 Crore	12%	11%

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 / National Stock Exchange of India Limited from time to time.

CAPITAL STRUCTURE

The share capital of our Company as on date of this Draft Red Herring Prospectus is set forth below:

<i>(₹ in lakhs, except share data)</i>			
Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Offer Price
A.	Authorised Share Capital		
	2,00,00,000 Equity Shares	2,000.00	
B.	Issued, Subscribed and Paid-Up Share Capital before the Offer		
	1,48,80,000 Equity Shares	1,488.00	
C.	Present Offer in terms of this Draft Red Herring Prospectus⁽¹⁾		
	Fresh Offer of up to 48,02,400 Equity Shares at a Price of ₹[●] per Equity Share ⁽¹⁾	[●]	[●]
	Offer for sale of up to 6,79,200 Equity Shares at a Price of ₹[●] per Equity Share	[●]	[●]
	Which comprises:		
	[●] Equity Shares at a Price of ₹[●] per Equity Share reserved as Market Maker Portion	[●]	[●]
	Net Offer to Public of [●] Equity Shares at a Price of ₹[●] per Equity Share to the Public	[●]	[●]
	Of which⁽²⁾:		
	i. At least [●] Equity Shares aggregating up to ₹[●] Lakhs will be available for allocation to Retail Individual Investors	[●]	[●]
	ii. At least [●] Equity Shares aggregating up to ₹[●] Lakhs will be available for allocation to Non-Institutional Investors	[●]	[●]
	iii. Not more than [●] Equity Shares aggregating up to ₹[●] Lakhs will be available for allocation to Qualified Institutional Buyers	[●]	[●]
D.	Paid-up Share Capital after the Offer⁽³⁾		
	Up to [●] Equity Shares		[●]
E.	Securities Premium Account		
	Before the Offer		NIL
	After the Offer		[●]

⁽¹⁾ The present Offer has been authorized pursuant to a resolution of our Board dated Friday, December 01, 2023 and a special resolution of our Shareholders at an Extra-Ordinary General Meeting dated Wednesday, December 06, 2023 under Section 62(1)(c) of the Companies Act, 2013.

⁽²⁾ Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Offer Price. Under-subscription, if any, in any of the categories specified in clauses (i) or (ii) may be allocated to applicants in any other category 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.

⁽³⁾ Subject to finalization of Basis of Allotment.

The Promoter Selling Shareholders confirm that the Equity Shares being offered by it are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. Further, the Promoter Selling Shareholders confirm that the Offered Shares is within the thresholds prescribed under the SEBI ICDR Regulations, to the extent applicable to it. Our Board has taken on record the approval for the Offer for Sale by the Selling Shareholder issued vide their consent letters dated Wednesday, December 06, 2023. For details on the authorizations of the Promoter Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures" on page 220 of the Draft Red Herring Prospectus.

Classes of Shares

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

Details of changes in Authorized Share Capital of our Company since incorporation

The initial authorised capital of our Company was ₹1.00 Lakhs divided into 10,000 Equity Shares.

Further, the authorised share capital of our Company has been altered in the manner set forth below:

Date of Shareholder's Meeting	Particulars of Change		AGM/EGM
	From	To	
May 27, 2023	₹1,00,000 consisting of 10,000 Equity Shares	₹20,00,00,000 consisting of 2,00,00,000 Equity Shares	EGM

NOTES TO THE CAPITAL STRUCTURE

1) Share Capital History of our Company:

Equity Share Capital

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

Date of Allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative paid-up Capital (₹)
On conversion from LLP to Company*	10,000	10	10	Conversion of Capital Accounts of Partners of LLP into Share Capital of Company	Subscription to Memorandum of Association (1)	10,000	1,00,000
September 05, 2023	1,48,70,000	10	-	Consideration other than cash	Bonus Issue(2)	1,48,80,000	14,88,00,000

*Date of incorporation/conversion of our Company is 05th May, 2023

1. Subscription to the MOA upon conversion for the total of 10,000 Equity Shares were as under:

1. Aliasgar Roshan Hararwala (1,714 Equity Shares)
2. Aliasgar Abdulla Bhagat (1,143 Equity Shares)
3. Mohammed Salim Hararwala (953 Equity Shares)
4. Abdulla Aliasgar Bhagat (1,714 Equity Shares)
5. Hoozefa Saleem Hararwala (952 Equity Shares)
6. Abbasali Salim Hararwala (952 Equity Shares)
7. Zahid Mohamadi Hararwala (1,429 Equity Shares)
8. Roshan Alihusain Hararwala (1,143 Equity Shares)

2. Bonus Issue of a total of 1,48,70,000 equity Shares to :

1. Aliasgar Roshan Hararwala (25,48,718 Equity Shares)
2. Aliasgar Abdulla Bhagat (16,99,641 Equity Shares)
3. Mohammed Salim Hararwala (14,17,111 Equity Shares)
4. Abdulla Aliasgar Bhagat (25,48,718 Equity Shares)
5. Hoozefa Saleem Hararwala (14,15,624 Equity Shares)
6. Abbasali Salim Hararwala (14,15,624 Equity Shares)
7. Zahid Mohamadi Hararwala (21,24,923 Equity Shares)
8. Roshan Alihusain Hararwala (16,99,641 Equity Shares)

2) Preference Share capital history of our Company

Our Company does not have any preference share capital as on the date of this Draft Red Herring Prospectus.

3) Issue of equity shares for consideration other than cash or out of revaluation reserves and through Bonus Issue:

Except as set out below, Our Company has not issued Equity Shares for consideration other than cash.

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price	Nature of allotment	Benefit accrued to our Company	Source out of which Equity Shares Issued
May 05, 2023	10,000	10	-	Equity Shares allotted against conversion of LLP into Company	-	Conversion of Capital Accounts of Partners of LLP into Share Capital of Company*
September 05, 2023	1,48,70,000	10	-	Bonus issue in the ratio of 1487 Equity Shares issued for every 01 Equity Share held by the existing Equity Shareholders duly authorised by our Board, pursuant to a resolution passed at its meeting held on 5th September, 2023 and by our Shareholders pursuant to a resolution passed at the EGM held on 4th September, 2023.	-	Bonus equity shares issued out of Reserves and Surplus*

*For list of allottees see notes of paragraph titled "History of Share capital of our Company" mentioned above

- 4) As of date of this Draft Red Herring Prospectus, our Company has not undertaken a bonus issue by capitalizing its revaluation reserves.
- 5) As of date of this Draft Red Herring Prospectus, our Company has not allotted Equity Shares pursuant to any scheme approved under sections 391-394 of the Companies Act, 1956 and/or sections 230-232 of the Companies Act, 2013.
- 6) Our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme.
- 7) Except as disclosed under the heading "**Share Capital History of our Company**" on page 157 of the Draft Red Herring Prospectus, our Company has not issued any Equity Shares at a price lower than the Offer Price during a period of the one year preceding the date of this Draft Red Herring Prospectus.

8) Shareholding Pattern of our Company

The table below represents the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of Shareholder (II)	No. 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 No. of shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares underlying outstanding convertible securities (including warrants)	Shareholding as a % assuming full conversion of convertible securities No. (a)	No. of locked-in Equity Shares (XII)	Number of Equity Shares pledged or otherwise encumbered (XIII)				No. of Equity Shares held in dematerialized form (XIV)
								Class (Equity)	Total	Total as a % of (A+B+C)				No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	Promoters and Promoter Group	08	1,48,80,000	-	-	1,48,80,000	100.00	Equity	1,48,80,000	100.00	-	100.00	-	-	-	-	1,48,80,000	
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C)	Non-Promoter- Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C1)	Shares underlying depository receipt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total		08	1,48,80,000	-	-	1,48,80,000	100.00	Equity	1,48,80,000	100.00	-	100.00	-	-	-	-	1,48,80,000	

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one (1) day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the website of Stock Exchanges before commencement of trading of such Equity Shares.

** The Equity Shares held by our Promoters and members of our Promoter Group are in dematerialized form.

9) Other details of shareholding of our Company:

- a) Particulars of the shareholders holding 1% or more of the paid-up share capital of our Company aggregating to 100% or more of the paid-up share capital and the number of shares held by them as on the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Offer Equity Share Capital
1.	Aliasgar Roshan Hararwala	25,50,432	17.14%
2.	Aliasgar Abdulla Bhagat	17,00,784	11.43%
3.	Mohammed Salim Hararwala	14,18,064	9.53%
4.	Abdulla Aliasgar Bhagat	25,50,432	17.14%
5.	Hoozefa Saleem Hararwala	14,16,576	9.52%
6.	Abbasali Salim Hararwala	14,16,576	9.52%
7.	Zahid Mohamadi Hararwala	21,26,352	14.29%
8.	Roshan Alihusain Hararwala	17,00,784	11.43%
Total		1,48,80,000	100.00%

- b) None of the shareholders of our Company holding 1% or more of the paid-up equity share capital of our Company as on date of this Draft Red Herring Prospectus are entitled to any Equity Shares upon exercise of warrant, option or right to convert a debenture, loan, or other instrument.
- c) Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them one (01) year from the date of filing of this Draft Red Herring Prospectus:

:
Since the Company was incorporated on 5th day of May, 2023, hence we are providing the data as on incorporation i.e. 5th day of May, 2023.

Sr. No.	Name of the Shareholders	No. of Equity Shares	% of Pre-Offer Equity Share Capital
1.	Aliasgar Roshan Hararwala	1,714	17.14%
2.	Aliasgar Abdulla Bhagat	1,143	11.43%
3.	Mohammed Salim Hararwala	953	9.53%
4.	Abdulla Aliasgar Bhagat	1,714	17.14%
5.	Hoozefa Saleem Hararwala	952	9.52%
6.	Abbasali Salim Hararwala	952	9.52%
7.	Zahid Mohamadi Hararwala	1,429	14.29%
8.	Roshan Alihusain Hararwala	1,143	11.43%
Total		10,000	100.00%

- d) Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them two (02) years prior to filing of this Draft Red Herring Prospectus:

Since the Company was incorporated on 5th day of May, 2023, hence we are providing the data as on incorporation i.e. 5th day of May, 2023.

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Offer Equity Share Capital
1.	Aliasgar Roshan Hararwala	1,714	17.14%
2.	Aliasgar Abdulla Bhagat	1,143	11.43%
3.	Mohammed Salim Hararwala	953	9.53%
4.	Abdulla Aliasgar Bhagat	1,714	17.14%
5.	Hoozefa Saleem Hararwala	952	9.52%
6.	Abbasali Salim Hararwala	952	9.52%
7.	Zahid Mohamadi Hararwala	1,429	14.29%
8.	Roshan Alihusain Hararwala+	1,143	11.43v
Total		10,000	100.00%

- e) Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them ten days prior to the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholders	No. of Equity Shares	% of Pre-Offer Equity Share Capital
1.	Aliasgar Roshan Hararwala	25,50,432	17.14%
2.	Aliasgar Abdulla Bhagat	17,00,784	11.43%
3.	Mohammed Salim Hararwala	14,18,064	9.53%
4.	Abdulla Aliasgar Bhagat	25,50,432	17.14%
5.	Hoozefa Saleem Hararwala	14,16,576	9.52%
6.	Abbasali Salim Hararwala	14,16,576	9.52%
7.	Zahid Mohamadi Hararwala	21,26,352	14.29%
8.	Roshan Alihusain Hararwala	17,00,784	11.43%
Total		1,48,80,000	100.00%

- f) Our Company has not made any initial public offer of its Equity Shares or any convertible securities during the preceding 02 (two) years from the date of this Draft Red Herring Prospectus.

10) Our Company does not have any intention or proposal to alter its capital structure within a period of six (06) months from the date of opening of the Offer by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares whether preferential or bonus, rights or further public issue basis. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the Offer 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.

11) Shareholding of our Promoters

As on the date of this Draft Red Herring Prospectus, the Promoters of our Company, hold 1,48,80,000 Equity Shares, constituting 100% of the issued, subscribed, and paid-up Equity Share capital of our Company and none of the Equity Shares held by the Promoters are subject to any pledge.

Set forth below are the details of the build – up of our Promoters’ shareholding in our Company since incorporation:

a) ALIASGAR ROSHAN HARARWALA:

Date of Allotment / transfer and Date when made fully paid-up	Nature of transaction	Number of Equity Shares	Face value per Equity Share (in ₹)	Issue / transfer price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	Cumulative number of Equity Shares	% of pre offer capital	% of post offer capital	No. of Shares Pledged	% of shares pledged
5 th May, 2023	Subscription to the MOA of Company	1,714	10	-	Pursuant to conversion of LLP into Company	1,714	17.14	[●]	N.A.	N.A.
5 th September, 2023	Bonus Issue	25,48,718	10	-	Other than Cash	25,50,432	50	[●]	N.A.	N.A.

b) ALIASGAR ABDULLA BHAGAT:

Date of Allotment / transfer and Date when made fully paid-up	Nature of transaction	Number of Equity Shares	Face value per Equity Share (in ₹)	Issue/ transfer price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	Cumulative number of Equity Shares	% of pre offer capital	% of post offer capital	No. of Shares Pledged	% of shares pledged
05 th May, 2023	Subscription to the MOA of Company	1,143	10	-	Pursuant to conversion of LLP into Company	1,143	11.43	[●]	N.A.	N.A.
05 th September, 2023	Bonus Issue	16,99,641	10	-	Other than Cash	17,00,784	11.43	[●]	N.A.	N.A.

c) MOHAMMED SALIM HARARWALA:

Date of Allotment / transfer and Date when made fully paid-up	Nature of transaction	Number of Equity Shares	Face value per Equity Share (in ₹)	Issue/ transfer price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	Cumulative number of Equity Shares	% of pre offer capital	% of post offer capital	No. of Shares Pledged	% of shares pledged
5 th May, 2023	Subscription to the MOA of Company	953	10	-	pursuant to conversion of LLP into Company	953	9.53	[●]	N.A.	N.A.
5 th September, 2023	Bonus Issue	14,17,111	10	-	Other than Cash	14,18,064	9.53	[●]	N.A.	N.A.

d) ABDULLA ALIASGAR BHAGAT:

Date of Allotment / transfer and Date when made fully paid-up	Nature of transaction	Number of Equity Shares	Face value per Equity Share (in ₹)	Issue / transfer price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	Cumulative number of Equity Shares	% of pre offer capital	% of post offer capital	No. of Shares Pledged	% of shares pledged
05 th May, 2023	Subscription to the MOA of Company	1,714	10	-	Pursuant to conversion of LLP into Company	1,714	17.14	[●]	N.A.	N.A.
05 th September, 2023	Bonus Issue	25,48,718	10	-	Other than Cash	25,50,432	17.14	[●]	N.A.	N.A.

e) HOOZEFA SALEEM HARARWALA:

Date of Allotment / transfer and Date when made fully paid-up	Nature of transaction	Number of Equity Shares	Face value per Equity Share (in ₹)	Issue / transfer price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	Cumulative number of Equity Shares	% of pre offer capital	% of post offer capital	No. of Shares Pledged	% of shares pledged
05 th May, 2023	Subscription to the MOA of Company	952	10	-	Pursuant to conversion of LLP into Company	952	9.52	[●]	N.A.	N.A.
05 th September, 2023	Bonus Issue	14,15,624	10	-	Other than Cash	14,16,576	9.52	[●]	N.A.	N.A.

f) ABBASALI SALIM HARARWALA:

Date of Allotment / transfer and Date when made fully paid-up	Nature of transaction	Number of Equity Shares	Face value per Equity Share (in ₹)	Issue / transfer price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	Cumulative number of Equity Shares	% of pre offer capital	% of post offer capital	No. of Shares Pledged	% of shares pledged
05 th May, 2023	Subscription to the MOA of Company	952	10	-	Pursuant to conversion of LLP into Company	952	9.52	[●]	N.A.	N.A.
05 th September, 2023	Bonus Issue	14,15,624	10	-	Other than Cash	14,16,576	9.52	[●]	N.A.	N.A.

g) ZAHID MOHAMADI HARARWALA:

Date of Allotment / transfer and Date when made fully paid-up	Nature of transaction	Number of Equity Shares	Face value per Equity Share (in ₹)	Issue/ transfer price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	Cumulative number of Equity Shares	% of pre offer capital	% of post offer capital	No. of Shares Pledged	% of shares pledged
5 th May, 2023	Subscription to the MOA of Company	1,429	10	-	pursuant to conversion of LLP into Company	1,429	14.29	[●]	N.A.	N.A.
5 th September, 2023	Bonus Issue	21,24,923	10	-	Other than Cash	21,26,352	14.29	[●]	N.A.	N.A.

h) ROSHAN ALIHUSAIN HARARWALA:

Date of Allotment / transfer and Date when made fully paid-up	Nature of transaction	Number of Equity Shares	Face value per Equity Share (in ₹)	Issue / transfer price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	Cumulative number of Equity Shares	% of pre offer capital	% of post offer capital	No. of Shares Pledged	% of shares pledged
5 th May, 2023	Subscription to the MOA of Company	1,143	10	-	pursuant to conversion of LLP into Company	1,143	11.43	[●]	N.A.	N.A.
5 th September, 2023	Bonus Issue	16,99,641	10	-	Other than Cash	17,00,784	11.43	[●]	N.A.	N.A.

12) As on the date of the Draft Red Herring Prospectus, the Company has 8 (eight) members/shareholders.

13) The details of the Shareholding of the members of the Promoter Group as on the date of this Draft Red Herring Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholders	Pre-Issue		Post - Issue	
		Number of Equity Shares	% of Pre- Offer Equity Share Capital	Number of Equity Shares	% of Post- Offer Equity Share Capital
Promoters Group					
1.	Nil	-	-	-	-
	Total	-	-	-	-
	Total	-	-	-	-

14) Except as stated in “*Shareholding of our Promoters*” on page 74 of the Draft Red Herring Prospectus, the Promoters, Promoter Group, Directors of our Company, and their relatives have not undertaken purchase or sale transactions in the Equity Shares of our Company, during a period of six (06) months preceding the date on which this Draft Red Herring Prospectus is filed with Stock Exchange.

15) There are no financing arrangements wherein the Promoters, Promoter Group, the Directors of our Company, and their relatives, have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six (06) months immediately preceding the date of filing of the Draft Red Herring Prospectus.

16) Promoters’ Contribution and other Lock-In details:

Pursuant to Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20.00% of the fully diluted post-Offer capital of our Company held by the Promoters shall be locked in for a period of three years from the date of Allotment (“**Minimum Promoters’ Contribution**”), and the Promoters’ shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of six months from the date of Allotment.

The lock-in of the Minimum Promoter’s Contribution would be created as per applicable laws and procedures and details of the same shall also be provided to the Stock exchange before the listing of the Equity Shares.

Following are the details of Minimum Promoter’s Contribution:

Number of Equity Shares locked-in ^{*(1)(2)(3)}	Nature of Allotment / Transfer	Date of Allotment and Date when made fully paid-up	Face value (in ₹)	Issue / Acquisition Price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	% of fully diluted post-Offer paid-up capital	Period of lock-in
Aliasgar Roshan Hararwala							
[●]	[●]	[●]	[●]	[●]	[●]	[●]	3 years
TOTAL	[●]					[●]	
Aliasgar Abdulla Bhagat							
[●]	[●]	[●]	[●]	[●]	[●]	[●]	3 years
TOTAL	[●]					[●]	
Mohammed Salim Hararwala							
[●]	[●]	[●]	[●]	[●]	[●]	[●]	3 years
TOTAL	[●]					[●]	
Abdulla Aliasgar Bhagat							
[●]	[●]	[●]	[●]	[●]	[●]	[●]	3 years
TOTAL	[●]					[●]	
Hoozefa Saleem Hararwala							

Number of Equity Shares locked-in ^{*(1)(2)(3)}	Nature of Allotment / Transfer	Date of Allotment and Date when made fully paid-up	Face value (in ₹)	Issue / Acquisition Price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	% of fully diluted post-Offer paid-up capital	Period of lock-in
[●]	[●]	[●]	[●]	[●]	[●]	[●]	3 years
TOTAL	[●]					[●]	
<i>Abbasali Salim Hararwala</i>							
[●]	[●]	[●]	[●]	[●]	[●]	[●]	3 years
TOTAL	[●]					[●]	
<i>Zahid Mohamadi Hararwala</i>							
[●]	[●]	[●]	[●]	[●]	[●]	[●]	3 years
TOTAL	[●]					[●]	
<i>Roshan Alihusain Hararwala</i>							
[●]	[●]	[●]	[●]	[●]	[●]	[●]	3 years
TOTAL	[●]					[●]	

* Subject to finalisation of Basis of Allotment.

(1) For a period of three years from the date of allotment.

(2) All Equity Shares have been fully paid-up at the time of allotment.

(3) All Equity Shares held by our Promoters are in dematerialized form.

For details on the build-up of the Equity Share capital held by our Promoters, see “***Details of the Build-up of our Promoters’ shareholding***” on page 74 of the Draft Red Herring Prospectus.

The Promoters’ Contribution has been brought to the extent of not less than the specified minimum lot and from persons defined as ‘promoter’ under the SEBI (ICDR) Regulations.

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 which are being locked-in do not, and shall not, consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets
- Equity Shares resulting from bonus issue by utilization of revaluations reserves or unrealized profits of the Company or from bonus issue against Equity Shares which are otherwise ineligible for minimum promoters’ contribution;
- Equity Shares acquired during the preceding one year, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
- Equity Shares issued to the Promoters upon conversion of a partnership firm;
- Equity Shares held by the Promoters that are subject to any pledge; and
- Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the Promoters’ Contribution subject to lock-in.

Our Company has not been formed by the conversion of a partnership firm into a company in the past one year and thus, no Equity Shares have been issued to our Promoters upon conversion of a partnership firm in the past one year. All the Equity Shares held by the Promoters and the members of the Promoter Group are held in dematerialized form.

In terms of undertaking executed by our Promoters, Equity Shares forming part of Promoters' Contribution subject to lock in will not be disposed/ sold/ transferred by our Promoters during the period starting from the date of filing of this Draft Red Herring Prospectus till the date of commencement of lock in period as stated in this Draft Red Herring Prospectus.

Other than the Equity Shares locked-in as Promoters' Contribution for a period of three years as stated in the table above, the entire pre-Offer capital of our Company, including the excess of minimum Promoters' Contribution, as per Regulation 238 of the SEBI (ICDR) Regulations, shall be locked in for a period of one year from the date of Allotment of Equity Shares in the Offer. Such lock – in of the Equity Shares would be created as per the bye laws of the Depositories.

Lock-in of the Equity Shares to be allotted, if any, to the Anchor Investors

One half 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.

Other requirements in respect of 'lock-in'

In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters prior to the Offer may be Transfer to any other person holding the Equity Shares which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code as applicable.

In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 238 of the SEBI (ICDR) Regulations, may be Transfer to and amongst Promoters / members of the Promoter Group or to a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of Takeover Code, as applicable.

In terms of Regulation 242(a) of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions or a systemically important non-banking finance company or a housing finance company as collateral security for loans granted by such banks or financial institutions, provided that such loans have been granted for the purpose of financing one or more of the objects of the Offer and pledge of the Equity Shares is a term of sanction of such loans.

In terms of Regulation 242(b) of the SEBI ICDR Regulations, the Equity Shares held by the Promoters which are locked-in for a period of one year from the date of allotment may be pledged only with scheduled commercial banks, public financial institutions, systemically important non-banking finance companies or housing finance companies as collateral security for loans granted by such entities, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.

- 17) Our Company, the Promoter Selling Shareholders, our Promoters, our Directors and the Book Running Lead Manager have no existing buyback arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.
- 18) The post-Offer paid up Equity Share Capital of our Company shall not exceed the authorised Equity Share Capital of our Company.
- 19) There have been no financing arrangements whereby our Directors or any of their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of this Draft Red Herring Prospectus.
- 20) No person connected with the Offer, including, but not limited to, our Company, the Promoter Selling Shareholders, the members of the Syndicate, or our Directors, shall offer any incentive, whether direct or

indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

- 21) There neither have been and there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of the Draft Red Herring Prospectus until the Equity Shares have been listed on the Stock Exchange or all application monies have been refunded, as the case may be.
- 22) Our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans, or other convertible instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.
- 23) There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
- 24) Our Company shall ensure that any transactions in Equity Shares by our Promoters and the Promoter Group during the period between the date of filing the Draft Red Herring Prospectus and the date of closure of the Offer, shall be reported to the Stock Exchanges within 24 hours of the transaction.
- 25) All Equity Shares issued pursuant to the Offer 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 Draft Red Herring Prospectus.
- 26) As on the date of this Draft Red Herring Prospectus, the Book Running Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) 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.
- 27) Our Promoters and the members of our Promoter Group will not participate in the Offer except to the extent of their participation in the Offer for Sale.
- 28) Following are the details of Equity Shares of our Company held by our Directors, Key Management Personnel:

Sr. No.	Name of the Shareholders	Pre-Offer		Post - Offer	
		Number of Equity Shares	% of Pre- Offer Equity Share Capital	Number of Equity Shares	% of Post- Offer Equity Share Capital
<i>Promoters</i>					
1.	Aliasgar Roshan Hararwala	25,50,432	17.14	[●]	[●]
2.	Mohammed Salim Hararwala	14,18,064	9.53	[●]	[●]
3.	Aliasgar Abdulla Bhagat	17,00,784	11.43	[●]	[●]

- 29) Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Offer.
- 30) 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 “**Offer Procedure**” beginning on page 246 of this Draft Red Herring Prospectus. In case of over-subscription in all categories the allocation in the Offer shall be as per the requirements of Regulation 253 (1) of SEBI (ICDR) Regulations, as amended from time to time.
- 31) An investor cannot make an application for more than the number of Equity Shares offered in this Offer, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
- 32) An over-subscription to the extent of 10% of the Offer 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 Offer. Consequently, the actual allotment may go up by a maximum of 10% of the Offer, as a result of which, the post-offer paid up capital after the Offer 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 Offer paid-up capital is locked in.

- 33) Under subscription, if any, in this categories i. Retail individual investors, ii. Non-institutional investors may be allocated to applicants in any other category in consultation with the Book Running Lead Manager, the Promoter Selling Shareholders and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
- 34) 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 Offer.
- 35) As on date of this Draft Red Herring Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Offer.

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OBJECTS OF THE OFFER

This Offer comprises of the Fresh Issue and Offer for Sale.

Offer for Sale

The Offer For Sale of up to 6,79,200 Equity Shares by the Promoter Selling Shareholders aggregating to ₹[●] Lakhs.

The Promoter Selling Shareholders will be entitled to their respective portion of the Offer for Sale after deducting its proportion of Offer related expenses and taxes thereon. Our Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds. For further details, kindly refer to the sub-section “Offer Related Expenses” on page 95 of this Draft Red Herring Prospectus.

The details of Offer for Sale are set out below:

Sr. No.	Name of the Promoter Selling Shareholders	Number of Offered Shares (Subject to finalization of Basis of Allotment)
1.	Aliasgar Roshan Hararwala	Up to 1,19,700
2.	Aliasgar Abdulla Bhagat	Up to 80,000
3.	Mohammed Salim Hararwala	Up to 66,600
4.	Abdullah A. Bhagat	Up to 1,19,700
5.	Hoozefa Saleem Hararwala	Up to 66,600
6.	Abbasali Salim Hararwala	Up to 66,500
7.	Zahid Mohamadi Hararwala	Up to 80,100
8.	Roshan Alihusain Hararwala	Up to 80,000
Total		Up to 6,79,200

Fresh Issue

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

2. Capital expenditure through purchase of machinery and equipment required for expansion at our Khopoli Plant;
3. General Corporate purposes.

(Collectively referred as the “Objects”)

The main objects clause of our Memorandum enables us to undertake the activities for which funds are being raised in the Offer, and undertake the activities proposed to be funded from Net Proceeds.

Net Proceeds

Particulars	Estimated Amount (₹ in Lakhs)
Gross Proceeds of the Fresh Issue ⁽¹⁾	[●]
Less: Offer related expenses in relation to the Fresh Issue ⁽²⁾	[●]
Net Proceeds	[●]

Notes:

- (1) To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.
- (2) See kindly refer to the sub-section “Offer Related Expenses” on page 95 of this Draft Red Herring Prospectus.

Requirement of Funds and Utilization of Net Proceeds

The Net Proceeds from the Fresh Issue are proposed to be utilized by our Company in accordance with the details provided in the following objects:

Sr. no.	Particulars	Estimated Amount (₹ in Lakhs)
1.	Capital expenditure through purchase of machinery and equipment required for expansion at our Khopoli Plant	₹2,955.33
2.	General corporate expenses*(Approx)	[●]
Net Issue Proceeds		[●]

**The amount utilized for General Corporate Purpose shall not exceed 25% of the Gross Proceeds of the Offer.*

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds, as set forth in the table below:

Particulars	Total Estimated Costs	Estimated utilization from Net Proceeds	Estimated Schedule of Deployment of Net Proceeds	
			Financial Year ending March 31, 2024	Financial Year ending March 31, 2025
Capital expenditure through purchase of machinery and equipment required for expansion at our Khopoli Plant	₹2,955.33	₹2,955.33	-	₹2,955.33

The deployment of funds indicated above is based on current business plan, management estimates, current and valid quotations from suppliers, prevailing market conditions, which are subject to change, and other commercial and technical factors including interest rates and other charges, and the financing and other agreements entered into by our Company, quotations received from third-party vendors, which are subject to change in the future and have not been appraised by any agency. These are based on current conditions and are subject to revisions in light of changes in costs, our financial condition, our business operations or growth strategy or external circumstances which may not be in our control. For further details of our proposed capital expenditure, see “Details of the Objects – Capital expenditure through purchase of machinery and equipment required for expansion at our Khopoli Plant” on page 88 of this Draft Red Herring Prospectus.

The deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. We may have to revise our funding requirements and deployment from time to time on account of various factors, such as financial and market conditions, competition, business and strategy and interest/exchange rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. For further information on factors that may affect our internal management estimates, see “Risk Factor 47, Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution and our management will have broad discretion over the use of the Net Proceeds.” on page 46 of this Draft Red Herring Prospectus. Subject to applicable law, if the actual utilisation towards the Objects is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Gross Proceeds from the offer size in accordance with Regulation of the SEBI (ICDR) Regulations.

In the event the Net Proceeds are not completely utilised for the objects stated above by the end of Financial Year 2024-25, such amounts will be utilised (in part or full) in subsequent periods, as determined by our Company, in accordance with applicable law. In case of a shortfall in raising requisite capital from the Net Proceeds, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate

arrangements would be available to fund any such shortfalls. 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 Offer. In the event, the Net Proceeds are not utilized (in full or in part) for the objects of the Offer during the period stated above due to factors such as (i) the timing of completion of the Offer; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, the remaining Net Proceeds shall be utilised (in part or full) in subsequent periods as may be determined by our Company, in accordance with applicable laws.

For further details on the risks involved in our proposed fund utilization, please see the chapter titled “*Risk Factors*” beginning on page 27 of this Draft Red Herring Prospectus.

Means of Finance

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 under Regulation 230(1)© of the SEBI (ICDR) Regulations and Clause (C) of Part A of Schedule VI of SEBI (ICDR) Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the Offer or through existing identifiable internal accruals.

Details of the Objects

The details in relation to Objects of the Fresh Issue are set forth herein below:

1. Capital expenditure through purchase of machinery and equipment required for expansion at our Khopoli Plant

Our Board, in its meeting dated Monday, December 11, 2023, took note that an aggregate amount of ₹2,955.33 Lakhs is proposed to be utilized for purchase of equipment and civil work required for expansion in capacity at our Khopoli Plant. Undertaking such expansion activities would benefit our Company by increasing our manufacturing capacities.

Our Company has received quotations from various suppliers for such equipment and for undertaking other works and is yet to place any orders or enter into definitive agreements for purchase of such equipment.

The break-down of such estimated costs are set forth below:

Particulars	Unit of Quantity	Cost Per Unit (₹ in Lakhs)	Total Estimated Costs (₹ in Lakhs)	Amount proposed to be funded from Net Proceeds (₹ in Lakhs)	Information pertaining to the Quotations				
					Name of the Party	Date	Validity Up To	Range of Dates	
A. Civil & Structural Works									
Civil work -Excavation, Filling, Foundations, Flooring	Factory Shed 1400 Sqm	1	₹125.24	₹125.24	₹125.24	Bhawani Construction	Tuesday, 12 December 2023	Thursday, 15 February 2024	65
Civil work -Excavation, Filling, Foundations, Flooring	Factory Shed 770 Sqm	1	₹64.30	₹64.30	₹64.30	Bhawani Construction	Tuesday, 12 December 2023	Thursday, 15 February 2024	65
Fabrication, Erection of Shed & Roofing	Factory Shed 1400 Sqm	1	₹35.95	₹35.95	₹35.95	Omkar Fabricators	Monday, 11 December 2023	Thursday, 15 February 2024	66
Fabrication, Erection of Shed & Roofing	Factory Shed 770 Sqm	1	₹20.75	₹20.75	₹20.75	Omkar Fabricators	Monday, 11 December 2023	Thursday, 15 February 2024	66
B. Cutting Machines									
Bandsaw Machine	Bandsaw Machine H 1010	1	₹63.00	₹63.00	₹63.00	Niran Tools and Machinery	Tuesday, 12 December 2023	Monday, 11 March 2024	90
Circular Saw Machine	Circular Saw P-100ILA	1	₹78.00	₹78.00	₹78.00	Niran Tools and Machinery	Tuesday, 12 December 2023	Monday, 11 March 2024	90
Ring Cutting Bandsaw	Ring cutting saw H2200/800HR	1	₹317.30	₹317.30	₹317.30	Niran Tools and Machinery	Thursday, 14 December 2023	Wednesday, 13 March 2024	90
C. Forging Machinery									
Forging Hammer	Forging Hammer 10 Ton	1	₹550.00	₹550.00	₹550.00	Engineering Tools & Machines	Wednesday, 1 November 2023	Wednesday, 31 January 2024	91
Forging Press	Forging Press 2500 Ton	1	₹375.00	₹375.00	₹375.00	Engineering Tools & Machines	Wednesday, 1 November 2023	Wednesday, 31 January 2024	91
Trimming Press	Mechanical Trimming Press 1000 Ton	1	₹125.00	₹125.00	₹125.00	Engineering Tools & Machines	Wednesday, 15 November 2023	Wednesday, 31 January 2024	77
Trimming Press	Mechanical Trimming Press 250 Ton	1	₹38.00	₹38.00	₹38.00	Engineering Tools & Machines	Wednesday, 15 November 2023	Wednesday, 31 January 2024	77

Particulars	Unit of Quantity	Cost Per Unit (₹ in Lakhs)	Total Estimated Costs (₹ in Lakhs)	Amount proposed to be funded from Net Proceeds (₹ in Lakhs)	Information pertaining to the Quotations				
					Name of the Party	Date	Validity Up To	Range of Dates	
D. CNC Machining Centers									
CNC Machining Centers	CNC Vertical Lathe LTV 40	2	₹50.25	₹100.50	₹100.50	Price from Lakshmi Machine Works	Tuesday, 12 December 2023	Thursday, 11 January 2024	30
CNC Machining Centers	Vertical Machining Center JV 80	1	₹43.50	₹43.50	₹43.50	Price from Lakshmi Machine Works	Tuesday, 12 December 2023	Thursday, 11 January 2024	30
CNC Machining Centers	CNC Machining Center LL30TL7	1	₹33.75	₹33.75	₹33.75	Price from Lakshmi Machine Works	Tuesday, 12 December 2023	Thursday, 11 January 2024	30
CNC Machining Centers	CNC Machining Center LL25TL5	1	₹30.37	₹30.37	₹30.37	Price from Lakshmi Machine Works	Tuesday, 12 December 2023	Thursday, 11 January 2024	30
VTL Machining Centers	Vertical Turret Lathe Webster 72" CNC	1	₹65.00	₹65.00	₹65.00	52N2W Machine Tools	Monday, 11 December 2023	Wednesday, 31 January 2024	51
VTL Machining Centers	Vertical Turret Lathe Webster 72"	1	₹45.00	₹45.00	₹45.00	52N2W Machine Tools	Monday, 11 December 2023	Wednesday, 31 January 2024	51
VTL Machining Centers	Vertical Turret Lathe RAFAMET KCF 200	1	₹45.00	₹45.00	₹45.00	52N2W Machine Tools	Monday, 11 December 2023	Wednesday, 31 January 2024	51
VTL Machining Centers	Vertical Turret Lathe Webster 58" CNC	1	₹56.00	₹56.00	₹56.00	52N2W Machine Tools	Monday, 11 December 2023	Wednesday, 31 January 2024	51
Double Column Vertical Machining Center	VMC Model No.:DS2630S	1	₹200.68	₹200.68	₹200.68	Goushin Machinery Tools Company Limited	Thursday, 14 December 2023	Saturday, 13 January 2024	30
Double Column Vertical Machining Center	CNC Drilling Machine ----- FSDH2525	1	₹110.46	₹110.46	₹110.46	Asia Machine Group	Thursday, 14 December 2023	Saturday, 13 January 2024	30
E. Shot Blasting Center									
Shot Blasting Machine	Shot Blast MC Model. SEC-AST- 2440	1	₹49.50	₹49.50	₹49.50	Sandstorm Equipment Co	Tuesday, 12 December 2023	Thursday, 11 January 2024	30
F. Laboratory Equipments									
Spectro Machine	Metavision 1008i	1	₹28.68	₹28.68	₹28.68	Metal Power	Tuesday, 12 December 2023	Friday, 26 January 2024	45
Metallography	Abrasive Cut - off Machine	1	₹2.51	₹2.51	₹2.51	Metatech Industries	Wednesday, 13 December 2023	Tuesday, 12 March 2024	90
	Double Disc Grinding / Lapping Machine	1	₹1.73	₹1.73	₹1.73	Metatech Industries	Wednesday, 13 December 2023	Tuesday, 12 March 2024	90

Particulars	Unit of Quantity	Cost Per Unit (₹ in Lakhs)	Total Estimated Costs (₹ in Lakhs)	Amount proposed to be funded from Net Proceeds (₹ in Lakhs)	Information pertaining to the Quotations				
					Name of the Party	Date	Validity Up To	Range of Dates	
	Double Disc Grinding / Lapping Machine	1	₹1.08	₹1.08	₹1.08	Metatech Industries	Wednesday, 13 December 2023	Tuesday, 12 March 2024	90
	Inverted Metallurgical Microscope	1	₹5.43	₹5.43	₹5.43	Metatech Industries	Wednesday, 13 December 2023	Tuesday, 12 March 2024	90
PMI Machine	Niton® XL2 100G Alloy Analyzer	1	₹14.35	₹14.35	₹14.35	Dynamic Technology Systems	Wednesday, 13 December 2023	Wednesday, 31 January 2024	49
	Niton model XL2 980 Plus Analyzer	1	₹22.85	₹22.85	₹22.85	Dynamic Technology Systems	Wednesday, 13 December 2023	Wednesday, 31 January 2024	49
Overhead Cranes	EOT Crane 10T capacity 15M	1	₹22.94	₹22.94	₹22.94	Shri Bhagwati Machines Pvt Ltd	Monday, December 18, 2023	Tuesday, January 02, 2023	15
Overhead Cranes	EOT Crane 15T capacity 15M	1	₹32.42	₹32.42	₹32.42	Shri Bhagwati Machines Pvt Ltd	Monday, December 18, 2023	Tuesday, January 02, 2023	15
Rotary Screw Compressors	Compressors 885.8CFM model DSD 240	2	₹56.19	₹112.38	₹112.38	Kaeser Compressors	Friday, November 03, 2023	Wednesday, 03 January 2024	60
Hardness Testing MC	Computerized Brinell Hardness Tesng Machine B 3000 PC	1	₹4.78	₹4.78	₹4.78	Fuel instruments & Engineers	Sunday, December 17, 2023	Tuesday, January 02, 2023	15
Impact Testing	Automatic Impact Testing Machine IT30	1	₹8.25	₹8.25	₹8.25	Fuel instruments & Engineers	Sunday, December 17, 2023	Tuesday, January 02, 2023	15
ForkLift	-	1	₹40.14	₹40.14	₹40.14	Revival Engineers Pvt Ltd	Thursday, 14 December 2023		
Tong Attachment	-	1	₹85.50	₹85.50	₹85.50	Perfect Machine Tools Co Ltd	Thursday, 14 December 2023		
Total				₹2,955.33	₹2,955.33				

Notes:

#Certain equipment quotations and cost estimates are subject to additional charges including freight, transit, installation costs, forward cost, commissioning charges, transportation costs, packaging costs, insurance, duties, and other government and statutory levies, as applicable, which will be paid from Net Proceeds or our internal accruals, as applicable.

The above figure is based on the quotation received from the company.

The total amount contains GST as well as insurance cost.

All the other miscellaneous expenses have been included in the above figures.

All quotations received from the above suppliers are valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of the above suppliers which have provided quotations and there can be no assurance that the abovementioned suppliers would be engaged to eventually supply the machinery or that the abovementioned machinery would be purchased at the specified costs. The quantity of machinery to be purchased is based on the estimates of our Company's management. Kindly note, second-hand or used equipment is proposed to be purchased out of the Net Proceeds. Our Promoters, Directors, Key Managerial Personnel and Senior Management do not have any interest in the proposed construction of structural and civil works, purchase of machinery and upgradation of existing equipment, or in the entities from whom we have obtained quotations in relation to such activities. See "Risk Factors – Any variation in the utilization of the Net Proceeds shall be subject to certain compliance requirements, including prior Shareholders' approval. If there are delays or cost overruns in utilization of Net Proceeds, our business, financial condition, and results of operations may be adversely affected." on page 46 of this Draft Red Herring Prospectus.

For details of the installed production capacity, actual production volumes and capacity utilization of our Khapoli Plant, see "Our Business – Our manufacturing facilities – Production Capacity, Production Volumes and Capacity Utilization" on page 115 of this Draft Red Herring Prospectus. Our Company shall have the flexibility to deploy such machinery at any of our existing and future plants, according to our business requirements based on the estimates of our Company's management. For details of the risks applicable in this regard, see "Risk Factors" on page 27 of this Draft Red Herring Prospectus

2. General Corporate Purposes

The Net Proceeds will be first utilized towards the Objects as mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the amount being raised by our Company through this Offer, in compliance with the Chapter IX, Regulation 230 (2) of SEBI ICDR Regulations, 2018. Our Company intends to deploy the balance Net Proceeds i.e., ₹[●] Lakhs, which is [●]% of the amount being raised by our company through this Offer, towards general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- (i) strategic initiatives and acquisitions;
- (ii) strengthening of our marketing and distribution capabilities;
- (iii) brand building and meeting ongoing general corporate exigencies and
- (iv) Any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the balance Net Proceeds for general corporate purposes, as mentioned above.

Offer Related Expenses

The total expenses of the Offer are estimated to be approximately ₹[●] Lakhs which include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses, legal fees, and Listing fees. The estimated Offer expenses are as follows:

Activity	Estimated Expenses (₹ In Lakhs)	% of Total Offer Expenses	% of the Total Offer Size
Offer relating expenses such as fees to Lead Manager, Fixed Fee, Registrar to the Offer, Legal Advisors, Auditors, statutory advertisements, and other expenses incurred / to be incurred including promotional expenses	[●]	[●]	[●]
Underwriting commission, brokerage and selling commission (including Commission/ processing fees for SCSBs, Sponsor Bank, Members of the Syndicate, Registered Brokers, RTAs and CDPs (1)(2))	[●]	[●]	[●]
Listing fees, Stock Exchange processing/ listing fees, software fees, Depositories' fees, other regulatory expenses, and sundry expenses	[●]	[●]	[●]
Total	[●]	[●]	[●]

Selling commission payable to the SCSBs on the portion for QIBS, Retail Individual Bidders, Non-Institutional Bidders, which are directly procured by the SCSBs, would be as follows:

<i>Portion for Retail Individual Bidders</i>	<i>[●]/% of the Amount Allotted* (plus applicable taxes)</i>
<i>Portion for Non-Institutional Bidders</i>	<i>[●]/% of the Amount Allotted* (plus applicable taxes)</i>
<i>Portion for QIB</i>	<i>[●]/% of the Amount Allotted* (plus applicable taxes)</i>

**Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

No additional processing fees shall be payable to the SCSBs on the applications directly procured by them.

The Selling commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the bid book of NSE.

Processing fees payable to the SCSBs of ₹10/- per valid application (plus applicable taxes) for processing the Bid cum Application of Retail Individual Bidders, Non-Institutional Bidders and Eligible Employees procured by the Syndicate Member/ Sub-Syndicate Members/ Registered Brokers / RTAs / CDPs and submitted to SCSBs for blocking. In case the total ASBA processing charges payable to SCSBs exceeds ₹[●] lakhs, the amount payable to SCSBs would be proportionately distributed based on the number of valid applications such that the total ASBA processing charges payable does not exceed ₹[●] lakhs

For Syndicate (including their Sub-Syndicate Members), RTAs and CDPs

Brokerages, selling commission and processing/uploading charges on the portion for Retail Individual Bidders (using the UPI mechanism), portion for Non-Institutional Bidders and Eligible Employees which are procured by members of Syndicate (including their Sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts-linked online trading, demat and bank account provided by some of the brokers which are members of Syndicate (including their Sub- Syndicate Members) would be as follows:

Portion for Retail Individual Bidders	[●]/% of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders	[●]/% of the Amount Allotted* (plus applicable taxes)
Portion for QIB	[●]/% of the Amount Allotted* (plus applicable taxes)

*Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

The selling commission payable to the Syndicate/ Sub-Syndicate Members will be determined on the basis of the application form number/ series, provided that the application is also bid by the respective Syndicate/ Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number/ series of a Syndicate/ Sub- Syndicate Member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate/ Sub- Syndicate Member.

The payment of selling commission payable to the sub-brokers/ agents of Sub-Syndicate Members are to be handled directly by the respective Sub-Syndicate Member.

The Selling commission payable to the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of NSE.

Uploading charges/ processing charges of Rs.10/- valid application (plus applicable taxes) is applicable only in case of Bid uploaded by the members of the Syndicate, RTAs and CDPs: for applications made by Retail Individual Investors using the UPI Mechanism. In case the total processing charges payable under this head exceeds ₹[●] lakhs., the amount payable would be proportionately distributed based on the number of valid applications such that the total processing charges payable does not exceed ₹[●] lakhs.)

Uploading charges/processing charges of ₹[●] valid applications (plus applicable taxes) are applicable only in case of Bid uploaded by the members of the Syndicate, RTAs and CDPs: (a) for applications made by Retail Individual Bidders using 3-in-1 type accounts; and (b) for Non-Institutional Bids using Syndicate ASBA mechanism / using 3-in-1 type accounts. (In case the total processing charges payable under this head exceeds ₹[●] lakhs., the amount payable would be proportionately distributed based on the number of valid applications such that the total processing charges payable does not exceed ₹[●] lakhs.

The Bidding/uploading charges payable to the Syndicate/ Sub-Syndicate Members, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of NSE.

* As on date of this Draft Red Herring Prospectus, no funds have been deployed out of internal accruals towards Offer expenses.

For Registered Brokers:

Selling commission payable to the registered brokers on the portion for Retail Individual Bidders and Non-Institutional Bidders which are directly procured by the Registered Brokers and submitted to SCSB for processing would be as follows:

Portion for Retail Individual Bidders and Non- Institutional Bidders ₹ [●] /- per valid application* (plus applicable taxes)

*Based on valid applications.

For Sponsor Bank:

Processing fees for applications made by Retail Individual Bidders using the UPI mechanism will be ₹ [●] per valid Bid cum Application Form* (plus applicable taxes), subject to maximum processing fee not exceeding ₹ [●] lakhs.. The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI Circulars, the Syndicate Agreement and other applicable laws.

* For each valid application

Interim Use of Net Proceeds

Pending utilization for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds only with the scheduled commercial banks for the necessary duration. Such deposits will be approved by our Board from time to time.

Our Company confirms that, pending utilization of the Net Proceeds for the purposes described above, it shall not use the funds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge Financing Facilities

Our Company has not raised any bridge loans or entered into any other similar financial arrangements as on the date of this Draft red herring prospectus, which are proposed to be repaid from the Net Proceeds.

Shortfall of Funds

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

Appraising Entity

None of the Objects for which the Net Proceeds will be utilized have been appraised by any bank, financial institution or agency.

Monitoring Utilization Of Funds

Since our Offer size, does not exceeds one hundred crore rupees, 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 Audit Committee shall monitor the utilization of the proceeds of the Offer. We will disclose the utilization of the Net Proceeds, including interim use, under a separate head specifying the purpose for which such proceeds have been utilized along with details, if any in relation to all such proceeds of the Offer that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Offer in our balance sheet for the relevant financial years subsequent to receipt of listing and trading approvals from the Stock Exchange.

Pursuant to Regulation 32(5) of the SEBI (LODR) Regulations, our Company shall disclose to the Audit Committee the uses and application of the Net Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate.

Our Company shall, on an annual basis, prepare a statement of funds utilized for purposes other than those stated in this Prospectus and place it before the Audit Committee. Such disclosure shall be made only till such time that all the Net Proceeds have been utilized in full. The statement shall be certified in accordance with Regulations 32(5) of the SEBI (LODR) Regulations. Furthermore, in accordance with the SEBI (LODR) Regulations, our Company shall furnish to the NSEIL on a half-yearly basis, a statement including deviations,

if any, in the utilization of the Net Proceeds of the Offer from the objects of the Offer as stated above and details of category wise variation in the actual utilization of the Net Proceeds of the Offer from the objects of the Offer as stated above. The information will also be published in newspapers simultaneously with the submission of such information to the NSEIL, after placing the same before the Audit Committee. We will disclose the utilization of the Net Proceeds under a separate head along with details in our balance sheet(s) until such time as the Net Proceeds remain unutilized clearly specifying the purpose for which such Net Proceeds have been utilized.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act 2013 and the SEBI (ICDR) Regulations, our Company shall not vary the Objects of the offer unless our Company is authorized to do so by way of a special resolution of its Shareholders. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act 2013. Pursuant to the Companies Act 2013, the Promoters 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, subject to the provisions of the Companies Act 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act 2013 and provisions of the SEBI ICDR Regulations

Other Confirmations

Except to the extent of the proceeds received by the Promoter Selling Shareholders pursuant to the Offer for Sale portion, none of our Promoters, members of the Promoter Group, Group Companies, Directors or Key Managerial Personnel or Senior Management will receive any portion of the Offer Proceeds and there are no existing or anticipated transactions in relation to utilisation of the Net Proceeds with our Promoters or members of the Promoter Group, Group Companies, Directors or Key Managerial Personnel or Senior Management. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects as set out above.

BASIS OF OFFER PRICE

The Price Band and the Offer Price will be determined by our Company, in consultation with the Book Running Lead Manager, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and the quantitative and qualitative factors as described below and is justified in view of these parameters.

The face value of the Equity Shares is ₹10 each and the Floor Price is [●] times the face value and the Cap Price is [●] times the face value. Investors should also refer to “Risk Factors”, “Our Business”, “Restated Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 27, 118,186, and 192, respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe that some of the qualitative factors which form the basis for computing the Offer Price are as follows:

- Long-standing relationships with customers across industries;
- Manufacturing Facilities
- Quality and focus on customer satisfaction;
- Experienced Promoters and Management Expertise;
- Track record of healthy financial performance
- Continual development of new products.
- Our Passion for Excellence to achieve

For further details, see ‘*Our Business – Our Competitive Strengths*’ on page 118 of this Draft Red Herring Prospectus.

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Financial Information. For details, see ‘*Restated Financial Information*’ on page 186 of this Draft Red Herring Prospectus.

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

1. Basic and Diluted Earnings Per Share (‘EPS’), as restated:

As derived from the Restated Financial Information:

Period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weights
Financial year ended March 31, 2021	(273.57)	(273.57)	1
Financial year ended March 31, 2022	3,134.37	3,134.37	2
Financial year ended March 31, 2023	2,758.40	2,758.40	3
Weighted Average	2,378.40	2,378.40	
For the Period from 01 Apr’23 to 04 May’23 *	269.44	269.44	
For the Period from 05 May’23 to 30 Jun’23*	1,157.11	1,157.11	

*Not Annualised

Notes:

- a) The face value of each Equity Share is ₹10.

b) The figures disclosed above are based on the Restated Financial Information of our Company.

c) EPS has been calculated by dividing the net profit or (loss) for the respective years by the number of equity shares outstanding as on the last date of the respective years.

2. Price/Earning ('P/E') ratio in relation to Offer Price of ₹[●].00/- per Equity Share:

Particulars	P/E
Based on Basic EPS as per the Restated Financial Information for Financial year ended on 31 March, 2023	[●]
Based on Weighted Average EPS	[●]

Industry P/E ratio

As on the date of this Draft Red Herring Prospectus, there are no comparable peer which is listed in India and which are engaged in the same line and comparable to the scale of operation of our Company, hence comparison with industry peers is not applicable.

3. Return on Net Worth ('RoNW')

As derived from the Restated Financial Information of our Company:

Particulars	RoNW %	Weight
Financial year ended March 31, 2021	-1.65	1
Financial year ended March 31, 2022	15.91	2
Financial year ended March 31, 2023	17.61	3
Weighted average	13.83	
For the Period from 01 Apr'23 to 04 May'23 *		
For the Period from 05 May'23 to 30 Jun'23*	6.77	

*Not Annualised

Notes:

RoNW is calculated by dividing the profit or (loss) for the respective years by the shareholders funds as on the last date of the respective years.

4. Net Asset Value per Equity Share of face value of ₹10/- each

Net Asset Value per Equity Share	NAV
Financial year ended March 31, 2021	1,657.05
Financial year ended March 31, 2022	1,970.49
Financial year ended March 31, 2023	1,566.14
For the Period from 01 Apr'23 to 30 Jun'23*	1,643.19
After the completion of the Offer	[●]
Offer Price	[●]

*Not Annualised

Notes:

The figures disclosed above are based on the Restated Financial Statements of our Company.

5. Comparison of accounting ratios with listed industry peers

There are no listed companies in India that engage in a business similar to that of our Company. Accordingly, it is not possible to provide an industry comparison in relation to our Company.

The trading price of the Equity Shares could decline due to the factors mentioned in the section titled “Risk Factors” on page 27 of the Draft Red Herring Prospectus and any other factors that may arise in the future, and you may lose all or part of your investments. The Offer Price of ₹[●] has been determined by our Company and the Promoter Selling Shareholders, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand from investors for the Equity Shares through the Book Building process. The Offer Price will be [●] times of the face value of the Equity Shares. Our Company and the Promoter Selling Shareholders, in consultation with the Book Running Lead Manager, are justified of the Offer Price in view of the above qualitative and quantitative parameters. Investors should read the abovementioned information along with “Risk Factors”, “Our Business”, “Financial Information” and “Management’s Discussion and Analysis of Financial Conditions” on pages 27, 118, 186, and 192, respectively, of the Draft Red Herring Prospectus, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in “Risk Factors” on page 27 or any other factors that may arise in the future and you may lose all or part of your investments.

6. Key Performance Indicators:

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 our Company. The KPIs disclosed below have been approved and confirmed by a resolution of our Audit Committee dated Friday, December 08, 2023. Further, the members of our 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 two periods prior to the date of filing of this Draft Red Herring Prospectus.

We have described and defined the KPIs, as applicable, in ‘*Definitions and Abbreviations*’ on page 2 of the Draft 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 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.

The list of our KPIs along with brief explanation of the relevance of the KPI for our business operations are set forth below:

Key Financial Performance	(₹ in Lakhs)			
	Restated Financial Information for the Financial Year Ended March 31			
	For the 3-month period ended 30 June 2023	2023 (₹ in Lakhs)	2022 (₹ in Lakhs)	2021 (₹ in Lakhs)
Revenue from Operations ⁽¹⁾	3,005.43	11,035.77	8,758.25	5,162.86
Gross Profit (₹ Lakhs) ⁽²⁾	873.23	3459.29	2661.63	2366.47
Gross Profit Margin (%) ⁽³⁾	29.06%	31.35%	30.39%	45.84%
EBITDA (₹ Lakhs) ⁽⁴⁾	235.95	762.81	817.89	628.65
EBITDA Margin % ⁽⁵⁾	7.63%	5.21%	3.80%	11.56%
PAT (₹ Lakhs) ⁽⁶⁾	77.05	275.84	313.44	(27.36)
PAT Margin % ⁽⁷⁾	2.56%	2.46%	3.39%	-0.53%
Net cash from operating activities (₹ Lakhs) ⁽⁸⁾	369.89	(40.82)	401.19	84.87

Net Worth (₹ Lakhs) ⁽⁹⁾	1,643.19	1,566.14	1,970.49	1,657.05
Total Debt (₹ Lakhs) ⁽¹⁰⁾	1,677.63	2,027.65	1,176.93	1,234.55
ROE	0.05	0.16	0.17	(0.01)
ROCE	0.11	0.30	0.24	0.08

It is imperative to note that, in restated financial statement we can see that in the Financial Year ended 2021, the profit before tax is ₹(54.80) Lakhs (Loss). But, in audited financials there was a profit of ₹175.99 Lakhs. A major factor which has affected the profitability in restated financials of Financial Year ended 2021, is “Depreciation”. As in Financial Year ended 2021, in audited financial depreciation was calculated as per depreciation of income tax only, while depreciation mentioned in restated financial depreciation is calculated as per Companies Act. Hence, this depreciation amount is higher than depreciation of income tax which resulted the financials of Financial Year ended 2021, in to loss.

Explanation for the KPIs:

S.No.	KPI	Remark/Definition/Assumptions
Financial KPI		
1	Revenue from Operations	Revenue from Operations means the revenue from operations as appearing in the Restated Financial Information
2	Gross Profit	Gross Profit is calculated as revenue from operations less cost of materials consumed, changes in inventories of finished goods and work-in-progress.
3	Gross Profit Margin	Gross Margin refers to the percentage margin derived by dividing Gross Profit by Revenue from Operations.
4	EBITDA	EBITDA is calculated as restated profit / (loss) for the period / year (excluding Other Income), plus finance costs, total taxes, and depreciation and amortization expense.
5	EBITDA Margin	EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
6	Profit After Tax	PAT is restated Profit/ (Loss) or the period/ year as appearing in the Restated Financial Information.
7	PAT Margin	PAT Margin refers to the percentage margin derived by dividing Profit after Tax by Total Income.
8	Net cash from operating activities	Net cash from operating activities is Profit before Tax after giving adjustments of non-operating incomes and expenses and Change in Operating Assets and Liabilities.
9	Net Worth	Net Worth is sum of Equity Share capital and other Equity.
10	Total Debt	Total Debt is sum of short term and Long-term Borrowings.
11	ROE	“ROE” means Return On Equity which represent restated profit of the year divided by average Total Equity.
12	ROCE	“ROCE” means return on capital employed, which represents EBIT (Earnings before interest and Tax) during the relevant year as a percentage of Capital employed. Capital employed is the total of all type of capital, other equity, total borrowing, total lease liabilities and deferred tax liabilities (net) less deferred tax asset (net) as the end of the relevant year.

Description on the historic use of the KPIs by us to analyse, track or monitor our operational and/or financial performance In evaluating our business, we consider and use certain KPIs, as stated 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 Restated Financial Information. We use these KPIs to evaluate our financial and operating performance. 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. Therefore, these metrics should not be considered in isolation or construed as an alternative to GAAP measures of performance or as an indicator of our operating performance, liquidity or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial

performance, when taken collectively with financial measures prepared in accordance with GAAP. Investors are encouraged to review GAAP financial measures and to not rely on any single financial or operational metric to evaluate our business.

7. Set forth below are the details of comparison of key performance of indicators with our listed industry peer:

As there are no comparable peer which is listed in India and which are engaged in the same line and comparable to the scale of operation of our Company, hence comparison with industry peers is not applicable.

8. Weighted average cost of acquisition, and Offer Price

The price per share of our Company based on the primary/ new Offer of shares (equity/ convertible securities) There has been no issuance of Equity Shares or convertible securities, nor Equity Shares issued pursuant to employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of this DRHP, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Offer capital before 75 such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

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

There have been no secondary sale/ acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts of shares), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

9. The Offer Price is [●] times of the face value of the Equity Shares

The Offer Price of ₹[●] has been determined by our Company in consultation with the Lead Managers, on and is justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with '*Risk Factors*', '*Our Business*', '*Restated Financial Information*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' beginning on pages 27, 118, 186, and 192, respectively, of this Draft Red Herring Prospectus to have a more informed view. The trading price of Equity Shares could decline due to factors mentioned in '*Risk Factors*' beginning on page 27 of this Draft Red Herring Prospectus and you may lose all or part of your investments.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To
The Board of Directors,
Paramount Speciality Forgings Limited
3, 1, Guru Himmat Building,
Dr. Mascarenhas Road Anjirwadi,
Mazgaon, Mumbai,
Maharashtra, India, 400010

Dear Sir,

Subject - Statement of possible tax benefits ("the statement") available to Paramount Speciality Forgings Limited ("the Company") and its shareholders

1. We hereby confirm that the enclosed Annexure 1 and 2 (together "**the Annexures**"), prepared by **Paramount Speciality Forgings 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, circular and notifications issued from time to time, i.e. applicable for the Financial Year 2023-24 relevant to the assessment year 2024-25, the Central Goods and Services Tax Act, 2017 and the Integrated Goods and Services Tax Act, 2017, circular and notifications issued from time to time, i.e., applicable for the Financial Year 2023-24 relevant to the assessment year 2024-25 (**'the Indirect Tax Act'**), 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.
2. The benefits discussed in the enclosed Annexures are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. 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.
3. 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.
4. The Content of the enclosed 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.
5. No assurance is given that the revenue authorities/Courts will concur with the view expressed herein. Our views are based on existing provisions of law and its implementation, which are subject to change from time to time. We do not assume any responsibility to updates the views consequent to such changes.
6. 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.

7. 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 Letter of Offer/Offer Documents 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 S S R V and Associates
Chartered Accountants
Firm Registration No.: 135901W

Vishnu Kant Kabra
Partner
Membership No.: 403437
Place: Mumbai
Date: Friday, December 08, 2023
UDIN: 23403437BGWFBL5577

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 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 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 Direct Tax Act.

B. Special Tax Benefits to The Shareholder

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

**For S S R V and Associates
Chartered Accountants
Firm Registration No.: 135901W**

**Vishnu Kant Kabra
Partner
Membership No.: 403437
Place: Mumbai
Date: Friday, December 08, 2023
UDIN: 23403437BGWFBL5577**

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 Indirect 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 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 Indirect Tax Act.

B. Special Tax Benefits to The Shareholder

The Shareholders of the Company are not entitled to any special tax benefits under the Indirect Tax 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 Letter of Offer/Offer Documents.

For S S R V and Associates
Chartered Accountants
Firm Registration No.: 135901W

Vishnu Kant Kabra
Partner
Membership No.: 403437
Place: Mumbai
Date: Friday, December 08, 2023
UDIN: 23403437BGWFBL5577

SECTION V – ABOUT THE COMPANY

INDUSTRY OVERVIEW

Industry sources and publications are prepared based on information has been extracted from various websites and publicly available documents from various industry sources. These are based on specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the issue has independently verified the information provided in this section. Industry sources and publications, referred to in this section, 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. Investors should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the equity shares. Before deciding to invest in the equity shares, prospective investors should read this Draft Red Herring Prospectus, including the information in “Our Business” and “Restated Financial Information” beginning on pages 118 and 186, respectively of this Draft Red Herring Prospectus. An investment in the equity shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the equity shares, see “Risk Factors” beginning on page 27 of this Draft Red Herring Prospectus.

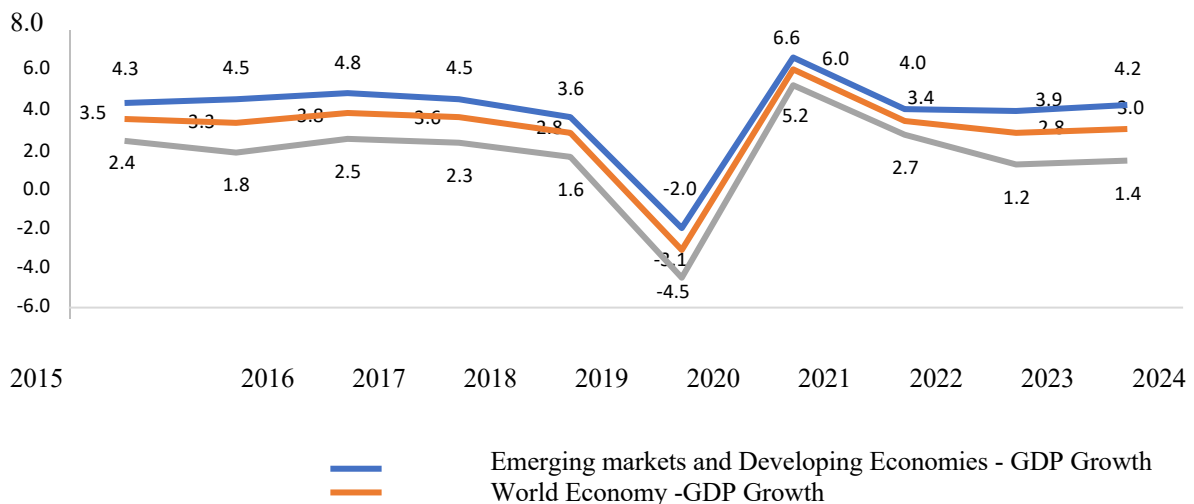
For more information, see “Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data” on page 14 of the Draft Red Herring Prospectus.

THE GLOBAL ECONOMY

Global Macroeconomic Variables

Global growth is projected to fall from an estimated 3.4 percent in 2022 to 2.8 percent in 2023, then rise to 3.0 percent in 2024. The rise in central bank rates to fight inflation and Russia’s war in Ukraine continue to weigh on economic activity. The rapid spread of COVID-19 in China dampened growth in 2022, but the recent reopening has paved the way for a faster-than-expected recovery. An already fragile global economy has been hit by several shocks, including higher-than-expected global inflation, particularly in the United States and major European economies, tighter financial conditions, a worse-than-expected slowdown in China due to COVID-19 outbreaks and subsequent lockdowns, and more detrimental effects from the conflict in Ukraine. However, it is anticipated that these sporadic shocks will be resolved in the short- to medium-term, and that, with proper fiscal stimulus and inflation control, the world GDP will eventually improve.

Global GDP Growth (CY2015-2024)



Note: Advanced economies include regions such as United States, Germany, France, Italy, Spain, Japan, United Kingdom Emerging economies include regions such as China, India, ASEAN-5, Russia, Brazil, Mexico, Saudi Arabia, Nigeria, South Africa

SOURCE: IMF, World Economic Outlook (WEO), April 2023

GDP growth rate of Key Select Economies, Global, 2022-2024

The COVID-19 pandemic is expected to impact all the regions globally and consequentially the GDP growth within these regions as well. Barring a few emerging markets such as India and China, most of the other regions are expected to witness a significant impact on their GDP that could turn negative.

OVERVIEW OF INDIAN ECONOMY

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 (2011-12) in the first quarter of 2023–24 is estimated at Rs. 40.37 trillion (US\$ 484.94 billion), showing a growth of 7.8% as compared to the first quarter of 2022–23 estimated at Rs. 37.44 trillion (US\$ 449.74 billion). 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 2023-24 (April-September), India's service exports stood at US\$ 164.89 billion. Furthermore, India's overall exports (services and merchandise) in 2023-24 (April-September) were estimated at US\$ 376.29 billion. 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.

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 prioritise 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 August 2023, India's foreign exchange reserves stood at US\$ 594.90 billion.
- In the first half of 2023-24, India saw a total of US\$ 21 billion in PE-VC investments.

- Merchandise exports in September 2023 stood at US\$ 34.47 billion, with total merchandise exports of US\$ 211.40 billion during the period of April-September (2023-24).
- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.
- PMI Services remained comfortably in the expansionary zone at 62.3 in the month of June 2023.
- In September 2023, the gross Goods and Services Tax (GST) revenue collection stood at Rs.1,62,712 crore (US\$ 19.54 billion), of which CGST is Rs. 29,818 crore (US\$ 3.58 billion), SGST is Rs. 37,657 crore (US\$ 4.52 billion), IGST is Rs. 83,623 crore (US\$ 10.04 billion).
- Between April 2000–June 2023, cumulative FDI equity inflows to India stood at US\$ 937.58 billion.
- In August 2023, the overall IIP (Index of Industrial Production) stood at 145.1. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 111.9, 143.5 and 220.5, respectively, in August 2023.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.02% in September 2023.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crore (US\$ 540.56 million) in the same period. 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 2023-24 (till May) was estimated to be 262 lakh metric tonnes (LMT) and the rice procured in KMS 2023-24 was 385 LMT. The combined stock position of wheat and rice in the Central Pool is over 579 LMT (Wheat 312 LMT and Rice 267 LMT).

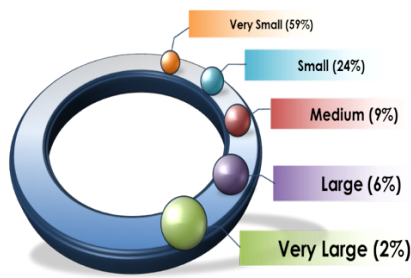
<https://www.ibef.org/economy/indian-economy-overview>

FORGING INDUSTRY

The forging industry is a key link between critical manufacturing segments--metal suppliers (both ferrous and nonferrous) and end user industries.

Forging units are usually classified basis the installed capacity of the forging unit. The forging units may be classified on the basis of physical capacity.

1. Very Large (capacity above 75,000 tpa)
2. Large (capacity between 30,000 and 75,000 tpa)
3. Medium (capacity between 12,500 and 30,000 tpa)
4. Small (capacity between 5,000 and 12,500 tpa)
5. Very Small (capacity below 5,000 tpa)



<https://www.indianforging.org/indian-forging-industry/>

Based on this classification 87 % of the total number of units falls under the small and very small category, while only about 5 per cent are large and very large units. The balance of about 8 % constitutes the medium sized units. Over the years, the Indian forging industry has evolved from being a labour-intensive industry to capital-intensive manufacturing sector. The forging industry of India provides direct employment to about 95,000 people. The small and very small units are mainly dependant on manual labour, however medium and large units are more mechanized. Quality standards in the industry have improved significantly and the sector is now well known globally for its high quality. Current share of auto sector is about 58% of total forging production while the rest is with the non-auto sector. Changes in Indian automobile industry directly impact Indian forging industry, because the forging components form the backbone of the Indian automobile industry.

Since the automobile industry is the main customer for forgings the industry's continuous efforts in upgrading technologies and diversifying product range has enabled it to expand its base of customers to foreign markets. The Indian forgings industry has made rapid strides and currently, not only meets almost all the domestic demand, but has also emerged as a large exporter of forgings. The industry is increasingly addressing opportunities arising out of the growing trend among global automotive OEM's (Original Equipment Manufacturers) to outsource components from manufacturers in low-cost countries. As a result, the industry has been making significant contributions to country's growing exports. The forging industry needs to leverage the market opportunity through focused approach on increasing productivity, upgrade of technology rather than mere capacity expansion. The industry has to constantly look for opportunities to increase productivity. The future of the industry does not look as dismal as it was 2-3 years back.

The Importance of The Forging Industry

Forging has unique value among manufacturing processes. The industry is a key link between critical manufacturing segments--metal suppliers (both ferrous and nonferrous) and end user industries. Forgings are intermediate products used widely by original equipment manufacturers in the production of durable goods. They range in size from less than an ounce to more than 150 tons and are found in the machines, vehicles and equipment used to generate our industrial economy. Forgings are found in 20% of the products representing the Gross Domestic Product of the United States. The products of the forging industry are essential to the U.S. industrial economy, to its society, and to its national security.

Forging imparts advantages that few processes can duplicate. The industry's future is based on improving upon these advantages. The following are features of forging that make the process and industry so important to designers and users (specifiers) of components:

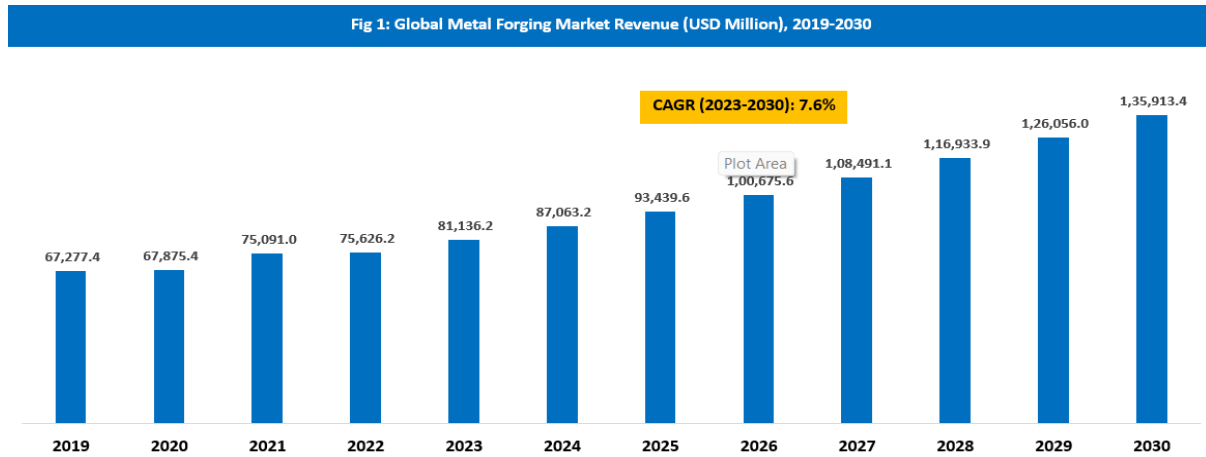
- Forgings can be manufactured from readily available bar stock,
- Almost all metals and alloys can be forged,
- There are few restrictions on part size,
- Forgings can produce high tolerance features,
- The products are fully recyclable,

- Forgings impart high strength and reliability to components
- Forgings typically have relatively low life cycle costs.

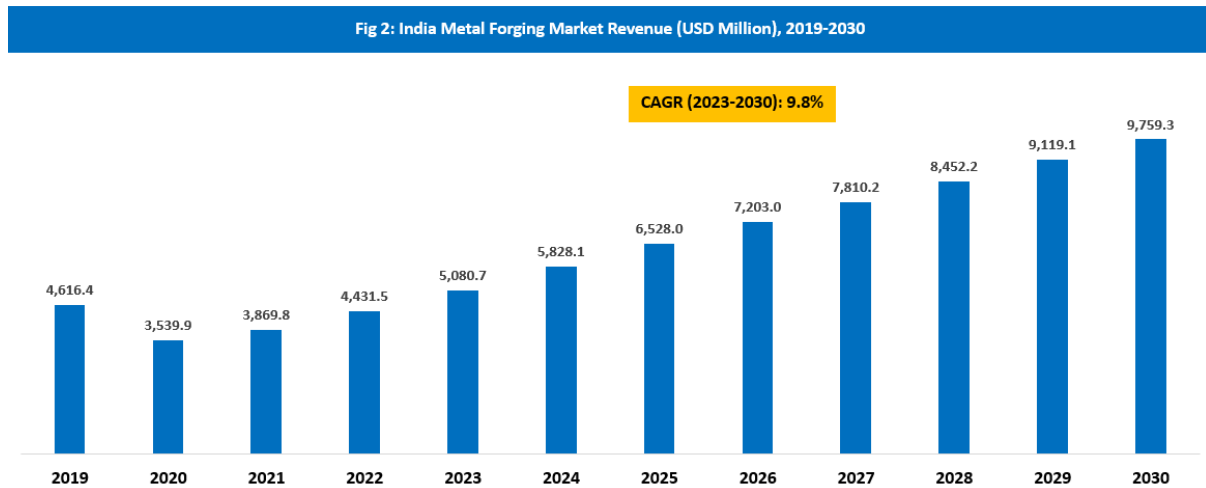
The India metal forging market is projected to grow from \$4.32 billion in 2022 to \$8.80 billion by 2029, at a CAGR of 10.69% in forecast period, 2022-2029.

<https://www.fortunebusinessinsights.com/india-metal-forging-market-106788>

Global Market Forecast



India Market Forecast



India Market Forecast, By Material

Table 1: India Metal Forging Market Revenue (USD Million) Forecast, By Material, 2019-2030

Material	2019A	2020A	2021A	2022A	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	CAGR (2023-2030)
Carbon Steel	2,004.80	1,544.30	1,695.90	1,950.90	2,246.80	2,589.10	2,913.20	3,229.10	3,517.20	3,823.60	4,144.10	4,455.10	10.30%
Alloy Steel	750.4	575.8	629.8	721.7	827.9	950.9	1,066.40	1,178.10	1,279.00	1,385.80	1,497.00	1,604.00	9.90%
Stainless Steel	313.1	234.7	250.8	280.7	314.7	352.8	386.2	416.6	441.5	467.1	492.5	515.3	7.30%
Others (Titanium, Aluminium Alloys, and Nickel)	1,548.10	1,185.10	1,293.40	1,478.30	1,691.30	1,935.30	2,162.20	2,379.20	2,572.60	2,775.70	2,985.50	3,184.80	9.50%
Total	4,616.40	3,539.90	3,869.80	4,431.50	5,080.70	5,828.10	6,528.00	7,203.00	7,810.20	8,452.20	9,119.10	9,759.30	9.80%

India Market Forecast, By End User

Table 2: India Metal Forging Market Revenue (USD Million) Forecast, By End User, 2019-2030

End User	2019A	2020A	2021A	2022A	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	CAGR (2023-2030)
Automotive	2,923.10	2,252.60	2,474.80	2,848.10	3,281.60	3,783.00	4,258.40	4,722.00	5,145.60	5,596.30	6,067.70	6,526.00	10.30%
Aerospace and Defense	114.9	87.6	95.2	108.4	123.7	141	157.1	172.4	185.9	200	214.6	228.4	9.20%
Railway	266.8	197.3	208	229.7	254.1	281.1	303.6	323	337.8	352.6	366.8	378.7	5.90%
Industrial Machinery	225.4	171.3	185.6	210.7	239.5	272.2	302.2	330.6	355.3	381.1	407.6	432.3	8.80%
Marine	41.1	30.7	32.6	36.3	40.5	45.3	49.4	53	55.9	58.9	61.8	64.4	6.80%
Others (Agriculture, Power, Mining, and Construction)	1,045.20	800.5	873.6	998.2	1,141.30	1,305.40	1,457.40	1,601.90	1,729.70	1,863.30	2,000.60	2,129.40	9.30%
Total	4,616.40	3,539.90	3,869.80	4,431.50	5,080.70	5,828.10	6,528.00	7,203.00	7,810.20	8,452.20	9,119.10	9,759.30	9.80%

MARKET DYNAMICS

1. Drivers

- Increasing Demand for Forged Products in Power, Agriculture, Aerospace, and Defense
- Increasing Foreign Direct Investment (FDI) to boost the market growth.
- Increasing Export of Forging Products to drive the market growth.

2. Restraints

- Rising steel prices and shortage of raw material are anticipated to limit the market growth.
- Electrification in automotive industry to slow down the market growth.

3. Opportunities

- Scope for the diversification of metal forging market from automotive industry to non-automotive industry specifically power, agriculture and aerospace
- Rising demand for lightweight aluminum products in electric & hybrid vehicles

4. Trend

- Rising adoption of Automation in manufacturing to drive the market growth.

MARKET DRIVERS

Increasing Export of Forging Products to Drive the Market Growth

- Globally, India is considered as one of the major manufacturing hubs. The increase in domestic manufacturing capacity and competitiveness is helping India's exports to grow at a record pace.
- According to the Engineering Export Promotion Council of India (EEPC) forging sector is identified as one of the key sectors for export growth.
- Additionally, government initiatives such as 'Make in India' has given a boost to the manufacturing industry in the region by creating a positive business environment. The key players operating in the Indian metal forging industry are bagging export orders from various economies, which is likely to drive the growth of the metal forging industry in India.
- For instance, in January 2022, Ramkrishna Forging bagged an export order of nearly INR 57.5 crore (USD 7.73 Million) to supply spindles over a period of three years from one of the largest TIER-1 manufacturers from North America in the commercial vehicle segment.
- India export forging to more than 143 countries. In the year 2020-2021 (April – November), India has exported forging worth USD 813.66 Million. The total volume of exports was nearly 957,447,114 units.
- The increasing demand for forged products across various industries worldwide is anticipated to boost the growth of the Indian metal forging market during the forecast period.

Increasing Foreign Direct Investment (FDI) to Boost the Market Growth

- FDI is one of the critical drivers of economic growth in India. It is a non-debt financial resource for industrial and economic development in India.
- Foreign companies prefer to invest in the Indian manufacturing sector to take advantage of the well-established manufacturing industry, special investment privileges like tax exemptions, lower wages, and other benefits.
- Additionally, government initiatives in recent years, such as relaxing FDI norms across various sectors, are expected to drive the FDI growth in upcoming years, which is likely to influence the growth of India's manufacturing and metal forging industries.
- According to the Department for Promotion of industry and Internal Trade (DPIIT), FDI equity inflow was USD 572.81 Million between April 2000 – December 2021. India witnessed growth in FDI inflow from USD 74.39 Million in FY 2019- 2020 to USD 81.72 in FY 2020-2021, registering a growth of nearly 10%.
- In 2021-2022, India recorded India recorded highest ever FDI inflow of USD 83.57 Million. The FDI inflow for the manufacturing sector increased by 76% in 2021-2022, reaching nearly USD 21.34 Million from USD 12.09 Million in 2020- 2021.
- Moreover, India is one of the leading steel producers in the world. Therefore, the availability of raw materials such as steel, iron and others in the region is further attracting foreign investors to invest in the Indian manufacturing sector.
- Therefore, surging FDI in the manufacturing sector is influencing the demand for forged products, which is likely to boost market growth in years to come.

MARKET RESTRAINTS

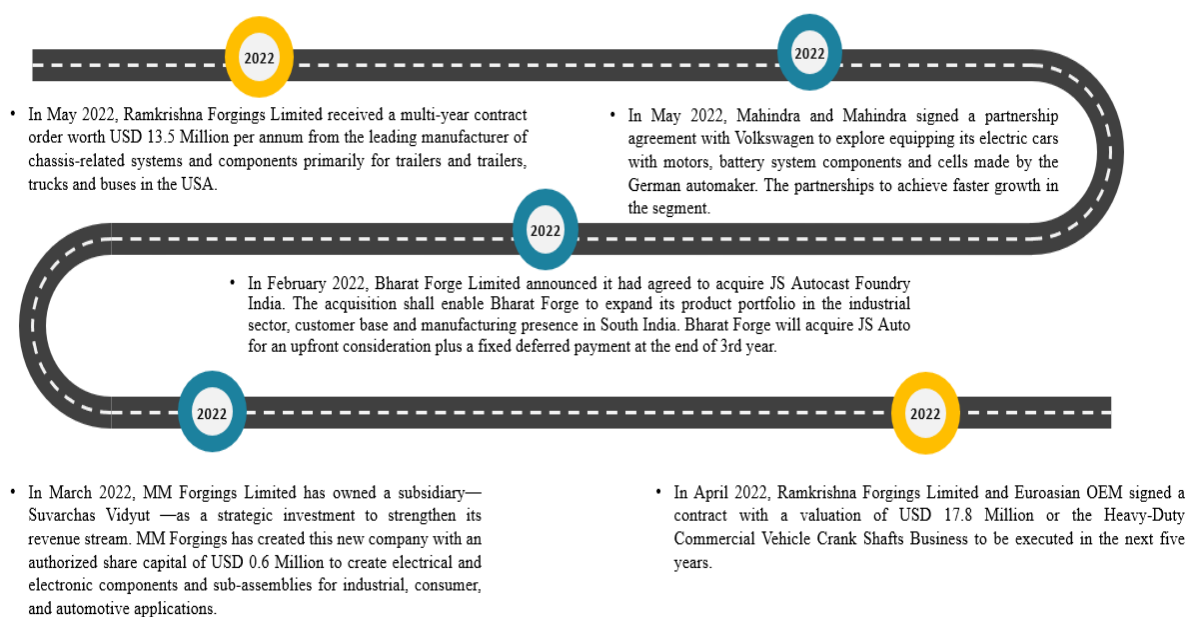
Rising Steel Prices and Shortage of Raw Material are Anticipated to Limit the Market Growth

- Steel is a highly used raw material in the Indian metal forging industry. Therefore, rising steel prices due to the shortage of iron ore in India are anticipated to hinder market growth in the near future.
- Iron ore is the major raw material utilized in the steel-making process. Hence, the low production of iron ore during the pandemic has caused a shortage of iron ore in India. Additionally, a good number of mines that changed hands through auctions in February 2020 have not yet started production in Odisha at full capacity. Odisha auctioned 19 mines, out of which five were captive, and 14 were open category.
- Therefore, the shortage of iron ore, which is responsible for elevated iron ore prices, is directly impacting on rates of steel.
- The increased steel prices have leveled up the barrier for new entrances along with capacity and scope expansion for metal forging companies in India. Moreover, the forging companies were already experiencing setbacks due to low demand for forging products during the pandemic and this steel price hike further worsened the situation for all the small and medium-sized forging companies in India.
- The average domestic price of hot-rolled steel coil went up from INR 39,761 (USD 542.74) per tonne in CY2020 to INR 63,000 (USD 845.46) per tonne in December 2021, registering a nearly 58% rise in prices. The pre-pandemic average pricing in CY 2019 was INR 38,567 per tonne.

Electrification in Automotive Industry to Slow Down the Market Growth

- The domestic automotive industry in India is the leading customer for metal forged products and parts. Approximately more than 60% of the metal forging units in India are involved in automotive component manufacturing. Therefore Indian metal forging market is highly dependent on the domestic automotive industry.
- Currently, the automotive industry is going through once in century revolution. Rising environmental concerns, government initiatives to promote green mobility, an increasing number of stringent emission regulations, and rising fuel prices are driving electrification in the automotive industry.
- Nearly all the leading automakers are focused on developing electric vehicles as future mobility solutions. However, electric vehicles have fewer moving parts and forged components compared to conventional vehicles.
- Therefore, the growing popularity and adoption of electric vehicles and rising electrification in the Indian domestic automotive industry are likely to hamper the growth of the Indian metal forging market during the forecast period.
- For instance, in 2021, electric 4W sales increased by 206.3% to 14,218 in 2021. Moreover, electric bus sales were relatively neutral, and FAME II-backed electric bus deployment will support the strong growth of this segment.
- Electric vehicles are anticipated to penetrate deeper in total vehicle sales in India during the forecast period further hampering the Indian metal forging market.

KEY INDUSTRY DEVELOPMENTS



REGULATORY OVERVIEW

I. Environmental Regulation

- Adherence to environmental regulations set by the Central Pollution Control Board (CPCB) and state pollution control boards is mandatory. This includes measures for air and water pollution control.

II. Quality Standard

- The Bureau of Indian Standards (BIS) sets quality standards for products; compliance with these standards is typically mandatory for all forging industry.

III. Import and Export Regulations

- The Directorate General of Foreign Trade (DGFT) oversees import and export regulations. The industry must comply with guidelines related to international trade.

IV. Labor Laws

- Compliance with labour laws, including those related to working conditions, safety, and employment practices, is crucial. The Ministry of Labor and Employment governs these regulations.

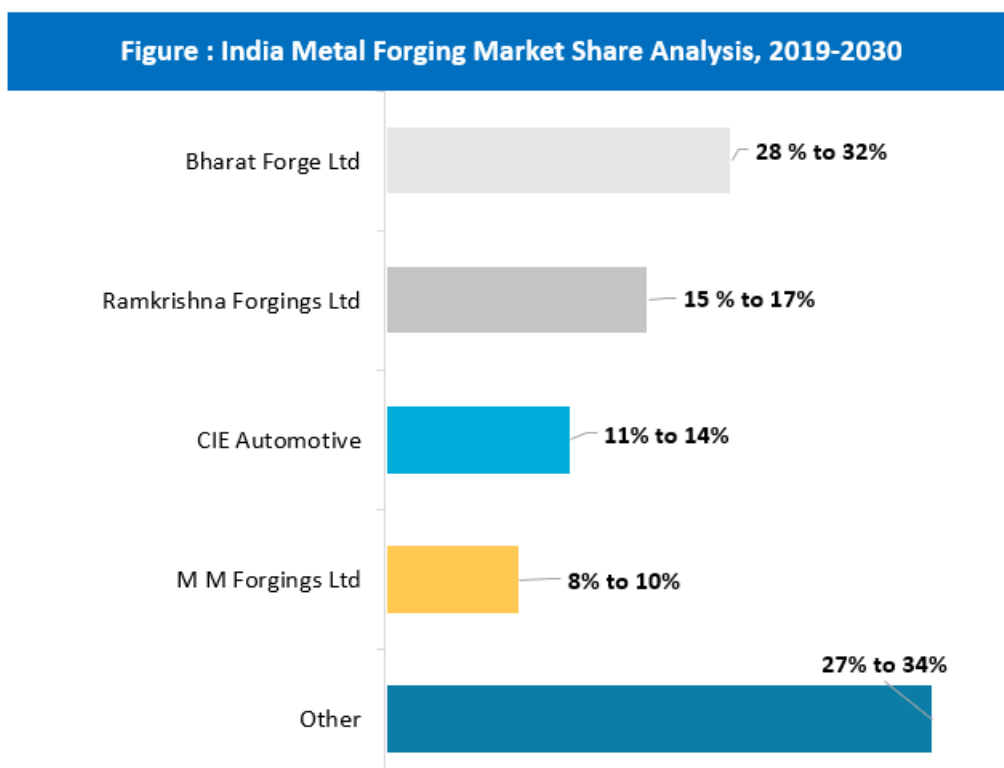
V. Custom Duties

- The Central Board of Indirect Taxes and Customs (CBIC) governs customs duties. Companies involved in importing and exporting forged products need to be aware of application duties.

VI. Industrial Licensing

- The Department of Promotion of Industry and Internal Trade (DPPIT) is responsible for industrial licensing policies. Depending on the nature of the foregoing business, a specific license may be required.

MARKT SHARE ANALYSIS



Analysis

- The figure above highlights market share (%), by company, in the India metal forging market, 2022.
- The India metal forging market is consolidated with several players operating in this industry. It is observed that key players offer quality services by upgrading forging product capabilities to enhance performance of metal forging market.
- The top four players in the industry are Bharat Forge Ltd, Ramkrishna Forgings Ltd, Mahindra CIE Automotive Ltd and M Forgings Ltd together comprise in between 56% to 62% of the total market.
- The Bharat Forge is a leader in the metal forging market and holds the market share in between 28% to 32%. The company offers services including Automotive, Railways, Aerospace, Marine, Oil & Gas, Power, Construction and Mining.
- Ramkrishna Forging Ltd Corporation with its machinery and vast product portfolio of forging product solutions is anticipated to register a market share in between 15% to 17%. Other prominent players involved in the market together holds in between 45% to 52% market share of the total market.

Source: Fortune Business Insight Report

OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read “*Forward-Looking Statements*” on page 17 of this Draft Red Herring Prospectus for a discussion of the risks and uncertainties related to those statements and also “*Risk Factors*” on page 27 of this Draft Red Herring Prospectus for a discussion of certain risks that may affect our business, financial condition, or results of operations, “*Restated Financial Statements*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 186, and 192 of this Draft Red Herring Prospectus, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

History of Paramount

Initially, Roshan Ali Hararwala, Taher Hasnbhai Hararwala and Niranjan Induprasad Raval have formed partnership firm constituted under the Indian Partnership Act, 1932 on June 28, 1962, under the name Acme Engineering Works and started a business of trading and supplying of Plate Fabricated Products. Thereafter, as a partnership firm in the name and style of Paramount Forge in 1994, pursuant to a deed of partnership having Mr. Niranjan Induprasad Raval, Ms. Kauser A Bhagat, Mr. Mohamadi T Hararwala, Master Mohamad S. Hararwala and Master Aliasgar R. Hararwala as partners.

Thereafter, Paramount Speciality Forgings LLP, an LLP had been incorporated consequent upon conversion of Partnership Firm “M/s. Paramount Forge”, into LLP on June 27, 2019, having Mr. Aliasgar Abdulla Bhagat, Mr. Mohammed Salim Hararwala, Mr. Abdulla Aliasgar Bhagat, Mr. Hoozefa Salem Hararwala, Mr. Abbas Ali Salim Hararwala, Mr. Zahid Mohamadi Hararwala and Mr. Roshan Ali Hararwala as partners.

We are part of the Paramount Forge which was established in 1994 in the form of Partnership Firm have over 25 years of operating history in the business of forged Products. Our Company, Paramount Speciality Forgings Limited, is incorporated in the current financial year. For further details, see “*History and Other Corporate Matters*” on page 157 of this Draft Red Herring Prospectus.

Business Overview

We are manufacturers of steel forgings in India offering a diverse range of forged products. We have developed our business and scale of operations since its founding in 1996 and have invested in a variety of machinery to boost and diversify our manufacturing capabilities. We can now manufacture and provide forged components ranging in weight from 1Kg to 4 metric tons in rough or finish-machined condition. Our products are manufactured in accordance with National & International standards and is used in a wide range of industrial applications catering to the extensive requirements of Petrochemicals, Chemicals, Fertilizers, Oil & Gas, Nuclear Power, and other heavy engineering sectors.

We benefit from our experience in catering to a wide range of customers due to our legacy of over three decades in the manufacturing businesses and have built long-standing relationships with customers across end-users in the Petrochemicals, Chemicals & Fertilizer, Oil & Gas, Nuclear, Power & other Heavy Engineering Industries.

We as an organization have established, implemented, and maintained an Integrated Management System (IMS), including the processes needed and their interactions, to achieve the intended outcome, including enhancing environmental and OH & S performance. The organization has considered the knowledge it gained during determination of internal and external issues, workers and other interested parties’ requirements while establishing and maintaining the Integrated Management System. The organization ensures continual improvement in IMS.

We own and operate two manufacturing facilities, with one in Kamothe and one in Khalapur, Maharashtra. Our Closed Die Forging Plant shop is equipped with two pneumatic air hammers 2T and 5T and a Drop Forge Hammer of capacity 1.5 MT that are capable of producing single piece forgings weighing up to 120 Kgs.

On the other hand, the Ring Rolling facility at the Khalapur Plant is equipped with an Automated 3,500T Hydraulic Blanking Press & a Radial Axial Ring Rolling Mill producing a variety of forgings and is capable of forging Seamless rolled rings up to a diameter of 3,500 mm, a height of up to 750mm and a weight of up to 5MT.

For more information on the capacity of our manufacturing facilities, see “Installed Capacity, Average Annual Available Capacity, Actual Production and Capacity Utilization” on page 118.

Plant	Production Capacity
Kamothe Plant (Closed Die Forging)	5,000 MTPA
Kahalpur Plant (Ring Rolling & Open Forging)	7,000 MTPA
Total Capacity	12,000 MTPA

As time has progressed, we have modernized our existing Closed Die manufacturing plant & kept upgrading our Ring Rolling Facility which further increases our Production capacities & capabilities. This now includes a wide range of Products Including Flanges, Non-standard Forgings, Valve Components, Gear Rings & Blanks, Bearing Races, Slew Rings, Turbine Rings, & other Customized Forgings in all grades of Carbon, Alloy, Stainless, Duplex, Super Duplex & Other Nickel Alloy based materials. The manufacturing plants are geared to manufacture with productivity and precision followed by stringent quality control measures, managed by a group of professionals having experience in various fields of Management & Engineering which is backed up by highly motivated work force. The plant is certified under ISO 9001-2008, ISO 14001-2004 and BS OHSAS 18001-2007 and accredited by reputed Oil & Gas companies, Statutory Bodies & Inspections Agencies.

We manufacture a range of forged products which include Tube Sheet Blanks, Forged Rings, Spacers , Girth Flanges, Tyre Rings, Self-reinforced nozzle, Long weld neck flanges, Seat, Valve’s body, Bonnet etc.

Manufacturing Process

Raw Material

Raw Materials used for manufacture such as Ingots, Billets, Rounds & Bars are used from Manufacturers following manufacturing practices in all grades of Carbon, Stainless & Alloy Steels. We also require other raw materials, such as metal, scrap and machined parts, most of which are sourced from the domestic suppliers based on our requirements on an on- going basis. We have long-standing relationships with certain suppliers. However, we do not have any definite agreement with our suppliers. We procure all of our raw materials by purchase orders on an ongoing basis and therefore, are required to pay the market price of such products. We are able to leverage our wide and diverse network of suppliers to ensure that our supply chain remains unaffected.

In Fiscal 2023, 2022 and 2021, the cost of raw materials and components consumed was ₹8,367.18 Lacs, ₹6,093.05 Lacs and ₹2,876.39 Lacs, respectively, which represented 75.82%, 69.57% and 55.71% of our revenue from operations for the respective Fiscals.

Sawing

We have a range of band saws that are capable of cutting sections available 10 mm to 1000mm up to in all grades of Steels.

Machinery

Forgings are produced using the conventional Closed Die Forging (Hammers 1.5T,2T & 5T), Open Forging (Hydraulic Press 3500 T & Automated Ring Rolling Mill (Up to 3500mm Dia) Processes in manufacturing.

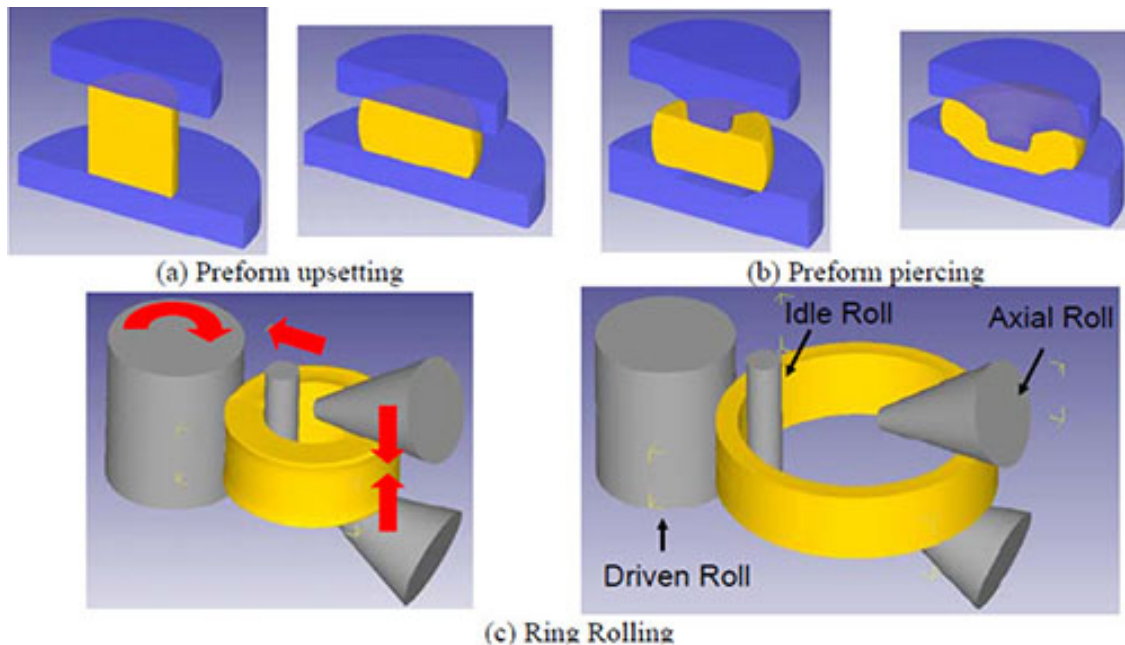
A well-equipped machine shop with a wide range of various CNC machines, Vertical and horizontal lathes, milling, boring, deep drilling machines, Turn Mill centres, and multi-axis machining centre.

Forging

We own and operate two manufacturing facilities, with one in Kamothe and one in Khalapur, Maharashtra.

Forgings are produced using the conventional Closed Die Forging (Hammers 1.5T,2T & 5T), Open Forging (Hydraulic Press 3500 T & Automated Ring Rolling Mill (Up to 3500mm Dia) Processes in manufacturing.

Ring Rolling



The facility is equipped with an Automated 3500T Hydraulic Blanking Press producing forged sections including crane wheels, industrial wheels, sheave wheels, gear blanks, blocks and other products. And a Radial Axial Ring Rolling Mill capable of forging Seamless rolled rings up to a diameter of 3500mm, a height of up to 750mm and a weight of up to 4 MT.

Ring Rolling is continuous forming of metal between a set of rotating rolls whose shape or height is incrementally reduced to produce desired section through imposing high pressures for plastic deformation. It is the process of reducing thickness, increasing length without increasing the width markedly. The ring rolling process is performed with the material at high temperature (hot). Ring rolling is an advanced technique to manufacture seamless rings with flexible cross-sectional shape, improved grain structure, and minimal scrap.

Kahalpur Plant (Ring Rolling & Open Forging) - Unit 2 - 32/11, 32/5, 32/4D							
Savroli - Kharpada Road, Village Dhamni, Taluka Khalapur, Dist – Raigad - 410202, Maharashtra, India							
Sr. No.	Description Of Machine	Make	Capacity/Range	Identification No.	Location	Under P.M/AMC	Critical/Non critical
1	Hydraulic Press	Tian Duan	3500 T	RRD M/C No. 1	R.R.D	P.M	Critical
2	Ring Rolling m/c	Shengyang	3500/780	RRD M/C No. 2	R.R.D	P.M	Critical
3	Ring Rolling m/c	Wagner	1500/75	RRD M/C No. 3	R.R.D	P.M	Critical
4	Furnace		5 T	RRD M/C No. 5	R.R.D		
5	Furnace		5 T	RRD M/C No. 6	R.R.D		
6	Bandsaw m/c	Everising	560 HAS	CS M/C No. 1	R.R.D		
7	Lathe m/c	Kalsi		MS M/C No. 1	M/C Shop		
8	Lathe m/c			MS M/C No. 2	M/C Shop		
9	Lathe m/c	Beejay		MS M/C No. 3	M/C Shop		

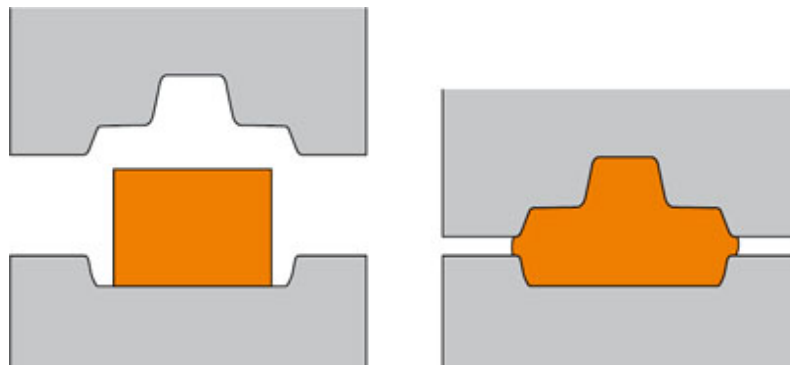
Kahalpur Plant (Ring Rolling & Open Forging) - Unit 2 - 32/11, 32/5, 32/4D							
Savroli - Kharpada Road, Village Dhamni, Taluka Khalapur, Dist – Raigad - 410202, Maharashtra, India							
Sr. No.	Description Of Machine	Make	Capacity/Range	Identification No.	Location	Under P.M/AMC	Critical/Non critical
10	Lathe m/c			MS M/C No. 4	M/C Shop		
11	Vertical Lathe	Bullard	1 mtr.	MS M/C No. 5	M/C Shop		
12	Vertical Lathe	Niles	1.4 mtr.	MS M/C No. 6	M/C Shop		
13	Radial Drill m/c	Csepel	2.6"	MS M/C No. 7	M/C Shop		
14	Radial Drill m/c	Graffenstaden		MS M/C No. 8	M/C Shop		
15	Radial Drill m/c		1"	Ms M/C No.9	M/C Shop		
16	Compressor	Elgi	41 CFM	UTS M/C No.1	R.R.D		
17	Manipulator	Hyundai	3 T	UTS M/C No.2	R.R.D	P.M	Critical
18	Generator	Kirloskar	125 KVA	UTS M/C No. 3	D.G Room		
19	Cooling Tower			UTS M/C No. 4	M/C Shop	P.M	Critical
20	Crane		10 T	UTS M/C No. 5	R.R.D	P.M	Critical
21	Crane	Habenkraft	10 T	UTS M/C No. 6	M/C Shop		
22	Scrap Bailing m/c	Rangani		UTS M/C No. 7	M/C Shop		
23	Transformer	Trans-Elect.	3000 KVA	UTS M/C No. 8	L.T Room	P.M	Critical
24	Electronic Weigh Scale	Essae	6 Tons	CS M/C No. 2	R.R.D	-	
25	Crane Weigh Scale	Essae	5 Tons	CS M/C No.3	R.R.D		
26	Vertical Lathe	Bullard	800mm	MS M/C No. 10	M/C Shop		
27	Vertical Lathe	Bullard	800mm	MS M/C No.11	M/C Shop		
28	Vertical Lathe	Webster	1.8m	MS M/C No.12	M/C Shop		
29	Lathe m/c	Metro		MS M/C No. 13	M/C Shop		
30	Lathe m/c	Rajinder		MS M/C No.14	M/C Shop		
31	Lathe m/c	Atlas		MS M/C No.15	M/C Shop		
32	Vertical Lathe	Webster	800 mm	MS M/C No. 16	M/C Shop		
33	H.T Furnace	Perfect Comb.	5 T	RRD M/C No. 6	R.R.D		
34	Crane	Vijay Cranes	5 T	UTS M/C No. 9	M/C Shop		
35	Radial Drill m/c	Csepel		MS M/C No. 17	M/C Shop		
36	Forklift	Voltas	3 T	UTS M/C No. 10	R.R.D		
37	Welding m/c	Ashok	40 Amps	UTS M/C No 11			

Kahalpur Plant (Ring Rolling & Open Forging) - Unit 2 - 32/11, 32/5, 32/4D							
Savroli - Kharpada Road, Village Dhamni, Taluka Khalapur, Dist – Raigad - 410202, Maharashtra, India							
Sr. No.	Description Of Machine	Make	Capacity/Range	Identification No.	Location	Under P.M/AMC	Critical/Non critical
38	Welding m/c	Hi-Tech	40 Amps	UTS M/C No. 12			
39	Argon Set	Hi-tech		UTS M/C No. 13			
40	Vertical Lathe	Webster	1 mtr.	MS M/C No. 18	M/C Shop		
41	Vertical Lathe	Titan	1.1 mtr	MS M/C No. 19	M/C Shop		
42	Bandsaw m/c	Everising	460 HAS	CS M/C No. 4	R.R.D		
43	Lathe m/c	New United	36"	MS M/C No. 20	M/C Shop		
44	Radial Drill m/c	Botliboy	2"	MS M/C No. 21	M/C Shop		
45	Bandsaw m/c	Amada	1080 HAS	CS M/C No. 5	R.R.D	P.M	Critical
46	VTL	Guofeng	1.6 mtr	MS M/C No. 22	M/C Shop		
47	VTL	Guofeng	1.6 mtr	MS M/C No. 23	M/C Shop		
48	VTL	Niles	1.2 mtr	MS M/C No. 24	M/C Shop		
49	Multiaxis CNC Lthe	Nakamura		MS M/C No. 25	M/C Shop		
50	CNC Lathe	Mazak		MS M/C No. 26	CNC Shop		
51	CNC VMC	Ooya		MS M/c No. 27	CNC Shop	P.M	Critical
52	CNC Lathe	HMT		MS M/c No. 28	CNC Shop		
53	Crane (M/C Shop)	Skylift	3 ton	UTS M/C No. 14	M/C Shop		
54	Crane (Drill Shop)	Skylift	3 ton	UTS M/C No. 15	M/C Shop		
55	Single Girder Crane	Skylift	3 ton	UTS M/C No. 16	M/C Shop		
56	Crane (Drill Shop)	Skylift	10 ton	UTS M/C No. 17	M/C Shop		
57	Screw Compressor	Atlas Copco	52 CFM	UTS M/C No.18	M/C Shop	P.M	Critical
58	Monorail Hoist		3 tons	UTS M/C No.19	M/C Shop		
59	Rotary Compressor	Elgi		UTS M/C No. 20	R.R.D		
60	Vertical Lathe		3.5 mtr	MS M/c No. 29	M/C Shop	P.M	Critical
61	CNC Vertical Lathe	LMW	500 mm	MS M/c No. 30	CNC Shop	P.M	Critical
62	Crane		1 ton	UTS M/C No 21	CNC Shop		
63	Crane		1 ton	UTS M/C No 22	CNC Shop		
64	H.T. Furnace 01	Samrat	6 Tons	HT M/C No 1	HT Shop	P.M	Critical
65	H.T. Furnace 02	Samrat	6 Tons	HT M/C No 2	HT Shop	P.M	Critical

Kahalpur Plant (Ring Rolling & Open Forging) - Unit 2 - 32/11, 32/5, 32/4D							
Savroli - Kharpada Road, Village Dhamni, Taluka Khalapur, Dist – Raigad - 410202, Maharashtra, India							
Sr. No.	Description Of Machine	Make	Capacity/Range	Identification No.	Location	Under P.M/AMC	Critical/Non critical
66	H.T Manipulator	Samrat	6 Tons	HT M/C No 3	HT Shop	P.M	Critical
67	Cooling Tower	Delta		UTS M/C No 23	HT Shop		
68	Vertical Lathe	Webster	1 mtr.	MS M/c No. 31	M/C Shop		
69	Lathe m/c			MS M/c No. 32	M/C Shop		
70	CNC Turning Centre	LMW		CNC M/c No.1	CNC Shop		
71	CNC Turning Centre	LMW		CNC M/c No.2	CNC Shop		
71	CNC Turning Centre	LMW		CNC M/c No.3	CNC Shop		
73	CNC Turning Centre	MAC Power		CNC M/c No.4	CNC Shop		
74	CNC Turning Centre	MAC Power		CNC M/c No.5	CNC Shop		
75	CNC VMC	MAC Power		VMC M/c No. 1	CNC Shop		
76	CNC VMC	LMW		VMC M/c No. 2	CNC Shop		
77	CNC Turning Centre	LMW		CNC M/c No.6	CNC Shop		
78	CNC Turning Centre	LOKESH	406 mm	CNC M/c No.7	CNC Shop		
79	CNC Turning Centre	LOKESH	406 mm	CNC M/c No.8	CNC Shop		
80	CNC Turning Centre	LMW		CNC M/c No.9	CNC Shop		
81	Stamping Machine	RANGANI		ST M/c No. 1	CNC Shop		
82	Forklift	GODREJ	1 ton	UTS M/c No.24	Packing		
83	Lathe m/c	PMT			CNC Shop		
84	Lathe m/c				CNC Shop		
85	Lathe m/c				CNC Shop		
86	Lathe m/c				CNC Shop		
87	Lathe m/c				CNC Shop		
88	Lathe m/c				Packing		
89	Lathe m/c				Packing		
90	Stamping Machine	RANGANI		ST M/c No. 2	Packing		
91	Stamping Machine	RANGANI		ST M/c No. 3	Packing		

Kahalpur Plant (Ring Rolling & Open Forging) - Unit 2 - 32/11, 32/5, 32/4D							
Savroli - Kharpada Road, Village Dhamni, Taluka Khalapur, Dist – Raigad - 410202, Maharashtra, India							
Sr. No.	Description Of Machine	Make	Capacity/Range	Identification No.	Location	Under P.M/AMC	Critical/Non critical
92	Radial Drill m/c	SURAJ	40 mm		Packing		
93	Drill m/c	Atlas			CNC Shop		
94	Crane	ELMECH	5 T	UTS M/c No.25	Packing		
95	CNC Turning Centre	LMW		MS M/c No. 33	M/C Shop		
96	CNC Turning Centre	LMW		MS M/c No. 34	M/C Shop		
97	CNC VMC	LMW		MS M/c No. 35	M/C Shop		
98	Drill m/c	Atlas		MS M/c No. 36	M/C Shop		
99	Muffle Furnace	Mettechnik		HT M/C No 4	HT Shop		

Closed Die Forging



Our Closed Die Forging Plant shop is equipped with two pneumatic air hammers 2T and 5T and a Drop Forge Hammer of capacity 1.5 MT that are capable of producing single piece forgings weighing up to 120 Kgs.

Closed Die Forging is a forging process in which dies move towards each other and covers the work piece in whole or in part. The heated raw material, which is approximately the shape or size of the final forged part, is placed in the bottom die. The shape of the forging is incorporated in the top or bottom die as a negative image. Coming from above, the impact of the top die on the raw material forms it into the required forged form.

By comparison, closed die hot forging is the most widely used forging method. The high temperature during hot forging enables the highest possible level of material deformation and the access to complex 3D geometries. Hot closed die forged components possess increased ductility which makes them desirable for many shapes and applications. Also, as a technique hot forging is more flexible than cold forging, lots of customized parts can be manufactured in closed die forging.

The excellent surface quality allows a wide range of finishing work as polishing, coating, or painting, tailored to customers' specific need. Hot forging materials are available all over the world, which has a positive impact on their final price.

Our organization ensures the ability to meet the requirements for products and services to be offered to customers and conducts a review before committing to supply products and services to a customer.

The processes, products and services are to be provided by monitoring and measurement at appropriate stages to verify that criteria for control of processes or outputs, and acceptance criteria for products and services, have been met are implemented as defined in control/quality plan by use of suitable infrastructure and environment for the operation of processes.

Kamothe Plant (Closed Die Forging) - Unit 1 - 99/100, 260/263						
Jawahar Industrial Estate, Panvel, Kamothe - 410 209, Dist - Raigadh, Maharashtra, India						
Sr. No.	Description of Machine.	Make.	Capacity/ Range.	Identification No.	Location.	Under preventive maintenance /AMC.
1	Drop forge hammer	NKH	1.5 Ton	HM-2	Forge shop	Yes
2	Pneumatic Hammer	Alliance	8000 Lbs.	HM-3	Forge shop	Yes
3	Pneumatic Hammer	Huta Zygmont	4000 Lbs.	HM-4	Forge shop	Yes
4	Pneumatic Hammer Open forging	Erie Pena	5000 Lbs.	HM-5	Cutting Shop	No
5	Trimming press	Ulmex	250 Ton	TR-1	Forge shop	Yes
6	Trimming press	Basant	200 Ton	TR-2	Forge shop	Yes
7	Trimming press		350 Ton	TR-3	Forge shop	Yes
8	Oil fired Batch Forging furnance with thermocouple	In House	700 Kgs./ Hr.	FG/F/01	Forge shop	Yes
9	Oil fired Batch Forging furnance with thermocouple	In House	350 Kgs./ Hr.	FG/F/02	Forge shop	Yes
10	Oil fired Batch Forging furnance with thermocouple	In House	900 Kgs./ Hr.	FG/F/03	Forge shop	Yes
11	Oil fired Pusher Forging furnance with thermocouple	In House	1 Ton / Hr.	FG/F/04	Forge shop	Yes
12	Heat Treatment Batch Furnace	Perfect Combustion & Controls	1 Ton	H/T F-01	Cutting Shop	Yes
13	Everising Automatic band saw M/C	Everising	260 SQ.	BS-9	Cutting Shop	Yes
14	Amada Automatic band saw M/C	Amada	250 SQ.	BS-10	Cutting Shop	Yes
15	Amada Automatic band saw M/C	Amada	400 SQ.	BS-11	Cutting Shop	Yes
16	Welding transformer		30-400 Amps	WT1	Forge shop	Yes
17	Welding Rectifier	Sarang transformer	30-400 Amps	WR1	Steel Yard	Yes
18	Welding Rectifier / Argon	HI-TECH Engineering	30-400 Amps	WR2	Die shop	Yes
19	Welding Rectifier / C02	MIGMATC	30-400 Amps	WR3	Die shop	Yes
20	Water pump Compressor Water Storage Tank	Kirloskar	7.5 HP	WP-1	Forge shop	No
21	Water pump HM2 Brake Drum Cooling	Kirloskar	3.0 HP	WP-2	Forge shop	No

Kamothe Plant (Closed Die Forging) - Unit 1 - 99/100, 260/263						
Jawahar Industrial Estate, Panvel, Kamothe - 410 209, Dist - Raigadh, Maharashtra, India						
Sr. No.	Description of Machine.	Make.	Capacity/ Range.	Identification No.	Location.	Under preventive maintenance /AMC.
22	Water pump HM3 Quenching Tank	Kirloskar	3.0 HP	WP-3	Forge shop	No
23	Water pump HM2 Quenching Tank	Kirloskar	3.0 HP	WP-4	Cutting Shop	No
24	Cooling tower 5 Hp	International	100 TR	CT-1	Forge shop	Yes
25	Cooling tower 7.5 Hp	United	150 TR	CT-2	Forge shop	Yes
26	Over Head Crane		3.0 Ton	CR-3	Forge shop	Yes
27	Over Head Crane		5 Ton	CR-1	Cutting Shop	Yes
28	Over Head Crane		3.0 Ton	CR-2	Steel Yard	Yes
29	Hoist		1.0 Ton	H-1	Forge shop	Yes
30	Hoist		1.0 Ton	H-2	Cutting Shop	Yes
31	Air Compressor	ELGI	10 HP	CP-5	Forge shop	Yes
32	Air Compressor	Atlas Copco	600 CFM	CP-1	Compressor Room	Yes
33	Air Compressor	Atlas Copco	600 CFM	CP-2	Compressor Room	Yes
34	Air Compressor	Atlas Copco	600 CFM	CP-3	Compressor Room	Yes
35	Air Compressor	Atlas Copco	800 CFM	CP-4	Compressor Room	Yes
36	Shearing machine Hydraulic		4" Dia	S-1	Cutting Shop	Yes
37	Shaping machine	Maruti	24" Stock	DS 6	Die shop	Yes
38	Centre lathe Conventional		12' bed / 18" Centre	L -4	Die shop	Yes
39	Centre lathe Conventional	Omega	4' bed / 18" Centre	L -5	Die shop	Yes
40	Centre lathe Conventional	Rangani eng.pvt.ltd.	8' bed / 20" Centre	L -6	Die shop	Yes
41	Centre lathe Conventional	Rangani eng.pvt.ltd.	6' bed / 12" Centre	L -7	Die shop	Yes
42	Centre lathe Conventional	Atlas machine Tools	4' bed / 12" Centre	L -8	Die shop	Yes
43	Bench grinder		8" Dia	GR-2	Die shop	No
44	Stamping machine	Rangani eng.pvt.ltd.	12"	ST -1	Packing Dept	Yes
45	Stamping machine	Rangani eng.pvt.ltd.		ST -2	Packing Dept	Yes
46	Electronic stamping machine			ST -6	Packing Dept	Yes
47	Centre lathe Conventional	Rangani eng.pvt.ltd.	5' bed / 10" Centre	L-1	Packing Dept	Yes
48	Centre lathe Conventional	Kirloskar	6' bed / 9" Centre	L-2	Packing Dept	Yes
49	Centre lathe Conventional		5' bed / 15" Centre	L-3	Packing Dept	Yes
50	Radial Drill Machine	suraj	40 mm.	DR-1	Packing Dept	Yes

Kamothe Plant (Closed Die Forging) - Unit 1 - 99/100, 260/263						
Jawahar Industrial Estate, Panvel, Kamothe - 410 209, Dist - Raigadh, Maharashtra, India						
Sr. No.	Description of Machine.	Make.	Capacity/ Range.	Identification No.	Location.	Under preventive maintenance /AMC.
51	Bench grinder	Vijay machine	8" Dia	GR-1	Packing Dept	No
52	HYD. Press machine		2 Ton	HP 1	Packing Dept	Yes
53	Jib Crane		3 Ton	CR-1	Packing Dept	Yes
54	Radial Drill Machine	Universal	40 mm.	DS 7	Die shop	Yes
55	Hydraulic Scrap Compactor		1 Ton		Dispatch	Yes
56	Electronic weighing balance	ESSAE	150 Kg.	DS 451	Cutting Shop	Yes
57	Electronic Crane Scale	ESSAE	5 Ton		Steel Yard	Yes
58	CNC Turning Centre	LMW		CNC 1	Machine Shop	Yes
59	CNC Turning Centre	LMW		CNC 2	Machine Shop	Yes
60	CNC Turning Centre	LMW		CNC 3	Machine Shop	Yes
61	CNC Turning Centre	MAC POWER		CNC 4	Machine Shop	Yes
62	CNC Turning Centre	MAC POWER		CNC 5	Machine Shop	Yes
63	Vertical Machining Centre VMC	LMW LV55		VMC 2	Machine Shop	Yes
64	Vertical Machining Centre VMC	MAC POWERV-645		VMC 1	Machine Shop	Yes
65	Centre Lathe Conventional	-	10" Chuck Size	L-9	Machine Shop	Yes
66	Centre Lathe Conventional	-	10" Chuck Size	L-10	Machine Shop	Yes
67	Centre Lathe Conventional	-	10" Chuck Size	L-11	Machine Shop	Yes
68	Centre Lathe Conventional	-	10" Chuck Size	L-12	Machine Shop	Yes
69	Centre Lathe Conventional	-	10" Chuck Size	L-13	Machine Shop	Yes
70	Centre Lathe Conventional	-	14" Chuck Size	L-14	Machine Shop	Yes
71	Centre Lathe Conventional	-	14" Chuck Size	L-15	Machine Shop	Yes
72	Centre Lathe Conventional	-	14" Chuck Size	L-16	Machine Shop	Yes
73	Centre Lathe Conventional	-	24" Chuck Size	L-17	Machine Shop	Yes
74	Centre Lathe Conventional	-	20" Chuck Size	L-18	Machine Shop	Yes
75	Coloumn Drill Machine	-	40 mm.	DR-2	Machine Shop	Yes

Kamothe Plant (Closed Die Forging) - Unit 1 - 99/100, 260/263						
Jawahar Industrial Estate, Panvel, Kamothe - 410 209, Dist - Raigadh, Maharashtra, India						
Sr. No.	Description of Machine.	Make.	Capacity/ Range.	Identification No.	Location.	Under preventive maintenance /AMC.
76	Electric Portable Grinder	-	0.75 HP	EPG 6	Machine Shop	No
77	Air Compressor		12 Kg/ CFM	TS50HN	Machine Shop	Yes
78	Welding transformer	-	450 Amp.	WT2	Machine Shop	Yes
79	Electric Portable Grinder GWS-20-180	BOSCH		EPG 1	Forge shop	No
80	Electric Portable Grinder PDA-100M	HITACHI		EPG 2	Forge shop	No
81	Electric Portable Grinder PDA-100M	HITACHI		EPG 3	Forge shop	No
82	Electric Portable Grinder	HITACHI-KOKI	12000 RPM	EPG 4	Die Shop	No
83	Electric Portable Grinder	HITACHI-KOKI	12000 RPM	EPG 5	Die Shop	No
84	Pneumatic Die Grinder 3050	Jairaj Engrs.	21000 RPM	12066	Forge shop	Yes
85	Stamping machine	Rangani eng.pvt.ltd.		ST-4	Machine Shop	No
86	DOT Punching Machine	Marks Pryor		ST-5	Machine Shop	No
87	Portable Electronic Punching Machine	SIC Marking		ST-3	Packing Dept	No
88	Jib Crane		1 Ton	CR-2	Machine Shop	No
89	C.N.C Machine	LMW		CNC 6	Machine Shop	Yes
90	Welding Rectrifier	Sahara Axe		WR 4	Machine Shop	Yes
91	Air Receiver	XL Consultant	7000 Ltrs	AR 1	Forge shop	No
92	Air Receiver	XL Consultant	5000 Ltrs	AR 2	Forge shop	No
93	Furnace Oil Tank	Fabricated	Dia 4350 X 4650	FOT 1 & 2	Forge shop	No
94	Furnace Oil Services Tank	Fabricated	1.6x1.6x1.2 M / 3000 Ltr	FOT 3	Forge shop	No
95	L.D.O Tank	Fabricated	1200 Ltrs / 1290 x 1000 x 900 mm	FOT 4	Forge shop	No
96	Quenching Tank	Fabricated	2.5 x1.2x0.8 M /2500 Ltr	QT 3	Forge shop	No
97	Quenching Tank	Fabricated	2.0x2.0x1.0M / 4200 Ltr	QT 1	Cutting Shop	No
98	Quenching Tank	Fabricated	1.2x1.2x0.8 M / 1300 Ltr	QT 2	Cutting Shop	No

Kamothe Plant (Closed Die Forging) - Unit 1 - 99/100, 260/263						
Jawahar Industrial Estate, Panvel, Kamothe - 410 209, Dist - Raigadh, Maharashtra, India						
Sr. No.	Description of Machine.	Make.	Capacity/ Range.	Identification No.	Location.	Under preventive maintenance /AMC.
99	Compressor Storage Water Tank	Fabricated	5.0X1.2X1.2 M /7500 Ltr	WST 1	Forge shop	No
100	Belt Drop Hammer Water Tank	Fabricated	1.8X1.8X2.0 M/ 6500 Ltr	WST 2	Forge shop	No
101	Fork Lift	VOLTAS	3 Ton	FL 1	Forge shop	No
102	Quenching Tank	Fabricated	2.3 x2.3 x 2.6M / 12000 Ltr	QT 4	Heat Treatment Shop	No
103	LEXAS Automatic band saw machine	LEXAS	400 SQ.	BS-12	Cutting shop	Yes
105	COCEN Automatic band saw machine	COCEN	CONCE	BS-13	Cutting Shop	Yes
106	CNC Turning Centre	LOKESH	406MM OD 250MM Z-AXIS	CNC-7	Machine Shop	Yes
107	CNC Turning Centre	LOKESH	406MM OD 250MM Z-AXIS	CNC-8	Machine Shop	Yes
108	CNC Turning Centre	HMT	600MM OD 700- 800 TABLE MOVEMENT Z-AXIS	CNC-9	Machine Shop	Yes

Details of the total installed capacity of our manufacturing facilities and related details in last 3 financial years and stub period:

stub-period of 3 months ended on June 30, 2023				For the Financial Years ended											
				Mar-23				Mar-22				Mar-21			
Stub-Period Installed Capacity (MT) ⁽¹⁾	Stub-Period Available Capacity (MT) ⁽¹⁾	Actual Production (MT) ⁽²⁾	Capacity Utilization % ⁽³⁾	Annual Installed Capacity (MT) ⁽¹⁾	Annual Available Capacity (MT) ⁽¹⁾	Actual Production (MT) ⁽²⁾	Capacity Utilization % ⁽³⁾	Annual Installed Capacity (MT) ⁽¹⁾	Annual Available Capacity (MT) ⁽¹⁾	Actual Production (MT) ⁽²⁾	Capacity Utilization % ⁽³⁾	Annual Installed Capacity (MT) ⁽¹⁾	Annual Available Capacity (MT) ⁽¹⁾	Actual Production (MT) ⁽²⁾	Capacity Utilization % ⁽³⁾
A. Kahalpur Plant (Ring Rolling & Open Forging) - Unit 2 - 32/11, 32/5, 32/4D															
1750	1280	474.12	27.09	7000	4750	2250.72	32.15	7000	5400	1602.78	22.90	7000	5110	1890.15	27.00
B. Kamothe Plant (Closed Die Forging) - Unit 1 - 99/100, 260/263															
1250	980	273.62	21.89	5000	2590	2413.35	48.27	5000	2900	2151.11	43.02	5000	3950	1051.78	21.04

Notes:

(1) Installed capacity represents the installed capacity as of the last date of the relevant Fiscal and the annual average available capacity has been calculated based on the average of daily available capacity for the relevant Fiscal. The installed capacity and the annual average available capacity are based on various assumptions and estimates, including standard capacity calculation practice in the Indian forging industry and capacity of other ancillary equipment installed at the relevant manufacturing facility. Assumptions and estimates taken into account for measuring installed capacities and the annual average available capacities include 300 working days in a year, at three shifts per day operating for eight hours a day.

(2) Actual production represents quantum of production in the relevant manufacturing facility in the relevant Fiscal.

(3) Capacity utilization has been calculated on the basis of actual production in the relevant Fiscal divided by the annual available capacity during such Fiscal.

(4) Given the products that undergo forging are customized to meet specific customer requirements and thus such products have varying shapes and weights, we are unable to determine the capacity for forging on a product-by-product basis.

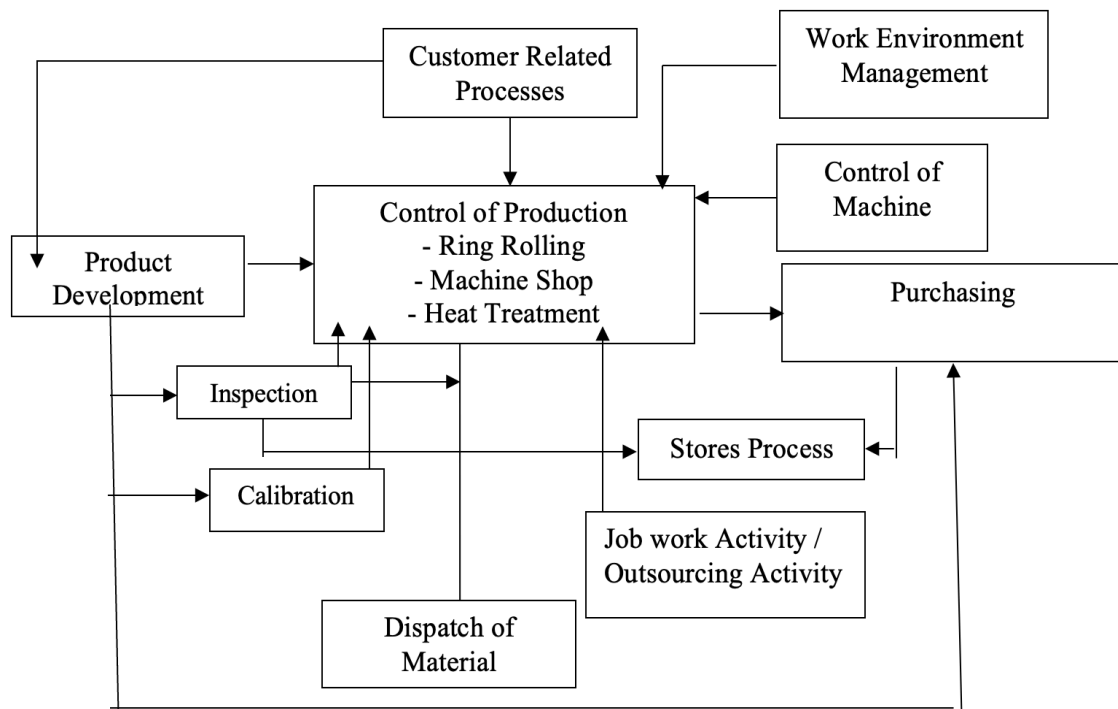
(5) MT means metric tonne.

Electrical Heat Treatment Facility Electrical

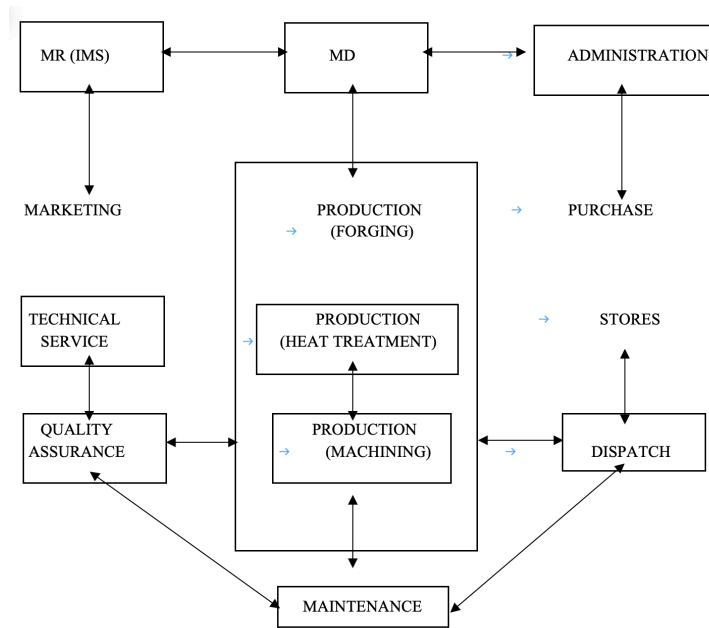


The Heat Treatment plant is equipped with automated facility having a sophisticated advanced Quenching systems that use both water and polymer quenching for flexibility and allowing all kind of heat treatments such as Normalizing, Quenching & Tempering, Hardening, Solution Annealing, Annealing, Stress relieving and Spherodize Annealing processes which give the forgings the required mechanical properties and microstructural features

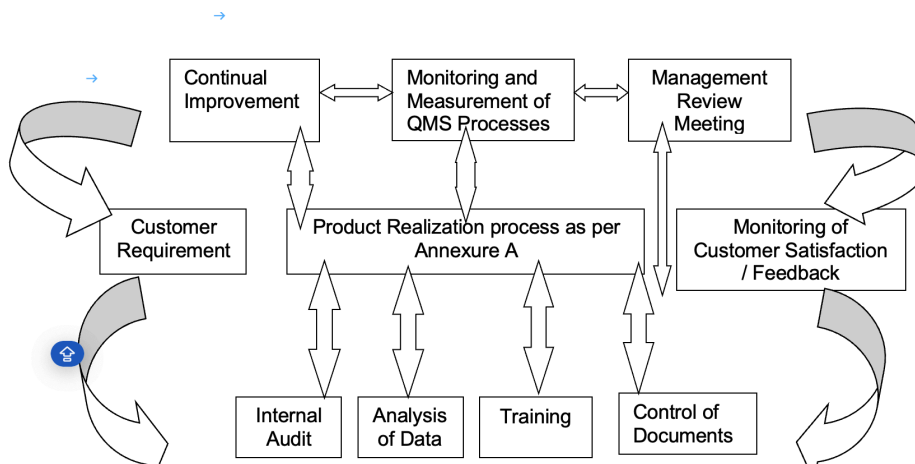
Product Realization Flowchart



EMS & OHSMS Processes Interaction Chart



Quality Management System



After receipt of Purchase Order ‘Sales Order’ is prepared and reviewed for Commercial, Technical Requirements and delivery commitments. Once approved it is entered into the ERP system which is then available to the Production team for necessary planning and manufacturing activities. A formal work order issued for necessary steps such as cutting of the RM, Forging, Heat Treatment & Machining activities. All of these manufacturing activities are entered in the daily log sheets and recorded in other production data sheets. Quality Control tests are carried out at every interval until the readiness of the components. These are again carried out during the entire process of manufacturing of the forgings and are hard stamped with Batch Nos and color coded for identification and traceability. The finished flanges are thereafter marked with all necessary details for correct identification and trace. The finished product is then applied rust preventive coat (CS / AS) and washed / cleaned (SS) grades and finally packed in wooden cases for dispatch.



Quality Control Procedures

1. Raw Material is accepted with Mill Test Certificates confirming to the chemical requirements.
2. It is subsequently stacked as per sizes/lengths and properly tagged and identified with Lo Nos / Colour Coding.
3. The Raw Material received is identified and chemical analysis is carried out as a check test and compared with the Mill Test Certificate for co-relation.
4. After acceptance & verification of chemical analysis and other test the material is allocated for production. Constant monitoring at cutting section is done and lots are identified by colour coding, and placing sticker's indication Raw Material size and item description once complete the entries in daily lot sheet. The job is then allocated for forging, during which constant monitoring of temperature is recorded and entered in work sheets through indicators and optical pyrometers.
5. The material is then inspected in hot and cold conditions for visual and dimensional checks and accordingly recorded by Q.A Engineer.
6. The forgings are then taken up for Heat Treatment as per requirements which are controlled by the Thermocouples and Temperature recorders.
7. Test Sample pieces are drawn for each heat for Mechanical & Metallographic properties. Once the results meet within the parameters of the necessary specification, The forgings are then taken up for the further machining activities.
8. The machined forgings once ready are hard stamped with Lot Nos, Colour coded for identification and traceability, and are 100% dimensionally and visually checked for marking / Dye Penetration / Ultrasonic / Magnetic Particle Tests are carried out to check flanges for any defects.

Inspection and Testing Procedures

Various Tests are carried out by approved NABL/ ISO accredited LABS are carried such:

- Mechanical Tests - Tensile, Impact & Hardness.
- Chemical Tests - Chemical Analysis & Positive Material Identification
- Metallographic Tests
 - Microstructure & Ferrite content.
 - Intergranular Corrosion Tests. Pitting Corrosion & Other Tests.
- Non-Destructive (NDT) tests are carried out by ASNT level II technicians:
 - Ultrasonic Testing.
 - Magnetic Particle Testing (wet fluorescent and dry).
 - Liquid Penetrant Testing

These tests ensure that our products meet the industry standards and customer requirements for use in various applications and projects which are carried out under strict observation and witness stages of 3rd Party Inspection Agencies either appointed by customers or self as per approved Quality Assurance Plans.



Packing

Finished Flanges, Rings and other Forged components are applied with Rust Preventives as required and packed suitably for damage free transit along with necessary packing in Wooden cases or Pallets. Road, Air & Sea Worthy.

Job Work

Our Company engages job workers or sub-contractors for machining and drilling activities. The job work process involves identifying suitable job workers, verifying items beyond internal capabilities, and sending materials through the store department. Quality assessment follows, and upon approval, the concerned department is notified for further processing. Specific job work contracts exist with AOSA Engineering Works, Falak Engineering Works, R.T. Engineering, and SMAF Forge LLP for machining activities.

Product Portfolio

Details of some of our products that we manufacture are as follows:

Tube Sheet Forgings / Blank Forgings

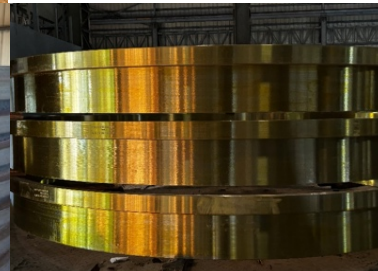
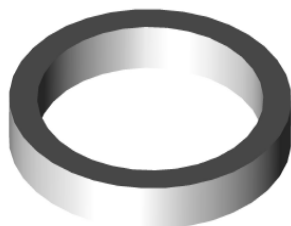
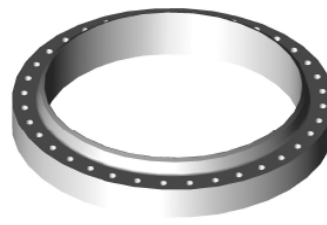


A tube sheet is a plate, sheet, or bulkhead which is perforated with a pattern of holes designed to accept pipes or tubes. These sheets are used to support and isolate tubes in heat exchangers and boilers or to support filter elements. Depending on the application, a tube sheet is manufactured in various metals. Tube sheets may be used in pairs in heat exchange applications or singularly when supporting elements in a filter.

The best-known use of tube sheets is as supporting element in heat exchangers and boilers. These devices consist of a dense arrangement of thin-walled tubes situated inside an enclosed, tubular shell. Tubes are supported on either end by sheets which are drilled in a predetermined pattern to allow the tube ends to pass through the sheet. The ends of the tubes which penetrate the tube sheet are expanded to lock them in place and form a seal.

Blind flange (also called a 'closure plate flange') is installed at the end of a piping system to terminate a pipe. It has no center hole (bore), so there is no flow through the flange. A blind flange is used for closure or isolating a pipe, valve, or pressure vessel.

Forged Rings / Spacers / Girth Flanges / Tyre Rings / Venturies / Gear Rings / Slewing Rings, Forged Sleeves / Wind Tower Flanges



The process starts with a circular preform of metal that has been previously upset and pierced (using the open die forging process) to form a hollow “doughnut.” This doughnut is heated above the recrystallization temperature and placed over the mandrel roll. This mandrel roll then moves under pressure toward a drive roll that continuously rotates to reduce the wall thickness, thereby increasing the diameters (I.D. and O.D.) of the resulting ring.

Seamless rings are produced in configurations ranging from flat, washer-like parts to tall, cylindrical shapes, with heights ranging from 50mm up to 700mm in Height. The simplest and most commonly used shape is a rectangular cross-section ring, but with shaped tooling we are producing seamless rolled rings in complex, custom shapes with a profile shape on the inside and/or outside diameters. These Rolled Rings, Girth Flanges are most commonly used in the following Industry application such as:

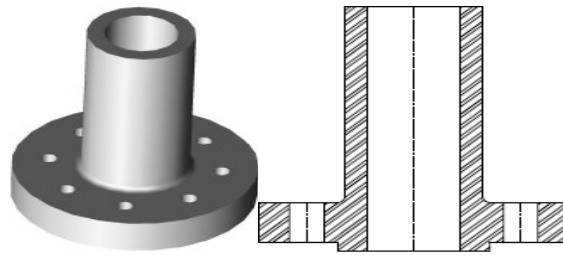
- Pressure vessel and heat exchanger manufacturing
- Slewing rings
- Wind tower flanges
- Heat exchanger manufacturing
- Machine construction, forged sleeves
- Oilfield equipment
- Valve manufacturing

Self-Reinforced Nozzles



Self-reinforced nozzle often refers to a nozzle neck that provides sufficient reinforcing in the nozzle neck (and possibly the welds) without requiring additional area to be provided by excess thickness available in the shell. Oftentimes, the term “self-reinforced” refers to a forged nozzle that has a “heavy wall”, transition, and a thinner end that is attached to piping (or it may have a flange). Such forgings are provided by our company considering quality forged raw material. We manufacture self-reinforced nozzles (SR Nozzles) with plain end as well as with complex profiling in fully machined condition for Pressure Vessels designed to ANSI, ASME codes in all steel grades.

Long Weld Neck Flanges



Long weld neck flanges operate when the connection pipes need to bend or go through different directions. Due to this reason, and the high pressure that occurs, long weld neck connection forging is crucial.

Connection forging is the addition of extra-long weld neck flanges is to aid in better flows for the pipes. The main purpose of connections is heavy barrel, which provides more support because of its thicker size. The intermediate barrel is for more support compared to the heavy barrel. The equal barrel provides the most amount of support. It is ideal for places where the pressure and temperature changes.

Forged Valve Components



Manufacturing of valve components is be done from a wide variety of materials depending on the application by the client. All Forgings such as Body, Adaptors, Balls, Stems, Trunnion Plates, Seat Rings Bonnets, and Y-Strainer Forgings are manufactured and supplied in proof machined condition.

Forged Blocks / Forged Bars / Billets.

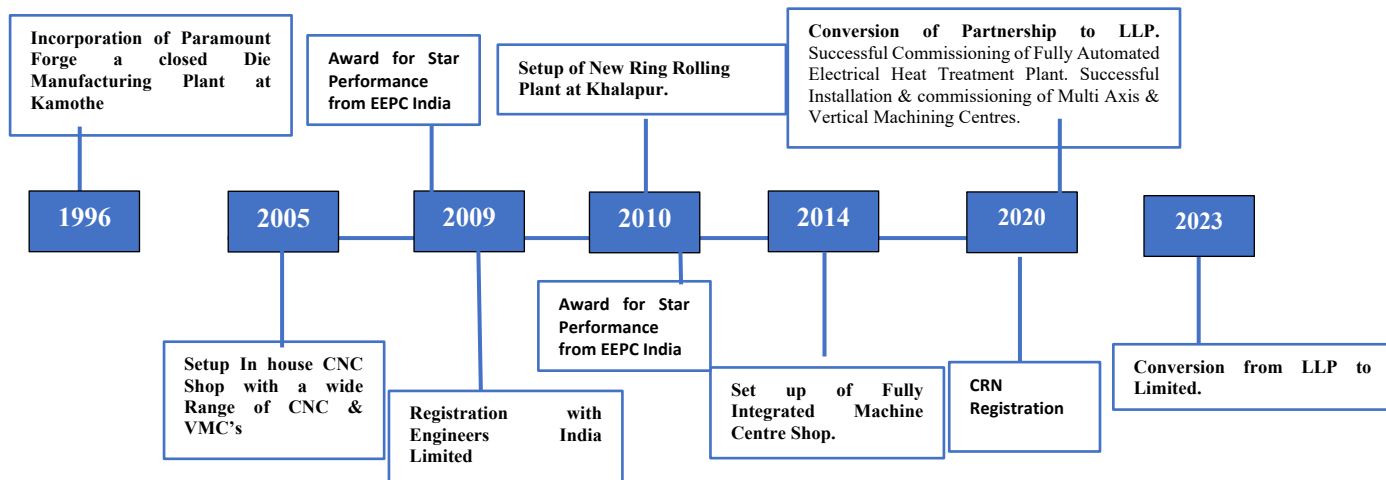


Forged alloy steel blocks are created through a manufacturing method that utilizes localized compressive force shaping processes. The process begins when steel blocks are compressed within a die and custom shaped to exact project specifications. Custom forged steel blocks are available in flat and rectangle form and are commonly used in several industries, including aerospace, food processing, chemical, oil & gas, and defense.

Evolution of Product Portfolio

Year	Description & Key Product	Application	Industry Served
2000	Standard Forged & Plate Flanges	Piping	Oil & Gas, Petrochemicals, Power & General
2001	Standard Forged & Plate Flanges	Piping	Oil & Gas, Petrochemicals, Power, Fertilizers
2011	Standard & Non Standard Flanges, Forgings	Piping, Heavy Equipment's, Vessels, Heat Exchangers	Oil & Gas, Petrochemicals, Power, Fertilizers
2012	Standard & Non Standard Flanges, Forgings, Rings, Valve Components	Piping, Heavy Equipment's, Vessels, Heat Exchangers	Oil & Gas, Petrochemicals, Power, Fertilizers
2014	Standard & Non Standard Flanges, Forgings, Tube Sheets, Rings, Valve Components	Piping, Heavy Equipment's, Vessels, Heat Exchangers	Oil & Gas, Petrochemicals, Power, Fertilizers, Heavy Engineering/ Pressure equipment
2018	Standard & Non Standard Flanges, Forgings, Rings, Tube Sheets, Valve Components, Gear Rings	Piping, Heavy Equipment's, Vessels, Heat Exchangers	Oil & Gas, Petrochemicals, Power, Fertilizers Heavy Engineering/ Pressure equipment
2022	Standard & Non Standard Flanges, Forgings, Rings, Valve Components, Gear Rings, Blanks, Pinions	Piping, Heavy Equipment's, Vessels, Heat Exchangers	Oil & Gas, Petrochemicals, Power, Fertilizers Heavy Engineering/Pressure equipment
2023	Standard & Non Standard Flanges, Forgings, Rings, Valve Components, Gear Rings, Blanks, Pinions	Piping, Heavy Equipment's, Vessels, Heat Exchangers	Oil & Gas, Petrochemicals, Power, Fertilizers Heavy Engineering, Railways

Milestones



Our Promoters, Board, and Senior Management comprise of experienced professionals, and management professionals, supported by a motivated pool of employees. Our Senior Management team has members who have experience in sales and marketing, helping our Company to manage and grow our operations. We constantly engage with our customers through marketing and promotional activities and industry specific events. For details of our board of directors and management team, see “*Our Management*” on page 160 of this Draft Red Herring Prospectus.

Financial Information

Income generated within India

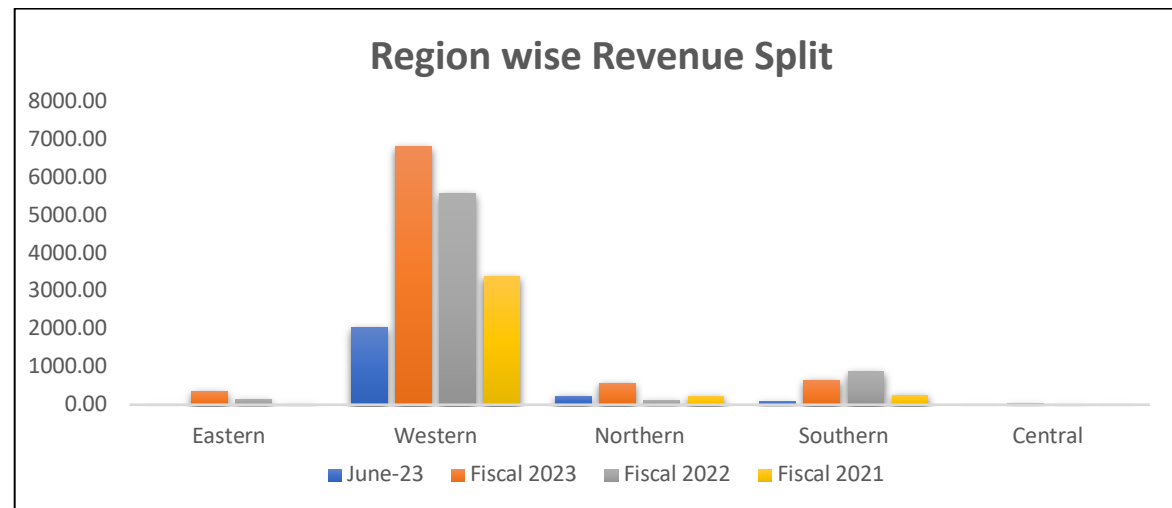
State Wise Domestic Sales

State	June 2023		Fiscals 2023		Fiscals 2022		Fiscals 2021	
	Amount (Rs)	% of Total Revenue	Amount (Rs)	% of Total Revenue	Amount (Rs)	% of Total Revenue	Amount (Rs)	% of Total Revenue
Punjab	17.10	0.74	9.16	0.11	1.37	0.02	37.96	0.95
Haryana	79.07	3.42	347.09	4.11	88.79	1.29	114.38	2.85
Delhi	0.06	0.00	16.28	0.19				
Rajasthan			105.32	1.25	242.17	3.53	79.57	1.98
Uttar Pradesh	0.70	0.03	83.74	0.99	31.05	0.45	65.81	1.64
Bihar			27.82	0.33	92.88	1.35	3.19	0.08
Assam	141.77	6.14	191.08	2.26	15.45	0.23	7.74	0.19
West Bengal	2.76	0.12	27.74	0.33	31.30	0.46	44.17	1.10
Jharkhand							3.21	0.08
Odisha	43.89	1.90	277.73	3.29	112.02	1.63	18.74	0.47
Chhattisgarh			5.28	0.06	27.49	0.40	2.91	0.07
Madhya Pradesh	9.23	0.40	51.23	0.61	3.69	0.05	9.04	0.23
Gujarat	921.83	39.92	2266.47	26.81	1718.64	25.04	703.08	17.52
Dadra and Nagar Haveli and	0.16	0.01	0.91	0.01	1.19	0.02	2.23	0.06
Maharashtra	958.01	41.49	4237.01	50.12	3564.80	51.93	2591.42	64.57
Karnataka	32.53	1.41	68.66	0.81	63.28	0.92	6.52	0.16
Goa	26.84	1.16	107.69	1.27	89.76	1.31	47.82	1.19
Kerala			44.39	0.53	13.37	0.19	0.04	0.00
Tamil Nadu	55.27	2.39	419.66	4.96	623.52	9.08	163.37	4.07
Telangana			11.08	0.13	0.00		0.24	0.01
Andhra Pradesh	19.68	0.85	155.98	1.85	143.46	2.09	111.62	2.78

Geographic Split of Revenue from Operations

The table set forth below provides geographic split of our revenue from operations and as a percentage of revenue from operations in the three months ended June 30, 2023 and in Fiscal 2023, Fiscal 2022 and Fiscal 2021.

Region	June-23		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount (Rs In Lakhs)	% Of total Revenue	Amount (Rs In Lakhs)	% Of total Revenue	Amount (Rs In Lakhs)	% Of total Revenue	Amount (Rs In Lakhs)	% Of total Revenue
Eastern	2.03	0.08%	372.04	4.37%	160.60	2.36%	44.16	1.10%
Western	2055.88	84.85%	6827.04	80.15%	5589.88	82.11%	3414.33	85.31%
Northern	250.71	10.35%	596.77	7.01%	135.88	2.00%	250.19	6.25%
Southern	112.29	4.63%	665.78	7.82%	890.17	13.08%	281.81	7.04%
Central	1.91	0.08%	56.52	0.66%	31.18	0.46%	11.95	0.30%



Income generated through Exports

Geographic Presence Revenue of Operations	For the period April 01, 2023, to May 04, 2023		For the period May 04, 2023, to June 30, 2023		For the stub-period of Three months period ended June 30, 2023		For the Financial Year ended March 31					
							2023		2022		2021	
	Amount (₹ in Lakhs)	Percentage of Revenue from Operations	Amount (₹ in Lakhs)	Percentage of Revenue from Operations	Amount (₹ in Lakhs)	Percentage of Revenue from Operations	Amount (₹ in Lakhs)	Percentage of Revenue from Operations	Amount (₹ in Lakhs)	Percentage of Revenue from Operations	Amount (₹ in Lakhs)	Percentage of Revenue from Operations
Europe	229.29	72.59%			229.95	33.50%	1172.38	45.42%	353.12	18.64%	171.15	14.88%
Canada	86.6	27.41%	370.45	100%	456.39	66.50%	1385.61	53.68%	1054.99	55.70%	453.92	39.48%
Middle East	-	-	-	-	-	-	23.46	0.90%	485.92	25.66%	524.74	45.64%
Total	315.89	100.00%	370.45	100.00%	686.34	100.00%	2581.45	100.00%	1894.03	100.00%	1149.81	100.00%

The table below shows our revenue contribution to the various end-use industries to which we cater:

Sectors	Jun-23		Fiscals 2023		Fiscals 2022		Fiscals 2021	
	Amount (Rs)	% of Total Revenue	Amount (Rs)	% of Total Revenue	Amount (Rs)	% of Total Revenue	Amount (Rs)	% of Total Revenue
Petrochemicals, Chemicals & Fertilizers	885.66	29.56%	4,201.33	39.99%	3,390.05	38.52%	1,649.63	32.20%
Oil & Gas	697.72	23.29%	1,386.63	13.20%	1,325.59	15.06%	1,268.53	24.76%
Nuclear & Power	3.77	0.13%	211.27	2.01%	79.86	0.91%	93.38	1.82%
Heavy Engineering & Other Sectors	363.04	12.12%	1,379.6	13.13%	1,422.16	16.16%	1,049.73	20.49%
Overseas Customers	692.08	23.10%	1,994.12	18.98%	1,494.09	16.98%	599.95	11.71%
Others	353.4	11.80%	1,332.92	12.69%	1,088.23	12.37%	462.27	9.02%

Set out below are details of the total number of customers by end-use industry.

Sr. No	End-Use Industry	Fiscals 2023	Fiscals 2022	Fiscals 2021
1.	Petrochemicals, Chemicals & Fertilizers	137	132	121
2.	Oil & Gas	14	13	16
3.	Nuclear & Power	10	11	6
5.	Heavy Engineering & Other sectors	65	85	80
6.	Overseas Customers	10	7	8
7.	Others	15	15	17

Key Financial Performance

We utilize a set of financial indicators that our management reviews in evaluating the performance of our business. Our management believes that the presentation of these key performance indicators in this Draft Red Herring Prospectus are important to understanding our performance from period to period and also have an impact on our results of operations. These key performance indicators may or may not be compatible with similarly titled metrics presented by others operating in our industry. These indicators are not intended to be a substitute for, or superior to, any measures of performance prepared in accordance with GAAP, and may not fully reflect our financial performance, liquidity, profitability, or cash flows. The following table sets forth our key financial and operational metrics as of or for the years indicated:

Key Financial Performance	Restated Financial Information for the Financial Year Ended March 31			
	For the 3-month period ended 30 June 2023	2023	2022	2021
		(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)
Revenue from Operations ⁽¹⁾	3,005.43	11,035.77	8,758.25	5,162.86
Gross Profit (₹ Lakhs) ⁽²⁾	873.23	3459.29	2661.63	2366.47
Gross Profit Margin (%) ⁽³⁾	29.06%	31.35%	30.39%	45.84%
EBITDA (₹ Lakhs) ⁽⁴⁾	229.33	574.48	332.97	597.06
EBITDA Margin % ⁽⁵⁾	7.63%	5.21%	3.80%	11.56%
PAT (₹ Lakhs) ⁽⁶⁾	77.05	275.84	313.44	(27.36)
PAT Margin % ⁽⁷⁾	2.56%	2.46%	3.39%	-0.53%
Net cash from operating activities (₹ Lakhs) ⁽⁸⁾	369.89	(40.82)	401.19	84.87
Net Worth (₹ Lakhs) ⁽⁹⁾	1,643.19	1,566.14	1,970.49	1,657.05
Total Debt (₹ Lakhs) ⁽¹⁰⁾	1,677.63	2,027.65	1,176.93	1,234.55
ROE	0.01	0.16	0.17	(0.01)
ROCE	0.04	0.30	0.24	0.08

It is imperative to note that, in restated financial statement we can see that in the Financial Year ended 2021, the profit before tax is ₹(54.80) Lakhs (Loss). But, in audited financials there was a profit of ₹175.99 Lakhs. A major factor which has affected the profitability in restated financials of Financial Year ended 2021, is "Depreciation". As in Financial Year ended 2021, in audited financial depreciation was calculated as per depreciation of income tax only, while depreciation mentioned in restated financial depreciation is calculated as per Companies Act. Hence, this depreciation amount is higher than depreciation of income tax which resulted the financials of Financial Year ended 2021, in to loss.

Explanation for the KPIs:

S.No.	KPI	Remark/Definition/Assumptions
Financial KPI		
1	Revenue from Operations	Revenue from Operations means the revenue from operations as appearing in the Restated Financial Information
2	Gross Profit	Gross Profit is calculated as revenue from operations less cost of materials consumed, changes in inventories of finished goods and work-in-progress.
3	Gross Profit Margin	Gross Margin refers to the percentage margin derived by dividing Gross Profit by Revenue from Operations.
4	EBITDA	EBITDA is calculated as restated profit / (loss) for the period / year (excluding Other Income), plus finance costs, total taxes, and depreciation and amortization expense.
5	EBITDA Margin	EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
6	Profit After Tax	PAT is restated Profit/ (Loss) or the period/ year as appearing in the Restated Financial Information.
7	PAT Margin	PAT Margin refers to the percentage margin derived by dividing Profit after Tax by Total Income.
8	Net cash from operating activities	Net cash from operating activities is Profit before Tax after giving adjustments of non-operating incomes and expenses and Change in Operating Assets and Liabilities.
9	Net Worth	Net Worth is sum of Equity Share capital and other Equity.
10	Total Debt	Total Debt is sum of short term and Long-term Borrowings.

For reconciliation in relation to the Gross Profit, Gross Margin, EBITDA, EBITDA Margin, Return on Equity, Return on Capital Employed, PAT Margin, Gross Fixed Asset Turnover Ratio and Net Debt to EBITDA, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Measures*” on page 192 of this Draft Red Herring Prospectus.

Long standing relationship with customer

We have long-standing relationships with customers, however, there are no formal arrangements or agreements with them. The details of some of these key customers include:

Particulars of Customers	Restated Financial Information for the Financial Year Ended March 31					
	2023		2022		2021	
	Amount (₹ in Lakhs)	% of Revenue from operations	Amount (₹ in Lakhs)	% of Revenue from operations	Amount (₹ in Lakhs)	% of Revenue from operations
Top 5	2961.08	28.18	2284.56	26.00	1401.78	27.35
Top 10	4535.87	43.17	3635.62	41.39	2030.46	39.63
Top 20	6224.25	59.25	5196.04	59.01	2813.39	54.91

Business wise key clientele and duration of relationship/association with clients:

Sr. No.	Key Clientele	Year of association Since
1.	Armor Alloys – Canada	2008
2.	Aker Solutions	2018
3.	Bharat Forge Limited	2021
4.	Bharat Petroleum Corporation Limited	1998
5.	Emerson Process Management (I) Pvt. Ltd	2002
6.	Enpro Industries Pvt Ltd	2002
7.	Gea BGR Energy System Pvt Ltd	2014
8.	Geecy Engineering Pvt Ltd	2017
9.	Gujarat Alkalies & Chemicals Limited	2012

Sr. No.	Key Clientele	Year of association Since
10.	Hindustan Petroleum Corporation Limited	2007
11.	Indian Oil Corporation Limited	2007
12.	Kirloskar Pneumatic Co.Ltd	2012
13.	Maass Flange and Fittings Can.Inc	2003
14.	Nuclear Power Corporation of India Limited	2016
15.	ODUM Energy FZE	2021
16.	Oil & Natural Gas Corporation Limited	2015
17.	Paradeep Phosphates Limited	2020
18.	Petroleum Development of Oman	2005
19.	Pyro Electric Instruments Goa Pvt Ltd	2000
20.	Pinacle Stainless Inc	1998
21.	PK International LLC	2005
22.	Raccorderie Metalliche SPA	1997
23.	Ramkrishna Forgings Limited	2021
24.	Reliance Industries Limited	1995
25.	Siemens Energy Indl Turbomachinery (I) Pvt Ltd	2016
26.	TCL Technology & Engineering	2020
27.	Technip Energies India Limited	1998
28.	Thyssenkrupp Industrial Solution (India) Pvt Ltd	1995
29.	Toyo Engineering India Pvt Limited	1997
30.	Unified Alloys	2001
31.	Va-Tech Wabag GMGH	2009

Our Competitive Strengths

Long-standing client relationships

We provide services with expertise to our clients and this helps us in customer retention and repeat business. We provide services on a customer-goal based approach and our solutions are targeted towards consistently delivering higher efficiencies, higher accuracy meeting and achieving customers' performance indicators. We believe this approach has helped our customers meet their objectives, which has led to customer retention and development of customer relationships.

We have a history of customer retention. In Financial Year ending March 31, 2023, we derived more than 25% of our restated revenues from operations from key customers. In Financial Year ending March 31, 2022, we derived more than 35% of our revenues from operations from repeat customers. These long-standing relationships have also contributed to the growth of our revenues from our existing customers and the expansion of our customer base.

Our revenue from operation from our top 20 Customers, top 10 Customers and top 5 Customers as a percentage of our revenue from operations in the preceding 3 (Three) Financial Years is set out below:

Particulars of Customers	Restated Financial Information for the Financial Year Ended March 31					
	2023		2022		2021	
	Amount (₹ in Lakhs)	% of Revenue from operations	Amount (₹ in Lakhs)	% of Revenue from operations	Amount (₹ in Lakhs)	% of Revenue from operations
Top 5	2961.08	28.18	2284.56	26.00	1401.78	27.35
Top 10	4535.87	43.17	3635.62	41.39	2030.46	39.63
Top 20	6224.25	59.25	5196.04	59.01	2813.39	54.91

Set forth below are key metrics relating to our clients:

Particulars	As of and for the three months ended June 30, 2023	Restated Financial Information for the Financial Year Ended March 31		
		2023	2022	2021
Total number of active clients*	118	265	260	246
Number of active clients added	4	5	14	15
Clients from whom we earned revenues of 100 Lacs or more	1336.02	6543.35	5627.43	2134.96
Clients from whom we earned revenues of 50 Lacs or more	623.49	1612.24	1527.71	790.94
Clients from whom we earned revenues of more than 25 Lacs	441.14	1253.92	494.96	1094.80

*Active clients are clients from whom we have earned ₹100.00 Lacs or more in revenues for the last twelve months preceding the relevant date.

In respect of each of our top five clients by revenue, we have not witnessed any decline in revenue over the past three Financial Years.

We handle customer complaints, try to understand their requirements. Set forth below are some of the key features of our customer relationship process:

- Collect customer feedback once in a year from customers by sending Customer Feedback Report.
- Received rating from customer
- Received customer complaint from customer and forward to Quality Assessment department for to take Corrective Action. Prepared Corrective Action Report (CAR) and forward to customer and ask feedback about action taken.
- Review the process, identify issues / factors which can affect the intended purpose / objective and prepare Risk Management Opportunity Plan (RMOP) to eliminate this risk or to reduce the impact.
- For the quality objective, prepare Management Programme (MP) to achieve target in specified time-frame.
- Present RMOP and MP status in the monthly review meeting. Also present the Quality Objective Data along with Corrective Action Report (CAR), if any failure or downward trend in the monthly review meeting/ management review.

Track record of consistently building capabilities and infrastructure, with focus on capital efficiency

We have long-standing relationships with our clients. Our strong client relationships can be attributed to our expand strategy, through which we grow the range of solutions we provide to each of our clients over time.

As of the date of this Draft Red Herring Prospectus, we operate two manufacturing facilities located at Kamothe, spread over a built up area of 16,500 square feet and one located at Khalpur, spread over a built up area of 64,264 square feet.

As of March 31, 2023, the annual aggregated installed capacity for forging and machining was 12,000 MT and the capacity utilisation was 4,664.06 MT i.e. 39%. For more information in relation to the capacity for forging and machining, see “– Installed Capacity, Average Annual Available Capacity, Actual Production and Capacity Utilisation” on page 118 of this Draft Red Herring Prospectus.. Over the years we have invested in expanding and

upgrading our manufacturing facilities which are equipped to undertake a variety of processes, including engineering and designing, hammer and press forging, metallurgical testing, heat treatment, machining and dimensional testing among others, enabling us to manufacture a wide range of products.

We have implemented quality management systems and improvised on our standard operating processes over the years which we believe enable us to meet the complex requirements of our customers and maintain our track record of reliability. Our manufacturing operations follow strict process control guidelines and industry standards and practices.

We place emphasis on automation and efficiency to continuously improve our operating margins. We constantly look for ways to streamline our processes and reduce waste, while also improving the quality of our products. For example, we have (i) automated certain processes in our manufacturing operations to increase productivity and reduce manpower cost; (ii) designed our machining lines to optimize processes and reduce manpower costs by performing multiple processes on a single machine; and (iii) reduced the input weights required to forge our products, which has helped us to reduce material costs. We continuously upgrade our older machines with necessary automation to prevent obsolescence, in a cost effective manner.

We have a track record of financial performance and consistent growth. There have been significant growth in revenue from operation in financial year ended 2022-23 by 26.00% amounting to ₹ 2,277.52 Lakhs, that is ₹ 11,035.77 Lakhs in the financial year ended 2023 as compared to ₹ 8,758.25 Lakhs in the financial year ended 2022. In Financial Year ended March 31, 2022 There have been significant growth in revenue from operation in financial year ended 2022-23 by 69.64% amounting to ₹ 3,595.39 Lakhs, that is ₹ 9,243.16 Lakhs in the financial year ended 2022 as compared to ₹ 5,194.95 Lakhs in the financial year ended 2021.

Seasoned management team with deep domain expertise supported by a professional workforce

We are led by our Promoters who established our business in 1996 and have experience in the similar industry. Our Chief Financial Officer has experience in the similar industry. Our senior management team is supported by our educated and professionally qualified workforce, comprising professionals with extensive knowledge, understanding and experience in the fintech, banking, technology, infrastructure and healthcare industries. Our senior management team has domain and industry expertise as well as the ability to lead teams, that will be advantageous as we seek to grow our businesses. Furthermore, this industry expertise provides our senior management with the vision to steer the long-term strategic direction of our business.

Our Board consists of Directors with a diverse mix of experience in various sectors, and also comprises three experienced independent directors. The committees of our Board, viz., the Audit Committee, the Risk Management Committee, the Nomination and Remuneration Committee, the Stakeholders Relationship Committee and the Corporate Social Responsibility Committee, work in tandem and supervise the activities of our executive leadership.

Our Promoters have led from the front in establishing and growing our business and operations capabilities.

Our Senior Management group comprises Mr. Madan Kharkanis, Mr. Arun Kamble, Mr Sachin Vaidya, Umesh Panchal and Mr Rajendra Mhatre. Together they have an average tenure of over 15+ years with our Company.

We possess a qualified and experienced senior management team with considerable industry experience. We also have experienced professionals with industry domain knowledge and sectoral experience leading key aspects of our business including, among others:

Mr. Madan Kharkanis, Quality Control Manager, has over 33 years of experience in quality system management (ISO & TS16949), Inspection planning , Vendor Development, Supplier Management, Project Management, Die Shop, NDT, TPIA Interaction, 5 'S', Testing, etc . He has completed Diploma in Mechanical Engineering from Walchand College of Engineering, Sangli. He is associated with our company since 2010.

Mr. Arun Kamble, Manager of Technical Service and Design, possesses a track record of more than three decades in the Forging, Steel and Ring Rolling Industry. He is responsible for Technical Service Department and liaises with all departments. He holds Diploma Certificate in Forging Die & Foundry Tools from ATI Mumbai and Mechanical Draftsman certificate from ITI Mumbai. He is associated with our company since 2011.

Mr. Sachin Shashikant Vaidya, Maintenance Manager, possesses an extensive two-decade experience in the forging industry. He has completed Diploma In Industrial Electronics. He is associated with our company since 2011.

Mr. Umesh Panchal, Production Manager, has over 25 years of experience in the forging industry . He is associated with our company since 2011.

Mr. Rajendra Mhatre, Quality Manager, Ring Rolling Plant has 20 years of experience in the forging industry. He is associated with us since 10 years.

Their industry experience enables us to anticipate and manage and grow our business, maintain and leverage customer relationships.

For further details, see “*Our Management*” on page 160 of this Draft Red Herring Prospectus..

Strengthening our business through effective branding, promotional and digital marketing activities

We intend to promote our brand through different marketing channels to increase our brand visibility and recall. As our business requires us to reach out to our target customers as well as dealers, the effort and the exercise is challenging and requires significant time and effort to ensure reach to our target customers and dealers. We also intend to strengthen our existing brand building activities such as retail branding, web marketing, magazine advertising and outdoor advertising for marketing. We also engage in digital marketing efforts in order to target customers.

Our Strategies

Strengthen our customer base by growing existing customer business and acquiring new customers

Our growth is the result of increase in our share of business with existing customers, winning new customers, expansion of our product portfolio, expansion of our overseas business and our ability to respond to emerging industry trends towards consumer and our end-industries.

We intend to strengthen our relationships with our existing customers and explore opportunities to grow by expanding the array of products and solutions that we offer to our customers, and to win new customer business by developing products and solutions aligned with their needs. We have demonstrated the ability to grow, adapt and integrate in response to our customers’ needs.

We intend to leverage our relationships with existing customers to increase our wallet share and repeat business with them as well as new business, and potentially become the largest manufacturer for such customers for specific products.

Expand capacity at our existing manufacturing facilities

As of the date of this Draft Red Herring Prospectus, we operate two manufacturing facilities located at Khalapur and Kamothe. For further information, see “*Our Business – Manufacturing – Facilities*” on page 118 of this Draft Red Herring Prospectus.

We propose to purchase new machineries and equipment to build up additional capacity for our forging operations from the Net Offer Proceeds. For more information on the machineries and equipment proposed to be purchased, see “*– Objects of the Offer – Purchase of machinery*” on page 88 of this Draft Red Herring Prospectus. The installation of new machinery and equipment will enable us to increase our production capacity, scale our operations, onboard new customers, better serve our existing customers, enable us to better address the business requirements of large customers, further improve our customer service and facilitate our growth strategy.

Expanding our geographic footprint

We intend to expand our geographical footprint. By creating a presence in the all region, we aim to build greater geographical proximity with some of our key clients. This will allow us to build on our existing relationships with them and also allow us to work on more strategic projects with our clients in the key industry sectors we cater to, which require closer geographical proximity.

Quality Management

Our quality management system assures quality of the product and in line with specific customer specifications & requirements. All manufacturing processes are subject to strict quality control measures. A different inspection and test procedures are applied to measure the quality of the products. Implementation of a strict quality system throughout right from purchasing through production to delivery is maintained.

The management system of has been certified by TUV NORD as per ISO 9001:2015, ISO 14001:2015, BS OHSAS 18001:2007. The compliance to the above Quality, Safety and Environmental Management Systems as well as the applicable legal requirements help us continuously improve the effectiveness and efficiency of processes by Promoting the optimization in the use of resources to minimize environmental impact and prevent pollution.

Being conscious of our responsibility to minimize environmental impact, we constantly implement the use of all resources in an efficient manner and strive to acquire friendly technologies for the environment and establish controls which help us to keep the environment clean.

To maintain proper quality management system, we

- Assess and meet changing requirements of customer.
- Prevention of pollution.
- Optimize usage of natural resources by conservation techniques.
- Promote recycling and reuse of the waste and scrap generated.
- Prevent injury and ill health.
- Comply all current applicable legal requirements and other requirements related to our products processes and services.

Collaborations/Tie Ups/ Joint Ventures

Our Company does not have Collaboration/Tie Ups/ Joint Ventures as on the date of this Draft Red Herring Prospectus.

Awards and Recognition

Set forth below are some of the key awards, accreditations and recognition received by our Company:

Year	Particulars of Awards
2008-09	Awarded for star performance from EEPC India
2009-10	Awarded for star performance from EEPC India
2022-23	Awarded for bright beginner performance from Kirloskar Group

Insurance

Our operations are subject to various risks inherent in the tiles industry. We have obtained insurance in order to manage the risk of losses from potentially harmful events, including insurance policy covering fire, damage to buildings, plant and machinery, electronic equipment, furniture, and stocks These insurance policies are renewed periodically to ensure that the coverage is adequate. In addition, the insurance companies regularly deploy its team for insurance surveys to help us identify insurable interests and mitigate future risks. The details of which are encapsulated hereunder:

Sr. No.	Insurer	Policy Number/Cover Note	Sum Insured/ Person Insured (INR)	Premium (INR)	Period
1.	IFFCO TOKIO General Insurance	TIT/92230669	1613601	38768	26.10.2021-25.10.2024
2.	IFFCO TOKIO General Insurance	TIT/92230706	1613601	51902	26.10.2021-25.10.2024
3	HDFC ERGO General Insurance Company Limited	2111205401386400000	42,297,000	59393	27/04/2023-26/04/2024
4	The New India Assurance Co. Ltd.	11180036220100000160	4,72,000	400,000	31/03/2023-30/03/2024
5	The New India Assurance Co. Ltd.	11180036220100000160	4,72,000	400,000	31/03/2023-30/03/2024

We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such insurance. 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. Please refer to the heading titled “**Risk Factors**” beginning on page 27 of this Draft Red Herring Prospectus.

Marketing and Distribution Strategy

Our sales and marketing team focuses on developing customer relationships and identifying and acquiring new customers and generating business opportunities.

Set forth below are some of the key features of our marketing strategy:

- Expanding our footprint in the Existing Oil & Gas Industry by catering to high value & critical components to End Users.
- Manufacturing of Critical Grade Steel & Components.
- Build Strategic Tie-ups to strengthen product supply chain with Large Manufacturers.
- Supply forgings in new sectors such as Railways, Industrial Machinery, General & Heavy Engineering Companies, Aerospace & Defense Sectors, Mining & Automobiles by acquiring necessary Registrations.

Competition

We face competition from organized as well as unorganized players in domestic market as well as international market. Our Industry is highly competitive and fragmented. We have a number of competitors offering services similar to us. We believe the principal elements of competition in our industry are price, quality, timely delivery, and reliability. We face competition from Viraj Profiles Pvt Ltd, CHW Forge Pvt Ltd, Good Luck Engineering Co, Pradeep Metals Ltd, Western India Forgings and Metal Forgings Pvt Ltd etc.

For further details, please refer to the chapter titled Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 192 of this Draft Red Herring Prospectus.

Intellectual Property

We do not hold any of the trademarks in its own name. However, the company has provided certain certificates of trademarks, details of which are as under:

S. No.	Trademark/ Application No.	Class	Date/Validity	Status	Remark
1	947887	6	10 Years From 16.08.2020	Renewed	The marks are registered in name of the Firm, Since the firm has got converted into LLP and eventually into company, mutations/changes/endorsement in this regard are required to be done.
2	2585537	6	Valid upto 26.08.2033	Registered	
3	947888	6	16.08.2000	Abandoned	
4	947889	6	16.08.2000	Abandoned	

Human Resource

As on the date of Draft Red Herring Prospectus, the number of Employees of the company are as follows:

Sr. No.	Particulars	No. of Employees
1	Executive Director	3
2	Company Secretary	1
3	Chief Financial Officer	1
4	Store and Dispatch	35
5	Production	35
6	Accountant and Office Administration	15
9	QAQC	30
10	Technical service	4
11	Maintenance	10
12	Purchase	4
16	Marketing and Sales	10
Total		148

Material Properties

Usage of Property	Address	Nature	Ownership Details	Area	Date of Sale Deed/ Lease Deed
Registered Office	3, 1, Guru Himmat Building, Dr. Mascarenhas Road Anjirwadi, Mazgaon Mumbai Maharashtra- 400010	Free Hold Properties	M/s Paramount Forge through its Authorized Signatory Ali Asgar Abdullah Bhagat	Shop No. 1 - 345 Sq Feet and Shop No. 3 - 404 Sq Feet (Total 749 Sq Feet).	Shop No. 1 – Sale Deed dated 30.09.2013 Shop No. 2 – Sale deed dated 03.07.2009
Factory Premises	Survey No 29, Hissa No 7 Village Dhamni Khalapur Panchayat Samiti, Taluka Khalapur, District Raigad	Free Hold Properties	M/s Paramount Forge through its Authorized	0-31-0 (HRP)	Sale Deed Dated 29.09.2006

Usage of Property	Address	Nature	Ownership Details	Area	Date of Sale Deed/ Lease Deed
			Signatory Salim Haraarwala		
Factory Premises	Survey No 32, Hissa No 5, Village Dhamni Khalapur Panchayat Samiti, Taluka Khalapur, District Raigad	Free Hold Properties	M/s Paramount Forge through its Authorized Signatory Salim Haraarwala	1-18-3 (HRP)	Sale Deed Dated 29.09.2006
Factory Premises	Survey No 32, Hissa No 4d, Village Dhamni Khalapur Panchayat Samiti, Taluka Khalapur, District Raigad, Maharashtra	Free Hold Properties	M/s Paramount Forge through its Authorized Signatory Salim Haraarwala	0-07-0 (HRP)	Lease Deed Dated 29.09.2006
Factory Premises	Survey No 32, Hissa No 11, Village Dhamni Khalapur Panchayat Samiti, Taluka Khalapur, District Raigad Maharashtra	Free Hold Properties	M/s Paramount Forge through its Authorized Signatory Salim Haraarwala	0-51-2 (HRP)	Lease Deed Dated 29.09.2006
Factory Premises	Survey No 373, Village Kamothi and Kalamboli, Taulka Panvel, Dist. Raigad Maharashtra	Free Hold Properties	M/s Paramount Forge through its Authorized Signatory Salim Haraarwala	57 Acres 15 Gunthas	Lease Deed Dated 07.10.2013
Factory Premises	Plot No. 260 and 263, Jawahar Co. Op Industrial Estate Ltd., Kamothe-410209, Taulka Panvel, Dist. Raigad Maharashtra	Leasehold Properties	M/s Paramount Forge through its Authorized Signatory Salim Haraarwala	1226 Sq Mt	Sale deed dated 07.08.2008

Health and Employee Safety

We endeavour to adhere to laws and regulations relating to protection of health and employee safety. We carry out our activities while following appropriate standards of work safety and our working conditions seek to promote a healthy and safe work environment. We have taken initiatives to reduce the risk of accidents and prevent environmental pollution at our manufacturing facilities, including: (i) ensuring that employee safety manuals covering employee safety and environmental procedures, are in place and that hazard identification and risk assessments with respect to our operations are periodically carried out; (ii) providing training and awareness programs on employee safety and environment to all employees, including training on machines and other operations; (iii) implementing regular employee safety audits, management review meetings and periodic employee safety meetings.

Infrastructure Facilities

Raw Materials and Suppliers

We procure raw materials from our suppliers based on purchase orders and we do not have any purchase agreements or firm commitments executed with them. We reserve the right to reject defective materials, and any warranty claims accepted by us for defective materials supplied by our suppliers are passed onto such suppliers. Further, we reserve the right to claim for our rejections that are the result of defective steel. In Fiscal 2023, 2022 and 2021, the cost of raw materials and components consumed was ₹8,367.18 Lacs, ₹6,093.05 Lacs and ₹2,876.39 Lacs, respectively, which represented 75.82%, 69.57% and 55.71% of our revenue from operations for the respective Fiscals. For further information, see “*Risk Factors – Internal risks relating to business, operations*”

Energy and Water

Our manufacturing processes require an uninterrupted and constant power to ensure that the products are of high quality and also to increase the productivity and lifetime of our machines and equipment. We make arrangements for power purchase from Jawahar Cooperative Industrial Estate Limited (‘JCIEL’).

For further information, see “*Risk Factors – Internal risks relating to business, operations and industry – We have significant power and fuel requirements and any disruption to power or fuel sources could increase our production costs and adversely affect our business, financial condition, cash flows and results of operations*” on page 27 of this Draft Red Herring Prospectus..

Transportation

The choice of transportation mode for each shipment depends on several factors, including the urgency, size, and value of the order. For our domestic operations, we rely on third-party transportation modes, such as road and rail. The mode of transportation available for a particular shipment includes road, rail or air to deliver our products to our customers based on mutually agreed terms and conditions.

We engage third-party logistics service providers to facilitate our transportation needs. However, we do not have any definite agreement. For further information, see “*Risk Factor - 21. We rely on third-party transportation providers for procurement of raw materials and for supply of our products and failure by any of our transportation providers could result in loss in sales.*” on page 34 of this Draft Red Herring Prospectus.

Location

Our one factory is located at 3 km - 4 km distance from Khandeshwar railway station and other factory is located at 1.5 km distance from Khalpur Toll Naka. We believe that our locational advantage enables us to have greater access to our client and deliver our solutions to a larger addressable market across a broad geographic spectrum, contributing to our volume of services, revenue and profitability.

Power

Our manufacturing processes require an uninterrupted and constant power to ensure that the products are of high quality and also to increase the productivity and lifetime of our machines and equipment. We make arrangements for power purchase from Maharashtra State Electricity Distribution Co. Ltd . The capacity at our both manufacturing facilities to are enumerated below:

Manufacturing Facilities	Sanctioned Load	Contract Demand	Connected Load
Khapoli Plant	4150 KW	1200 KVA	4150 KW
Kamothe Plant	765 KW	660 KVA	765 KW

KEY REGULATIONS AND POLICIES

The following description is a summary of certain key regulations in India which are applicable to the business and operations of our Company. The information detailed in this section has been obtained from publications available in public domain. The description of laws and regulations set forth below may not be exhaustive and is only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The information in this section is based on the current provisions of applicable laws in India that are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

For details of regulatory approvals obtained by us in compliance with the applicable regulations, see "Government and Other Approvals" beginning on page 217 of this Draft Red Herring Prospectus.

Key Acts, Regulations and Policies governing our Company.

The Micro, Small and Medium Enterprises Development Act, 2006

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise ("MSME") the act is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi. In the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and regulation) Act, 1951 as - (i) a micro enterprise, where the investment in plant and machinery does not exceed twenty five lakh rupees; (ii) a small enterprise, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or (iii) a medium enterprise, where the investment in plant and machinery is more than five crore rupees but does not exceed ten crore rupees. In the case of the enterprises engaged in providing or rendering of services, as - (i) a micro enterprise, where the investment in equipment does not exceed ten lakh rupees; (ii) a small enterprise, where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees; or (iii) a medium enterprise, where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

Bureau of Indian Standards Act, 2016 ("BIS Act 2016")

BIS Act 2016 provides for the establishment of the Bureau of Indian Standards ("BIS") for the development of the activities, *inter alia*, standardization, conformity assessment and quality assurance of goods, articles, processes, systems and services, and formatters connected therewith and incidental thereto. Functions of the BIS include, *inter alia*, (a) recognizing as an Indian standard, with the prior approval of the Central Government, the mark of any international body or institution at par with the standard mark, for such goods, articles, process, system or service in India or elsewhere; (b) specifying a standard mark to be called the Bureau of Indian Standards Certification Mark which shall be of such design and contain such particulars as maybe prescribed to represent a particular Indian standard; (c) providing training services in relation to *inter alia*, quality management, standards, conformity assessment; (d) publishing Indian standards; promotion of safety in connection with any goods, article, process, system or service; and (e) any such other functions as may be necessary for promotion, monitoring and management of the quality of goods, articles, processes, systems and services and to protect the interests of consumers and other stakeholders.

Legal Metrology Act, 2009 ("LM Act") and the Legal Metrology (Packaged Commodities) Rules, 2011 ("Packaged Commodity Rules")

The LM Act seeks 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. The LM Act and rules framed thereunder regulate, *inter alia*, the labelling and packaging of commodities, appointment of government-approved test centres for verification of weights and measures used, and lists penalties for offences and compounding of offences under it. Any non-compliance or violation under the LM Act may result in, *inter alia*, a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases. The Packaged Commodity Rules define "pre-packaged commodity" as a commodity which without the purchaser being present is placed in a package of a pre-determined quantity. The Packaged Commodity Rules prescribes the regulations for imports, pre-packing and the sale of commodities in a packaged form intended for retail sale, wholesale and for export and import, certain rules to be adhered to by importers, wholesale and retail dealers, the declarations to be made on every package, the size of label and/or importers and the manner in which the declarations shall be made, etc. These declarations that are required to be made include, *inter alia*, the name and address of the manufacturer, the dimensions of the commodity, the maximum retail price, generic name of the product, the country of origin and the weight and measure of the commodity

in the manner as set forth in the Packaged Commodity Rules. The Packaged Commodity Rules were amended in the year 2017 to increase protection granted to consumers especially relating to e-commerce entities. Pursuant to the amendments, the inventory e-commerce entity itself will be made liable and punishable for failure to make relevant declarations on its platform as required under the Act and the Rules.

Foreign Trade Regulations

Foreign Investment Laws

Foreign investment in India is governed by the provisions of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 ("**FEMA Rules**") along with the Consolidated FDI Policy issued by the DPIIT, from time to time. Further, the RBI has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 which regulate the mode of payment and reporting requirements for investments in India by a person resident outside India. Under the FEMA Rules and Consolidated FDI Policy (effective October 15, 2020), up to 100% foreign investment under the automatic route is currently permitted in the "Wholesale Trading" sector.

Shops and Establishments Legislations in various states

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of opening and closing hours, daily and weekly working hours, rest intervals, overtime, holidays, leave, health and safety measures, termination of service, wages for overtime work, maintenance of shops and establishments and other rights and obligations of the employers and employees. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations.

Environmental Law

The prevention and control of pollution from factories in India are primarily governed by the 'Water (Prevention and Control of Pollution) Act, 1974', and the 'Air (Prevention and Control of Pollution) Act, 1981'. These acts empower regulatory bodies at both national and state levels to regulate industrial emissions and discharges. Industries are required to obtain consent, adhere to prescribed emission and effluent standards, and comply with environmental norms.

Employment and labour laws

Laws relating to employment, the employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following is an indicative list of labour laws which may be applicable to us due to the nature of our business activities:

- (i) Contract Labour (Regulation and Abolition) Act, 1970.
- (ii) Employees' Compensation Act, 1923.
- (iii) Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
- (iv) Employees' State Insurance Act, 1948.
- (v) Minimum Wages Act, 1948.
- (vi) Payment of Bonus Act, 1965.
- (vii) Payment of Gratuity Act, 1972.
- (viii) Payment of Wages Act, 1936.
- (ix) Maternity Benefit Act, 1961.
- (x) Industrial Disputes Act, 1947.
- (xi) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

- (xii) The Child Labour (Prohibition and Regulation) Act, 1986.
- (xiii) The Equal Remuneration Act, 1976.
- (xiv) The Code on Wages, 2019*
- (xv) The Occupational Safety, Health, and Working Conditions Code, 2020**
- (xvi) The Industrial Relations Code, 2020***
- (xvii) The Code on Social Security, 2020****

**The Government of India enacted 'The Code on Wages, 2019' ("Code on Wages") which received the assent of the President of India on August 8, 2019. The provisions of this code are proposed to be brought into force by the Central Government on a date to be notified by the Central Government. It proposes to subsume four separate legislations, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. In pursuance of the Code on Wages, the Code on Wages (Central Advisory Board) Rules, 2021 have been notified, which prescribe the constitution and functions of the Central Advisory Board set up under the Code on Wages.*

***The Government of India enacted 'The Occupational Safety, Health and Working Conditions Code, 2020' which received the assent of the President of India on September 28, 2020. Section 142 of the Code on Social Security, 2020 has been brought into force from May 3, 2021, by the Ministry of Labour and Employment through a notification dated April 30, 2021, and other provisions of this code are proposed to be brought into force on a date to be notified by the Central Government. It proposes to subsume several separate 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 Government of India enacted 'The Industrial Relations Code, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code are proposed to be brought into force on a date to be notified by the Central Government. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946.*

*****The Government of India enacted 'The Code on Social Security, 2020 ("Code on Social Security") which received the assent of the President of India on September 28, 2020. The provisions of this code are proposed to be brought into force on a date to be notified by the Central Government. It proposes to subsume several separate 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 Unorganised Workers' Social Security Act, 2008. The Ministry of Labour and Employment, Government of India has notified the draft rules relating to Employee's Compensation under the Code on Social Security, 2020 on June 3, 2021, inviting objections and suggestions, if any, from the stakeholders. Further, draft rules under the Code on Social Security ("Draft Rules") were notified on November 13, 2020. The Draft Rules propose to subsume the Employees' State Insurance (Central) Rules, 1950, Employees' Provident Funds Appellate Tribunal (Conditions of Service) Rules, 1997 and the Payment of Gratuity (Central) Rules, 1972.*

The Maharashtra Labour Welfare Fund Act ("LWF Act")

The primary purpose of labour welfare fund acts, exemplified by the Maharashtra Labor Welfare Fund Act, is to prioritize the comprehensive well-being of workers. By establishing funds supported by both employers and employees, these acts aim to provide a financial safety net that encompasses crucial aspects of workers' lives. This includes social security measures like medical assistance and disability benefits, initiatives to enhance health and safety in the workplace, support for education through scholarships and vocational training, and provisions for decent housing. In essence, these acts play a pivotal role in fostering a harmonious and supportive work environment while contributing to the broader social and economic development of the workforce and communities.

Tax Related Legislations

The tax related laws that are applicable to our Company include the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017, the West Bengal State Tax on Professions, Trades, Callings and Employments Act, 1979 and the relevant state legislations for goods and services tax.

Goods and Service Tax ("GST")

GST is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act, 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by Centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the center and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise—goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

Professional Tax

Professional tax is a state level tax which is imposed on income earned by way of profession, trade, calling or employment. At present, professional tax is imposed only in Karnataka, Bihar, West Bengal, Andhra Pradesh, Telangana, Maharashtra, Tamil Nadu, Gujarat, Assam, Kerala, Meghalaya, Odisha, Tripura, Madhya Pradesh, and Sikkim.

General Corporate Compliance

The Companies Act 1956 and the Companies Act, 2013

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013. The Companies Act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One-Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

Other applicable laws

Municipality Laws

Pursuant to the Seventy Fourth Amendment Act, 1992, the respective State Legislatures in India have the power to endow the Municipalities (as defined under Article 243Q of the Constitution of India) with the power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India which includes regulation of public health. The respective States of India have enacted laws empowering the Municipalities to regulate public health including the issuance of a health trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

The Indian Contract Act, 1872

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as 'void' or 'voidable'. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

Consumer Protection Act, 2019 (the "Consumer Protection Act") and rules made thereunder.

The Consumer Protection Act was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, amongst other things, to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of "consumer" under the Consumer Protection Act includes persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs.

The Trademarks Act, 1999 (the "Trademarks Act")

The Trademarks Act provides for the application, registration and protection of trademarks in India. The Trademarks Act provides exclusive rights to the use of trademarks such as, brands, labels and headings that have been registered and to provide relief in case of infringement of such marks. The Trademarks Act prohibits any registration of deceptively similar trademarks. The Trademarks Act also provides for penalties for infringement and for falsifying and falsely applying trademarks and using them to cause confusion among the public.

The Copyright Act, 1957 and the Copyright Rules, 2013 (the "Copyright Laws")

The Copyright Laws governs copyright protection in India. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Laws acts as prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations. The Copyright Laws prescribe a fine, imprisonment or both for violations, with enhanced penalty on second or subsequent convictions.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company, Paramount Speciality Forgings Limited was originally established as a partnership firm in the name and style of 'Paramount Forge' under the Partnership Act, 1932 with the Registrar of Firms, Mumbai on 01st November, 1994 as amended through partnership deed dated 07 July, 1995, and 01st April, 2000. Subsequently, our firm was converted from a Partnership Firm to a Limited Liability Partnership (LLP) and consequently the name of our firm was changed to 'Paramount Speciality Forgings LLP', and a fresh certificate of incorporation dated 27th June, 2019 was issued to our LLP by the RoC. The constitution of our LLP was further changed from a LLP to a Public Limited Company and consequently the name of our LLP was changed to 'Paramount Speciality Forgings Limited', and a fresh certificate of incorporation dated 5th May, 2023 was issued to our Company by the RoC.

The corporate identification number of our Company is U24109MH2023PLC402307.

Change in registered office of our Company

There has been no changes in the registered office of our Company since incorporation.

Main Objects of our Company

To carry on the business of manufacturing and supply of Carbon Steel, Stainless Steel, Alloy Steel, Special Alloy Steel, Duplex Steel, Super Duplex Steel, Titanium, Aluminum Flanges, Fitting, Rings, Profiled Rings, Tube Sheets, Blanks, Nozzles, and other non-standard Forged Components.

Amendments to the Memorandum of Association

The following amendments have been made to the Memorandum of Association of our Company in the last ten (10) years:

Date of shareholder's resolution	Nature of amendments
May 27, 2023	Clause V of our Memorandum of Association was amended to reflect the increase in the authorized share capital of our Company from ₹ 1,00,000 (Rupees One Lakh) divided into 10,000 (Ten Thousand) Equity shares of ₹10 (Rupees Ten Only) each to ₹ 20,00,00,000/- (Rupees Twenty Crore) divided into 2,00,00,000 (Two Crore) Equity shares of ₹10 (Rupees Ten Only) each.

Corporate profile of our Company

For details regarding the description of our Company's activities, services, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, launch of key products or services, entry in new geographies or exit from existing markets, major suppliers, distributors and customers, segment, capacity/facility creation, capacity built-up, marketing and competition, please refer to the chapters titled "*Our Business*", "*Our Management*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 118, 160 and 192 respectively, of this Draft Red Herring Prospectus.

Major Events and Milestones

The table below sets forth some of the key events, milestones in our history since its incorporation.

Year	Events
1994	Formation of Partnership Firm with the intent to enter into the manufacturing of forged flanges & fittings. Obtained registrations from the Oil & Gas companies and directly cater to the requirements of the End users.
1996	Establishment of Closed Die Manufacturing Plant at Kamothe
2005	All machining and drilling activities required to provide final dimensions for the product were completed using manual Lathe & Drill equipment. As a result, productivity and accuracy in fulfilling completed product dimensions may be low, resulting in delays and unnecessary losses. In view of improving these a variety of CNC and VMC machines were purchased and installed in a new facility to improve product quality, output, and accuracy in the finished product.
2010	Set up of Ultra-Modern Ring Rolling plant in Khalapur
2014	In the initial phase as the plant was newly set up the processes of machining & drilling was outsourced to various vendors which increased the costs and lead times. Hence an integrated machine shop was set up to counter the productivity, lead times and dependency.
2019	Conversion of Partnership Firm into LLP
2020	Set up of Fully Automated Heat Treatment Plant. To achieve necessary Mechanical & metallographic properties it was decided to set up a Heat Treatment plant that is equipped with automated facility having a sophisticated advanced systems that use both water and polymer quenching for flexibility and allowing all kind of heat treatments such as Normalizing, Quenching & Tempering, Hardening, Solution Annealing, Annealing, Stress relieving and Spheroidize Annealing processes which give the forgings the required mechanical and microstructural features.
2020	A 4 meter Vertical Lathe, 2.2 M Vertical machining centre & Multi Axis Machining machines were sourced and set up to boost productivity, efficiency and produce accurate jobs at the plant as a part of continual Technological upgradation.
2023	Incorporation of Paramount Speciality Forgings Limited

Awards and Accreditations:

The table below sets forth some of the key awards received by our Company in its history since its incorporation.

Year	Particulars of Awards
2008-09	Awarded for star performance from EEPC India
2009-10	Awarded for star performance from EEPC India
2022-23	Awarded for bright beginner performance from Kirloskar Group

Time and Cost Overrun

Our Company has not experienced any significant time and cost overrun in setting up projects.

Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks

As of date of this Draft Red Herring Prospectus, there are no defaults or rescheduling of borrowings from financial institutions or banks or conversion of loans into equity in relation to our Company.

Details regarding material acquisition or disinvestments of business / undertakings, mergers, amalgamation

Our Company has not made any business acquisition, merger and amalgamation or disinvestment of business in the last ten years.

Revaluation of assets

Our Company has neither revalued its assets nor has issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves in the last ten years.

Holding Company

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Subsidiaries of our Company

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiaries.

Associate or Joint ventures of our Company

As on the date of this Draft Red Herring Prospectus, our Company does not have any joint ventures or associate companies.

Strategic and Financial Partners

As on date of this Draft Red Herring Prospectus our Company does not have any strategic and financial partners.

Shareholders and Other Agreements

There are no shareholders and other material agreements, apart from those entered into in the ordinary course of business carried on or intended to be carried on by us.

Agreements with key managerial personnel or a Director or Promoters or any other employee of the Company

There are no agreements entered into except in the ordinary course of business by a Key Managerial Personnel or Director or Promoters or any other employee of our Company, 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 dealings in the securities of our Company.

Guarantees given by Promoters offering its shares in the Offer for Sale

Our Promoters have issued no guarantee in relation to the Equity Shares offered by them in this Offer.

Material Agreements

Our Company has not entered into any material agreements with strategic partners, joint venture partners and/or financial partners, other than in the ordinary course of business of our Company.

OUR MANAGEMENT

Our Board of Directors

In terms of Companies Act and the Articles of Association require that our Board shall comprise of not less than three Directors and not more than fifteen Directors, provided that our Shareholders may appoint more than fifteen Directors after passing a special resolution in a general meeting.

As on the date of filing this Draft Red Herring Prospectus , our Company currently has Six (6) Directors on our Board, out of which one (1) is Chairman and Managing Director, Two (2) are Executive Director and Three (3) are Non-Executive Independent Directors. Our Company is in compliance with the corporate governance laws prescribed under the SEBI Listing Regulations and the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

Set forth below, are details regarding our Board as on the date of this Draft Red Herring Prospectus:

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p>Aliasgar Roshan Hararwala</p> <p>Designation: Managing Director</p> <p>Date of birth: January 02, 1978</p> <p>Address: 102, Sweet Home Apartments, Plot-147, 10th Road, Near Madhu Park, Khar Delivery, Mumbai - 400052</p> <p>Occupation: Business</p> <p>Current term: For a period of five years from 5th May, 2023</p> <p>Nationality: Indian</p> <p>Period of Directorship: Since 5th May, 2023</p> <p>DIN: 00334957</p>	45	<i>Nil</i>
<p>Mohammed Salim Hararwala</p> <p>Designation: Executive Director</p> <p>Date of birth: September 23, 1978</p> <p>Address: 73, Faridoon Court,S. B Singh Road, Opp. 4th Pasta Lane, Mumbai -400005</p> <p>Occupation: Business</p> <p>Current term: Liable to retire by rotation.</p> <p>Nationality: Indian</p> <p>Period of Directorship: Since 5th May, 2023</p> <p>DIN: 00335357</p>	45	<i>Nil</i>

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p>Aliasgar Abdulla Bhagat</p> <p>Designation: Chairman and Executive Director</p> <p>Date of birth: September 7, 1954</p> <p>Address: 1601, Jupiter Tower, 21 Nesbit Road, Near Sales Tax Office, Mazgaon, Mumbai - 400010</p> <p>Occupation: Business</p> <p>Current term: Liable to retire by rotation.</p> <p>Nationality: Indian</p> <p>Period of Directorship: Since 5th May, 2023</p> <p>DIN: 00335869</p>	69	Nil
<p>Kurian Pallathuseril Chandy</p> <p>Designation: Independent Director</p> <p>Date of birth: April 04, 1965</p> <p>Address: Room No. 602 A, 6th Flr., Manavsthal II, Goregaon (East), Mumbai, Maharashtra, India- 400063</p> <p>Occupation: Professional</p> <p>Current term: For a period of five (05) years and will not be liable to retire by rotation.</p> <p>Nationality: Indian</p> <p>Period of Directorship: For a period of five (05) years with effect from 28th September, 2023</p> <p>DIN: 00855226</p>	58	Paramount Speciality Forgings Limited Creative Newtech Limited Vidli Restaurants Limited Vits Hotels Worldwide Private Limited Spice Tree Hospitality LLP
<p>Apurva Pradeep Joshi</p> <p>Designation: Independent Director</p> <p>Date of birth: April 10, 1989</p> <p>Address: S-8/9 Rajanigandha Apartment Modikhana, Solapur, Maharashtra, India-413001</p> <p>Occupation: Professional</p> <p>Current term: For a period of five (05) years and will not be liable to retire by rotation.</p> <p>Nationality: Indian</p> <p>Period of Directorship: For a period of five (05) years with effect from 28th September, 2023</p>	34	FINO Paytech Limited Precision Camshafts Limited Riskpro Management Consulting Private Limited FIDEL Softech Limited Quick Heal Technologies Limited Associated Alcohols & Breweries Limited

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<i>DIN:</i> 06608172		Nihilent Limited
<p>Nimesh Mukerji</p> <p><i>Designation:</i> Independent Director</p> <p><i>Date of birth:</i> May 25, 1945</p> <p><i>Address:</i> 301, Luxus Tower, Plot No. 9, Sector 18. Kharghar, Raigad, Maharashtra, India-410210</p> <p><i>Occupation:</i> Professional</p> <p><i>Current term:</i> For a period of five (05) years and will not be liable to retire by rotation.</p> <p><i>Nationality:</i> Indian</p> <p><i>Period of Directorship:</i> For a period of five (05) years with effect from 28th September, 2023</p> <p><i>DIN:</i> 07705885</p>	78	Frontier Springs Limited

Brief Profile of Directors

Aliasgar Roshan Hararwala, aged 45, is an experienced professional with 27+ years in the current business. He is a Business Entrepreneurship diploma holder from BIBE (Burhani Institute of Business Entrepreneurship) in the year 1988. He is an innovative and strategic leader committed to elevating organizational success through quality improvement, safety initiatives, and operational efficiency. Leveraging expertise in ISO 9001, ISO 14001, and ISO 45001 Integrated Management Systems, his role as a Managing Director significantly contributes to our company's success.

Mohammed Salim Hararwala, aged 45 years, is the director of our company. He has over 25 years of experience in the current business. He had done diploma in Computer Technology from Maharashtra State Board of Technical Education in the year 1999. He leads manufacturing operations, ensuring alignment with customer needs and organizational goals. Proficient in ISO standards, he drives process improvements, ERP implementation, and lean manufacturing. As a vital member of the management, he fosters innovation and excellence in problem-solving.

Aliasgar Abdulla Bhagat, aged 69 years, is the director of our company. He has over 50 years of experience in forging and flange production. He completed his SSC. As a visionary leader, he plays a pivotal role in client communication, strategic planning, and goal advocacy.

Kurian Pallathuseril Chandy, aged 58, is the Independent Director of our company. He is a seasoned finance professional with 33 years of experience and a CA from the Institute of Chartered Accountants of India in 1989, complemented by a B.Com. from Bombay University in 1985. With an extensive background in Finance, Accounting, and Operations, he served in various leadership roles, including Unit Financial Controller at Senator Hotels, Nainital (November 1989-December 1991), Credit Manager at The Leela, Mumbai (January 1992-September 1993), Accounts Manager at Lou Lou, a Beach Resort, Sharjah (September 1993-October 1995), Manager (Corporate Finance) at Vishwas Steels Limited, Mumbai (January 1996-May 1997), AGM (Finance & Accounts) at Sai Service Station, Mumbai (January 1996-December 2000), CFO at Kamat Hotels (India) Limited (September 2008-February 2016), Vice President, CEO, and CEO & Director at SES Technologies Limited, Mumbai (January 2001-August 2008). Currently, as an Independent Director at Vidli Restaurants Limited and Creative Newtech Limited, Kurian excels in strategic financial leadership, process improvements, and risk management. His achievements include successful IPOs, debt raising, and implementing SAP B1. With a proven track record, he brings a unique blend of visionary leadership and financial expertise to the corporate arena.

Apurva Pradeep Joshi, aged 34, is the Independent Director of our company. She is a dynamic professional leading the Technology & Due Diligence practice at Riskpro Management Consulting Private Limited. Holding a Certified Management Consultant designation from IIM Bangalore, she stands out as the Youngest Certified Forensic Accounting Professional and Certified Fraud Examiner in the country. Apurva boasts a rich educational background, having pursued a Certificate Course from TATA Institute of Social Sciences in Organization Development, Change and Leadership, and completing an Executive Program in Digital Marketing from IIM-Indore in November 2022. In addition to her role at Riskpro, Apurva has made significant strides in the corporate world. She is the First Woman Professional on the EC-Council Global Advisory Board for CHFI (Computer Hacking Forensic Investigator) IMEA (India Middle East Africa) region and holds Independent Director positions at Precision Camshafts Limited, Fino Paytech Limited, Fidel Softech Limited, Nihilent Limited, Associated Alcohol and Breweries Limited and Quickheal Technologies Limited.

Nimesh Mukerji, aged 78, is the Independent Director of our company. He is a seasoned professional with a Bachelor's Degree in Mechanical Engineering (B.E. Hons) from Jabalpur University in 1966 and a Post-Graduate Diploma in Business Management (D.B.M.) from Bombay University in 1975. A Chartered Engineer and member of The Institution of Engineers (India), Kolkata, he has accumulated over five decades of experience. Nimesh played a pivotal role at M/s WG Forge & Allied Industries Ltd., Thane, progressing from Trainee Engineer to Assistant Operations Manager, overseeing forging manufacturing and machining activities. As the Promotor Director of M/s Tech Team Consultants Pvt. Ltd., Thane, from 1985 to 1992, he demonstrated strategic leadership. Serving as an Independent Director at M/s Frontier Springs Ltd., Kanpur, since 2017, Nimesh Mukerji is an esteemed professional with technical expertise, contributing significantly to the forging industry through 48 assignments with 44 forging units. His commitment is reflected in his continuous engagement as a Technical Consultant since 1992 till date the forging Industry.

As on the date of the Draft Red Herring Prospectus

- A. None of the above-mentioned Directors are on the RBI List of wilful defaulters or Fraudulent Borrowers.
- B. Neither Promoters nor persons forming part of our Promoter Group, our directors, or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
- C. None of the Promoters, Directors, or persons in control of our Company, has been or is involved as a promoter, director or person in control 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.
- D. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) up to the date of filing of this Draft Red Herring Prospectus.
- E. None of Promoters or Directors of our Company are a fugitive economic offender.
- F. None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.
- G. In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge- sheeted with serious crimes like murder, rape, forgery, economic offence.

Relationship between our Directors

Name of Director	Designation	Relation
Aliasgar Roshan Hararwala	Managing Director	Brother-in-Law
Mohammed Salim Hararwala	Executive Director	Brother-in-Law

Arrangements and Understanding with Major Shareholders

None of our Key Managerial Personnel or Directors have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others pursuant to which of the directors was selected as a director or member of senior management.

Payment or Benefit to officers of our Company

Except as stated otherwise in this Draft Red Herring Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

Service Contracts

Other than the statutory benefits that the KMPs are entitled to, upon their retirement, Directors and the Key Managerial Personnel of our Company have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

Borrowing Powers of our Board

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Our Company has, pursuant to an Extra-ordinary General Meeting held on **Monday, November 27, 2023**, resolved that in accordance with the provisions of the Companies Act, 2013, our Board is authorised to borrow in any manner from time to time any sum or sums of money at its discretion on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed by our Company together with the monies already borrowed or to be borrowed (apart from temporary loans obtained from our Company's Bankers in the ordinary course of business), from the financial institutions, Company's bankers and/or from any person or persons, firms, bodies corporate whether by way of loans, advances, deposits, issue of debentures, bonds or any financial instruments or otherwise and whether secured or unsecured, which may exceed the aggregate of the paid up capital of our Company and its free reserves that is to say, reserves not set apart for any specific purpose, provided that the maximum amount of money so borrowed and outstanding at any one time shall not exceed the sum of ₹ **5,000.00 Lakhs**.

Terms of appointment of our Managing Director

Pursuant to a resolution passed by the Board of Directors at the meeting held on 26 May, 2023 and approved by the Shareholders of our Company at the EGM held on 27 May, 2023, Aliasgar Roshan Hararwala was appointed as the Managing Director of our Company for a period of five (05) years with effect from 05 May, 2023 along with the terms of remuneration, which provides that the aggregate of his salary, allowances and perquisites in any one financial year shall be in accordance with Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder.

- (i) Annual Base Salary at the rate of ₹21,00,000 (Twenty One Lakhs only)
- (ii) Annual increment being at the discretion of the Board.
- (iii) The Managing Director shall be entitled to the following perquisites and facilities:
 - a) Annual Leave: 30 days annual leave with pay for every completed service of eleven months.
 - b) The company shall reimburse actual entertainment and traveling expenses incurred by the managing director in connection with the company's business. In the event of inadequacy or absence of profits during the duration of the agreement, the managing director shall be entitled to the remuneration herein provided.

Remuneration details of our Directors

(a) Remuneration of our Executive Directors

The aggregate value of the remuneration paid to the Executive Directors in Fiscal 2023 is as follows:

S. No.	Name of the Director	Remuneration (₹ in lacs)
1.	Aliasgar Abdulla Bhagat	21.00
2.	Mohammed Salim Hararwala	17.16

Our Executive Directors were not paid sitting fee in Fiscal 2023 for attending meetings of the Board of Directors and its committees.

Sitting fee details of our Independent Directors

Our Independent Directors are entitled to receive sitting fees of ₹1.00 Lacs p.a. for attending the meeting of board, committees and members of the company. However, till date no sitting fees were paid.

Payment or benefit to Directors of our Company

Except as disclosed in this Draft Red Herring Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of the Executive Directors except the normal remuneration for services rendered as a Director of our Company. Additionally, there is no contingent or deferred compensation payable to any of our Directors.

Remuneration paid to our Directors by our Subsidiary

As on date of this Draft Red Herring Prospectus, our Company does not have a subsidiary.

Loans to Directors

There are no loans that have been availed by the Directors from our Company that are outstanding as on the date of this Draft Red Herring Prospectus.

Shareholding of Directors in our Company

Except as stated below, none of our Directors holds any Equity Shares of our Company as on the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholders	Pre-Offer		Post - Offer	
		Number of Equity Shares	% of Pre-Offer Equity Share Capital	Number of Equity Shares	% of Post-Offer Equity Share Capital
<i>Promoters</i>					
1	Aliasgar Roshan Hararwala	25,50,432	17.14	[•]	[•]
2.	Mohammed Salim Hararwala	14,18,064	9.53	[•]	[•]
3.	Aliasgar Abdulla Bhagat	17,00,784	11.43	[•]	[•]

* Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

Shareholding of Directors in our Subsidiaries

As on date of this Draft Red Herring Prospectus, our Company does not have a subsidiary.

Interest of Directors

All Directors may be deemed to be interested to the extent of reimbursement of expenses payable to them, if any and the remuneration payable to such Directors as decided by the Board from time to time. Our Executive Directors are interested to the extent of remuneration, payable to them for services rendered as an officer or employee of our Company. Our Non-Executive and Independent Directors are interested to the extent of the sitting fees/ professional fees.

Our Directors, may also be regarded as interested in Equity Shares held by them, if any, or that may be subscribed by and allotted to their relatives, or the entities with which they are associated as promoters, directors, partners, proprietors or trustees or to the companies, firms and trust, in which they are interested as directors, promoters, members, partners and trustees, pursuant to the Offer and to the extent of any dividend payable to them and other distributions in respect of the Equity Shares. Our Independent Directors are not holding any Equity Shares in our Company.

There is no material existing or anticipated transaction whereby Directors will receive any proceeds from the Net Offer.

Interest of Directors in the promotion and formation of our Company

As on the date of this Draft Red Herring Prospectus, none of our other Directors and Key Managerial Personnel are interested in the promotion of our Company. For further details, see “*Our Promoter and Promoter Group*” on page 175 of this Draft Red Herring Prospectus.

Interest as to property

Except as disclosed in this Draft Red Herring Prospectus, our Directors do not have any interest in any property acquired or proposed to be acquired by our Company or of our Company.

Bonus or Profit Sharing Plan for our Directors

None of our Directors are a party to any bonus or profit sharing plan.

Changes in our Board during the Last Three Years

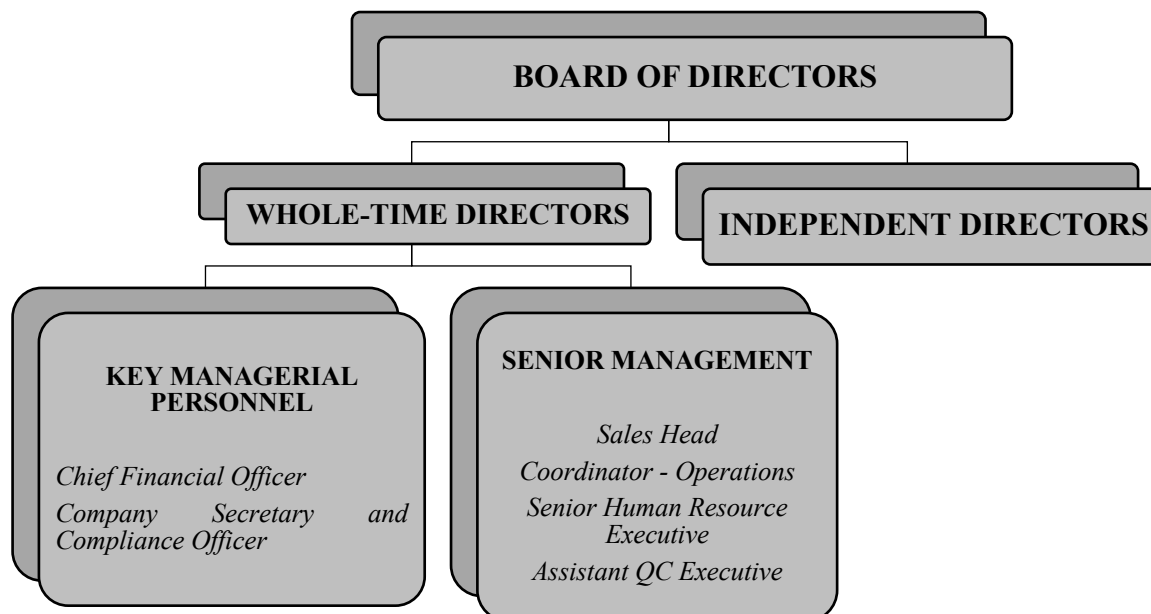
Except as disclosed below, there have been no changes in our Board during the last three years.

Name of Director	Date of Appointment	Date of Cessation	Reasons for Change/ Appointment
Aliasgar Roshan Hararwala	May 05, 2023	-	Appointment as Managing Director on Conversion/Incorporation
Mohammed Salim Hararwala	May 05, 2023	-	Appointment as Director on Conversion/Incorporation
Aliasgar Abdulla Bhagat	May 05, 2023	-	Appointment as Director on Conversion/Incorporation
Kurian Pallathuseril Chandy	September 28, 2023	-	Appointment as Additional Director
Apurva Pradeep Joshi	September 28, 2023	-	Appointment as Additional Director
Nimesh Mukerji	September 28, 2023	-	Appointment as Additional Director
Kurian Pallathuseril Chandy	W.e.f. September 28, 2023, vide EGM dated October 20, 2023	-	Appointment as Non-Executive Independent Director
Apurva Pradeep Joshi	W.e.f. September 28, 2023, vide EGM dated October 20, 2023	-	Appointment as Non-Executive Independent Director

Name of Director	Date of Appointment	Date of Cessation	Reasons for Change/ Appointment
Nimesh Mukerji	W.e.f. September 28, 2023, vide EGM dated October 20, 2023	-	Appointment as Non-Executive Independent Director

Management Organization Structure

Set forth is the management organization structure of our Company:



Corporate Governance

As our Company is coming with an offer in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, as on date of this Draft Red Herring Prospectus, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (LODR) Regulations, 2015 are not applicable to our Company. In additions to the applicable provisions of the Companies Act, 2013 will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. However, our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- Audit Committee;
- Stakeholders' Relationship Committee; and
- Nomination and Remuneration Committee.
- Corporate Social Responsibility Committee

Details of each of these committees are as follows:

a. Audit Committee

Our Audit Committee was constituted on Wednesday, November 01, 2023 with the following members forming a part of the said Committee:

Sr. No.	Name of Member	Designation
1.	Kurian Pallathuseril Chandy	Chairperson
2.	Apurva Pradeep Joshi	Member
3.	Aliasgar Roshan Hararwala	Member

The Audit Committee is in compliance with Section 177 of the Companies Act 2013 and Regulation 18 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Audit Committee.

The scope, functions and the terms of reference of our Audit Committee, is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations which are as follows:

A. Powers of Audit Committee

The Audit Committee shall have the following powers:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary

B. Role of the Audit Committee

The role of the audit committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient, and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon 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; and

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 issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Monitoring the end use of funds raised through public offers and related matters;
8. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
9. Approval of any subsequent modification of transactions of the company with related parties;

Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2 (zc) of the SEBI Listing Regulations and/or the Accounting Standards.

10. Scrutiny of inter-corporate loans and investments;
11. Valuation of undertakings or assets of the company, wherever it is necessary;
12. Evaluation of internal financial controls and risk management systems;
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
14. 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;
15. Discussion with internal auditors of any significant findings and follow up there on;
16. 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;
17. 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;
18. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19. Reviewing the functioning of the whistle blower mechanism;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, and background, etc. of the candidate;
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee; and
22. Reviewing the utilization of loans and/or advances from/investments by the holding company in the subsidiary exceeding rupees hundred crores or 100% of the asset size of the subsidiary, whichever is lower including existing loans / advances/ investments, as may be applicable.
23. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.]

Further, the Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- Appointment, removal, and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- statement of deviations:
 - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations.
 - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) the SEBI Listing Regulations.

As required under the SEBI Listing Regulations, the Audit Committee shall meet at least four times a year with maximum interval of four months between two meetings and the quorum for each meeting of the Audit Committee shall be two members or one third of the members, whichever is greater, provided that there should be a minimum of two independent directors present.

b. Stakeholders' Relationship Committee

Our Stakeholder' Relationship Committee was constituted on Wednesday, November 01, 2023. The members of the said Committee are as follows:

Sr. No.	Name of Member	Designation
1.	Nimesh Mukerji	Chairperson
2.	Aliasgar Abdulla Bhagat	Member
3.	Aliasgar Roshan Hararwala	Member

The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act 2013 and Regulation 20 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Stakeholders' Relationship Committee.

The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations and the terms of reference, powers and scope of the Stakeholders' Relationship Committee of our Company include:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipts of annual reports, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
2. Review of measures taken for effective exercise of voting rights of by shareholders;
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipts of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company; and

5. Carrying out any other function as prescribed under the SEBI Listing Regulations as and when amended from time to time.

As required under the SEBI Listing Regulations, the Stakeholders Relationship Committee shall meet at least once a year, and the chairperson of the committee shall be present at the annual general meetings to answer queries of the security holders. The quorum of the meeting shall be either two members or one third of the members of the committee whichever is greater.

c. Nomination and Remuneration Committee

Our Nomination and Remuneration Committee was constituted on Wednesday, November 01, 2023 with the following members:

Sr. No.	Name of Member	Designation
1.	Nimesh Mukerji	Chairperson
2.	Kurian Pallathuseril Chandy	Member
3.	Apurva Pradeep Joshi	Member

The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act 2013 and Regulation 19 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Nomination and Remuneration Committee.

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations and the terms of reference, powers and role of our Nomination and Remuneration Committee are as follows:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors 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:
 - a) use the services of an external agencies, if required;
 - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c) consider the time commitments of the candidates.
3. formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. devising a policy on diversity of board of directors;
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 of directors 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;
7. recommend to the board, all remuneration, in whatever form, payable to senior management;
8. framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

- the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 or the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent each is applicable; or
 - the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;
9. evaluating the performance of the independent directors and on the basis of their performance evaluation recommending the Board of Directors and the members of the Company to extend or continue the term of appointment of the independent director; and
10. performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

As required under the SEBI Listing Regulations, the Nomination and Remuneration Committee shall meet at least once a year, and the chairperson of the committee shall be present at the annual general meetings to answer queries of the shareholders. The quorum for each meeting of the said committee shall be either two members or one-third of the members of the committee whichever is greater, including at least one independent director in presence

d. Corporate Social Responsibility Committee

Sr. No.	Name of Member	Designation
1.	Aliasgar Roshan Hararwala	Chairperson
2.	Nimesh Mukerji	Member
3.	Aliasgar Abdulla Bhagat	Member

Our Key Managerial Personnel and Senior Management

In addition to our Managing Director, whose details have been provided under paragraph above titled '*Brief Profile of our Directors*', set forth below are the details of our Key Managerial Personnel and Senior Management as on the date of filing of this Draft Red Herring Prospectus:

Mr. Madan Kharkanis, Quality Control Manager, has over 33 years of experience in quality system management (ISO & TS16949), Inspection planning, Vendor Development, Supplier Management, Project Management, Die Shop, NDT, TPIA Interaction, 5 'S', Testing, etc. He has completed Diploma in Mechanical Engineering from Walchand College of Engineering, Sangli. He is associated with our company since 2010.

Mr. Arun Kamble, Manager of Technical Service and Design, possesses a track record of more than three decades in the Forging, Steel and Ring Rolling Industry. He is responsible for Technical Service Department and liaises with all departments. He holds Diploma Certificate in Forging Die & Foundry Tools from ATI Mumbai and Mechanical Draftsman certificate from ITI Mumbai. He is associated with our company since 2011.

Mr. Sachin Shashikant Vaidya, Maintenance Manager, possesses an extensive two-decade experience in the forging industry. He has completed Diploma in Industrial Electronics. He is associated with our company since 2011.

Mr. Umesh Panchal, Production Manager, has over 25 years of experience in the forging industry. He is associated with our company since 2011. He has completed Diploma In Electrical Power System.

Mr. Rajendra Mhatre, Quality Manager, Ring Rolling Plant has 20 years of experience in the forging industry. He is associated with us since 10 years. He has completed Bachelor Degree of Science in chemistry from K.M.C College Mumbai.

Ms. Ankita Anil Patankar, aged 34 years, is the company secretary and compliance officer in our company. She is associated with our company since November 01, 2023. She is the member of ICSI. She has more than five years of experience in the field secretarial matter.

Ms. Farkhanda Abdulrazak Pagarkar, aged 51 years, is the chief financial officer in our company. She has completed B. Com from Burhani College, Mumbai. She has more than 30 years of experience in the field of Accounts, finance and taxation.

Senior Management

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

Relationship of Key Managerial Personnel and Senior Management with our Directors, Promoters and / or other Key Managerial Personnel and Senior Management

Except as disclosed under the heading “*Relationship between our Directors*” herein above, none of the key managerial personnel and senior management are related to each other or to our Promoters or to any of our Directors.

Shareholding of the Key Managerial Personnel and Senior Management

Except as disclosed in “*Shareholding of our Directors*” none of our KMPs holds any Equity Shares of our Company as on the date of filing of this Draft Red Herring Prospectus.

Bonus or Profit Sharing Plan for our Key Managerial Personnel and Senior

None of our Key Managerial Personnel and Senior Management is a party to any bonus or profit sharing plan.

Payment or benefit to Key Managerial Personnel and Senior Management of our Company

Except as disclosed in this Draft Red Herring Prospectus, no amount or benefit has been paid or given within two preceding years or is intended to be paid or given to any of the Key Managerial Personnel and Senior Management except the normal remuneration for services rendered by them. Additionally, there is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Management.

Interest of Key Managerial Personnel and Senior Management

Except as disclosed in this Draft Red Herring Prospectus, none of our Key Managerial Personnel’s and Senior Managements have any interest in our Company other than to the extent of the remuneration, equity shares held by them or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Further, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel and Senior Management have been appointed.

Changes in Key Managerial Personnel and Senior Management in the Last Three Years

Set forth below, are the changes in our Key Managerial Personnel and Senior Management in the last three years immediately preceding the date of filing of this Draft Red Herring Prospectus:

Name	Designation	Date of change	Reason
Mr. Aliasgar Roshan Hararwala	Managing Director	May 05, 2023	Appointment
Ms. Ankita Anil Patankar	Company Secretary and Compliance Officer	November 01, 2023	Appointment
Ms. Farkhanda Abdulrazak Pagarkar	Chief Financial Officer	November 01, 2023	Appointment

The attrition of the key management personnel and Senior Management is as per the industry standards.

Employees’ Stock Option Plan

As on date of this Draft Red Herring Prospectus, our Company does not have any employee stock option plan or purchase schemes for our employees.

Loans taken by Directors / Key Management Personnel and Senior Management




Our Company has not granted any loans to the Directors and/or Key Management Personnel and Senior Management as on the date of this Draft Red Herring Prospectus.

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OUR PROMOTER AND PROMOTER GROUP

As on the date of this, our Promoters holds, 1,48,80,000 Equity Shares, constituting 100.00% of our pre – Offer issued, subscribed and paid-up equity share capital of our Company. For details of the build-up of our Promoters’ shareholding in our Company, see “*Capital Structure*” on page 73 of this Draft Red Herring Prospectus.

Details of our Promoters

	<p>ALIASGAR ROSHAN HARARWALA</p> <p>Aliasgar Roshan Hararwala, aged 45 years, is the Promoter and Managing Director of our Company.</p> <p>For details of his educational qualifications, experience, other directorships, positions/posts held in the past and other directorships and special achievements, see the chapter titled “<i>Our Management</i>” on page 160 of this Draft Red Herring Prospectus.</p> <p>Date of birth: January 2, 1978</p> <p>Permanent account number: AABPH3762M</p> <p>Passport number: Z4956541</p> <p>Address: 102, Sweet Home Apartments, Plot-147, 10th Road, Near Madhu Park, Khar Delivery, Mumbai - 400052.</p>
	<p>MOHAMMED SALIM HARARWALA</p> <p>Mohammed Salim Hararwala, aged 45 years, is the Promoter and Executive Director of our Company.</p> <p>For details of his educational qualifications, experience, other directorships, positions/posts held in the past and other directorships and special achievements, see the chapter titled “<i>Our Management</i>” on page 160 of this Draft Red Herring Prospectus.</p> <p>Date of birth: September 23, 1978</p> <p>Permanent account number: AAOPH5706N</p> <p>Passport number: L7357040</p> <p>Address: 73, Faridoon Court, S. B Singh Road, Opp. 4th Pasta Lane, Mumbai -400005</p>
	<p>ALIASGAR ABDULLA BHAGAT</p> <p>Aliasgar Abdulla Bhagat, aged 69 years, is the Promoter and Executive Director of our Company.</p> <p>For details of his educational qualifications, experience, other directorships, positions/posts held in the past and other directorships and special achievements, see the chapter titled “<i>Our Management</i>” on page 160 of this Draft Red Herring Prospectus.</p> <p>Date of birth: September 7, 1954</p>

	<p>Permanent account number: AAHPB9390B</p> <p>Passport number: V2488687</p> <p>Address: 1601 , 21 Nesbit Road , Mumbai , Mumbai , Mazgaon S.O , 19-Maharashtra , 91-India , 400010</p>
	<p>ABDULLA ALIASGAR BHAGAT</p> <p>Abdulla Aliasgar Bhagat aged 43 years, is the Promoter of our Company with a rich professional journey spanning 20 years. Holding a Bachelor of Commerce degree from Mumbai University (2002), Abdulla has excelled in managing manufacturing processes to meet diverse customer requirements for various projects. His strategic acumen and leadership have played a pivotal role in aligning organizational goals with strategic objectives. In his role, Abdulla collaborates cross-functionally with senior management, sales, and marketing to implement best practices for achieving top-tier customer service. Abdulla's expertise lies in directing manufacturing teams, ensuring excellence in customer satisfaction, and meeting production targets.</p> <p>Date of birth: October 1, 1981</p> <p>Permanent account number: AEWPB7702E</p> <p>Passport number: V2787739</p> <p>Address: 1601 , 21 Nesbit Road , Mumbai , Mumbai , Mazgaon S.O , 19-Maharashtra , 91-India , 400010.</p>
	<p>HOOZEFA SALEEM HARARWALA</p> <p>Hoozefa Saleem Hararwala, aged 41 years, is the Promoter of our Company. He is an adept professional with 15 years of combined experience in heavy engineering and the telecom industry, including international exposure. Holding a master's degree with Distinction in International Management (Business) from the Graduate School of Business, University of Strathclyde, Glasgow (2006), Hoozefa acquired knowledge and expertise in key business areas such as International Marketing, Strategy, Finance, Trade, and Economics. Additionally, he holds a Post Graduate Diploma in Foreign Trade (Foreign Trade - Part time) from the World Trade Institute, Mumbai (2004), Furthermore, he has done Bachelor's degree in Commerce from K.C College, University of Mumbai, Mumbai (2003), These educational achievements complement Hoozefa's professional skills, making him a valuable asset in achieving production goals at Paramount Forge, Mumbai, where he serves as Production Manager since November 2010. In his previous role as Team Lead for Business Intelligence at 3 Mobile (3GlobalServices Pvt. Ltd), Mumbai, he successfully led a team of 8 analysts, delivering impactful projects, and contributing to 3 Mobile UK's market leadership in Mobile Broadband. Hoozefa's analytical skills, proficiency in ERP and business analytics, and experience with quality standards make him a well-rounded professional.</p> <p>Date of birth: November 25, 1982</p> <p>Permanent account number: ABRPH1449L</p> <p>Passport number: L3098778</p> <p>Address: A-73, Faridoon Court, Shahid Bahagt Singh Rdcolaba Mumbai – 400010</p>



ABBASALI SALIM HARARWALA

Abbasali Salim Hararwala, aged 38 years, is the Promoter of our Company. He brings over a decade of expertise in client servicing, sales, and marketing. Holding a Bachelor of Commerce from HR College of Commerce & Economics, University of Mumbai (2003-2006), a Post Graduate Diploma in Management (Marketing) from KJ Somaiya Institute of Management, Mumbai (2008 - 2010), and Diplomas in Event Management and Export-Import Management from NIEM, Mumbai, and Indian Merchant Chambers, Mumbai, respectively, Abbasali is well-versed in diverse aspects of business. In his most recent role as Team Leader - Sales at Whitehat Jr Pvt. Ltd., Mumbai, he led a high-performing team, achieved quarterly targets, and earned the Best Manager award in the cohort. With a proven track record in leadership positions at Estansa Realty and IOS Relocations, Abbasali excels in PAN India Operations, team management, and consistently surpassing sales targets.

Date of birth: August 08, 1985

Permanent account number: ABRPH1448M

Passport number Z2864584

Address: 1601, Jupiter Tower, 21 Nesbit Road, Near Sales Tax Office, Mazgaon, Mumbai – 400010



ZAHID MOHAMADI HARARWALA


Zahid Mohamadi Hararwala, aged 33 years, is the Promoter of our Company. Bringing over 5 years of extensive experience in manufacturing flanges and forgings, Zahid M Hararwala is a key figure in developing, analyzing, and addressing client requirements. As a seasoned professional, he excels in follow-up on material acquisition, production progress, and shipment processes. With a Bachelor of Commerce degree from the University of Mumbai (2012), Zahid demonstrates analytical thinking, adaptability, and proficiency in process improvement and operational management. His skills include managing customer relationships and implementing ERP systems. Zahid's strategic planning acumen is reflected in his ability to define, track, and communicate metrics for new initiatives, showcasing a comprehensive understanding of inter-dependencies between technology, operations, and business needs. His notable achievements include setting and managing project expectations while continually improving processes and fostering adaptability within the organization.

Date of birth: September 30, 1990

Permanent account number: ADSPH7776F

Passport number: J1642152

Address: New Sai Niketan, A Wing, 8th Floor, Room No. 3, Dr. Mascarenhas Road Mazgaon Mumbai, -400010

	<p>ROSHAN ALIHUSAIN HARARWALA</p> <p>Roshan Alihusain Hararwala, aged 86 years, is the Promoter our Company. He brings unparalleled expertise with over five decades of manufacturing and selling experience. His commitment to excellence is reflected in his key responsibilities, where he provides customers with insightful advice and strategic business planning based on extensive industry knowledge and trends. Roshan has been instrumental in outlining and addressing critical issues, offering innovative solutions. His skills encompass business development, partnership development, and sourcing. With a Bachelor of Commerce degree, Roshan has successfully managed key projects, introducing new technologies that significantly enhanced manufacturing capabilities and improved overall customer performance. His enduring contributions mark a legacy of excellence and innovation within the organization.</p> <p>Date of birth: February 10, 1937</p> <p>Permanent account number: AAAPH2637Q</p> <p>Passport number: Z2709504</p> <p>Address: 73, Faridoon Court,S. B Singh Road, Opp. 4th Pasta Lane, Mumbai – 400005, Maharashtra, India</p>
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Other Undertakings and Confirmations

Our Company undertakes that the details of Permanent Account Number, Bank Account Number(s), Aadhar Card Number, Driving License Number and Passport Number of the Promoters will be submitted at the time of submission of this DRHP with NSE for listing of the securities of our Company on EMERGE Platform of NSE.

Our Promoters and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulter or a fraudulent borrower by the RBI or any other governmental authority. No violations of securities laws have been committed by our Promoters or members of our Promoter Group in the past or are currently pending against them.

None of (i) our Promoters and members of our Promoter Group or persons in control of or on the boards of bodies corporate forming part of our Group (ii) the Companies with which any of our Promoters are or were associated as a promoters, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

Other Entities of our Promoters

The Entities in which our Promoters are involved in are as follows:

a) Aliasgar Roshan Hararwala:

Name of the Entity	Nature of Interest
NA	NA

b) Aliasgar Abdulla Bhagat:

Name of the Entity	Nature of Interest
NA	NA
NA	NA

c) Mohammed Salim Hararwala:

Name of the Entity	Nature of Interest
NA	NA
NA	NA

d) Abdulla Aliasgar Bhagat:

Name of the Entity	Nature of Interest
NA	NA
NA	NA

e) Hoozefa Saleem Hararwala:

Name of the Entity	Nature of Interest
NA	NA
NA	NA

f) Abbasali Salim Hararwala:

Name of the Entity	Nature of Interest
NA	NA
NA	NA

g) Zahid Mohamadi Hararwala:

Name of the Entity	Nature of Interest
NA	NA
NA	NA

h) Roshan Alihusain Hararwala:

Name of the Entity	Nature of Interest
NA	NA
NA	NA

Change in Control of our Company

Aliasgar Roshan Hararwala, Aliasgar Abdulla Bhagat, Mohammed Salim Hararwala, Abdulla Aliasgar Bhagat, Hoozefa Saleem Hararwala, Abbasali Salim Hararwala, Zahid Mohamadi Hararwala and Roshan Alihusain Hararwala are the original promoters of our company. Other promoters has become promoters of our company over the year due to change in shareholding in terms of SEBI ICDR Regulations, in last five years immediately preceding the date of this Draft Red Herring Prospectus.

For Further details please refer Capital Structure- Details of Build Up of Our Promoter's Shareholding on page73 of this Draft 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 to the chapter titled "**Our Management**" beginning on page 160 of this Draft Red Herring Prospectus.

Interest of our Promoters

Interest in promotion of our Company

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their shareholding in our Company and the dividends payable, if any, and any other distributions in respect of their shareholding in our Company or the shareholding of their relatives in our Company. For details of the shareholding and directorships of our Promoters in our Company, please refer to the chapter titled “*Capital Structure*”, “*Our Management*” and “*Related Party Transactions*” beginning on page 73, 160 and 211, respectively of this Draft Red Herring Prospectus.

Interest of Promoters in our Company other than as a Promoter

Some of our promoters are Directors of our company or is shareholders, Karta, trustee, member or partner of entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to these entities. For further details of interest of our Promoters in our Company, see “*Related Party Transactions*”, under the chapter, Restated Financial Information on page 186 of this Draft Red Herring Prospectus.

Our Promoters may also be deemed to be interested to the extent of remuneration, benefits, reimbursement of expenses, and commission payable to him as Director on our Board and payable to relatives of Director, in their capacity as employees and Key Managerial Personnel of our Company. For further details, see “*Our Management*” beginning on page 160 and see “*Related Party Transactions*”, under the chapter, Restated Financial Information on page 186 of this Draft Red Herring Prospectus.

Interest in the properties of our Company

Our Promoters are not interested in the properties acquired by our Company in the three years preceding the date of filing of this Draft Red Herring Prospectus with SEBI or proposed to be acquired by our Company, or in any transaction by our Company for the acquisition of land, construction of building or supply of machinery.

Other Interest and Disclosures

Except as stated in this section and the section titled “*Our Management*”, “*Related Party Transactions*” and “*Financial Information*” on pages 160, 211 and 186, respectively, of this Draft Red Herring Prospectus, our Promoters do not has any interest in our Company other than as a Promoter.

Our Promoters are not interested in any transaction in acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Payment or benefits to our Promoters and Promoter Group during the last two years

Except as stated in this chapter and the benefits mentioned in the related party transactions as per AS-18 there has been no payment of any amount of benefits to our Promoters or the members of our Promoter Group during the last two years from the date of this nor is there any intention to pay or give any benefit to our Promoters or Promoter group as on the date of this. For further details, please refer to the chapter titled “*Related Party Transactions*” on page 211 of this Draft Red Herring Prospectus.

Litigations involving our Promoters

For details of legal and regulatory proceedings involving our Promoters, see “*Outstanding Litigation and Material Development*” in page 215 of this Draft Red Herring Prospectus.

Guarantees

Our Promoters have not given any guarantees to third parties in respect of our Company and the Equity Shares that are outstanding as of the date of filing of this Draft Red Herring Prospectus.

Details of Companies / Firms from which our Promoters have disassociated in the last three years

Our Promoters have not disassociated themselves from any company/firm during the three years preceding this Draft Red Herring Prospectus.

OUR PROMOTER GROUP

In addition to our Promoters, the following individuals and entities form part of our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations:

Individuals forming part of the Promoter Group:

Name of the member of Promoter Group	Relationship with the Promoters
a) Aliasgar Roshan Hararwala (Promoter)	
Roshan A. Hararwala	Father
Saeeda Roshan Hararwala	Mother
Arfana Aliasgar Hararwala	Spouse
Abdul Qadir Aliasgar Hararwala	Son
Tayyebi Mohamedbhai Gittham	Spouse's father
Masooma Tayyebi Gittham	Spouse's mother
Mohammed S Hararwala	Spouse's brother-in-Law
Arif Shafakat Hussain Sinnarwala	Spouse's brother-in-Law
Munira M Hararwala	Spouse's sister
Tehseen Arif Sinnarwala	Spouse's sister
b) Aliasgar Abdulla Bhagat (Promoter)	
(Deceased)	Father
(Deceased)	Mother
Kauser A Bhagat	Spouse
(Deceased)	Brother
Rukhsana Abbas Chanasmawala	Sister
Abdulla Bhagat	Son
(Deceased)	Spouse's father
(Deceased)	Spouse's mother
Nuruddin Lokhandwala	Spouse's brother
Munira Nuruddin Lokhandwala	Spouse's sister
c) Mohammed Salim Hararwala (Promoter)	
Salim A. Hararwala	Father
Mehzabeen M. Hararwala	Mother
Munira M. Hararwala	Spouse
Abbasali S. Hararwala	Brother
Taher M. Hararwala	Son
Tayyebi Mohamedbhai Gittham	Spouse's father
Masooma Tayyebi Gittham	Spouse's mother
Ali Hararwala	Spouse's brother-in-Law
Arif Shafakat Hussain Sinnarwala	Spouse's brother-in-Law
Tasneem Hararwala	Spouse's sister
Qurrat Hararwala	Spouse's sister
Tehseen Arif Simmarwala	Spouse's sister
d) Abdulla Aliasgar Bhagat (Promoter)	
Aliasgar Abdulla Bhagat	Father
Kauser Aliasgar Bhagat	Mother
Arwa Abdulla Bhagat	Spouse
Hamza Abdulla Bhagat (Minor)	Son
Moiz Asgarali Tinwala	Spouse's father
Jumana Moiz Tinwala	Spouse's mother
Taha Gulam Husein	Spouse's brother-in-Law
Jamila Taha Husein	Spouse's sister

Name of the member of Promoter Group	Relationship with the Promoters
<i>e) Hoozeefa Saleem Hararwala (Promoter)</i>	
Salim A. Hararwala	Father
Mehzabeen S. Hararwala	Mother
Tasneem H. Hararwala	Spouse
Mohammed S. Hararwala	Brother
Maria H. Hararwala	Daughter
Habib Rashid	Spouse's father
Amtuzehra Rashid	Spouse's mother
Alefiya Habib Rashid	Spouse's sister
<i>f) Abbasali Salim Hararwala (Promoter)</i>	
Saleem Hararwala (Deceased)	Father
Mehzabeen Hararwala (Deceased)	Mother
Qurratul Ain Hararwala	Spouse
Hoozeefa / Mohammed Hararwala	Brother
Ammar Hararwala	Son
Zahra Hararwala	Daughter
Fazal Abbas Mohammed Hussain Adib	Spouse's father
Alifia Adib	Spouse's mother
Hutaib Adib	Spouse's brother
<i>g) Zahid Mohamadi Hararwala (Promoter)</i>	
NA	Father
Nazifa Mohamadi Hararwala	Mother
NA	Spouse
NA	Brother
NA	Sister
NA	Son
NA	Daughter
NA	Spouse's father
NA	Spouse's mother
NA	Spouse's brother
NA	Spouse's sister
NA	Spouse's sister
<i>h) Roshan Alihusain Hararwala (Promoter)</i>	
Alihusain Hararwala	Father
Mariam Hararwala (Deceased)	Mother
Saeeda Roshan Hararwala	Spouse
Salim A Hararwala (Deceased)	Brother
Tara A Hajee	Sister
Aliasgar R Hararwala	Son
Zainul Feroze (Deceased)	Spouse's father
Amina Z. Feroze (Deceased)	Spouse's mother
Dawood Feroze (Deceased)	Spouse's brother
Abdeali Hajee	Sister's Husband
Mahjabeen Salim Harawala (Deceased)	Brother's Spouse
Banoo Feroze (Deceased)	Spouse's sister-in-Law

Entities forming part of the Promoter Group:

Except as stated below, no other company, firm or HUF are forming part of the promoter group:

Nil

Other Confirmations

None of our Promoters and members of the Promoter Group have been declared as wilful defaulters or as a fraudulent borrowers by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.

Our Promoters have not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

None of our Promoters or Promoter Group entities have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoters and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of the Offer against our Promoters.

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OUR GROUP COMPANY

In terms of the SEBI ICDR Regulations, pursuant to a resolution of our Board dated Wednesday, November 01, 2023, and the applicable accounting standards (Accounting Standard 18 and Indian Accounting Standard 24), for the purpose of identification of “group companies” in relation to the disclosure in Offer Documents, our Company has considered the companies with which there have been related party transactions in the last three years and the three month period ended June 30, 2023, as disclosed in the section titled “**Financial Information**” on page 186 of this Draft Red Herring Prospectus. Accordingly, pursuant to the said resolution passed by our Board of Directors and the materiality policy adopted, for determining our Group Companies, there are no Group Companies of our Company.

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DIVIDEND POLICY

The declaration and payment of dividends, if any, will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to, consolidated net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings, and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of, or may enter into, to finance our fund requirements for our business activities. As on the date of this Draft Red Herring Prospectus, our Company does not have a formal dividend policy.

Upon listing of the Equity Shares of our Company and subject to the SEBI Listing Regulations, we may be required to formulate a dividend distribution policy which shall be required to include, among others, details of circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy as to how the retained earnings will be utilized and parameters that shall be adopted with regard to various classes of shares, as applicable.

Our Company has not declared any dividends during the last three Financial Years and three month period ended June 30, 2023. Further, our Company has not declared any dividend in the current Fiscal. There is no guarantee that any dividends will be declared or paid in future. For details in relation to the risk involved, please refer section titled “**Risk Factors**” on page 27 of this Draft Red Herring Prospectus.

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SECTION VI – FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

Independent Auditor's Report on Restated Financial Statements

To
**The Board of Directors,
Paramount Speciality Forgings Limited**
1 & 3 Guru Himmat, Ground Floor,
140 Dr. Mascarenhas Road,
Mazgaon, Mumbai - 400010

1. We have examined the restated summary statement of assets and liabilities of **Paramount Speciality Forgings Limited**, as at June 30, 2023, March 31, 2023, 2022 and 2021 restated summary statement of profit and loss and restated summary statement of cash flows for the financial year ended on June 30, 2023, March 31, 2023, 2022 and 2021 (collectively referred to as the "**restated summary statements**" or "**restated financial statements**") annexed to this report and initialled by us for identification purposes. These restated financial statements have been prepared by the management of the Company and approved by the board of directors at their meeting in connection with the proposed Initial Public Offering (IPO) on SME Platform of NSE ("**NSE EMERGE**") of the company.
2. These restated summary statements have been prepared in accordance with the requirements of:
 - (i) sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
 - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("**ICDR Regulations**") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("**SEBI**")
 - (iii) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("**Guidance Note**").
3. The Company's Board of Directors is responsible for the preparation of the Restated Financial Statements for inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus ("Offer Document") to be filed with Securities and Exchange Board of India ("SEBI"), NSE EMERGE and Registrar of Companies (Mumbai) in connection with the proposed SME IPO. The Restated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Financial Statements. The responsibility of the board of directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. 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 statements taking into consideration:
 - (i) The terms of reference to our engagement letter with the company requesting us to carry out the assignment, in connection with the proposed Initial Public Offering of equity shares on NSE EMERGE ("**IPO**" or "**SME IPO**"); and
 - (ii) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - (iii) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements;
 - (iv) 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. The restated financial statements of the Company have been compiled by the management from the audited financial statements of the Company for the financial year ended on March 31, 2023, 2022 and 2021.
6. Audit for the financial year ended on and March 31, 2023, 2022 and 2021 was conducted by Kalyaniwalla & Mistry LLP. There are no audit qualifications in the audit reports issued by the statutory auditors for the financial year ended on March 31, 2023, 2022 and 2021 which would require adjustments in the Restated Financial Statements of the Company. The financial report included for these years is based solely on the report submitted by them.
7. Based on our examination, we are of the opinion that the restated financial statements have been prepared:
 - a) using consistent accounting policies for all the reporting periods.
 - b) Considering adjustments for prior period and other material amounts in the respective financial years to which they relate.
 - c) the extra-ordinary items that need to be disclosed separately in the accounts have been disclosed.
 - d) there are no audit qualifications in the audit reports issued by the statutory auditors for the financial year ended on March 31, 2023, 2022 and 2021 which would require adjustments in the restated financial statements of the Company.
8. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and engagement letter, we report that:
 - (i) The “**restated statement of asset and liabilities**” of the Company as at June 30, 2023 , March 31, 2023, 2022 and 2021 examined by us, as set out in **Annexure I** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
 - (ii) The “**restated statement of profit and loss**” of the Company for the financial year ended on June 30, 2023 , March 31, 2023, 2022 and 2021 examined by us, as set out in **Annexure II** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
 - (iii) The “**restated statement of cash flows**” of the Company for the financial year ended on September 30, 2023 ,March 31, 2023, 2022 and 2021 examined by us, as set out in **Annexure III** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.
9. 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 for the financial year ended on June 30, 2023 ,March 31, 2023, 2022 and 2021 proposed to be included in the Prospectus (“**Offer Document**”).
10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. In our opinion, the above financial information contained in Annexure I to III of this report read with the respective significant accounting policies and notes to restated summary statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.

13. Our report is intended solely for use of the management and for inclusion in the offer document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

For M/s SSRV & Associates
Firm Registration: 135901W

Sd/-

Vishnu Kant Kabra

Partner

Membership Number: 403437

Place: Mumbai

Date: Wednesday, December 06, 2023

UDIN: 23403437BGWFAV1640

Paramount Speciality forgings Limited
CIN: U24109MH2023PLC402307
Annexure I
Restated Summary Statement of Assets and Liabilities

(₹ in Lakhs)

Particulars	Period Ended June 30,2023	As at 31 March, 2023	As at 31 March, 2022	As at 31 March, 2021
I. EQUITY AND LIABILITIES				
1. Shareholders funds				
(a) Share capital-	1.00	1.00	1.00	1.00
(b) Reserves and surplus	1,642.19	1,565.14	1,969.49	1,656.05
2. Non-current liabilities				
(a) Long-term borrowings	42.15	70.66	176.99	218.12
(b) Provisions	42.83	42.83	31.87	25.12
(c) Deferred tax liability (net)	-	-	-	-
3. Current liabilities				
(a) Short-term borrowings	1,635.48	1,956.99	999.93	1,016.43
(b) Trade payables	2,680.89	3,216.12	1,766.32	1,351.59
(c) Other Financial Liabilities	-	-	-	-
(d) Short-term provisions	88.98	26.06	77.07	82.05
(e) Other current liabilities	99.13	345.07	427.80	530.32
TOTAL	6232.65	7223.87	5450.48	4880.68
II. ASSETS				
1. Non-current assets				
(a) Property, Plant and Equipment				
Tangible Assets	4,765.00	4,764.85	4,624.19	4,563.40
Less: Accumulated Depreciation	3,723.70	3,676.59	3,417.13	3,203.50
Net Block	1,041.30	1,088.26	1,207.06	1,359.91
(b) Intangible Asset				
Tangible Assets	29.79	29.79	26.64	26.12
Less: Accumulated Depreciation	27.54	27.46	25.45	22.87
Net Block	2.24	2.33	1.20	3.25
(c) Capital work in progress	-	-	35.59	13.25
(b) Long Term Loans and Advances	95.39	87.23	70.83	70.68
(c) Non-Current Investment	0.09	0.09	0.09	0.09
(d) Deferred Tax Assets (net)	24.74	60.46	41.51	9.63
(e) Other non-current assets		31.75	102.44	152.43
2. Current assets				
(a) Current Investment	5.00	5.00	5.00	5.00
(b) Inventories	2,417.30	2,942.21	1,758.07	1,697.01
(c) Trade receivables	1,387.43	1,720.76	1,265.32	861.03
(d) Cash & Cash Equivalents	131.82	106.39	132.90	44.73
(e) Short term loan and advances	1,109.17	1,164.53	771.35	592.52
(f) Other Current Assets	18.17	14.85	59.12	71.16
TOTAL	6,232.65	7223.87	5450.48	4880.68

See accompanying note to the financial statements

This is the balance sheet referred to in our report of even date.

For S S R V & Associates
Chartered Accountants
Firm Reg. No. 135901W

Vishnu kant kabra
Partner
Membership No. 403437
UDIN:23403437BGWFAV1640
Place: Mumbai
Date: 06Th December, 2023

For and on behalf of Board of
Paramount speciality forgings limited

Aliasgar R. Hararwala Aliasgar A. Bhagat
Director Director
DIN: 00334957 DIN: 00335869

Paramount Speciality forgings Limited
CIN: U24109MH2023PLC402307
Annexure II
Restated Summary Statement of Profit and Losses

(₹ in Lakhs)

Particulars	Period Ended June 30, 2023	As at 31 March, 2023	As at 31 March, 2022	As at 31 March, 2021
I. Revenue from operations	3,005.43	11,035.77	8,758.25	5,162.86
II. Other income	6.18	188.33	484.91	31.60
III. Total Revenue (I + II)	3,011.61	11,224.10	9,243.16	5,194.45
IV. Expenses:				
Cost of Material Consumed	1,620.11	8,367.18	6,093.05	2,876.39
Direct Expenses	-	-	-	-
Changes in inventories of Stock-in-trade	512.08	(790.70)	3.57	(80.00)
Employee benefits expense	130.45	629.09	529.77	429.90
Finance costs	37.95	143.25	130.35	215.64
Depreciation and amortization expense	47.20	261.47	304.28	467.81
Administrative, Selling & Other expenses	-	-	-	-
Other Expenses	513.45	2255.72	1798.88	1339.50
Total expenses	2,861.25	10,866.01	8,859.91	5,249.25
V. Profit before exceptional, extraordinary items and tax	-	-	-	-
Exceptional items	-	-	-	-
VII. Profit before extraordinary items and tax	-	-	-	-
VIII. Extraordinary Items	-	-	-	-
IX. Profit before tax (VII- VIII)	150.36	358.09	383.26	(54.80)
X. Tax expense:				
(1) Current tax	37.59	91.70	101.70	58.43
(2) Prior year tax adjustment	-	9.50	-	-
(3) Deferred tax	35.72	(18.95)	(31.88)	(85.87)
(3) MAT Credit Entitlement	-	-	-	-
Total tax Expenses	73.30	82.25	69.82	(27.44)
XI. Profit (Loss) for the period (IX-X)	77.05	275.84	313.44	(27.36)
XII. Earnings per share (Face Value of ₹10/- each)				
(1) Basic	770.53	2758.40	3134.37	(273.57)
(2) Diluted	770.53	2758.40	3134.37	(273.57)

See accompanying note to the financial statements

*Restated financial includes period of LLP from 1st April, 2020 to 4th May, 2023

For S S R V & Associates
Chartered Accountants
Firm Reg. No. 135901W

Vishnu kant kabra
Partner
Membership No. 403437
UDIN:23403437BGWFAV1640
Place: Mumbai
Date: 06Th December, 2023

For and on behalf of Board of
Paramount speciality forgings limited

Aliasgar R. Hararwala
Director
DIN: 00334957

Aliasgar A. Bhagat
Director
DIN: 00335869

Paramount Speciality forgings Limited
CIN: U24109MH2023PLC402307
Annexure III
Restated Summary Statement of Cash Flows

Particulars	Period Ended June 30,2023	As at 31 March, 2023	As at 31 March, 2022	As at 31 March, 2021
CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit Before Tax	150.36	358.09	383.26	(54.80)
Adjustments for:				
Depreciation	47.20	261.47	304.28	467.81
Loss/(gain) on Fixed Assets scrapped/ sold	0.00	0.00	(424.37)	0.44
Loss/(gain) on redemption of Investments/ Mutual Funds	0.00	0.00	0.00	(0.48)
Interest income	(0.08)	(6.48)	(7.59)	(9.85)
Interest expense	37.95	143.46	130.92	222.48
Share issue expenses	0.00	0.00	0.00	0.00
Provision for doubtful Debts	(0.56)	(8.81)	(14.25)	(11.41)
Provision for Doubtful Vendor Advances	0.00	0.00	0.00	8.56
Bad Debts Written Off	0.56	8.95	37.45	28.00
Unrealised foreign exchange (gain)/Loss	(2.85)	(6.78)	(27.10)	10.50
Operating (loss) before Working Capital changes	232.58	749.89	382.59	661.24
Adjustments for :				
(Increase) / Decrease in trade receivables	287.14	(434.53)	(400.53)	447.96
(Increase) / Decrease in loans and advances	55.37	(391.37)	(178.84)	(582.02)
(Increase) / Decrease in Other current assets	(46.66)	(44.71)	42.72	570.63
(Increase)/Decrease in Other non current assets	31.75	70.69	49.99	(36.54)
(Increase) / Decrease in Inventories	524.91	(1,184.14)	(61.06)	(500.45)
Increase / (Decrease) in trade payables	(501.97)	1416.53	414.73	(467.75)
Increase / (Decrease) in other current liabilities and provisions	(220.62)	(67.97)	261.59	59.11
Cash generated from / (used in) operations:	362.49	114.39	511.19	152.17
Taxes (Paid) / Refund	7.40	(155.22)	(110.00)	(67.29)
Net cash from / (used in) Operating activities	369.89	(40.82)	401.19	84.87
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property, Plant & Equipment	(0.15)	(108.21)	(218.60)	(48.90)
Receipts on Sale of Property, Plant & Equipment	-	0.00	471.25	-
Investment in Fixed Deposits with Banks	-	-	-	-
Sale of Investments	-	0.00	0.00	10.48
Interest received	6.06	16.34	1.34	9.52
Net cash from / (used in) investing activities	5.92	(91.87)	254.00	(28.91)
CASH FLOW FROM FINANCING ACTIVITIES				
Interest paid	(37.95)	(143.46)	(130.92)	(223.08)
Proceeds/ (repayments) from Borrowings	(350.01)	170.53	(411.67)	49.30
Net cash from / (used in) financing activities	(387.97)	27.07	(542.58)	(173.78)
NET INCREASE/ (DECREASE) IN CASH & CASH EQUIVALENTS	(12.16)	(105.62)	112.60	(117.81)
CASH AND CASH EQUIVALENTS as at the beginning of the Year	15.00	120.62	8.02	125.82
CASH AND CASH EQUIVALENTS as at the End of Year	2.85	15.00	120.62	8.02

As per our report attached

For S S R V & Associates
Chartered Accountants
Firm Reg. No. 135901W

For and on behalf of Board of
Paramount speciality forgings limited

Vishnu kant kabra
Partner
Membership No. 403437
UDIN:23403437BGWFAV1640
Place: Mumbai
Date: 06Th December, 2023

Aliasgar R. Hararwala Aliasgar A. Bhagat
Director Director
DIN: 00334957 DIN: 00335869

Annexure IV

Notes to Restated Financial Information – Significant Accounting Policies

Note 1: Statement of Significant Accounting Policies and Other Explanatory Notes

1 Company Overview

Paramount Speciality forgings Limited (formerly known as Paramount Speciality Forgings LLP) (“the company”) is incorporated in India on 5th May, 2023 having its registered office at **1 & 3 Guru Himmat, Ground Floor, 140 Dr. Mascarenhas Road, Mazgaon, Mumbai – 400010**. The company carry on business of contract trading in widest range of Wall & Floor Tiles along with its services Quality in innovation is the key stone of every activity, the value the must underline its market identity and which is systematically delivered to its own trade partners.

2 Basis of Preparation

- (a) The financial statement are prepared in accordance with Generally Accepted Accounting Principles (Indian GAAP) under the historical cost convention on accrual basis and on principals are going concern. The accounting policies are consistently applied by the company.
- (b) The financial statement are prepared to comply in all material respect with the Accounting standards specified under section 133 of the act, read with rule 7 of the companies (Account) Rules, 2014 and provisions of Companies Act, 2013.
- (c) The preparation of the financial statement requires estimates and assumptions to be made that affect the reported amount of asset and liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Differences between the actual result and estimates are recognized in the period in which the result are known / materialize.

The restated financial information of the **Paramount Speciality forgings Limited** (formerly known as Paramount Speciality Forgings LLP) comprise of restated financial statement of assets and liabilities as at June 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the restated statement of profit and loss account, and restated cash flows for the period ended June 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 and summary of significant accounting policies and explanatory notes and notes to the restated financial information. These Restated financial information have been prepared by the management of the company for the proposed of inclusion in the Draft Red Herring Prospectus (DRHP) prepared by the Company in connection with its proposed Initial Public Offer (“IPO”) 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 India (issue of Capital and Disclose Requirements) Regulations, 2018, as amended (“ICDR Regulations”)
- c) The Guidance Note on Reports in company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended (the “Guidance Note”).

The Restated Standalone Financial Information have been complied by the management form:

The Audited Restated financial statement of the **Paramount Speciality forgings Limited** (formerly known as Paramount Speciality Forgings LLP) as at and for the period ended at June 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, prepared in accordance with the Accounting standard prescribed under section 133 of the companies’ act, 2013, read with companies (Indian Accounting Standard) Rules, 2015 (as amended) and other accounting principles generally accepted in India.

The Restated Standalone Financial Information have been prepared so as to contain information / Disclosure and incorporating adjustment set out below in accordance with the ICDR Regulations.

- a. Adjustment for audit qualification requiring corrective adjustment in the financial statement, if any;

b. Adjustment for reclassification of the corresponding items of incomes, expenses, assets and liabilities, in order to bring them in line with the grouping / disclosures as per the audited financial statement of the **Paramount Speciality forgings Limited** (formerly known as Paramount Speciality Forgings LLP) as at and for the period ended June 30, 2023, March 31, 2023, March 31, 2022, and March 31, 2021, and the requirements of the SEBI Regulations, if any;

c. The resultant impact of tax due to the aforesaid adjustment, if any.

3 Use of estimates

The preparation of financial statement in conformity with GAAP requires judgements, estimates and assumptions to be made that affect the report amount of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues & expenses during the reporting period. Difference between the actual results and estimated are recognised in the period in which the result are known / materialized.

4. Revenue Recognition

(a) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the Revenue can be reliably measured.

(b) Sales are recognized on accrual basis, and only after transfer of goods or services to the customer.

(c) Dividend on Investments are recognized on receipt basis.

(d) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate Applicable.

5 Property, Plant & Equipments

(i) Tangible Assets

Property, Plant and Equipment are stated at actual cost less accumulated depreciation. Cost comprises the purchase price and any Attributable cost of bringing the asset to its working condition for its intended use.

(ii) Intangible Assets

Intangible assets comprise of cost relating to acquisition and development of computer software which are capitalised in accordance with the AS-26 'Intangible Assets' as notified under section 133 of the companies Act,2013 read with Rule 7 of the companies (Accounts) Rule,2014.

6 Depreciation and Amortisation

Depreciation on all property, plant & equipment is provided on straight line value method as per the useful life prescribed under schedule II of Companies Act 2013.

Notes to Restated financial information – Significant Accounting Policies

7 Impairment of Assets

The Carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which is determined by the present value of the estimated future cash flows.

8 Inventories

Inventories consisting of Raw Materials, Finished Goods are valued at lower of cost and net realizable value.

9 Employee Benefits

(i) Defined Contribution Plan:

Contributions as per the Employee's Provident Funds and Miscellaneous Provision Act, 1952 towards provident fund and pension fund are charged to the statement of profit and loss for the year when the contributions to the respective funds are due. There is no other obligation other than the contribution payable to the respective funds.

(ii) Defined Benefit Plan:

Retirement benefits in the form of Gratuity are considered as defined benefits obligations and are provided on the basis of the actuarial valuation, using the projected unit credit method as at the date of the Balance sheet.

10 Lease

Lease where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of Profit and Loss on a straight-line basis over the lease term over the non-cancellable period.

11 Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction or production of the qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the statement of profit and loss.

12 Taxes on income

(i) Current Taxes

Current income tax is measured at the amount expected to be paid to taxation authorities in accordance with the Income Tax Act, 1961 enacted in India by using tax laws that are enacted at the reporting date.

(ii) Deferred Taxes

Deferred Tax arising on account of “timing differences” and which are capable of reversal of reversal in one or more subsequent periods is recognizes, using the tax laws that are enacted or substantively enacted. Deferred tax asset is recognized only to the extent there is reasonable certainty with respect of the same in future years as a matter of prudence.

13 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity share.

14 Prior Period Items

Prior Period and Extraordinary items and changes in Accounting Policies having material impact on the financials affairs of the company are disclosed in financial statements.

Notes to Restated Financial Information – Significant Accounting Policies

15 Provisions, Contingent Liabilities and Contingent Assets

Provisions/Contingencies

- a. Provisions involving substantial degree of estimation in measurements is recognized when there is a present obligation as result of past events and it is probable that there will be an outflow of resources.
- b. Contingent Liabilities are shown by way of notes to be account in respect of obligation where, based on the evidence available, their existence at the balance sheet date is considered not probable.
- c. A Contingent Assets is not recognized in the Accounts.

16 Segment Reporting

Business Segment:

Based on the guiding principles given in accounting standard 17 (AS- 17) on Segment Reporting issued by ICAI, the company has only one reportable business segment, which is business of manufacturing of steel forgings, with range of forged products since 1996 for industrial application, petro chemical, fertilizer, oil & gas, nuclear, power and other heavy engineering sector the business of trading in all kinds of building materials including cements of all varieties, hence no separate disclosure pertaining to attributable revenues, profits, Assets, Liabilities, Capital employed are given. Accordingly, the figures appearing in these financial statement relate to the company’s single Business Segment.

Paramount Speciality Forgings Limited
Formerly known as Paramount Speciality Forgings LLP
CIN: U24109MH2023PLC402307
Notes to Restated Financial Statements

Property Plant & Equipment as Restated										(Amount in Lakhs)	
Particulars	Gross Block			Depreciation			Net Block				
	As at 01 April 2023	Interest Capitalised During the year	Additions	Disposals	As at 30 June 2023	Upto 01 April 2023	For the Year	On Disposals	Upto 30 June 2023	As at 30 June 2023	
Freehold Land	42.87	-	-	-	42.87	-	-	-	-	42.87	
Leasehold Land	10.26	-	-	-	10.26	2.23	0.60	-	2.83	7.43	
Buildings	1,125.52	-	-	-	1,125.52	692.59	10.92	-	703.51	422.00	
Plant and Machinery	3,408.40	-	-	-	3,408.40	2,867.74	31.51	-	2,899.25	509.15	
Factory Equipment	7.12	-	-	-	7.12	4.66	0.07	-	4.73	2.39	
Furniture, Fixtures and Fittings	42.59	-	-	-	42.59	22.24	0.66	-	22.90	19.69	
Office Equipment	32.92	-	-	-	32.92	27.64	0.65	-	28.29	4.63	
Computers	37.24	0.15	-	-	37.38	32.24	1.09	-	33.33	4.05	
Vehicles	57.95	-	-	-	57.95	27.24	1.62	-	28.86	29.08	
Grand Total	4,764.85	-	0.15	-	4,765.00	3,676.59	47.11	-	3,723.70	1,041.30	

Particulars	Gross Block			Depreciation			Net Block			
	As at 01 April 2022	Interest Capitalised During the year	Additions	Disposals	As at 31 March 2023	Upto 01 April 2022	For the Year	On Disposals	Upto 31 March 2023	As at 31 March 2023
Freehold Land	42.87	-	-	-	42.87	-	-	-	-	42.87
Leasehold Land	10.26	-	-	-	10.26	2.01	0.22	-	2.23	8.03
Buildings	1,084.53	-	40.98	-	1,125.52	640.58	52.01	-	692.59	432.93
Plant and Machinery	3,337.19	-	71.21	-	3,408.40	2,691.86	175.88	-	2,867.74	540.66
Factory Equipment	7.12	-	-	-	7.12	2.65	2.01	-	4.66	2.46
Furniture, Fixtures and Fittings	22.81	-	19.78	-	42.59	16.43	5.81	-	22.24	20.35
Office Equipment	30.15	-	2.77	-	32.92	21.78	5.86	-	27.64	5.28
Computers	31.31	-	5.93	-	37.24	28.89	3.35	-	32.24	5.00
Vehicles	57.95	-	-	-	57.95	12.93	14.32	-	27.24	30.70
Grand Total	4,624.19		140.66	-	4,764.85	3,417.13	259.46		3,676.59	1,088.26

Particulars	Gross Block			Depreciation			Net Block As at 31 March 2022			
	As at 01 April 2021	Interest Capitalised During the year	Additions	Disposals	As at 31 March 2022	Upto 01 April 2021		For the Year	On Disposals	Upto 31 March 2022
Freehold Land	42.87	-	-	-	42.87	-	-	-	-	42.87
Leasehold Land	60.09	-	-	49.83	10.26	10.45	1.31	9.75	2.01	8.25
Buildings	1,028.07		98.98	42.52	1,084.53	627.17	50.31	37	640.58	443.95
Plant and Machinery	3,308.47	#REF!	28.72	-	3,337.19	2,457.14	234.73	-	2,691.86	645.33
Factory Equipment	1.24		5.88	-	7.12	1.23	1.42	-	2.65	4.47
Furniture, Fixtures and Fittings	27.27		3.53	7.98	22.81	21.07	2.27	7	16.43	6.38
Office Equipment	29.03		6.78	5.66	30.15	25.55	1.79	6	21.78	8.37
Computers	28.72		2.59	-	31.31	27.60	1.29	-	28.89	2.42
Vehicles	37.64		49.26	28.96	57.95	33.30	8.59	29	12.93	45.02
Grand Total	4,563.40		195.73	134.94	4,624.19	3,203.50	301.70	88.06	3,417.13	1,207.06

Particulars	Gross Block				Depreciation				Net Block As at 31 March 2021	
	As at 01 April 2020	Interest Capitalised During the year	Additions	Disposals	As at 31 March 2021	Upto 01 April 2020	For the Year	On Disposals		Upto 31 March 2021
Freehold Land	42.87	-	-	-	42.87	-	-	-	-	42.87
Leasehold Land	60.09	-	-	-	60.09	9.14	1	-	10.45	49.64
Buildings	1,028.07	-	-	-	1,028.07	574.17	53	-	627.17	400.90
Plant and Machinery	3,300.42	-	18.84	10.79	3,308.47	2,087.02	380	10.37	2,457.14	851.33
Factory Equipment	1.24	-	-	-	1.24	1.04	0	-	1.23	0.01
Furniture, Fixtures and Fittings	24.68	-	2.59	-	27.27	15.63	5	-	21.07	6.20
Office Equipment	29.03	-	-	-	29.03	18.87	7	-	25.55	3.48
Computers	28.46	-	0.27	-	28.72	22.72	5	-	27.60	1.13
Vehicles	37.64	-	-	-	37.64	21.48	12	-	33.30	4.35
Grand Total	4,552.50		21.69	10.79	4,563.40	2,750.07	463.80	10.37	3,203.50	1,359.91

Intangible Assets as Restated

Particulars	Gross Block			Depreciation			Net Block			
	As at 01 April 2023	Interest Capitalised During the year	Additions	Disposals	As at 30 June 2023	Upto 01 April 2023	For the Year	On Disposals	Upto 30 June 2023	As at 30 June 2023
Software	29.79	-	-	-	29.79	27.46	0.08	-	27.54	2.24

Particulars	Gross Block			Depreciation			Net Block			
	As at 01 April 2022	Interest Capitalised During the year	Additions	Disposals	As at 31 March 2023	Upto 01 April 2022	For the Year	On Disposals	Upto 31 March 2023	As at 31 March 2023
Software	26.64	3.14	-	-	29.79	25.45	2.01	-	27.46	2.33

Particulars	Gross Block			Depreciation			Net Block			
	As at 01 April 2021	Interest Capitalised During the year	Additions	Disposals	As at 31 March 2022	Upto 01 April 2021	For the Year	On Disposals	Upto 31 March 2022	As at 31 March 2022
Software	26.12	0.52	-	-	26.64	22.87	2.57	-	25.45	1.20

Particulars	Gross Block			Depreciation			Net Block			
	As at 01 April 2020	Interest Capitalised During the year	Additions	Disposals	As at 31 March 2021	Upto 01 April 2020	For the Year	On Disposals	Upto 31 March 2021	As at 31 March 2021
Software	23.82	2.30	-	-	26.12	18.87	4	-	22.87	3.25

Capital Work in Progress as Restated

Opening Balance	31-Mar-23	35.59
Add: Additions during the year		-
Less: Capitalized during the year		35.59
Closing Balance		-

31-Mar-22	31-Mar-21
13.25	-
163.18	37.11
140.84	23.86
35.59	13.25

	(Amount in Lakhs)			
	As at 30 June 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Deferred tax liabilities(asset) (Net) as Restated				
Deferred tax asset				
Expenses provided but allowable in Income Tax on payment basis	26.06	23.79	19.33	15.23
Provision for doubtful debts	0.16	0.16	2.61	6.57
Provision for doubtful advances	2.82	2.82	2.82	2.82
Difference between book depreciation & tax depreciation	-	33.69	16.75	
Deferred tax asset (A)	29.04	60.46	41.51	24.62
Deferred tax liability				
Difference between book depreciation & tax depreciation	-4.29	-	-	(14.99)
Deferred tax liability (B)	(4.29)	-	-	(14.99)
Net deferred tax liability(asset) (A-B)	24.74	60.46	41.51	9.63

	As at 30 June 2023			As at 31 March 2023			As at 31 March 2022			As at 31 March 2021		
	Face Value	Numbers/ Units/ Shares	Book Value	Face Value	Numbers/ Units/ Shares	Book Value	Face Value	Numbers/ Units/ Shares	Book Value	Face Value	Numbers/ Units/ Shares	Book Value
Investments - Non Current as Restated (valued at historical cost unless stated otherwise)												
Other Investments												
Other non-current investments												
- Guru Himmat Premises Co-op. Hsg. Society Ltd.	50	10	0.01	50	10	0.01	50	10	0.01	50	10	0.01
- Jawahar Co-op. Industrial Estate Ltd.	100	87	0.09	100	87	0.09	100	87	0.09	100	87	0.09
Total Investments - Unquoted			0.09			0.09			0.09			0.09
Aggregate market value as at the end of the year:												
Aggregate amount of quoted investments and market value thereof			-			-			-			-
Aggregate amount of Un-quoted investments			-			-			-			-
Aggregate Provision for diminution in value of investments			-			-			-			-

(Amount in Lakhs)

Long Term Loans and advances as Restated		As at 30 June 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Unsecured, Considered Good, Unless Otherwise Stated					
(a) Security Deposits		12.23	12.23	14.04	14.04
(b) Advance tax and tax deducted at source		83.16	75.00	56.79	44.98
(c) Capital Advances		-	-	-	11.66
Total		95.39	87.23	70.83	70.68

Other non-current assets as Restated		As at 30 June 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Unsecured, Considered Good, Unless Otherwise Stated					
(a) Retention Money held with Customers		-	-	4.92	21.77
(b) Bank deposits with more than 12 months maturity (Placed with bank against margins for Bank guarantees issued)		-	31.75	97.52	-
(c) Margin Money Against Bank Guarantee - Long Term		-	-	-	130.66
Total		-	31.75	102.44	152.43

Current Investments as Restated	Face Value	Numbers/ Units/ Shares	As at 30 June 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Investments in Mutual Funds (Valued at lower of cost and fair value) (Unquoted, fully paid-up) PFG - Union Balanced Advantage Fund Regular Plan	10	49,990	5.00	5.00	5.00	5.00
Total			5.00	5.00	5.00	5.00
Aggregate market value as at the end of the year:						
Aggregate amount of quoted investments and market value thereof				-	-	-
Aggregate amount of Un-quoted investments			8.07	7.64	7.45	6.96
Aggregate Provision for diminution in value of investments				-	-	-

Inventories as Restated		As at 30 June 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
(a) Raw materials		1,346.32	1,359.15	965.71	901.09
(b) Work-in-progress		565.82	961.63	337.56	405.52
(c) Finished goods		505.16	621.43	454.79	390.41
Total		2,417.30	2,942.21	1,758.07	1,697.01

Trade receivables as Restated		As at 30 June 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
A Outstanding for a period less than 6 months from the date they are due for receipt					
(a) Secured Considered good		-	-	-	-
(b) Unsecured Considered good		1,003.82	1,490.50	1,224.42	797.98
(c) Doubtful		-	-	-	-
Total (A)		1,003.82	1,490.50	1,224.42	797.98
B Outstanding for a period exceeding 6 months from the date they are due for receipt					
(a) Secured Considered good		-	-	-	-
(b) Unsecured Considered good		383.61	230.26	40.89	63.04
(c) Doubtful		-	0.56	9.38	23.63
		383.61	230.83	50.27	86.68
Less: Provision for doubtful receivables			(0.56)	(9.38)	(23.63)
Total (B)		383.61	230.26	40.89	63.04
Total (A+B)		1,387.43	1,720.76	1,265.32	861.03

Cash and Bank Balances as Restated		(Amount in Lakhs)			
		As at 30 June 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
A Cash and cash equivalents					
(a)	On current accounts	0.10	0.10	110.58	6.44
(b)	Cash credit account (Debit balance)	0.07	14.05	8.64	-
(c)	Cash on hand	2.68	0.86	1.40	1.57
	Total (I)	2.85	15.00	120.62	8.02
B Other bank balances					
(a)	Deposits with original maturity for more than 3 months but less than 12 months from reporting date	128.97	91.39	4.99	36.72
(b)	Balance with UBI Bank	-	-	7.30	-
	Total (II)	128.97	91.39	12.28	36.72
	Total Cash and bank balances (I+II)	131.82	106.39	132.90	44.73

Short Term Loans and advances as Restated		(Amount in Lakhs)			
		As at 30 June 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Unsecured, Considered Good, Unless Otherwise Stated					
(a)	Staff Loans	14.15	9.53	8.28	10.16
(b)	Advances for Capital Goods	-	7.69	13.56	-
(c)	Balance with government authorities	1,094.69	1,126.45	721.40	558.35
(d)	Prepaid expenses	0.33	0.31	13.28	18.81
(e)	Other Loans & Advances	-	20.54	14.83	1.04
(f)	Miscellaneous Loans and Advances	-	-	-	4.16
		1,109.17	1,164.53	771.35	592.52

Other current assets as Restated		(Amount in Lakhs)			
		As at 30 June 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
(a) Export Incentives					
	Unsecured, Considered Good	18.09	9.01	43.41	61.70
	Doubtful	10.13	10.13	10.13	10.13
		28.22	19.15	53.55	71.83
	Less: Allowance for bad and doubtful loans and advances	10.13	10.13	10.13	10.13
		18.09	9.01	43.41	61.70
(b) Interest accrued but not due on deposits					
		0.07	5.83	15.71	9.46
		18.17	14.85	59.12	71.16

Share Capital as Restated

(Amount in Lakhs)

	As at 30 June 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
SHARE CAPITAL				
AUTHORISED SHARES: 10,000 Equity shares of Rs. 10 each	1.00	1.00	1.00	1.00
ISSUED, SUBSCRIBED AND PAID UP SHARES: 10,000 Equity shares of Rs. 10 each fully paid	1.00	1.00	1.00	1.00
TOTAL	1.00	1.00	1.00	1.00
Reconciliation of Shares:				
No. of shares:				
At the beginning of year	10,000	10,000	10,000	10,000
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	10,000	10,000	10,000	10,000
Amount of shares:				
At the beginning of year (Rs. 10 per share)	1.00	1.00	1.00	1.00
Add: Issued during the year (Rs. 10 per share)	-	-	-	-
Outstanding at the end of the year (Rs. 10 per share)	1.00	1.00	1.00	1.00

Right / Terms attached to Equity Shares:

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each share holder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing general meeting, except in case of interim dividend. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shareholders holding 5% or more of Aggregate Shares of the Company:

Name of Shareholders	As at June 30, 2023		As at March 31, 2023		Percentage Change %
	No. of shares held	(% Holding)	No. of shares held	(% Holding)	
Equity Shares:					
Mr. Aliaagar R. Hararwala	1,714	17.14%	1,714	17.14%	0%
Mr. Abdullah A. Bhagat	1,714	17.14%	1,714	17.14%	0%
Mr. Zahid M. Hararwala	1,429	14.29%	1,429	14.29%	0%
Mr. Roshan A. Hararwala	1,143	11.43%	1,143	11.43%	0%
Mr. Aliaagar A. Bhagat	1,143	11.43%	1,143	11.43%	0%
Mr. Mohd. S. Hararwala	953	9.53%	953	9.53%	0%
Mr. Hoozefa S. Hararwala	952	9.52%	952	9.52%	0%
Mr. Abbasali S. Hararwala	952	9.52%	952	9.52%	0%
Total	10,000	100%	10,000	100%	0%

Name of Shareholders	As at March 31, 2023		As at March 31, 2022		Percentage Change %
	No. of shares held	(% Holding)	No. of shares held	(% Holding)	
<u>Equity Shares:</u>					
Mr. Aliagar R. Hararwala	1,714	17.14%	1,714	17.14%	0%
Mr. Abdullah A. Bhatagat	1,714	17.14%	1,714	17.14%	0%
Mr. Zahid M. Hararwala	1,429	14.29%	1,429	14.29%	0%
Mr. Roshan A. Hararwala	1,143	11.43%	1,143	11.43%	0%
Mr. Aliagar A. Bhatagat	1,143	11.43%	1,143	11.43%	0%
Mr. Mohd. S. Hararwala	953	9.53%	953	9.53%	0%
Mr. Hoozeifa S. Hararwala	952	9.52%	952	9.52%	0%
Mr. Abbassali S. Hararwala	952	9.52%	952	9.52%	0%
Total	10,000	100%	10,000	100%	0%

Name of Shareholders	As at March 31, 2022		As at March 31, 2021		Percentage Change %
	No. of shares held	(% Holding)	No. of shares held	(% Holding)	
<u>Equity Shares:</u>					
Mr. Aliagar R. Hararwala	1,714	17.14%	1,714	17.14%	0%
Mr. Abdullah A. Bhatagat	1,714	17.14%	1,714	17.14%	0%
Mr. Zahid M. Hararwala	1,429	14.29%	1,429	14.29%	0%
Mr. Roshan A. Hararwala	1,143	11.43%	1,143	11.43%	0%
Mr. Aliagar A. Bhatagat	1,143	11.43%	1,143	11.43%	0%
Mr. Mohd. S. Hararwala	953	9.53%	953	9.53%	0%
Mr. Hoozeifa S. Hararwala	952	9.52%	952	9.52%	0%
Mr. Abbassali S. Hararwala	952	9.52%	952	9.52%	0%
Total	10,000	100%	10,000	100%	0%

Promoters' Shareholding	As at June 30, 2023		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	Number	% of Holding	Number	% of Holding	Number	% of Holding	Number	% of Holding
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Mr. Aliagar R. Hararwala	1,714	17.14%	1,714	17.14%	1,714	17.14%	1,714	17.14%
Mr. Abdullah A. Bhatagat	1,714	17.14%	1,714	17.14%	1,714	17.14%	1,714	17.14%
Mr. Zahid M. Hararwala	1,429	14.29%	1,429	14.29%	1,429	14.29%	1,429	14.29%
Mr. Roshan A. Hararwala	1,143	11.43%	1,143	11.43%	1,143	11.43%	1,143	11.43%
Mr. Aliagar A. Bhatagat	1,143	11.43%	1,143	11.43%	1,143	11.43%	1,143	11.43%
Mr. Mohd. S. Hararwala	953	9.53%	953	9.53%	953	9.53%	953	9.53%
Mr. Hoozeifa S. Hararwala	952	9.52%	952	9.52%	952	9.52%	952	9.52%
Mr. Abbassali S. Hararwala	952	9.52%	952	9.52%	952	9.52%	952	9.52%
Total	10,000	100.00%	10,000	100.00%	10,000	100.00%	10,000	100.00%

Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date. Not Applicable

Other equity as Restated

RESERVES AND SURPLUS	As at	As at	As at	As at
	June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
SURPLUS IN STATEMENT OF PROFIT AND LOSS	1,565.14	1,969.49	1,656.05	1,683.40
As per last financial statements	-	(680.19)	-	-
Less : transferred to loans	-	275.84	313.44	(27.36)
Add : Net Profit for the period/ year	77.05	275.84	313.44	(27.36)
TOTAL	1,642.19	1,565.14	1,969.49	1,656.05

(Amount in Lakhs)

Long Term Borrowings as Restated	As at 30 June 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Secured				
(a) Term loan from bank (refer note (ia and ib)) (includes loan taken under Union Guaranteed Emergency Credit Line Scheme (UGECL))	13.21	40.30	140.76	214.57
(b) Vehicle Loan (refer note (ii))	28.94	30.36	36.23	3.54
Total Long Term Borrowings	42.15	70.66	176.99	218.12
Notes: (ia) Term Loan from Bank (UGECL) - Hypothecation of stock and book debts Under UGECL Scheme the Union Bank of India (UBI) has granted term loan to provide liquidity support to Company affected by Covid 19 pandemic Rs. 298 lakhs @ ROI 7.5% fixed tenor 48 months (Inclusive of 12 Months Moratorium period. Repayable in 36 Equated monthly installment of Rs. 9.27 lakhs after moratorium period of 12 months from July 2021. The Company has converted the term loan from UBI bank to HDFC bank from 21st October 2021. ROI is 7.5% Fixed tenor of 32 installments. The Loan is secured against Stock and Debtors, Plant and Machinery, Personal Guarantee of collateral Owners and Partners upto 51% of shareholding, Stock for export and LC for discounting. (ib) During the 2022-23, Company has taken further term loan from HDFC of Rs 57.12 lakhs @ ROI ranging from 10% to 11.39%, repayable in 13 Equated monthly installment of Rs. 5.02 lakhs. (ii) Vehicle Loan includes loan of Rs. 7.20 Lakhs ROI is 8.95% floating rate. The same is repayable in 84 monthly installments. EMI amount is Rs. 11,565. During the year Company has taken two vehicle loan of Rs. 20 Lakhs each, ROI is 7.25% floating rate. The same is repayable in 84 monthly installments. EMI amount is Rs. 0.30 lakhs. All Vehicle loans are secured against Vehicle purchased.				

(Amount in Lakhs)

Long Term Provisions as Restated	As at 30 June 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits				
Provision for gratuity	42.83	42.83	31.87	25.12
Total	42.83	42.83	31.87	25.12

Short Term Borrowings as Restated	As at 30 June 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
A Secured				
(a) Cash Credit (Refer Notes (i) below)	834.08	1,143.58	897.49	938.26
(b) Current Maturities of Term Loan	114.85	126.97	96.74	-
(c) Current maturities of Vehicle Loan	6.37	6.25	5.70	-
(d) Bills Purchased	-	-	-	67.22
Total	955.29	1,276.80	999.93	1,005.48

B Unsecured	As at 30 June 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
(a) Director's Loan (Refer Notes (ii) below)	266.70	266.70	-	10.00
(b) Promotor's Loan (Refer Notes (ii) below)	413.49	413.49	-	-
(c) Loans Repayable on Demand from Banks	-	-	-	0.96
Total	680.19	680.19	-	10.96

(i) Cash Credit from HDFC - The present and future stocks hypothecated with the bank for the sanction limit of Rs.11.50 crores in Cash credit account for the tenure of one year with the annual renewal option.

(ii) Loans from Directors and Promoters - Loans are repayable on call and carries Nil rate of interest.

Trade payables as Restated	As at 30 June 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
(a) Total outstanding dues of micro, small and medium enterprises	-	-	-	-
(b) Total outstanding dues of creditors other than micro, small and medium enterprises	2,680.89	3,216.12	1,766.32	1,351.59
Total Trade payables	2,680.89	3,216.12	1,766.32	1,351.59

NOTES:

No informations is available with the Company regarding vendors to be classified as micro, small and medium enterprises. In absence of required information, no disclosures regarding micro, small and medium enterprises is made in these restated financial statements.

Other current liabilities as Restated	As at 30 June 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
(a) Creditors for Capital Goods	-	16.06	15.47	-
(b) Payables in respect of employees	48.83	47.88	41.87	33.84
(c) Liability for expenses	42.94	48.85	270.27	27.14
(d) Advance from Customer	-	187.84	76.26	-
(e) Statutory Dues Payables	5.52	20.90	16.18	12.14
(f) Other payables	1.84	23.54	7.75	101.77
(g) Current Maturities of Long Term Debt	-	-	-	354.04
(h) Current maturities of Finance Lease Obligations	-	-	-	1.39
Total Other current liabilities	99.13	345.07	427.80	530.32

Short Term Provisions as Restated	As at 30 June 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
(a) Provision for employee benefits				
Provision for gratuity	22.99	22.99	19.12	14.68
Provision for leave Encashment	3.07	3.07	3.14	4.27
-	-	-	-	-
(b) Other provisions				
Provision for Income tax	37.59	-	54.80	63.10
Provision for Taxation (others)	25.33	-	-	-
Total Short Term Provisions	88.98	26.06	77.07	82.05

(Amount in Lakhs)

Revenue from operations as Restated	For the Three month period ended 30th June, 2023			Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
	April 01, 2023 to May 04, 2023	May 05, 2023 to June 30, 2023	For the Three month period ended 30 June 2023			
(a) Sale of products	1,019.87	1,621.33	2,641.20	9,653.99	7,445.72	4,606.78
(b) Other operating revenue	-	-	-	-	-	-
(i) Scrap Sales	147.29	206.11	353.40	1,341.52	1,282.75	505.86
(ii) Export Incentives	0.48	10.34	10.82	40.26	29.78	50.22
Total	1,167.64	1,837.79	3,005.43	11,035.77	8,758.25	5,162.86

Other income as Restated	For the Three month period ended 30th June, 2023			Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
	April 01, 2023 to May 04, 2023	May 05, 2023 to June 30, 2023	For the Three month period ended 30 June 2023			
(a) Proceeds on surrender of Key man Insurance Policy	-	-	-	98.67	-	-
(b) Interest income	0.01	0.07	0.08	6.48	7.59	9.85
(c) Provision for Doubtful debts Written Back	-	0.56	0.56	9.38	23.63	11.41
(d) Net gain on sale of Property Plant and Equipment	-	-	-	-	424.37	-
(e) Miscellaneous Income	0.29	0.01	0.30	-	2.23	3.34
(f) Advance from Customers written back	-	-	-	33.26	-	-
(g) Gain on foreign exchange transactions and translation (net)	2.14	3.10	5.24	40.54	27.10	6.99
Total Other income	2.45	3.74	6.18	188.33	484.91	31.60

Cost of goods sold as Restated	For the Three month period ended 30th June, 2023			Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
	April 01, 2023 to May 04, 2023	May 05, 2023 to June 30, 2023	For the Three month period ended 30 June 2023			
Cost of raw material consumed						
Raw material consumed						
(i) Raw material consumed-Inventory at the beginning of the period/ year	1,359.15	1,167.08	1,359.15	965.71	901.09	480.64
(ii) Add : Raw Material- Purchases during the period/ year	493.33	1,113.95	1,607.29	8,760.62	6,157.68	3,296.84
	1,852.48	2,281.04	2,966.44	9,726.34	7,058.76	3,777.48
(iii) Less: Inventory at the end of the period/ year	1,167.08	1,346.32	1,346.32	1,359.15	965.71	901.09
Cost of raw material consumed	685.40	934.71	1,620.11	8,367.18	6,093.05	2,876.39
Changes in inventories of finished goods, work in progress and stock-in trade						
Inventories at the beginning of the period/ year:						
(i) - Finished goods	621.43	536.53	621.43	454.79	390.41	416.29
(ii) - Work in progress	961.63	816.44	961.63	337.56	405.52	299.64
(I) 1,583.06	1,352.97	1,583.06	1,583.06	792.36	795.93	715.92
Inventories at the end of the period/ year:						
(i) - Finished goods	536.53	565.82	565.82	621.43	454.79	390.41
(ii) - Work in progress	816.44	505.16	505.16	961.63	337.56	405.52
(II) 1,352.97	1,070.97	1,070.97	1,070.97	1,583.06	792.36	795.93
(Increase)/decrease in inventories of finished goods, work-in-progress and stock-in-trade	230.09	281.99	512.08	(790.70)	3.57	(80.00)

(Amount in Lakhs)

	For the Three month period ended 30th June, 2023			Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
	April 01, 2023 to May 04, 2023	May 05, 2023 to June 30, 2023	For the Three month period ended 30 June 2023			
Employee benefits expense as Restated						
(a) Salaries, wages, bonus and other allowances	34.70	80.51	115.21	362.99	473.71	393.88
(b) Contribution to provident and other funds	2.12	4.56	6.68	26.00	25.30	18.42
(c) Gratuity expenses	-	-	-	19.94	18.34	7.15
(d) Staff welfare expenses	2.39	6.18	8.56	20.16	12.43	10.47
Total Employee benefits expense (Including contract labour)	39.21	91.24	130.45	629.09	529.77	429.90
Finance cost as Restated						
(a) Interest expense						
(i) On term loan	1.22	1.85	3.07	17.47	26.39	200.82
(ii) On Vehicle Loan	0.30	0.58	0.88	3.37	1.51	0.45
(iii) On Cash Credit Account	9.52	19.02	28.54	99.69	95.55	-
(b) Bank Charges	1.47	0.27	1.73	22.72	6.90	9.64
(c) Other Borrowing Cost	-	3.73	3.73	-	-	4.73
Total Finance cost	12.50	25.45	37.95	143.25	130.35	215.64
Depreciation and amortization expense as Restated						
(a) on Property Plant & Equipment (Refer note 10.1)	17.60	29.51	47.12	259.46	301.70	463.80
(b) on intangible assets (Refer note 10.1)	0.03	0.05	0.08	2.01	2.57	4.01
Total Depreciation and amortization expense	17.63	29.56	47.20	261.47	304.28	467.81
Other Expenses as Restated						
(a) Consumption of stores and spare parts	42.61	84.87	127.49	615.02	489.76	282.13
(b) Sub-contracting expenses	30.40	116.07	146.48	552.83	458.60	346.26
(c) Power and fuel	36.27	47.26	83.54	368.42	281.17	240.96
(d) Establishment and other expenses	8.88	38.78	47.66	84.55	77.15	94.37
(e) Other manufacturing expenses	3.99	13.77	17.76	57.87	54.10	32.69
(f) Rent	0.15	0.30	0.45	1.81	1.80	1.80
(g) Repairs and maintenance - Buildings	-	-	-	10.97	4.13	20.62
(h) Repairs and maintenance - Machinery	-	-	-	77.64	34.21	42.00
(i) Repairs and maintenance - others	2.11	22.39	24.50	14.06	10.48	13.12
(j) Inspection Charges	0.22	1.63	1.84	10.16	8.46	11.15
(k) Insurance	0.05	0.39	0.45	19.61	30.56	35.33
(l) Telephone Expenses	0.34	0.25	0.59	1.05	1.37	1.99
(m) Rates and taxes	-	-	-	1.53	0.53	1.08
(n) Travelling expenses	0.53	1.65	2.18	1.99	4.55	0.42
(o) Auditor's remuneration	-	-	-	-	-	-
- Audit	-	5.62	5.62	13.00	13.00	16.00
- For Taxation Matters	-	-	-	6.47	-	6.50
- For Certification	-	-	-	-	-	0.25
(p) Legal and professional charges	1.00	4.23	5.23	33.97	35.85	40.73
(q) Commission	0.17	4.27	4.44	90.43	43.26	19.06
(r) Interest on Delayed Payment of Income Tax	-	-	-	0.21	0.56	6.83
(s) Late Delivery (LD)/Late payment Charges	0.00	0.03	0.03	110.14	46.10	6.10
(t) Bad Debts Written Off	-	0.56	0.56	8.95	37.45	28.00
(u) Sundry Balances Written off	-	-	-	3.87	-	0.11
(v) Provision for doubtful debts	-	-	-	0.56	9.38	-
(w) Freight Outward	11.64	32.99	44.62	169.84	156.43	82.51
(x) Net Loss on Sale of Fixed Assets	-	-	-	-	-	0.44
(y) Miscellaneous Expenses	0.00	0.02	0.02	0.77	-	0.38
Total	138.36	375.09	513.45	2,255.72	1,798.88	1,339.39

33. CONTINGENT LIABILITIES

(Amount in Lakhs.)

	For the Three month period ended 30 June 2023	As on 31 March 2023	As on 31 March 2022	As on 31 March 2021
a) GUARANTEES				
1) Guarantees given by the Company to the bankers against which fixed deposits have been placed with the bank under lien.	115.16	132.63	221.13	555.23
2) Letter of credit outstanding given by the Company to the bankers against which fixed deposits have been placed with the bank under lien.	-	-	76.00	76.00

34. FOREIGN CURRENCY EXPOSURE"

a) Details of uncovered foreign exchange exposure :

	Currency	For the Three month period ended 30 June 2023	As on 31 March 2023	As on 31 March 2022	As on 31 March 2021
Receivables (USD in lakhs)	USD	-	1.59	1.26	91.99
Receivables (EURO in lakhs)	EURO	-	2.79	1.39	-

35. COMMITMENTS"

Estimated amount of contracts remaining to be executed on capital account to the extent not provided for Rs. 16.06 lakhs , Rs. 15.47 Lakhs, Rs. 11.66 lakhs for the year ended March 31, 2023, 2022, 2021 respectively.

36. In the opinion of the Board the Current Assets, Loans & Advances are realizable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of amount reasonably necessary.

31. CONSUMPTION OF RAW MATERIALS AND STORES

Particulars	For the Three month period ended 30 June 2023		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	Rupees	%	Rupees	%	Rupees	%	Rupees	%
a) Raw Materials								
- Imported	-	-	-	-	-	-	-	-
- Indigenous	1,620.11	100	8,367.18	100	6,093.05	100	2,876.35	100
TOTAL	1,842.17	100	8,367.18	100	6,093.05	100	2,876.35	100
b) Stores and Spare Parts								
- Imported	-	-	-	-	-	-	-	0
- Indigenous	127.49	100	615.02	100	489.76	100	282.13	100
TOTAL	127.61	100	615.02	100	489.76	100	282.13	100

32. EARNINGS IN FOREIGN CURRENCY

Particulars	Quarter ended June 30, 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
a) Export of Goods	407	2,541.19	1,864.26	1,099.58
TOTAL	407.17	2,541.19	1,864.26	1,099.58

Notes to Restated Financial Statements

30. RELATED PARTY DISCLOSURES

As required under Accounting Standard 18 "Related Party Disclosure" (AS-18), following are the details of transactions during the year with the related parties of the Company as defined in AS 18 :

A) Related Parties and their Relationship

(a) Key Managerial Personnel		
Sr. No	Name of the related parties	Relations
i)	Mr. Mohd. S. Hararwala	Director
ii)	Mr. Aliasgar R. Hararwala	Director
iii)	Mr. Abdullah A. Bhagat	Promotor
iv)	Mr. Aliasgar A. Bhagat	Director
v)	Mr. Hoozeefa S. Hararwala	Promotor
vi)	Mr. Abbasali S. Hararwala	Promotor
vii)	Mr. Zahid M. Hararwala	Promotor
viii)	Mr. Roshan A. Hararwala	Promotor
ix)	Mrs. Saeeda R. Hararwala	Relative of Director
x)	Mrs. Arfana A. Hararwala	Relative of Director
xi)	Mrs. Arwa A. Bhagat	Relative of Director
xii)	Mrs. Nazifa M. Hararwala	Relative of Director
xiii)	Mrs. Tasneem H. Hararwala	Relative of Director

B) Disclosure in respect of transactions with Related Parties:

Nature of Transaction	For the Three month period ended 30 June 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Directors Remuneration				
Mr. Mohd. S. Hararwala	4.29	16.60	10.80	10.53
Mr. Aliasgar R. Hararwala	5.25	21.00	15.00	11.70
Mr. Aliasgar A. Bhagat	5	18.00	12.00	11.70
	14.54	55.60	37.80	33.93
Promoters Remuneration				
Mr. Abdullah A. Bhagat	5	18.00	12.00	11.70
Mr. Hoozeefa S. Hararwala	3.36	12.60	6.84	6.67
Mr. Abbasali S. Hararwala	2.85	10.80	6.36	6.20
Mr. Zahid M. Hararwala	5	18.00	12.00	11.70
Mr. Roshan A. Hararwala	5.25	21.00	15.00	11.70
	21.46	80.40	52.20	47.97
Reimbursement of Expenses				
Mr. Mohd. S. Hararwala	-	-	-	0.50
Mr. Aliasgar R. Hararwala	-	-	-	14.29
Mr. Abdullah A. Bhagat	-	-	-	0.83
Mr. Aliasgar A. Bhagat	-	-	-	0.07
Mr. Hoozeefa S. Hararwala	-	-	-	0.74
Mr. Zahid M. Hararwala	-	-	-	0.08
Mr. Roshan A. Hararwala	-	-	-	0.37
				16.87
Legal and Professional Charges				
Mrs. Arwa A. Bhagat	1.35	6.00	6.00	5.85
Mrs. Nazifa M. Hararwala	0.68	3.00	3.00	2.93
Mrs. Tasneem H. Hararwala	0	2.00	6.00	5.85
Mrs. Arfana A. Hararwala	0	-	-	5.85
	2.03	11.00	15.00	20.48
Loan Taken from Directors				
Mr. Mohd. S. Hararwala	66.71	66.71	-	-
Mr. Aliasgar R. Hararwala	119.98	119.98	-	-
Mr. Aliasgar A. Bhagat	80.01	80.01	-	-
		266.70		
Loan Taken from Promoters				
Mr. Abdullah A. Bhagat	119.98	119.98	-	-
Mr. Hoozeefa S. Hararwala	66.64	66.64	-	-
Mr. Abbasali S. Hararwala	66.64	66.64	-	-
Mr. Zahid M. Hararwala	80.21918	80.22	-	-
Mr. Roshan A. Hararwala	80.01	80.01	-	-
	413.49	413.49		
Repayment of Loan				
Mrs. Saeeda R. Hararwala	-	-	10.00	-
			10.00	

C) Disclosure in respect of Outstanding Balances of Related Parties

Particulars		Quarter ended June 30, 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
1	Mr. Mohd. S. Hararwala	Salary Payable	4.29	0.90	1.70
		Loan Payable	66.71	-	-
2	Mr. Aliasgar R. Hararwala	Salary Payable	3.50	2.25	0.70
		Loan Payable	119.98	-	-
3	Mr. Abdullah A. Bhagat	Salary Payable	3.33	3.00	3.00
		Loan Payable	119.98	-	-
4	Mr. Aliasgar A. Bhagat	Salary Payable	3.33	3.00	3.00
		Loan Payable	80.01	-	-
5	Mr. Hoozeefa S. Hararwala	Salary Payable	2.24	2.45	0.57
		Loan Payable	66.64	-	-
6	Mr. Abbasali S. Hararwala	Salary Payable	1.90	2.05	0.53
		Loan Payable	66.64	-	-
7	Mr. Zahid M. Hararwala	Salary Payable	3.33	3.00	3.00
		Loan Payable	80.22	-	-
8	Mr. Roshan A. Hararwala	Salary Payable	3.50	3.50	2.00
		Loan Payable	80.01	80.01	-
9	Mrs. Saeeda R. Hararwala	Legal & Professional Charges Payable	1.35	-	10.00
10	Mrs. Arfana A. Hararwala	Legal & Professional Charges Payable	-	-	0.46
11	Mrs. Arwa A. Bhagat	Legal & Professional Charges Payable	-	1.35	2.65
12	Mrs. Nazifa M. Hararwala	Legal & Professional Charges Payable	0.68	0.68	1.35
13	Mrs. Tasneem H. Hararwala *	Legal & Professional Charges Payable	-	-	0.46
			707.65	705.75	12.20
					28.55

* amount less than ` 0.01 lakh

29. Disclosure Pursuant to "Employee Benefit Expenses"

a) DEFINED CONTRIBUTION PLAN

Provident Fund:

The Company makes provident fund contributions to a defined contribution retirement benefit plan for qualifying employees. The provident fund plan is operated by the Regional Provident Fund Commissioner. The plan envisages contribution by the employer and employees and guarantees interest at the rate notified by the Provident Fund Authority. The contribution by employer and employee, together with interest, are payable at the time of separation from service or retirement, whichever is earlier.

b) DEFINED BENEFIT PLAN

Gratuity:

The Company makes annual contribution to the the Gratuity fund administered through a master policy with the Life Insurance Corporation of India for the qualifying employees but it does not contribute fund towards the liability of the Directors. Gratuity is payable to all eligible employees on superannuation, death or on separation / termination at the rate of 15 days salary for each year of service subject to a maximum of Rs. 20 lakh.

The company operates a defined benefit gratuity plan for it's employees and is governed by the Payment of Gratuity Act, 1972. The liability for the Defined Benefit Plan is provided on the basis of actuarial valuation, using the projected unit credit method, as at the balance sheet date, carried out by an independent actuary.

c) Basis Used to Determine Expected Rate of Return on Assets:

The expected return on plan assets is determined based on several factors like the composition of plan assets held, assessed risks of asset management, historical results of the the return on plan assets and the Company's policy for plan asset management.

d) Amounts Recognised as Expense:

i) Defined Contribution Plan

Employer's Contribution to Provident Fund amounting to Rs. 21.89 lakh, Rs. 21.16 lakh, Rs. 15.83 lakh for the year ended March 31, 2023, 2022, 2021 respectively has been included in Note 23 under Contribution to Provident Fund and Other Funds.

ii) Defined Benefit Plan

Gratuity amounting to Rs.19.94 lakh, Rs.18.34 lakh, Rs. 7.15 lakh for the year ended March 31, 2023, 2022, 2021 respectively has been included in Note 23 under Gratuity Expense.

(Amount in Lakhs.)

29 Employee Benefit Expenses (Continued)	Gratuity		
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
e) The amounts recognized in the Company's financial statements as at year end are as under:			
i) Change in Present Value of Obligation			
Present value of the obligation at the beginning of the period / year	91.73	74.51	76.30
Present value of the obligation taken over Pursuant to Scheme of Conversion	-	-	-
Interest Cost	6.67	4.93	5.22
Current Service Cost	10.57	8.72	7.77
Benefit Paid From the Fund	(1.48)	(3.06)	(10.42)
Actuarial (Gain) / Loss on Obligation - Due to change in Demographic Assumption	-	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	0.02	-
Actuarial (Gain) / Loss on Obligation - Due to change in Financial Assumption	(2.64)	(4.20)	(0.25)
Actuarial (Gain) / Loss on Obligation - Due to Experience	6.62	10.81	(4.10)
Present value of the obligation at the end of the period / year	111.48	91.73	74.51
ii) Change in Plan Assets			
Fair value of Plan Assets at the beginning of the period / year	40.74	34.71	31.59
Plan Assets taken over pursuant to Scheme of Amalgamation	-	-	-
Adjustment to Opening Balance	-	-	-
Expected return on Plan Assets	2.96	2.20	2.16
Contributions by the Employer	5.11	6.63	12.06
Benefit Paid From the Fund	(1.48)	(3.06)	(10.42)
Actuarial Gain / (Loss) on Plan Assets	-	-	-
Actuarial (Gain) / Loss on Obligation - Due to Experience	(0.56)	0.26	(0.68)
Benefits Paid	-	-	-
Fair value of Plan Assets at the end of the period / year	46.77	40.74	34.71
iii) Amounts Recognised in the Balance Sheet:			
Present value of Obligation at the end of the period / year	111.48	91.73	74.51
Fair value of Plan Assets at the end of the period / year	46.77	40.74	34.71
Net Obligation at the end of the period / year	64.70	50.99	39.80
iv) Expenses Recognised in the Statement of Profit and Loss:			
Interest Cost on Obligation	3.71	2.73	3.06
Current Service Cost	10.57	8.72	7.77
Expected return on Plan Assets	-	-	-
Net Actuarial (Gain) / Loss recognised in the period / year	4.54	6.36	(3.68)
Net Cost Included in Personnel Expenses	18.82	17.82	7.15
v) Actual Return on Plan Assets	2.40	2.46	1.49
vi) Estimated contribution to be made in next financial year	22.99	19.12	14.68
vii) Actuarial Assumptions			
i) Discount Rate	7.27%	6.87%	6.87%
ii) Expected Rate of Return on Plan Assets	7.27%	6.87%	6.87%
iii) Salary Escalation Rate	7.50%	7.50%	7.50%
iv) Employee Turnover	3.00% p.a. for all service groups.	3.00% p.a. for all service groups.	3.00% p.a. for all service groups.
v) Mortality	Indian Assured Lives Mortality (2012-14) UI	Indian Assured Lives Mortality (2012-14) UI	Indian Assured Lives Mortality (2006-08) UI

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

viii) Experience Adjustments (Gain) / Loss*:	On Plan Liabilities	On Plan Assets
Mar-21	(4.10)	(0.68)
Mar-22	10.81	0.26
Mar-23	6.62	(0.56)
Jun-23	-	-

*Note: Details on Experience Adjustment is given only to the extent information available.

Paramount Speciality Forgings Limited
(Formerly known as Paramount Speciality Forgings LLP)
CIN: U24109MH2023PLC402307
Notes to Restated Financial Statements

Earnings Per Share

Disclosure as required by Accounting Standard – AS 20 "Earnings Per Share" notified under The Companies (Accounting Standards) Rules, 2006 (as amended).

The Company has not issued any potential diluted equity share and therefore the Basic and Diluted earnings per Share will be the same. The earnings per share is calculated by dividing the profit after tax by weighted average number of shares outstanding

Particulars	For the Three month period ended 30 June 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Profit after tax (₹ In Lakhs)	77.05	275.84	313.44	(27.36)
Number of Equity Shares:				
As at the commencement of the year	10,000	10,000	10,000	10,000
Issued during the year	-	-	-	-
As at the end of the year	10,000	10,000	10,000	10,000
Weighted average number of equity shares during the year:				
Basic and Diluted	10,000	10,000	10,000	10,000
Earning per Equity Share of Rs. 10/- each				
Basic and Diluted	770.53	2,758.40	3,134.37	(273.57)

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Notes to Restated Financial Statements

RATIOS

Ratio	Numerator	Denominator	01st April 2023 to 30th June 2023	01st April 2022 to 31st March 2023	01st April 2021 to 31st March 2022	01st April 2020 to 31st March 2021
Current ratio	Current Assets	Current Liabilities	1.13	1.07	1.22	1.10
Debt-equity ratio	Total Debt	Shareholders funds	1.02	1.29	0.60	0.75
Debt service coverage ratio	Net operating Income	Debt Service	6.21	5.33	6.27	2.92
Return on equity ratio	Net profit after tax	Average Shareholders funds	0.05	0.16	0.17	-0.01
Trade receivables turnover ratio	Net Credit Sales	Average Trade receivables	1.93	7.39	8.24	4.70
Trade payables turnover ratio	Net Credit Purchases	Average trade payables	0.37	3.83	3.95	2.13
Net capital turnover ratio	Net sales	Total Shareholder's Equity	183%	705%	445%	312%
Net profit ratio	Net profit after tax	Net Sales	3%	2%	4%	-1%
Return on capital employed	EBIT	Capital Employed	11%	30%	24%	8%
Return on investment	Change in Shareholders Funds	Opening Shareholders funds	5%	-21%	19%	-2%

Ratio :	
Current Ratio	Current Assets \ Current Liability
Debt-Equity Ratio,	Toal Debt \ Shareholder's Equity
Debt Service Coverage Ratio,	Earnings available for debt service \ Debt Service
Return of Equity Ratio,	Net Profits after taxes \ Average Shareholder's Equity
Trade Receivable turnover Ratio,	Net Credit Sales \ Average Accounts Receivable
Trade Payable turnover Ratio,	Net Credit Purchases \ Average Trade Payables
Net Capital turnover Ratio,	Net Sales \ Average Working Capital
Net Profit Ratio,	Net Profit \ Net Sales
Return on Capital employed,	Earning before interest and taxes \ Capital Employed
Return on investment,	Income generated from investments \ Average Investments

*** Note:**

Assuming all revenue from operation as Credit sales.
Net Credit Purchases= Cost of Material consumed+Changes in inventory)

OTHER FINANCIAL INFORMATION

The accounting ratios derived from our Restated Financial Information are given below:

Particulars	For the period ended September 30, 2023	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2021
Basic Earnings per share (₹) ⁽¹⁾	770.53	2,378.40	3,134.37	(273.57)
Diluted Earnings per equity share (₹) ⁽²⁾	770.53	2,378.40	3,134.37	(273.57)
Return on net worth (%) ⁽³⁾	13.83	17.61	15.91	-1.65
Net asset value per Equity Share (₹) ⁽⁴⁾	17,087.91	15,661.36	19,704.86	16,570.48
EBITDA ⁽⁵⁾ (₹ in lakhs)	235.95	762.81	817.89	628.65

The ratios have been computed as under:

1. *Basic Earnings per share (₹) = Restated profit for the year attributable to equity shareholders / Weighted average number of Equity Shares.*
2. *Diluted Earnings per equity share (₹) = Restated profit for the year attributable to Equity shareholders / Weighted average number of diluted Equity Shares.*
3. *Return on net worth (%) = Restated Net Profit after tax attributable to shareholder / Average of Restated Net worth at the beginning and end of the year/period.*

“Net worth”: Net worth represents the shareholders’ funds and is computed as sum of share capital and reserves including share premium share application money and fair value change account net of debit balance in profit and loss account.

4. *Net asset value per Equity Share (₹) = Restated Net Worth at the end of the year or period / Total number of equity shares outstanding at the end of the year/period.*
5. *Earnings Before Interest, Tax, Depreciation and Amortisation.*

In accordance with the SEBI ICDR Regulations, the audited financial statements of our Company for Fiscal year ended 31st March 2023 are available on our website at www.mcplworld.com. Our Company is providing a link to this website solely to comply with the requirements specified in the ICDR Regulations.

The Audited Financial Statements do not constitute, (i) a part of this Prospectus; or (ii) a Prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document or recommendation or solicitation to purchase or sell any securities under the Companies Act, the ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. None of our Company or any of its advisors, nor Lead Managers, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from reliance placed on any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

FINANCIAL INDEBTEDNESS

Our Company avails loans and facilities in the ordinary course of its business for meeting our working capital, capital expenditure and other business requirements. For details of the borrowing powers of our Board, please see “Our Management – Borrowing Powers” on page 164 of this Prospectus.

Our Company has obtained the necessary consents required under the relevant financing documentation for undertaking activities in relation to the Issue, including dilution of the current shareholding of our Promoters and members of the promoter group, expansion of business of our Company, effecting changes in our capital structure and shareholding pattern.

The aggregate outstanding borrowings (including fund based and non-fund-based borrowings) of our Company as on June 30, 2023, is provided below:

Category of borrowing [Secured & Unsecured Loan]	Sanctioned amount (₹ in Lakhs)	Outstanding as on the June 30, 2023 (₹ in Lakhs)
Secured loan (Long term borrowing)		
Term loan from bank		
HDFC bank Term loan – I	298.00	128.06
HDFC bank Term loan – II	57.12	
Vehicle loan- I	7.20	35.30
Vehicle loan- II	40.00	
Secured loan (Short term borrowing)		
HDFC bank -Cash credit	1150.00	834.08
Total(A)		997.45
Unsecured loan		
From Partners/ Promoters/ Promoters Group/ Group Companies/Directors & their Relatives	-	680.19
Loan from Others	-	-
Total(B)		680.19
Total(A+B)	-	1677.63

Key terms of borrowings availed by our Company

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by our Company.

1. HDFC bank Term loan – I:

Tenor and Interest Rate	Loan is borrowed for 32 Installments @ 7.5% p.a.
Frequency	Monthly
Tenure	32 months
Product description	Business Installment Loan
Security	The Loan is secured against Stock and Debtors, Plant and Machinery, Personal Guarantee of collateral Owners and Partners upto 51% of shareholding, Stock for export and LC for discounting.

2. HDFC bank Term loan – II:

Tenor and Interest Rate	Loan is borrowed for 13 Installments
Frequency	Monthly
Tenure	13 months
Loan Type	Business Loan

Interest rate Plan	Floating interest rate ranging from 10 to 11.39%
Security	The Loan is secured against Stock and Debtors, Plant and Machinery, Personal Gurantee of collateral Owners and Partners upto 51% of shareholding, Stock for export and LC for discounting.

3. Vehicle Loan-I

Tenor and Interest Rate	Loan is borrowed for 84 months @ 8.95% p.a.
Security	All Vehicle loans are secured against Vehicle purchased.
Tenure	84 months
Loan Type	Fixed loan
Interest type	Fixed
Type of arrangement	Vehicle loan

4. Vehicle loan-II

Tenor and Interest Rate	Loan is borrowed for 84 months @ 7.25% p.a.
Security	All Vehicle loans are secured against Vehicle purchased.
Tenure	84 months
Loan Type	Fixed loan
Interest type	Floating
Type of arrangement	Vehicle loan

5. HDFC bank -Cash credit

Cash Credit from HDFC - The present and future stocks hypothecated with the bank for the sanction limit of Rs.11.50 crores in Cash credit account for the tenure of one year with the annual renewal option.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion is intended to convey management's perspective on our financial condition and results of operations for financial years ended March 31, 2023, 2022 and 2021, and for the periods ended on June 30, 2023, including the related notes and reports, included in this Draft Red Herring Prospectus. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled "Financial Statements" and the chapter titled "Financial Information" on 186 of the Draft Red Herring Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "Risk Factors" on page 27 of this Draft Red Herring Prospectus. Actual results could differ materially from those contained in any forward- looking statements and for further details regarding forward-looking statements, kindly refer to the chapter titled "Forward- Looking Statements" on page 17 of this Draft Red Herring Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12- 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 Paramount Speciality Forgings Limited, our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for the period ended on May 04, 2023 and June 30, 2023, and Financial Years ended on 31st March 2023, 2022, and 2021 included in this Draft Red Herring Prospectus beginning on page 186 of this Draft Red Herring Prospectus.

BUSINESS OVERVIEW -

We are manufacturers of steel forgings in India offering a diverse range of forged products. We have developed our business and scale of operations since its founding in 1996 and have invested in a variety of machinery to boost and diversify our manufacturing capabilities. We can now manufacture and provide forged components ranging in weight from 1Kg to 4 metric tons in rough or finish-machined condition. Our products are manufactured in accordance with National & International standards and is used in a wide range of industrial applications catering to the extensive requirements of Petrochemicals, Chemicals, Fertilizers, Oil & Gas, Nuclear Power, and other heavy engineering sectors.

We benefit from our experience in catering to a wide range of customers due to our legacy of over three decades in the manufacturing businesses and have built long-standing relationships with customers across end-users in the Petrochemicals, Chemicals & Fertilizer, Oil & Gas, Nuclear, Power & other Heavy Engineering Industries.

We as an organization have established, implemented, and maintained an Integrated Management System (IMS), including the processes needed and their interactions, to achieve the intended outcome, including enhancing environmental and OH & S performance. The organization has considered the knowledge it gained during determination of internal and external issues, workers and other interested parties' requirements while establishing and maintaining the Integrated Management System. The organization ensures continual improvement in IMS.

We own and operate two manufacturing facilities, with one in Kamothe and one in Khalapur, Maharashtra. Our Closed Die Forging Plant shop is equipped with two pneumatic air hammers 2T and 5T and a Drop Forge Hammer of capacity 1.5 MT that are capable of producing single piece forgings weighing up to 120 Kgs.

On the other hand, the Ring Rolling facility at the Khalapur Plant is equipped with an Automated 3,500T Hydraulic Blanking Press & a Radial Axial Ring Rolling Mill producing a variety of forgings and is capable of forging Seamless rolled rings up to a diameter of 3,500 mm, a height of up to 750mm and a weight of up to 5MT. For more information on the capacity of our manufacturing facilities, see "Our Business- Installed Capacity, Average Annual Available Capacity, Actual Production and Capacity Utilization" on page 116.

Plant	Production Capacity
Kamothe Plant (Closed Die Forging)	5,000 MTPA
Kahalpur Plant (Ring Rolling & Open Forging)	7,000 MTPA
Total Capacity	12,000 MTPA

As time has progressed, we have modernized our existing Closed Die manufacturing plant & kept upgrading our Ring Rolling Facility which further increases our Production capacities & capabilities. This now includes a wide range of Products Including Flanges, Non-standard Forgings, Valve Components, Gear Rings & Blanks, Bearing Races, Slew Rings, Turbine Rings, & other Customized Forgings in all grades of Carbon, Alloy, Stainless, Duplex, Super Duplex & Other Nickel Alloy based materials. The manufacturing plants are geared to manufacture with productivity and precision followed by stringent quality control measures, managed by a group of professionals having experience in various fields of Management & Engineering which is backed up by highly motivated work force. The plant is certified under ISO 9001-2008, ISO 14001-2004 and BS OHSAS 18001-2007 and accredited by reputed Oil & Gas companies, Statutory Bodies & Inspections Agencies.

We manufacture a range of forged products which include Tube Sheet Blanks, Forged Rings, Spacers, Girth Flanges, Tyre Rings, Self-reinforced nozzle, Long weld neck flanges, Seat, Valve's body, Bonnet etc.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR AND STUB PERIOD

As per mutual discussion between the Board of the Company and Lead Manager, in the opinion of the Board of the Company there have not arisen any circumstances since the date of the last audited financial statements i.e., June 30th, 2023, as disclosed in this Draft Red Herring Prospectus and which materially and adversely affect or is likely to affect within the next twelve months except as follows:

- Our Company, Paramount Speciality Forgings Limited was originally established as a partnership firm in the name and style of 'Paramount Forge' under the Partnership Act, 1932 with the Registrar of Firms, Mumbai on November 01, 1994 as amended through partnership deed dated 07 July, 1995, and 01st April, 2000.
- Subsequently, our firm was converted from a Partnership Firm to a Limited Liability Partnership (LLP) and consequently the name of our firm was changed to 'Paramount Speciality Forgings LLP', and a fresh certificate of incorporation dated June 27, 2019 was issued to our LLP by the RoC.
- "Paramount Speciality Forgings LLP" was thereafter converted from a Limited liability partnership (LLP) to a public limited company with the name of "Paramount Speciality Forgings Limited" and received a fresh certificate of incorporation from the Registrar of Companies, Central Registration Centre on May 05, 2023.
- Change in status of the Company from LLP to public limited in the name of "Paramount Speciality Forgings Limited" vide partners resolution passed at the Partners Meeting held on January 06, 2023.
- The Board of Directors of our Company have approved raising of funds by way of Initial Public Offering vide its resolution dated December 01, 2023.
- The Board of Directors have decided to get their Equity Shares listed on SME Platform of NSE Limited ("NSE EMERGE") of and pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its board meeting held on December 01, 2023, subject to the approval of the shareholders and such other authorities as may be necessary;
- The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra Ordinary General Meeting held on December 06, 2023 authorized the proposed Initial Public Offering.
- Mr. Farkhanda Abdul Razak Pagarkar was appointed as the Chief Financial Officer w.e.f. 1st November, 2023 and Ms. Ankita Anil Patankar was appointed as Company Secretary of the Company w.e.f. 1st November, 2023.

Key Performance Indicators:

The KPIs disclosed below have been used historically by our Company to understand and analyse business performance, which as a result, helps us in analyzing the growth of our Company. The KPIs disclosed below have been approved and confirmed by a resolution of our Audit Committee dated Friday, December 08, 2023. Further, the members of our 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 two periods prior to the date of filing of this Draft Red Herring Prospectus.

We have described and defined the KPIs, as applicable, in ‘Definitions and Abbreviations’ on page 2 of this Draft 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 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.

The list of our KPIs along with brief explanation of the relevance of the KPI for our business operations are set forth below:

Key Performance Financial	Restated Financial Information for the Financial Year Ended March 31			
	For the 3-month period ended 30 June 2023	2023	2022	2021
		(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)
Revenue from Operations ⁽¹⁾	3,005.43	11,035.77	8,758.25	5,162.86
Gross Profit (₹ Lakhs) ⁽²⁾	873.23	3459.29	2661.63	2366.47
Gross Profit Margin (%) ⁽³⁾	29.06%	31.35%	30.39%	45.84%
EBITDA (₹ Lakhs) ⁽⁴⁾	235.95	762.81	817.89	628.65
EBITDA Margin % ⁽⁵⁾	7.63%	5.21%	3.80%	11.56%
PAT (₹ Lakhs) ⁽⁶⁾	77.05	275.84	313.44	(27.36)
PAT Margin % ⁽⁷⁾	2.56%	2.46%	3.39%	-0.53%
Net cash from operating activities (₹ Lakhs) ⁽⁸⁾	369.89	(40.82)	401.19	84.87
Net Worth (₹ Lakhs) ⁽⁹⁾	1,643.19	1,566.14	1,970.49	1,657.05
Total Debt (₹ Lakhs) ⁽¹⁰⁾	1,677.63	2,027.65	1,176.93	1,234.55
ROE	0.05	0.16	0.17	(0.01)
ROCE	0.11	0.30	0.24	0.08

It is imperative to note that, in restated financial statement we can see that in the Financial Year ended 2021, the profit before tax is ₹(54.80) Lakhs (Loss). But, in audited financials there was a profit of ₹175.99 Lakhs. A major factor which has affected the profitability in restated financials of Financial Year ended 2021, is “Depreciation”. As in Financial Year ended 2021, in audited financial depreciation was calculated as per deprecation of income tax only, while depreciation mentioned in restated financial depreciation is calculated as per Companies Act. Hence, this depreciation amount is higher than depreciation of income tax which resulted the financials of Financial Year ended 2021, in to loss.

Explanation for the KPIs:

S.No.	KPI	Remark/Definition/Assumptions
Financial KPI		
1	Revenue from Operations	Revenue from Operations means the revenue from operations as appearing in the Restated Financial Information
2	Gross Profit	Gross Profit is calculated as revenue from operations less cost of materials consumed, changes in inventories of finished goods and work-in-progress.
3	Gross Profit Margin	Gross Margin refers to the percentage margin derived by dividing Gross Profit by Revenue from Operations.
4	EBITDA	EBITDA is calculated as restated profit / (loss) for the period / year (excluding Other Income), plus finance costs, total taxes, and depreciation and amortization expense.
5	EBITDA Margin	EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
6	Profit After Tax	PAT is restated Profit/ (Loss) or the period/ year as appearing in the Restated Financial Information.
7	PAT Margin	PAT Margin refers to the percentage margin derived by dividing Profit after Tax by Total Income.
8	Net cash from operating activities	Net cash from operating activities is Profit before Tax after giving adjustments of non-operating incomes and expenses and Change in Operating Assets and Liabilities.
9	Net Worth	Net Worth is sum of Equity Share capital and other Equity.
10	Total Debt	Total Debt is sum of short term and Long-term Borrowings.
11	ROE	“ROE” means Return On Equity which represent restated profit of the year divided by average Total Equity.
12	ROCE	“ROCE” means return on capital employed, which represents EBIT (Earnings before interest and Tax) during the relevant year as a percentage of Capital employed. Capital employed is the total of all type of capital, other equity, total borrowing, total lease liabilities and deferred tax liabilities (net) less deferred tax asset (net) as the end of the relevant year.

Description on the historic use of the KPIs by us to analyse, track or monitor our operational and/or financial performance in evaluating our business, we consider and use certain KPIs, as stated 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 Restated Financial Information. We use these KPIs to evaluate our financial and operating performance. 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. Therefore, these metrics should not be considered in isolation or construed as an alternative to GAAP measures of performance or as an indicator of our operating performance, liquidity or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with GAAP. Investors are encouraged to review GAAP financial measures and to not rely on any single financial or operational metric to evaluate our business.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “Risk Factor” beginning on page 27 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

Revenue generated from end use industry

We are manufacturers of steel forgings in India offering a diverse range of forged products. Our products are used in a wide range of industrial applications catering to the extensive requirements of Petrochemicals, Chemicals, Fertilizers,

Oil & Gas, Nuclear Power, and other heavy engineering sectors. We benefit from our experience in catering to a wide range of customers due to our legacy of over three decades in the manufacturing businesses and have built long-standing relationships with customers across end-users in the Petrochemicals, Chemicals & Fertilizer, Oil & Gas, Nuclear, Power & other Heavy Engineering Industries.

The table below shows our revenue contribution to the various end-use industries to which we cater:

Sectors	Jun-23		Fiscals 2023		Fiscals 2022		Fiscals 2021	
	Amount (Rs)	% of Total Revenue	Amount (Rs)	% of Total Revenue	Amount (Rs)	% of Total Revenue	Amount (Rs)	% of Total Revenue
Petrochemicals, Chemicals & Fertilizers	885.66	29.56%	4,201.33	39.99%	3,390.05	38.52%	1,649.63	32.20%
Oil & Gas	697.72	23.29%	1,386.63	13.20%	1,325.59	15.06%	1,268.53	24.76%
Nuclear & Power	3.77	0.13%	211.27	2.01%	79.86	0.91%	93.38	1.82%
Heavy Engineering & Other Sectors	363.04	12.12%	1,379.6	13.13%	1,422.16	16.16%	1,049.73	20.49%
Overseas Customers	692.08	23.10%	1,994.12	18.98%	1,494.09	16.98%	599.95	11.71%
Others	353.4	11.80%	1,332.92	12.69%	1,088.23	12.37%	462.27	9.02%

Set out below are details of the total number of customers by end-use industry.

Sr. No	End-Use Industry	Fiscals 2023	Fiscals 2022	Fiscals 2021
1.	Petrochemicals, Chemicals & Fertilizers	137	132	121
2.	Oil & Gas	14	13	16
3.	Nuclear & Power	10	11	6
5.	Heavy Engineering & Other sectors	65	85	80
6.	Overseas Customers	10	7	8
7.	Others	15	15	17

Long-standing client relationships

We provide services with expertise to our clients and this helps us in customer retention and repeat business. We provide services on a customer-goal based approach and our solutions are targeted towards consistently delivering higher efficiencies, higher accuracy meeting and achieving customers' performance indicators. We believe this approach has helped our customers meet their objectives, which has led to customer retention and development of customer relationships.

We have a history of customer retention. In Financial Year ending March 31, 2023, we derived more than 25% of our restated revenues from operations from key customers. In Financial Year ending March 31, 2022, we derived more than 35% of our revenues from operations from repeat customers. These long-standing relationships have also contributed to the growth of our revenues from our existing customers and the expansion of our customer base.

Our revenue from operation from our top 20 Customers, top 10 Customers and top 5 Customers as a percentage of our revenue from operations in the preceding 3 (Three) Financial Years is set out below:

Particulars of Customers	Restated Financial Information for the Financial Year Ended March 31					
	2023		2022		2021	
	Amount (₹ in Lakhs)	% of Revenue from operations	Amount (₹ in Lakhs)	% of Revenue from operations	Amount (₹ in Lakhs)	% of Revenue from operations
Top 5	2961.08	28.18	2284.56	26.00	1401.78	27.35
Top 10	4535.87	43.17	3635.62	41.39	2030.46	39.63
Top 20	6224.25	59.25	5196.04	59.01	2813.39	54.91

Raw Material Costs, Operating Costs and Operational Efficiencies

Our business, financial condition, results of operations and prospects are significantly impacted by the prices of raw materials purchased by us. Our cost of raw materials consumed, for the three month period ended June 30, 2023, and for the Fiscals 2023, 2022, and 2021, was ₹1,620.11 Lakhs, 8,367.18 Lakhs, ₹6,093.05 Lakhs, and ₹2,876.39 Lakhs, respectively, which represented 53.91% and 75.82%, 69.57% and 55.71%, of our revenue from operations for the respective Fiscals. Our financial condition and results of operations are significantly impacted by the availability and costs of raw materials. Raw material pricing can be volatile due to a number of factors beyond our control, including global demand and supply, general economic and political conditions, transportation and labour costs, labour unrest, natural disasters, competition, import duties, fuel prices and availability, power tariffs and currency exchange rates. This volatility in commodity prices can significantly affect our raw material costs. Further, our contracts with our customers generally provide for pass through of any variation in the raw material costs. However, our cash flows may still be adversely affected because of any gap in time between the date of procurement of those primary raw materials and date on which we can reset the product prices for our customers, to account for the increase in the prices of such raw materials.

Our ability to manage our operating costs and operations efficiencies is critical to maintaining our competitiveness and profitability. Our profitability is partially dependent on our ability to increase our productivity and reduce our operating expenses.

Availability of funds for capital expenditure

We continuously invest in machinery and equipment to expand our forging and machining capacity to seize opportunities for growth in the market. The actual amount and timing of our future capital expenditure may deviate from initial estimates due to various factors. These factors include unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, economic conditions, engineering design changes, technological advancements, and emerging market developments.

Fluctuation in Foreign Exchange

We are exposed to foreign exchange-related risks as a portion of our revenue from operations are in foreign currency, including the Euro, and US Dollar each of which significantly contribute to our revenues in currencies other than Indian Rupees. The table below provides our revenue from operations generated in currency other than Indian Rupees for Fiscal 2021, 2022 and 2023 and three months ended June 30, 2023:

Geographical Presence Revenue of Operations	For the period April 01, 2023, to May 04, 2023		For the period May 04, 2023, to June 30, 2023		For the stub-period of Three months period ended June 30, 2023		For the Financial Year ended March 31					
	Amount (₹ in Lakhs)	Percentage of Revenue from Operations	Amount (₹ in Lakhs)	Percentage of Revenue from Operations	Amount (₹ in Lakhs)	Percentage of Revenue from Operations	2023		2022		2021	
							Amount (₹ in Lakhs)	Percentage of Revenue from Operations	Amount (₹ in Lakhs)	Percentage of Revenue from Operations	Amount (₹ in Lakhs)	Percentage of Revenue from Operations
Europe	229.29	72.59%			229.95	33.50%	1172.38	45.42%	353.12	18.64%	171.15	14.88%
Canada	86.6	27.41%	370.45	100%	456.39	66.50%	1385.61	53.68%	1054.99	55.70%	453.92	39.48%
Middle East	-	-	-	-	-	-	23.46	0.90%	485.92	25.66%	524.74	45.64%
Total	315.89	100.00%	370.45	100.00%	686.34	100.00%	2581.45	100.00%	1894.03	100.00%	1149.81	100.00%

The table below provides our foreign exchange gain/loss-net and as a percentage of revenue from operations as stated in the Restated Financial Information:

Geographical Presence Revenue of Operations	For the stub-period of Three months period ended June 30, 2023		For the Financial Year ended March 31					
	Amount (₹ in Lakhs)	Percentage of Other Income	2023		2022		2021	
			Amount (₹ in Lakhs)	Percentage of Other Income	Amount (₹ in Lakhs)	Percentage of Other Income	Amount (₹ in Lakhs)	Percentage of Other Income
Foreign exchange gain/ loss-net	5.24	84.69%	40.54	21.53%	27.10	5.59%	6.99	22.12%

The exchange rate between the Indian Rupee and foreign currencies, primarily the USD, has fluctuated in the past and our results of operations have been impacted by such fluctuations and may be impacted by such fluctuations in the future. For example, during times of strengthening of the Indian Rupee, we expect that our revenue from offerings from markets outside India will generally be negatively impacted as foreign currency received will be translated into fewer Indian Rupees. However, the converse positive effect of depreciation in the Indian Rupee may not be sustained or may not show an appreciable impact in our results of operations in any given financial period due to other variables impacting our business and results of operations during the same period. Accordingly, any appreciation or depreciation of the Indian Rupee against these currencies can impact our results of operations.

Our manufacturing facilities

As of the date of this Draft Red Herring Prospectus, we operate two manufacturing facilities located at Khalpur and one located at Khapoli. In three months period June 30, 2023, and Fiscal 2023, 2022 and 2021, our overall forging capacity utilization was 12,000 MT in each year and three months period June 30, 2023, respectively and our overall machining capacity utilization was 25.00%, 39.00%, 31.30% and 25.00% respectively. For further information, see “*Our Business – Installed Capacity, Average Annual Available Capacity, Actual Production and Capacity Utilisation*” on page 118 of this Draft Red Herring Prospectus. While our overall machining capacity utilization has increased in the last three Fiscals, underutilization of our existing manufacturing facilities for machining may arise due to various reasons such as changes in demand for our products and supply chain disruptions, which could have a material adverse effect on our business, financial condition, results of operations, and cash flows.

Other Factors

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance;
- Company’s ability to adopt the changing technology;
- Company’s results of operations and financial performance;
- Performance of Company’s competitors;
- Significant developments in India’s economic and fiscal policies;
- Volatility in the Indian and global capital market;
- The occurrence of natural disasters or calamities;

ON RESULT OF OPERATION

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the period ended on June 30, 2023 & financial years ended March 31, 2023, March 31, 2022, and March 31, 2021.

OVERVIEW OF REVENUE & EXPENDITURE

(Amount in ₹ in Lakhs)

Particulars	30-06-2023	% of total income	31-03-2023	% of total income	31-03-2022	% of total income	31-03-2021	% of total income
Revenue from Operations	3005.43	99.79%	11035.77	98.32%	8758.25	94.75%	5162.86	99.39%
Other income	6.18	0.21%	188.33	1.68%	484.91	5.25%	31.60	0.61%
Total Revenue (A)	3011.61	100.00%	11224.1	100.00%	9243.16	100.00%	5194.45	100.00%
Expenses:								
Cost of material Consumed	1620.11	53.80%	8367.18	74.55%	6093.05	65.92%	2876.39	55.37%
Changes in Inventories of Stock-in-Trade	512.08	17.00%	(790.70)	-7.04%	3.57	0.04%	-80.00	-1.54%
Employee benefits expense	130.45	4.33%	629.09	5.60%	529.77	5.73%	429.90	8.28%
Other expenses	513.45	17.05%	2255.72	20.10%	1798.88	19.46%	1339.50	25.79%
Total Expenses (B)	2,776.11	92.18%	10,461.29	93.20%	8,425.27	91.15%	4,565.79	87.90%
Earnings Before Interest, Taxes, Depreciation & Amortization(C=A-B)	235.51	7.82%	762.81	6.80%	817.89	8.85%	628.66	12.10%
Finance costs (D)	37.95	1.26%	143.25	1.28%	130.35	1.41%	215.64	4.15%
Depreciation and amortization expenses (E)	47.20	1.57%	261.47	2.33%	304.28	3.29%	467.81	9.01%
Profit before Exceptional Items (F=C-D-E)	150.36	4.99%	358.09	3.19%	383.26	4.15%	-54.80	-1.05%
Provision for CSR (G)	-	0.00%	0	0.00%	-	0.00%	0.00	0.00%
Profit Before Tax (H=F-G)	150.36	4.99%	358.09	3.19%	383.26	4.15%	-54.80	-1.05%
Tax Expenses								
- Current Tax	37.59	1.25%	91.7	0.82%	101.7	1.10%	58.43	1.12%
Prior year tax adjustments	-		9.5		-		-	
- Deferred Tax	35.72	1.19%	-18.95	-0.17%	-31.88	-0.34%	-85.87	-1.65%
Tax Expense For The Year (I)	73.30	2.43%	82.25	0.73%	69.82	0.76%	-27.44	-0.53%
Profit after tax (J=H-I)	77.05	2.56%	275.84	2.46%	313.44	3.39%	-27.36	-0.53%

It is imperative to note that, in restated financial statement we can see that in the Financial Year ended 2021, the profit before tax is ₹(54.80) Lakhs (Loss). But, in audited financials there was a profit of ₹175.99 Lakhs. A major factor which has affected the profitability in restated financials of Financial Year ended 2021, is "Depreciation". As in Financial Year ended 2021, in audited financial depreciation was calculated as per depreciation of income tax only, while depreciation mentioned in restated financial depreciation is calculated as per Companies Act. Hence, this depreciation amount is higher than depreciation of income tax which resulted the financials of Financial Year ended 2021, in to loss.

Our Significant Accounting Policies

For Significant accounting policies please refer Significant Accounting Policies, under Chapter titled “Financial Statements” beginning on page 186 of the Draft Red Herring Prospectus.

Note 1: Statement of Significant Accounting Policies and Other Explanatory Notes

1 Company Overview

Paramount Speciality forgings Limited (formerly known as Paramount Speciality Forgings LLP) (“the company”) is incorporated in India on 5th May, 2023 having its registered office at **1 & 3 Guru Himmat, Ground Floor, 140 Dr. Mascarenhas Road, Mazgaon, Mumbai – 400010**. The company carry on business of contract trading in widest range of Wall & Floor Tiles along with its services Quality in innovation is the key stone of every activity, the value the must underline its market identity and which is systematically delivered to its own trade partners.

2 Basis of Preparation

- (a) The financial statement are prepared in accordance with Generally Accepted Accounting Principles (Indian GAAP) under the historical cost convention on accrual basis and on principals are going concern. The accounting policies are consistently applied by the company.
- (b) The financial statement are prepared to comply in all material respect with the Accounting standards specified under section 133 of the act, read with rule 7 of the companies (Account) Rules, 2014 and provisions of Companies Act, 2013.
- (c) The preparation of the financial statement requires estimates and assumptions to be made that affect the reported amount of asset and liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Differences between the actual result and estimates are recognized in the period in which the result are known / materialize.

The restated financial information of the **Paramount Speciality forgings Limited** (formerly known as Paramount Speciality Forgings LLP) comprise of restated financial statement of assets and liabilities as at June 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the restated statement of profit and loss account, and restated cash flows for the period ended June 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 and summary of significant accounting policies and explanatory notes and notes to the restated financial information. These Restated financial information have been prepared by the management of the company for the proposed of inclusion in the Draft Red Herring Prospectus (DRHP) prepared by the Company in connection with its proposed Initial Public Offer (“IPO”) 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 India (issue of Capital and Disclose Requirements) Regulations, 2018, as amended (“ICDR Regulations”)
- c) The Guidance Note on Reports in company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended (the “Guidance Note”).

The Restated Standalone Financial Information have been complied by the management form:

The Audited Restated financial statement of the **Paramount Speciality forgings Limited** (formerly known as Paramount Speciality Forgings LLP) as at and for the period ended at June 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, prepared in accordance with the Accounting standard prescribed under section 133 of the companies’ act, 2013, read with companies (Indian Accounting Standard) Rules, 2015 (as amended) and other accounting principles generally accepted in India.

The Restated Standalone Financial Information have been prepared so as to contain information / Disclosure and incorporating adjustment set out below in accordance with the ICDR Regulations.

- a. Adjustment for audit qualification requiring corrective adjustment in the financial statement, if any;

- b. Adjustment for reclassification of the corresponding items of incomes, expenses, assets and liabilities, in order to bring them in line with the grouping / disclosures as per the audited financial statement of the **Paramount Speciality forgings Limited** (formerly known as Paramount Speciality Forgings LLP) as at and for the period ended June 30, 2023, March 31, 2023, March 31, 2022, and March 31, 2021, and the requirements of the SEBI Regulations, if any;
- c. The resultant impact of tax due to the aforesaid adjustment, if any.

3 Use of estimates

The preparation of financial statement in conformity with GAAP requires judgements, estimates and assumptions to be made that affect the report amount of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues & expenses during the reporting period. Difference between the actual results and estimated are recognised in the period in which the result are known / materialized.

4. Revenue Recognition

- (a) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the Revenue can be reliably measured.
- (b) Sales are recognized on accrual basis, and only after transfer of goods or services to the customer.
- (c) Dividend on Investments are recognized on receipt basis.
- (d) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate

Applicable.

5 Property, Plant & Equipments

(i) Tangible Assets

Property, Plant and Equipment are stated at actual cost less accumulated depreciation. Cost comprises the purchase price and any Attributable cost of bringing the asset to its working condition for its intended use.

(ii) Intangible Assets

Intangible assets comprise of cost relating to acquisition and development of computer software which are capitalised in accordance with the AS-26 'Intangible Assets' as notified under section 133 of the companies Act,2013 read with Rule 7 of the companies (Accounts) Rule,2014.

6 Depreciation and Amortisation

Depreciation on all property, plant & equipment is provided on straight line value method as per the useful life prescribed under schedule II of Companies Act 2013.

Notes to Restated financial information – Significant Accounting Policies

7 Impairment of Assets

The Carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which is determined by the present value of the estimated future cash flows.

8 Inventories

Inventories consisting of Raw Materials, Finished Goods are valued at lower of cost and net realizable value.

9 Employee Benefits

(i) Defined Contribution Plan:

Contributions as per the Employee's Provident Funds and Miscellaneous Provision Act, 1952 towards provident fund and pension fund are charged to the statement of profit and loss for the year when the contributions to the respective funds are due. There is no other obligation other than the contribution payable to the respective funds.

(ii) Defined Benefit Plan:

Retirement benefits in the form of Gratuity are considered as defined benefits obligations and are provided on the basis of the actuarial valuation, using the projected unit credit method as at the date of the Balance sheet.

10 Lease

Lease where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of Profit and Loss on a straight-line basis over the lease term over the non-cancellable period.

11 Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction or production of the qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the statement of profit and loss.

12 Taxes on income

(i) Current Taxes

Current income tax is measured at the amount expected to be paid to taxation authorities in accordance with the Income Tax Act, 1961 enacted in India by using tax laws that are enacted at the reporting date.

(ii) Deferred Taxes

Deferred Tax arising on account of "timing differences" and which are capable of reversal of reversal in one or more subsequent periods is recognizes, using the tax laws that are enacted or substantively enacted. Deferred tax asset is recognized only to the extent there is reasonable certainty with respect of the same in future years as a matter of prudence.

13 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity share.

14 Prior Period Items

Prior Period and Extraordinary items and changes in Accounting Policies having material impact on the financial affairs of the company are disclosed in financial statements.

Notes to Restated Financial Information – Significant Accounting Policies

15 Provisions, Contingent Liabilities and Contingent Assets

Provisions/Contingencies

- Provisions involving substantial degree of estimation in measurements is recognized when there is a present obligation as result of past events and it is probable that there will be an outflow of resources.
- Contingent Liabilities are shown by way of notes to be account in respect of obligation where, based on the evidence available, their existence at the balance sheet date is considered not probable.
- A Contingent Assets is not recognized in the Accounts.

16 Segment Reporting

Business Segment:

Based on the guiding principles given in accounting standard 17 (AS- 17) on Segment Reporting issued by ICAI, the company has only one reportable business segment, which is business of manufacturing of steel forgings, with range of forged products since 1996 for industrial application, petro chemical, fertilizer, oil & gas, nuclear, power and other heavy engineering sector the business of trading in all kinds of building materials including cements of all varieties, hence no separate disclosure pertaining to attributable revenues, profits, Assets, Liabilities, Capital employed are given. Accordingly, the figures appearing in these financial statement relate to the company's single Business Segment.

Overview of Revenue & Expenditure

Our revenue and expenses are reported in the following manner:

Revenues

- Revenue of operations:** - Our Revenue from operations comprises of revenue generated from Sale of manufactured products, scrap sales and export incentives.
- Other Income:** - Our other income comprises of interest income, proceeds on surrender of Key man Insurance Policy, Provision for Doubtful debts Written Back, Net gain on sale of Property Plant and Equipment, Advance from Customers written back, Gain on foreign exchange transactions and translation (net) and other income.

Summary of our revenues is as follows:

(Amount in ₹ In Lakhs)

Particulars	For the Period Ended June 30,2023	For the Financial year ended on March 31,		
		2023	2022	2021
Revenue from operations	3,005.43	11,035.77	8,758.25	5,162.86
As a % of total Income	99.79%	98.32%	94.75%	99.39%
Other Income	6.18	188.33	484.91	31.60
As a % of Total Income	0.21%	1.68%	5.25%	0.61%
Total Revenue	3,011.61	11,224.10	9,243.16	5,194.45

Expenditure

Our total expenditure primarily consists of Cost of materials consumed, employee benefit expenses, finance cost, depreciation and amortization expenses and other expenses.

- Cost of Materials consumed:** - Cost of Materials consumed comprises opening stock of raw materials, purchases of raw materials and closing stock of raw materials consumed.
- Employment Benefit Expenses:** - Employee benefit expenses comprise of salaries and wages, staff welfare expenses and contribution to Provident Fund and other fund.

- **Finance Costs:** - Finance costs include interest expenses and other borrowing costs.
- **Depreciation and amortization expenses:** - Tangible assets are depreciated over periods corresponding to their estimated useful lives.
- **Other Expenses:** - Other expenses include Consumption of stores and spare parts, Sub- contracting expenses, Power and fuel, Other manufacturing expenses, Rent, Repairs and maintenance, Inspection Charges, Insurance, Telephone Expenses, Rates and taxes, Travelling expenses, Auditor's remuneration, Legal and professional charges, Commission, Interest on Delayed Payment of Income Tax, Late Delivery Charges, Bad Debts Written Off, Sundry Balances Written off, Provision for doubtful debts, Freight Outward, Net Loss on Sale of Fixed Assets and Miscellaneous Expenses.

(Amount in ₹ In Lakhs)

Particulars	For the Period Ended June 30, 2023	For the Financial year ended on March 31,		
		2023	2022	2021
Expenditure				
Cost of Material Consumed	1,620.11	8,367.18	6,093.05	2,876.39
As a % of total Income	53.80%	74.55%	65.92%	55.37%
Changes in inventories	512.08	(790.70)	3.57	(80.00)
As a % of Total Income	17.00%	-7.04%	0.04%	-1.54%
Employee Benefit Expenses	130.45	629.09	529.77	429.90
As a % of Total Income	4.33%	5.60%	5.73%	8.28%
Finance Costs	37.95	143.25	130.35	215.64
As a % of Total Income	1.26%	1.28%	1.41%	4.15%
Depreciation and amortization Expense	47.20	261.47	304.28	467.81
As a % of Total Income	1.57%	2.33%	3.29%	9.01%
Other Expenses	513.45	2,255.72	1,798.88	1,339.50
As a % of Total Income	17.05%	20.10%	19.46%	25.79%
Total Expenditure	2,861.25	10,866.01	8,859.90	5,249.25
As a % of Total Income	95.01%	96.81%	95.85%	101.05%

FISCAL YEAR ENDED MARCH 31, 2023 COMPARED WITH FISCAL YEAR ENDED MARCH 31, 2022

Income

Our Total Income increased by 21.43 % and ₹ 1,980.94 from ₹ 9,243.16 in Fiscal Year 2022 to ₹ 11,224.10 in Fiscal Year 2023 Primarily due to an increase in our Revenue from Operations and other income as discussed below:

Revenue from Operation

There have been significant growth in revenue from operation in financial year ended 2022-23 by 26.00% amounting to ₹2,277.52 Lakhs, that is ₹11,035.77 Lakhs in the financial year ended 2023 as compared to ₹8,758.25 Lakhs in the financial year ended 2022. The growth has been majorly observed due to-

- 1) Increase in sales of product from ₹ 7,445.72 Lakhs in financial year ended 2022 to ₹ 9,653.99 Lakhs in Financial year ended 2023, which was mainly attributable to the growth of our business.
- 2) There has been significant growth in revenue contribution to end us industry such as; Petrochemical, Oil & gas, Nuclear, Power and Scrap.
- 3) Our region wise sale increase in Eastern and Northern region from ₹ 160.60 Lakhs in financial year ended 2022 to ₹ 372.04 Lakhs in financial year ended 2023 and from ₹ 135.88 lakhs in financial year ended 2022 to ₹ 596.77 lakhs in financial year ended 2023 respectively.

Expenditure

Our Total Expenditure increased by ₹ 2006.10 and 22.64% from ₹ 8859.91 in Fiscal Year 2022 to ₹ 10866.01 in Fiscal Year 2023. Overall expenditure was increased mainly due to an increase in the volume of operations and

expansion of the Company. primarily due to increases in costs of materials consumed, other expenses, employee benefits expense and purchases of stock-in-trade, partially offset by changes in inventories of finished goods, work-in-progress.

Cost of Materials Consumed

Cost of Raw material consumed increased by 37.32% and ₹ 2,274.13 from ₹ 6,093.05 in Fiscal year 2022 to ₹ 8,367.18 in Fiscal year 2023, primarily due to higher purchase of raw materials during the year, which was mainly attributable to an increase in the raw material prices and higher volumes of products manufactured due to higher sales.

Change in Inventories

Changes in inventories of finished goods, work-in-progress, and Stock-in-trade decreased by ₹ 794.27 Lakhs from ₹ 3.57 Lakhs for the Fiscal Year 2022 to ₹ (790.70) Lakhs in Fiscal Year 2023. In relation to inventories of finished goods, work-in-progress and stock in trade, we had an opening stock of ₹ 795.93 Lakhs and a closing stock of ₹ 792.36 Lakhs in financial year 2022, and an opening stock ₹ 792.36 Lakhs and a closing stock of ₹ 1,583.05 Lakhs for financial year 2023.

Employee Benefit Expenses

Employee benefits expense increased by 18.75 % to ₹ 629.09 Lakhs for the Financial Year 2023 from ₹ 529.77 Lakhs for the Financial Year 2022, primarily due to an increase in salaries, wages and bonus from ₹ 473.71 Lakhs for the financial year 2022 to ₹ 562.99 Lakhs for the Financial Year 2023, which was mainly attributable to (i) an increase in our permanent employee head count (comprising mainly sales employees and employees across various managerial functions) (ii) annual increments in employee salaries and wages. (iii) Contribution to provident and other funds (iv) Staff welfare expenses.

Finance Costs

Finance costs significantly increased to ₹ 143.25 Lakhs for the Financial Year 2023 from ₹ 130.35 Lakhs for the Financial Year 2022 primarily due to Primarily attributable to an increase in interest on borrowings from Banks

Depreciation & Amortization Expenses

Depreciation and amortization expense decreased by 14.07% to ₹ 261.47 for the Financial Year 2023 from ₹ 304.28 Lakhs for the Financial Year 2022, primarily due to an decrease in depreciation on property, plant and equipment to ₹ 259.46 Lakhs for the Financial Year 2022 from ₹ 301.70 for the Financial Year 2022, which was mainly attributable to higher capitalization of fixed assets during the Financial Year 2023, and an increase in amortization of intangible assets to ₹ 2.01 Lakhs for the Financial Year 2023 from ₹ 2.57 Lakhs for the Financial Year 2022

Other Expenses

Other Expenses in terms of value and percentage increased by ₹ 456.84 Lakhs and 25.40% from ₹ 1,798.88 Lakhs in the fiscal year ended March 31, 2022 to ₹ 2,255.72Lakhs for the fiscal year ended March 31, 2023. The Increase in other expenses was mainly due to increase in consumption of stores and spare parts, sub- contracting expenses, power and fuel, Establishment and other expenses, other manufacturing expenses, rent, repairs and maintenance, Inspection Charges ,rates and taxes, auditor's remuneration, commission, late delivery charges,, sundry balances written off,, freight outward, s and miscellaneous expenses.

These increase were partially offset by decrease in insurance, telephone expenses, travelling expenses, Legal and professional charges, interest on delayed payment of income Tax, bad debts written off, provisional for doubtful debts, net loss on sale of fixed assets.

Profit/(Loss) before Exceptional Item and Tax

Profit/(loss) before tax decreased by ₹ 25.17 Lakhs in terms of value and in terms of percentage decrease by 6.57% from ₹ 383.26 Lakhs in the fiscal year ended March 31, 2022 to ₹ 358.09 Lakhs for the fiscal year ended March 31, 2023. Profit before exceptional Items and Tax was Decrease due to an increase in expenses of the Company.

Tax Expenses

Our total tax expense increased by 17.80% to ₹ 82.25 Lakhs for the Financial Year 2023 from ₹ 69.82 Lakhs for the Financial Year 2022. Current tax expense decreased to ₹ 91.70 Lakhs for the Financial Year 2023 from ₹ 101.70 Lakhs for the Financial Year 2022 primarily due to an decrease in our restated profit before tax. Deferred tax expense increased to ₹ (18.95) Lakhs for the Financial Year 2023 from ₹ (31.88) Lakhs for the Financial Year 2022 primarily due to deferred tax liability created on account of capitalization of certain property, plant and equipment and acquired intangible assets.

Profit/(Loss) after Tax

Net Profit/(loss) has decreased from ₹ 313.44 Lakhs for the fiscal year ended March 31, 2022 to ₹ 275.84 Lakhs for the fiscal year ended March 31, 2023, reflecting an decrease of ₹ 37.60 Lakhs due to the aforementioned reasons.

FINANCIAL YEAR ENDED MARCH 31, 2022 COMPARED WITH THE FINANCIAL YEAR ENDED MARCH 31, 2021

Income

Our Total Income increased by 77.94 % and ₹ 4,048.71 Lakhs from ₹ 5,194.45 Lakhs in Fiscal Year 2021 to ₹ 9,243.16 Lakhs in Fiscal Year 2022 Primarily due to an increase in our Revenue from Operations and other income as discussed below:

Revenue from Operation

There have been significant growth in revenue from operation in financial year ended 2022-23 by 69.64% amounting to ₹3,595.39 Lakhs, that is ₹9,243.16 Lakhs in the financial year ended 2022 as compared to ₹5,194.95 Lakhs in the financial year ended 2021. The growth has been majorly observed due to-

- 1) Increase in sales of product from ₹ 4,606.78 Lakhs in financial year ended 2021 to ₹ 7,445.72 Lakhs in Financial year ended 2022, which was mainly attributable to the growth of our business.
- 2) There have been significant growth in revenue contribution to end us industry such as; Petrochemical, Oil & gas, Power, Heavy engineering sectors, foreign Stockists and Scrap.
- 3) Our region wise sale increase in Eastern region from ₹ 44.16 Lakhs in financial year ended 2021 to ₹ 160.60 Lakhs in financial year ended 2022, Northern region from ₹ 3,414.33 Lakhs in financial year ended 2021 to ₹ 5,589.88 Lakhs in financial year ended 2022, Southern region from ₹ 281.81 lakhs in financial year ended 2021 to ₹ 890.17 lakhs in financial year ended 2021 and central region from ₹ 11.95 Lakhs in financial year ended 2021 to ₹ 31.18 Lakhs in financial year ended 2022.

Expenditure

Our Total Expenditure increased by 84.53 % and ₹ 3,859.48 Lakhs from 4,565.79 Lakhs in Fiscal Year 2021 to ₹ 8,425.27 in Fiscal Year 2022. Overall Expenditure increased due to an increase in the volume of operation and new product offered and manufactured by the Company.

Our Total Expenditure increased by ₹ 3,859.48 and 84.53% from ₹ 4,565.79 Lakhs in financial year 2021 to ₹ 8,425.27 in Fiscal Year 2022. Overall expenditure was increased mainly due to an increase in the volume of operations and expansion of the Company. primarily due to increases in costs of materials consumed, other expenses, employee benefits expense and purchases of stock-in-trade, partially offset by changes in inventories of finished goods, work-in-progress.

Cost of Materials Consumed

Cost of Raw material consumed increased by ₹ 3,216.66 from ₹ 2,876.39 in Financial year ended 2021 to ₹ 6,093.05 in financial year ended 2022, primarily due to higher purchase of raw materials during the year, which

was mainly attributable to an increase in the raw material prices and higher volumes of products manufactured due to higher sales.

Change in Inventories

Changes in inventories of finished goods, work-in-progress, and Stock-in-trade increased by ₹ 83.57 Lakhs from ₹ (80.00) Lakhs for the financial year ended 2021 to ₹ 3.57 Lakhs in financial year ended 2023. In relation to inventories of finished goods, work-in-progress and stock in trade, we had an opening stock of ₹ 715.92 Lakhs and a closing stock of ₹ 795.93 Lakhs in financial year 2021, and an opening stock ₹ 795.93 Lakhs and a closing stock of ₹ 792.36 Lakhs for financial year 2022.

Employee Benefit Expenses

Employee benefits expense increased by 23.23% to ₹ 529.77 Lakhs for the Financial Year 2022 from ₹ 429.90 Lakhs for the Financial Year 2021, primarily due to an increase in salaries, wages and bonus from ₹ 393.88 Lakhs for the financial year 2021 to ₹ 473.71 Lakhs for the Financial Year 2022, which was mainly attributable to (i) an increase in our permanent employee head count (comprising mainly sales employees and employees across various managerial functions) (ii) annual increments in employee salaries and wages. (iii) Contribution to provident and other funds (iv) Staff welfare expenses.

Finance Costs

Finance Costs decreased by ₹ 85.29 Lakhs from ₹ 215.64 Lakhs for the fiscal year ended March 31, 2021 to ₹ 130.35 Lakhs for the fiscal year ended March 31, 2022 due to (i) decrease in payment of interest expenses on term loan, (ii) decrease in bank charges (iii) other borrowing cost.

Depreciation & Amortization Expenses

Depreciation and amortization expense decreased by 34.96% to ₹ 304.28 Lakhs for the Financial Year 2022 from ₹ 467.81 Lakhs for the Financial Year 2021, primarily due to an decrease in depreciation on property, plant and equipment to ₹ 301.70 Lakhs for the Financial Year 2022 from ₹ 463.80 Lakhs for the Financial Year 2021, which was mainly attributable to higher capitalization of fixed assets during the Financial Year 2022, and an decrease in amortization of intangible assets to ₹ 2.57 Lakhs for the financial year ended 2022 from ₹ 4.01 Lakhs for the Financial year ended 2021.

Other Expenses

Other Expenses in terms of value and percentage increased by ₹459.38 Lakhs and 34.29% % from ₹ 1,339.50 Lakhs in the fiscal year ended March 31, 2021, to ₹ 1,798.88 Lakhs for the fiscal year ended March 31, 2022. The Increase in other expenses was mainly due to increase in consumption of stores and spare parts, sub- contracting expenses, power and fuel, other manufacturing expenses, rent, travelling expenses, commission, late delivery charges, bad debts written off, provision for doubtful debts, freight outward, .

These increase was partially offset by decrease in repair and maintenance, inspection charges, insurance, telephone expenses, rates and taxes, auditor's remuneration, legal and professional charges, interest on delayed payment of income tax, sundry balances written off, net loss on sale of fixed assets and miscellaneous expenses.

Profit/(Loss) before Tax

Profit / (Loss) before Tax has increased by ₹ 438.06 Lakhs from ₹ (54.80) Lakhs in the fiscal year ended March 31, 2021 to ₹ 383.26 Lakhs for the year ended March 31, 2022.

Tax Expenses

Our total tax expense increased by ₹ 97.26 Lakhs to ₹ 69.82 Lakhs for the Financial Year 2022 from ₹ (27.44) Lakhs for the Financial Year 2021. Current tax expense increased to ₹ 101.70 Lakhs for the Financial Year 2022 from ₹ 58.43 Lakhs for the Financial Year 2021 primarily due to an increase in our restated profit before tax. Deferred tax expense increased to ₹ (31.88) Lakhs for the Financial Year 2022 from ₹ (85.87) Lakhs for the Financial Year 2021 primarily due to deferred tax liability created on account of capitalization of certain property, plant and equipment and acquired intangible assets.

Net Profit/(Loss) after Tax

Net Profit/(loss) for the fiscal year ended March 31, 2021 amounted to ₹ (27.36) Lakhs which was increased to ₹ 313.44 Lakhs for the fiscal year ended March 31, 2022. The increased in profit was due to the reasons mentioned above.

Changes in Cash Flows

The table below summaries our cash flows from our Restated Financial Statements for the financial period June 30 financial year ending 31 March 2023, 2022 and 2021.

Particulars	For the Period Ended June 30, 2023	(Amount in ₹ in Lakhs)		
		For the year ended March 31,		
		2023	2022	2021
Net cash (used in)/ generated from operating Activities	369.89	(40.82)	401.19	84.87
Net cash (used in)/ generated from investing Activities	5.92	(91.87)	254.00	(28.91)
Net cash (used in)/ generated from financing Activities	(387.97)	27.07	(542.58)	(173.78)
Net increase/ (decrease) in cash and cash Equivalents	(12.16)	(105.62)	112.60	(117.81)
Cash and Cash Equivalents at the beginning of the period	15.00	120.62	8.02	125.82
Cash and Cash Equivalents at the end of the Period	2.85	15.00	120.62	8.02

Operating Activities

Period ended June 30, 2023

In Three Month Ended, Cash flow from operating activities was ₹ 369.89 Lakhs in Fiscal June 30 2023, our profit before tax was ₹ 150.36 Lakhs Primary adjustments consisted of depreciation and amortization expense of ₹ 47.20 Lakhs .

Operating (loss) before working capital changes was ₹ 232.58 in June 2023. The main working capital adjustments in June 2023 included decreased in trade receivables by ₹ 287.14 Lakhs, decrease in loans and advances by ₹ 55.37 Lakhs , increase in other current asset by ₹ (46.66) Lakhs ,decrease in other non-current assets by ₹ 31.75 Lakhs , decrease in Inventories by ₹ 524.91 Lakhs , decrease in Trade payable by ₹ (501.97) Lakhs, and decrease in other current liabilities and provision by ₹ (220.62) Lakhs. Also Net income tax refund was ₹ 7.40 lakhs.

Financial year 2022-23

In fiscal Year 2023, Cash flow from operating activities was ₹ (40.82) Lakhs in Fiscal 2023 our profit before tax was ₹ 358.09 Lakhs Primary adjustments consisted of depreciation and amortization expense of ₹ 261.47 Lakhs.

Operating (Loss) before working capital changes was ₹ 749.89 Lakhs in Fiscal 2023. The main working capital adjustments in Fiscal 2023 included increased in trade receivables by ₹ 434.53 Lakhs, increase in loans and advances by ₹ 391.37 Lakhs , increase in other current asset by ₹ 44.71 Lakhs ,decrease in other non-current assets by ₹ 70.69 Lakhs ,increase in Inventories by ₹ 1,184.14 Lakhs ,increase in Trade payable by ₹ 1,416.53 Lakhs, and decrease in other current liabilities and provision by ₹ 67.97 Lakhs. Also Net income tax paid was ₹ 155.22 Lakhs.

Financial year 2021-22

In fiscal Year 2022, Cash flow from operating activities was ₹ 401.19 Lakhs in Fiscal 2022 our profit before tax was ₹ 383.26 Lakhs Primary adjustments consisted of depreciation and amortization expense of ₹ 304.28 Lakhs.

Operating profit before working capital changes was ₹ 382.59 Lakhs in Fiscal 2023. The main working capital adjustments in Fiscal 2022 included increased in trade receivables by ₹ 400.53 Lakhs, increase in loans and advances by ₹ 178.84 Lakhs, Decrease in other current asset by ₹ 42.72 Lakhs, decrease in other non-current assets by ₹ 49.99 Lakhs, increase in Inventories by ₹ 61.06 Lakhs, increase in Trade payable by ₹ 414.73 Lakhs, and increase in other current liabilities and provision by ₹ 261.59 Lakhs. Also Net income tax paid was ₹ 110.00 Lakhs.

Financial year 2020-21

In fiscal Year 2021, Cash flow from operating activities was ₹ 84.87 Lakhs in Fiscal 2021 our profit before tax was ₹ (54.80) Lakhs, Primary adjustments consisted of depreciation and amortization expense of ₹ 467.81 Lakhs.

Operating profit before working capital changes was ₹ 661.24 Lakhs in Fiscal 2021. The main working capital adjustments in Fiscal 2021 included decreased in trade receivables by ₹ 447.96 Lakhs, increase in loans and advances by ₹ 582.02 Lakhs, Decrease in other current asset by ₹ 570.63 Lakhs, increase in other non-current assets by ₹ 36.54 Lakhs, increase in Inventories by ₹ 500.45 Lakhs, decrease in Trade payable by ₹ 467.75 Lakhs, and increase in other current liabilities and provision by ₹ 59.11 Lakhs. Also Net income tax paid was ₹ 67.29 Lakhs.

Investing Activities

Period ended June 30, 2023

Net cash from investing activities was ₹ 5.92 Lakhs in the three month ended June 30, 2023 primarily on account of increase in purchase of property, plant and equipment of ₹ (0.15) Lakhs and interest received of ₹ 6.06 Lakhs.

Financial year 2022-23

Net cash used in investing activities was ₹ (91.87) Lakhs in fiscal year Ended March 31, 2023 primarily on account of purchase of property, plant and equipment of ₹ (108.21) Lakhs and interest income made by ₹ 16.34 Lakhs.

Financial year 2021-22

Net cash from investing activities was ₹ 254 Lakhs fiscal year ended March 31, 2022 primarily on account of purchase of property, plant and equipment of ₹ (218.60) Lakhs, sale of property plant and Equipment of ₹ 471.25 Lakhs. And Interest Income made by ₹ 1.34 Lakhs.

Financial year 2020-21

Net cash used in investing activities was ₹ (28.91) Lakhs, in fiscal year ended march 31, 2021 primarily on account of purchase of property, plant and equipment of ₹ (48.90) Lakhs, sale of Investment of ₹ 10.48 Lakhs. and Interest Income made by ₹ 9.52 Lakhs.

Financing Activities.

Period ended June 30, 2023

Net cash flow used in financing activities was ₹ (387.97) Lakhs. These were on account of repayment of long term borrowing of ₹ (350.01) Lakhs and interest paid of ₹ (37.95) Lakhs.

Financial year 2022-23

Net cash flow generated from financing activities for the financial year March 31, 2023 was ₹ 27.07 Lakhs which was primarily on account of proceeds of long term borrowings of ₹ 170.53 Lakhs and interest Paid ₹ 143.46 Lakhs

Financial year 2021-22

Net cash flow used in financing activities for the financial year March 31, 2022 was ₹ (542.58) Lakhs which was primarily on account repayment of borrowings of ₹ 411.67 Lakhs and Interest paid ₹ 130.92 Lakhs.

Financial year 2020-21

Net cash flow used in financing activities for the financial year March 31, 2021 was ₹ (173.78) Lakhs which was primarily on account of proceeds of borrowings of ₹ 49.30 Lakhs and Interest paid ₹ 223.08 Lakhs

Other Key Ratios

The table below summaries key ratios in our Restated Financial Statements for the period ended June 30, 2023, June 19, 2023 and financial years ended March 31, 2023, 2022 and 2021:

Particulars	For the Period Ended June 30,2023	(Amount in ₹ in Lakhs) For the year ended March 31,		
		2023	2022	2021
Fixed Asset Turnover Ratio	2.89	10.14	7.26	3.80
Current Ratio	1.07	1.07	1.22	1.10
Debt Equity Ratio	1.06	1.29	0.60	0.75
Inventory Turnover Ratio	2.26	9.29	11.03	6.83

Fixed Asset Turnover Ratio: This is defined as revenue from operations divided by total fixed assets based on Financial Statements as Restated.

Current Ratio: This is defined as current assets divided by current liabilities, based on Financial Statements as Restated.

Debt Equity Ratio: This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings and current maturities of long-term debt, based on Financial Statements as Restated.

Inventory Turnover Ratio: This is defined as average inventory divided by total turnover based on Financial Statements as restated.

Financial Indebtedness

As on June 30, 2023, the total outstanding borrowings of our Company is ₹ 1677.63 Lakhs. For further details, refer to the chapter titled “Statement of Financial Indebtedness” beginning on page 190 of this Draft Red Herring Prospectus.

Particulars	(Amount in ₹ in Lakhs)
	Jun 30, 2023
Loans from Banks & Financial Institutions	997.44
Unsecured Loans from Related Party	680.19
Total	1,677.63

Related Party Transactions

Related party transactions with our promoters, directors and their entities and relatives primarily relate to the purchase and sale of products and services. For further information, please refer to the chapter titled “Financial Statements as Restated” on page 186 of this Draft Red Herring Prospectus.

Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

Qualitative Disclosure about Market Risk

Financial Market Risks

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. Financial instruments affected by market risk include loans, borrowings, term deposits, and investments.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Effect of Inflation

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we're working our margins so as to absorb the inflationary impact.

Credit Risk

We are exposed to credit risk on monies owed to us by our customer. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

Reservations, Qualifications and Adverse Remarks

Except as disclosed in chapter titled "Financial Statements as Restated" beginning on page 58 of this Draft Red Herring Prospectus, there have been no reservations, qualifications, and adverse remarks.

Details of Default, if any, including therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution.

Except as disclosed in chapter titled "Financial Statements as Restated" beginning on page 58 of this Draft Red Herring Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATION

Unusual or infrequent events or transactions.

Except as described in this Draft Red Herring Prospectus, during the period under review there have been no events or transactions, which in our best judgement would consider unusual or infrequent on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

Significant economic changes that materially affected or are likely to affect income from continuing operations.

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in "Significant Factors affecting our Results of Operations" and the uncertainties described in the section entitled '**Risk Factors**' beginning on page 27 of the Draft Red Herring Prospectus.

To our knowledge, except as we have described in the Draft Red Herring Prospectus, there are no known factors which we expect to bring about significant economic changes that could materially affect or are likely to affect income from continuing operations.

Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Except as mentioned above and other than as described in this Draft Red Herring Prospectus, particularly in the section titled '**Risk Factors**' and this '**Management's Discussion and Analysis of Financial Position and Results of Operations**' beginning on page 27 and 192, respectively of this Draft Red Herring Prospectus, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our sales, revenues or income from continuing operations.

Future relationship between cost and income

Our Company's future costs and revenues will be determined by demand/supply situation, government policies.

Increase in net sales or revenue and Introduction of new products or services or increased in sales prices.

Increase in revenue are by and large linked to increase in volume of business and inception of new varieties of products.

Total Turnover of each major industry segment in which Company operated.

Relevant Industry data, as available, has been included in the section titled **'Industry Overview'** beginning on page 108 of the Draft Red Herring Prospectus.

Status of any publicly announced new products or business segment.

Our Company has not announced any new product and segment, except otherwise disclosed in this Draft Red Herring Prospectus.

Seasonality of Business

Our Company's business is seasonal in nature.

Competitive conditions

We face competition from existing and potential competitors, which is common for any business. We have, over a period of time, developed certain competitors who have been discussed in section titled **'Our Business'** beginning on page 118 of this Draft Red Herring Prospectus.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at June 30, 2023 derived from our Restated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with the sections titled "Risk Factors", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", on pages 27,186,192 respectively.

(₹ in Lakhs, unless otherwise stated)

Particulars	Pre-Offer 30.06.2023	Post Offer*
Debt		
- Short Term Debt	1,635.48	[●]
- Long Term Debt	42.15	[●]
Total Debt	1,677.63	[●]
Shareholders' Fund (Equity)		[●]
- Share Capital	1,488.00	[●]
- Reserves & Surplus	1,642.19	[●]
Total Shareholders' Funds (Equity)	3,130.19	[●]
Long Term Debt / Equity (In Ratio)	0.03	[●]
Total Debt / Equity (In Ratio)	0.54	[●]

Notes:

1. The amounts disclosed above are based on the restated financial statement of assets and liabilities included in the Restated Financial Information.
2. The above statement should be read with the statement of notes to the Restated Financial Information.
3. Short Term Debts represent which are expected to be paid / payable within 12 months and exclude instalments of Term loans repayable within 12 months.
4. Long Term Debts represents debts other than Short Term Debts as defined above but include instalments of term Loans repayable within 12 months grouped under short term borrowings.
5. * The corresponding post Offer capitalization data is not determinable at this stage pending the completion of the Offer price and hence have not been furnished. To be updated upon finalization of the Offer Price.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (i) criminal proceedings, (ii) actions taken by statutory or regulatory authorities, (iii) taxation proceedings-claims related to direct and indirect taxes, in a consolidated manner or (iv) material civil litigation, in each case involving our Company, Subsidiaries, Promoters or our Directors (collectively, the “**Relevant Parties**”); and (v) litigation involving our Group Companies which have a material impact on our Company. Further, there are no disciplinary actions including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five Financial Years including any outstanding action.

For the purposes of (iv) above, in terms of the Materiality Policy, any pending/outstanding litigation involving the Relevant Parties which exceeds the amount which is 10% of the profit after tax, on a consolidated basis, as per the Restated Consolidated Financial Information for the Financial Year 2023 would be considered material for our Company.

Litigation involving our Company

Litigation by our Company

- A. Criminal proceedings: Nil
- B. Material civil litigation: Nil

Litigation against our Company

- A. Criminal proceedings: Nil
- B. Material civil litigation: Nil
- C. Action taken by regulatory and statutory authorities
 - 1. As of the date of this Draft Red Herring Prospectus, there are no actions that have been taken by the regulatory and statutory authorities against the company.
- D. Material Tax proceedings

Direct Tax Matters

As on the date of this Draft Herring Prospectus, only one direct tax litigation is pending. The Department has filed an appeal against the company before ITAT Mumbai, being aggrieved by the order of CIT Appeals which was in favour of the company, in respect of AY 2009-2010.

Based on the information available in website <https://incometaxindiaefiling.gov.in>, the aggregate amount of demand are given below:

Particulars	Assessment year	Amount [Rs in Lacs]
Income Tax Demand	2022-23	84.65/-
	2021-22	9.67/-
	2019-20	6.31/-
	2013-14	9.17/-

Indirect Tax Matters

- (a) As of the date of this Draft Red Herring Prospectus, there are no indirect tax matters pending against or by the company.
- (b)

Litigation involving our Promoters

Litigation against our Promoters

- A. Actions taken by Regulatory and Statutory Authorities: Nil
- B. Criminal Litigation: Nil
- C. Material Civil Litigation: Nil
- D. Material Tax Proceedings: Nil
- E. Actions by Statutory or Regulation Authorities: Nil
- F. Disciplinary action taken including penalty imposed against our Promoters in the five Fiscals preceding the date of this Draft Red Herring Prospectus by SEBI or any stock exchange: Nil
- G. Any other Material proceedings involving our Promoters: Nil

Litigations by our Directors

- A. Criminal Litigation: Nil
- B. Material Civil Litigation: Nil
- C. Material Tax or any other Proceedings: Nil
- D. Any other proceeding by any regulatory or statutory authority

Litigation involving our Subsidiaries

As of the date of this Draft Red Herring Prospectus, our Company does not have any subsidiaries.

Tax claims against Relevant Parties

- 1. As of the date of this Draft Red Herring Prospectus, there are no claims against the relevant parties.

Outstanding dues to creditors

Our Board, in its meeting held on November 1, 2023, has considered and adopted the Materiality Policy. In terms of the Materiality Policy, creditors of our Company to whom an amount exceeding 10.00% of our total outstanding dues (trade payables) as on the date of the latest Restated Consolidated Financial Information was outstanding, were considered 'material' creditors.

Based on this criteria, details of outstanding dues owed as on June 30, 2023 by our Company are set out below:

Type of Creditors	Number of Creditors	Amount (in ₹ million)
Micro, Small and Medium Enterprises	-	-
Material creditors	7	1,715.27
Other creditors	203	9,65.62
Total	1,927	2,680.89

It is clarified that such details available on our website does not form a part of this Draft Red Herring Prospectus.

Material Developments

Except as disclosed in "Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant developments after June 30, 2023 that may affect our future results of operations" on page 192, there have not arisen, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

We have set out below a list of material approvals, consents, licences and permissions from various governmental and regulatory authorities required to be obtained by us which are considered material and necessary for the purpose of undertaking our business activities and operations (“Material Approvals”). In view of the approvals listed below, our Company can undertake this Offer and its business activities, as applicable. In addition, certain of our Material Approvals may have lapsed or expired or may lapse in their normal course and our Company has either already made applications to the appropriate authorities for renewal of such Material Approvals or is in the process of making such renewal applications in accordance with applicable requirements and procedures. Unless otherwise stated, Material Approvals as set out below, are valid as on date of this Draft Red Herring Prospectus.

For details of risk associated with not obtaining or delay in obtaining the requisite approvals, see “Risk Factors – 38. Failure to obtain or renew approvals, licenses, registrations and permits to operate our business in a timely manner, or at all, may adversely affect our business, financial condition, cash flows and results of operations.” on page 53 of this Draft Red Herring Prospectus. For further details in connection with the regulatory and legal framework within which we operate, see “Key Regulations and Policies in India” on page 184 of this Draft Red Herring Prospectus.

Our Company was converted to a public limited company and the name of our Company changed to ‘Paramount Speciality Forgings Limited’ and a fresh certificate of incorporation dated May 5, 2023, was issued by the RoC. The CIN of our Company is U24109MH2023PLC402307. Our Company is in the process of submitting necessary application(s) to all regulatory authorities for change of its name in the approvals, licenses, registrations and permits issued to our Company.

I. Material approvals obtained in relation to the Offer

- (1) The Board of Directors has, pursuant to a resolution passed at its meeting held on December 1, 2023, authorized the Offer, subject to the approval of the shareholders of the Company under Section 62 of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.
- (2) The shareholders of the Company have, pursuant to a special resolution passed in the Extra Ordinary general Meeting held on December 6, 2023, authorized the Offer under Section 62 of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.
- (3) The Company has obtained the in-principle listing approval from the SME platform of NSE Emerge, dated December [●]
- (4) The Company’s International Securities Identification Numbers (ISIN) are INE0Q6001012 and INE0Q6001012.
- (5) Our Company has entered into an agreement dated May 22, 2023 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, Purva Sharegistry (I) Private Limited for the dematerialization of its shares.
- (6) Our Company has also entered into an agreement dated June 13, 2023 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, Purva Sharegistry (I) Private Limited for the dematerialization of its shares.

II. Material approvals obtained in relation to our business and operations

Our Company has obtained the following material approvals to carry on our business and operations. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

Our company has applied for Importer Exporter Code Number to Directorate General of Foreign Trade on 14th December 2023, we are still awaiting the response from the Designated authority with respect to our application.

A. Incorporation details of our Company

- a. Partnership deed dated November 1, 1994, executed between Shri Niranjani I Raval, Shri Mohamadi T. Hararwala and Smt. Kauser A Bhagat, Master Aliasgar R Hararwala and Master Mohamed S Hararwala, in the name of M/s Paramount Forge.
- b. Fresh Certificate of incorporation dated June 27, 2019, issued to our LLP by the RoC, Pursuant to the change in the name from 'Paramount Forge' to 'Paramount Speciality Forgings LLP'
- c. Fresh Certificate of incorporation dated May 5, 2023, issued to our company, pursuant to conversion of LLP to a Public Limited Company and name changed from 'Paramount Speciality Forgings LLP' to 'Paramount Speciality Forgings Limited'.

No.	Nature of Registration/ License	Registration/ License No.	Issuing Authority	Date of Issue / Renewal	Date of Expiry
1.	Permanent Account Number	AANCP7365B	Income Tax Department	December 12, 2006	Valid from December 12, 2006, till cancelled
2.	TAN (Tax Deduction Account Number)	MUMP49061F	Income Tax Department	June 15, 2007	Valid from June 15, 2007, till cancelled
3.	GST Registration Certificate - Maharashtra	27AANCP7365B1Z6	Government of India	June 21, 2023	Valid from June 1, 2023, till cancelled
4.	Professional Tax – Certificate of Registration – Maharashtra	99150208634P Now Changed to 27060292758	Commercial Taxes Department, Government of Maharashtra	-	Valid until cancelled

1. The Maharashtra State Tax on Professions, Trade, Callings & Employments Act 1975, and Rule 20. The Certificate is not traceable

C. Regulatory approvals of our Company

No.	Nature of Registration/ License	Registration/ License No.	Issuing Authority	Date of Issue/ Renewal	Date of Expiry
1.	Provident Fund Code Number	THVSH0096972000	Ministry of Labour & Employment, Govt. of India	-	Valid until cancelled
2.	ESIC Registration Code –Khalapur ESIC Registration Code – Kamothe	34340162980010699 34000162980010699	Ministry of Labour & Employment, Govt. of India	-	Valid until cancelled
3.	Registration Certificate under		Office of the Inspector, under Maharashtra Shop &	November 30, 2019	Valid from November 30, 2019 till

No.	Nature of Registration/ License	Registration/ License No.	Issuing Authority	Date of Issue/ Renewal	Date of Expiry
	Maharashtra Shops and Establishments (Regulations of Employment and Conditions of Service) Act, 2017		Estb Act 1948 Government of Maharashtra		November 29, 2029
4.	Maharashtra Professional Tax Act, 1975	820082358/KW Ward/COMMERCIAL II	Office of the Chief Facilitator, Government of Maharashtra	November 30, 2019	Valid from November 30, 2019, till November 29, 2029
5.	No Objection Certificate – Kumbhivali Maharashtra	66/2022	Gram Panchayat Kumbhivali	January 19, 2022	Valid from January 19, 2022, till March 31, 2025
6.	UDYAM Registration Certificate	UDYAM-MH-19-0002703	Ministry of Micro, Small and Medium Enterprises, Government of India	November 13, 2020	Valid from November 13, 2020, till cancelled
7.	Certificate of Registration – ISO 9001: 2015 ISO 9001:2018	44 100 21393124	TUV Nord Cert GmbH	March 18, 2021	Valid till March 17, 2024
8.	Consent to Operate	1910000424	MPCB Raigad	October 10 2019	March 31, 2025
9.	Consent to Operate	2108000396	MPCB Raigad	August 01 2020	July 31, 2030
10.	Factory License	0036835	Chief Inspector of Factories	February 15, 2017	March 31, 2025

III. Intellectual Property

A. Trademarks obtained by the Company

Application Number	Status	Classes of Registration	Trade Mark
947887	Renewed	6	
2585537	Registered	6	
947888	Abandoned	6	
947889	Abandoned	6	

IV. Materials approvals expired and renewal yet to be applied for

Nil

V. Materials approvals required but not obtained or applied for

Nil

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE OFFER

The Board of Directors has, pursuant to a resolution passed at its meeting held on Friday, December 01, 2023 authorized the Offer, subject to the approval of the shareholders of the Company under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

The shareholders of the Company have, pursuant to a special resolution passed in EGM held on Wednesday, December 06, 2023 authorized the Offer under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

The Promoter Selling Shareholders have confirmed and approved its participation in the Offer for Sale in relation to the Offered Shares, as set out below:

Name	Type	Number of the Equity Shares offered / amount in ₹	Date of the consent letter
Aliasgar Roshan Hararwala	Promoter Selling Shareholder	Up to 66,500	Wednesday, December 06, 2023
Aliasgar Abdulla Bhagat	Promoter Selling Shareholder	Up to 1,19,700	Wednesday, December 06, 2023
Mohammed Salim Hararwala	Promoter Selling Shareholder	Up to 1,19,700	Wednesday, December 06, 2023
Abdullah A. Bhagat	Promoter Selling Shareholder	Up to 80,000	Wednesday, December 06, 2023
Hoozefa Saleem Hararwala	Promoter Selling Shareholder	Up to 66,600	Wednesday, December 06, 2023
Abbasali Salim Hararwala	Promoter Selling Shareholder	Up to 66,600	Wednesday, December 06, 2023
Zahid Mohamadi Hararwala	Promoter Selling Shareholder	Up to 80,000	Wednesday, December 06, 2023
Roshan Alihusain Hararwala	Promoter Selling Shareholder	Up to 80,100	Wednesday, December 06, 2023

Our Company has received an In-Principle Approval letter dated [●] from NSE for using its name in this Draft Red Herring Prospectus for listing our shares on the Emerge Platform of NSE. NSE is the Designated Stock Exchange for the purpose of this Offer.

PROHIBITION BY SECURITIES MARKET REGULATORS

Our Company, our Promoter, our Directors and our Promoter's Group, person(s) in control of the promoter or issuer, have not been prohibited from accessing the capital market or debarred from buying, selling, or dealing in securities under any order or direction passed by the Board or any securities market regulators in any other jurisdiction or any other authority/court.

The Promoter Selling Shareholders confirm that they has not been prohibited from accessing the capital market or debarred from buying, selling, or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

CONFIRMATIONS

1. Our Company, our Promoter, Promoter's Group and Promoter Selling Shareholders are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
2. None of the Directors in any manner associated with any entities which are engaged in securities market related business and are registered with the SEBI in the past five years.

3. There has been no action taken by SEBI against any of our Directors or any entity with which our Directors are associated as Promoter or directors.

PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY

Neither our Company, nor our Promoter, nor the relatives (as defined under the Companies Act) of our Promoter, nor Group Companies/Entities or Promoter Selling Shareholders have been identified as wilful defaulters or Fraudulent Borrowers by the RBI or any other governmental authority.

ELIGIBILITY FOR THE OFFER

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Offer as:

- Neither our company, nor any of its promoters, promoter group or directors or Promoter Selling Shareholders are debarred from accessing the capital market by the Board.
- Neither our promoters, nor any directors of our company are a promoter or director or Promoter Selling Shareholders of any other company which is debarred from accessing the capital market by the Board.
- Neither our Promoters nor any of our directors or Promoter Selling Shareholders is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoters, relatives (as defined under the Companies Act, 2013) of our Promoters nor our directors, or Promoter Selling Shareholders are Wilful Defaulters or a fraudulent borrower.

Our Company is eligible for the Offer in accordance with Regulation 229 and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post Offer face value paid-up capital is more than ten crore rupees and up to twenty five crore rupees and can Offer Equity Shares to the public and propose to list the same on the EMERGE Platform of National Stock Exchange of India Limited.

Our Company also complies with the eligibility conditions laid by the Emerge Platform of National Stock Exchange of India Limited for listing of our Equity Shares. The point wise Criteria for Emerge Platform of National Stock Exchange of India Limited and compliance thereof are given hereunder;

1. The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.

Our Company is incorporated under the Companies Act, 2013.

2. The post Offer paid up capital of the company (face value) shall not be more than ₹ 25.00 Crore.

The present paid-up capital of our Company is ₹1,488.000 Lakhs, and we are proposing Offer Up to 54,81,600 Equity Shares comprising of fresh issue of up to 48,02,400 Equity Share and up to 6,79,200 Equity Share as offer for sale by our Promoter Selling Shareholders at Offer price of ₹[●] per Equity Share including share premium of ₹[●] per Equity Share, aggregating to ₹[●] Lakh. Hence, our Post Offer Paid up Capital will be ₹[●] Lakhs. So, the company has fulfilled the criteria of post Offer paid up capital shall not be more than ₹2500.000 lakhs.

3. Track Record

- A. The company should have a track record of at least 3 years.

Our Company, Paramount Speciality Forgings Limited was originally established as a partnership firm in the name and style of 'Paramount Forge' under the Partnership Act, 1932 with the Registrar of Firms, Mumbai on November 01, 1994. Subsequently, our firm was converted from a Partnership Firm to a Limited Liability Partnership (LLP) and consequently the name of our firm was changed to 'Paramount Speciality Forgings LLP', and a fresh certificate of incorporation dated June 27, 2019 was issued to our LLP by the RoC. The constitution of our LLP was further changed from LLP to a Public Limited Company and consequently the name of our LLP was changed to 'Paramount Speciality Forgings Limited', and a fresh certificate of incorporation dated May 05, 2023 was issued to our Company by the Registrar of Companies, Mumbai at Maharashtra. Hence, our Company fulfils the criteria

of having track record of 3 years.

- B. The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive.

Our Company satisfies the criteria of track record which given hereunder based on Restated Financial Statement.

(₹ In lakh)

Particulars	For the Three-Month Period ended June 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Operating profit (earnings before interest, depreciation and tax and other income) from operations	229.32	574.48	332.97	597.06
Net Worth as per Restated Financial Statement	1,643.19	1,566.14	1,970.49	1,657.05

4. Other Requirements

We confirm that;

- i. The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- ii. There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.
- iii. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.

5. None of the merchant bankers involved in the IPO, have instances of any of their IPO draft offer document filed with the Exchange being returned in the past 6 months from the date of application. The Company has a website: www.paramountforge.com

6. Disclosures

We confirm that:

- i. There is no material regulatory or disciplinary action taken 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 companies of the Company.
- ii. There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, Promoter/promoting Company(ies), group companies, companies promoted by the Promoter/promoting Company(ies) during the past three years.
- iii. There are no litigations record against the applicant, promoters/promoting company(ies), group companies, companies & promoted by the promoters/promoting company(ies) except as stated in the *chapter "Litigation" on page 215 of this Draft Red Herring Prospectus*.
- iv. There are no criminal cases/investigation/offences filed against the director of the company except as stated in the *chapter "Litigation" on page 215 of this Draft Red Herring Prospectus*.

In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:

1. In accordance with regulation 260 of the SEBI ICDR Regulations, this Offer is 100% underwritten by the Book

Running Lead Manager in compliance of Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting by Book Running Lead Manager, please refer to Section titled “*General Information*” beginning on page 61 of this Draft Red Herring Prospectus.

2. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the Book Running Lead Manager will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares Offer in the Initial Public Offer. For details of the market making arrangement, see Section titled “*General Information*” beginning on page 61 of this Draft Red herring Prospectus.
3. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee’s in the Offer shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
4. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of Offer Document through Book Running Lead Manager immediately upon registration of the Offer Document with the Registrar of Companies along with a Due Diligence Certificate including additional confirmations. However, SEBI shall not issue any observation on our Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an Offer under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and Subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

SEBI DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO THE 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 DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS 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 OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS / RED HERRING PROSPECTUS AND EACH OF THE SELLING SHAREHOLDER WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THE DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF FOR ITS RESPECTIVE PORTION OF OFFERED SHARES, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, SWARAJ SHARES & SECURITIES PRIVATE LIMITED SHALL FURNISH TO STOCK EXCHANGE/SEBI, A DUE DILIGENCE CERTIFICATE DATED DECEMBER WEDNESDAY, 20,2023, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE

REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

ALL LEGAL REQUIREMENTS PERTAINING TO THIS OFFER WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, MUMBAI AT MAHARASHTRA, IN TERMS OF SECTION 26, 30 AND SECTION 32 OF THE COMPANIES ACT, 2013.

DISCLAIMER CLAUSE OF THE NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Prospectus prior to the filing with the RoC.

DISCLAIMER FROM OUR COMPANY, THE PROMOTER SELLING SHAREHOLDERS AND THE BOOK RUNNING LEAD MANAGER

Our Company, the Promoter Selling Shareholders and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at their own risk.

The Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the Agreement entered between the Book Running Lead Manager (Swaraj Shares and Securities Private Limited) and our Company on Friday, December 08, 2023, and the Underwriting Agreement dated [●] entered into between the Underwriters, our Company and Promoter Selling Shareholders and the Market Making Agreement dated [●] entered into among the Market Maker, our Company, and Promoter Selling Shareholders.

All information shall be made available by our Company, the Promoter Selling Shareholders, 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, at collection centres or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Entity, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entity, and our affiliates or associates, for which they have received and may in future receive compensation.

Note:

Investors that apply in this Offer will be required to confirm and will be deemed to have represented to our Company, the Underwriters and Book Running Lead Manager 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 of our company and will not Offer, sell, pledge or transfer the Equity Shares of our company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company. Our Company, the Underwriter and 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 of our company.

Disclaimer from the Promoter Selling Shareholders

The Promoter Selling Shareholders accept no responsibility for statements made otherwise than in this Draft 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, or the respective websites of our Promoter, Promoter Group or any affiliate of our Company would be doing so at his or her own risk. The Promoter Selling Shareholders, its directors, affiliates, associates, and officers accept no

responsibility for any statements made in this Draft Red Herring Prospectus, other than those specifically made or confirmed by the Promoter Selling Shareholders in relation to itself as a Selling Shareholder and the Offered Shares. Bidders will be required to confirm and will be deemed to have represented to the Selling Shareholder and its directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. The Promoter Selling Shareholders and its directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

DISCLAIMER IN RESPECT OF JURISDICTION

This Offer is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub-account registered with SEBI which is a foreign corporate or Foreign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Draft Red Herring Prospectus does not, however, constitute an invitation to subscribe to Equity Shares Offer 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 Draft Red Herring Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Offer 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, our Company's and the Promoter Selling Shareholders' Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Draft 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 Draft Red Herring Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1993

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulations of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions 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 applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create 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 pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

FILING OF DRAFT RED HERRING PROSPECTUS/RED HERRING PROSPECTUS/PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES

The Draft Red Herring Prospectus is being filed with the National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India. The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Draft Red Herring Prospectus in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus/Prospectus along with the material contracts and documents referred elsewhere in the Red Herring Prospectus, will be delivered to the RoC Office situated at 100, Everest, Marine Drive, Mumbai- 400002, Maharashtra.

LISTING

Application is to be made to the Emerge Platform of NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer.

Our Company has received an In-Principle Approval letter dated [●] from NSE for using its name in this offer document for listing our shares on the Emerge Platform of NSE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE, the Company shall refund through verifiable means the entire monies received within Four days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within four day after the company becomes liable to repay it the company and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Other than the listing fees for the Offer, which will be borne by our Company, and the fees and expenses of the legal counsel and the chartered accountants to the Promoter Selling Shareholders, which will be borne by the Promoter Selling Shareholders, all cost, fees and expenses in respect of the Offer will be shared amongst our Company and the Promoter Selling Shareholders on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the Offered Shares sold by the Promoter Selling Shareholders in the Offer for Sale, upon successful completion of the Offer. Any payments by our Company in relation to the Offer expenses on behalf of the Promoter Selling Shareholders shall be reimbursed by such Promoter Selling Shareholders to our Company inclusive of taxes.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE mentioned above are taken within Six Working Days from the Offer Closing Date.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 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, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees 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 fifty lakh rupees or with both.

CONSENTS

The written consents of Promoter, Directors, Company Secretary and Compliance Officer, the Promoter Selling Shareholders, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Offer, the Book Running Lead Manager to the Offer, Registrar to the Offer to act in their respective capacities have been obtained.

Above consents will be filed along with a copy of the Draft Red Herring Prospectus/ /Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Red Herring Prospectus/Prospectus for registration with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, our Company has received written consent dated Wednesday, December 06, 2023 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Peer Auditor and in respect of its (i) examination report dated Wednesday, December 06, 2023 on our restated financial information; and (ii) its report dated Wednesday, December 06, 2023 on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

EXPERT OPINION

Except for report and certificates from Peer Review Auditors on financial matter and Legal advisor to the company on Legal matters, we have not obtained any other expert opinions.

PREVIOUS PUBLIC OR RIGHTS OFFER

Our Company has not made public Offer in the past. For details of right issue please refer chapter titled “*Capital Structure*” beginning on page 73 of this Draft Red Herring Prospectus.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

We have not made any previous public Issue. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

CAPITAL OFFER DURING THE LAST THREE YEARS

For details of the capital issued in past three years, please refer chapter titled “*Capital Structure*” beginning on page 73 of this Draft Red Herring Prospectus.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

Price Information of past issues handled by the Book Running Lead Manager

Sr. No.	Issue Name	Issue size (₹In Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, +/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in Price on closing price, +/- % change in closing benchmark]- 90 th calendar days from listing*			+/- % change in Price on closing price, +/- % change in closing benchmark]- 180 th calendar days from listing*	
A. Main Board											
Nil											
B. SME											
1.	Shoora Designs Limited	2.03	₹48.00	August 29, 2023	91.20	-32.14% [-1.36%]	-23.82% [21.22%]	N.A	2.03	48.00	August 29, 2023
2.	Micropro Software Solutions Limited	30.70	₹81.00	November 10, 2023	80.00	-14.94% [5.10%]	N.A	N.A	30.70	81.00	November 10, 2023
3.	Rox Hi-Tech Limited	54.49	₹83.00	November 16, 2023	135.00	14.36% [4.01%]	N.A	N.A	54.49	83.00	November 16, 2023
4.	MarineTrans India Limited	10.92	₹26.00	December 08, 2023	30.00	N.A	N.A	N.A	10.92	26.00	December 08, 2023
5.	Sahara Maritime Limited	6.88	₹81.00	On or before December 26, 2023	--	N.A	N.A	N.A	N.A	N.A	N.A

Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹in Cr.)	Nos. of IPOs trading at discount - 30 th calendar day from listing day			Nos. of IPOs trading at premium - 30 th calendar day from listing day*			Nos. of IPOs trading at discount - 180 th calendar day from listing day*			Nos. of IPOs trading at premium - 180 th calendar day from listing day*		
			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%
2022-2023	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
2023-2024	5	105.02	N.A	1	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A

Notes:

- In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.
- Source: www.bseindia.com and www.nseindia.com

Track record of past issues handled by the Book Running Lead Manager

For details regarding the track record of the Book Running Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please refer the website of Book Running Lead Manager at www.swarajshares.com

PERFORMANCE VIS-A-VIS OBJECTS

Except as stated in the chapter titled “*Capital Structure*” beginning on page 73 of this Draft Red Herring Prospectus, our Company has not undertaken any previous public or rights issue. None of the Entities or associates of our Company are listed on any stock exchange.

STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, 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, SEBI/HO/CFD/DIL2/CIR/P/2022/51 date April 20, 2021 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 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 at the rate higher of ₹100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/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 Book Running Lead Manager shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

All grievances relating to the Offer may be addressed to the Registrar to the Offer, giving full details such as name, address of the applicant, Bid application number, number of Equity Shares Bid for, amount paid on Bid application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection centre of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

Our Company has obtained authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and complied with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Our Company has not received any complaints as on the date of this Red Herring Prospectus/Prospectus. - Noted for Compliance

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSB (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) shall be 10 Working 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 as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee as follows:

Name of the Directors	Designation	Nature of Directorship
Nimesh Mukerji	Non-Executive, Independent Director	Chairperson
Aliasgar Abdulla Bhagat	Executive Director	Member
AliasgarRoshanHararwala	Managing Director	Member

Our Company and the Promoter Selling Shareholders has appointed Ms. Ankita Anil Patankar as the Company Secretary and Compliance Officer, who may be contacted in case of any pre-Offer or post-Offer related problems at the following address:

Ms. Ankita Anil Patankar

Company Secretary & Compliance Officer

3, 1, Guru Himmat Building, Dr. Mascarenhas Road Anjirwadi, Mazgaon, Mumbai, Maharashtra, India, 400010

Telephone: +91-22-2373 2656

E-mail: compliance@paramountforge.org

Till date of this Draft Red Herring Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

PUBLIC OFFER EXPENSES

Expenses	Expenses (₹ in Lakh)	Expenses (% of Total Offer expenses)	Expenses (% of Gross Offer Proceeds)
Book Running Lead Manger Fees including Underwriting Commission	[●]	[●]	[●]
Fees Payable to Advisor to the Offer and Consultants	[●]	[●]	[●]
Fees Payable to Registrar to the Offer	[●]	[●]	[●]
Fees Payable Advertising, Marketing Expenses and Printing Expenses	[●]	[●]	[●]
Fees Payable to Regulators including Stock Exchanges and other Intermediaries	[●]	[●]	[●]
Fees payable to Peer Review Auditor	[●]	[●]	[●]
Fees Payable to Market Maker (for Two Years)	[●]	[●]	[●]
Escrow Bank Fees	[●]	[●]	[●]
Total Estimated Offer Expenses	[●]	100.00	[●]

Notes:

- Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:*

Portion for RIIs [●]% or ₹[●] whichever is less ^ (exclusive of GST)

Portion for NIIs [●]% or ₹[●] whichever is less ^ (exclusive of GST)

[^]Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Offer Price).

2. The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.
3. Registered Brokers will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.
4. SCSBs would be entitled to a processing fee of ₹[●] (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.
5. Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹[●] (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.
6. The processing fees for applications made by Retail Individual 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/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 02, 2021 read with SEBI Circular No.: SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022.

FEES PAYABLE TO BOOK RUNNING LEAD MANAGER TO THE OFFER

The total fees payable to the Book Running Lead Manager will be as per the Memorandum of Understanding for Initial Public Offer, a copy of which is available for inspection at the Registered Office of our Company.

FEES PAYABLE TO THE REGISTRAR TO THE OFFER

The fees payable to the Registrar to the Offer, for processing of Bidding application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Agreement between the Company, Promoter Selling Shareholders and the Registrar to the Offer.

The Registrar to the Offer will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, communication expenses etc. Adequate funds will be provided to the Registrar to the Offer to enable it to send refund orders or Allotment advice by registered post/speed post or email.

FEES PAYABLE TO OTHERS

The total fees payable to the Sponsor Bank, Legal Advisor, Statutory Auditor and Peer Review Auditor, Market maker and Advertiser, etc. will be as per the terms of their respective engagement letters.

COMMISSION PAYABLE TO SCSBS

1. Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:

Portion for RIIs [●]% or ₹[●] whichever is less [^] (exclusive of GST) Portion for NIIs [●]% or ₹[●] whichever is less [^] (exclusive of GST)

[^]Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Offer Price).

2. *The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.*
3. *Registered Brokers, will be entitled to a commission of ₹[●] (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.*
4. *SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.*
5. *Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.*

The processing fees for applications made by Retail Individual 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/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 02, 2021 read with SEBI Circular No.: SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022.

PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “*Capital Structure*” beginning on page 73 of this Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

LISTED VENTURES OF PROMOTER

Not Applicable

OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Draft Red Herring Prospectus.

CHANGES IN AUDITORS

For details regarding changes in Auditor, please refer chapter titled “*General Information*” beginning on page 61 of this Draft Red Herring Prospectus.

CAPITALIZATION OF RESERVES OR PROFITS DURING LAST 5 (FIVE) YEARS

Except as disclosed under chapter titled “*Capital Structure*” on page 73 of this Draft Red Herring Prospectus, our Company has not capitalized Reserves or Profits during last five years.

REVALUATION OF ASSETS DURING THE LAST FIVE (5) YEARS

Our Company has not revalued its assets during last five years.

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

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

SECTION VIII – OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Draft Red Herring Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN') 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 Offer. The Equity Shares shall also be subject to laws, guidelines, rules, notifications, and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, ROC, RBI and / or other authorities, as in force on the date of the Offer and to the extent applicable.

Please note that, in accordance with the Regulation 256 of the SEBI (ICDR), Regulations, 2018 read with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public Offers by retail individual investors through intermediaries (Syndicate members, Registered Stock-Brokers, Registrar and Transfer agent and Depository Participants).

Further, vide the said circular, Registrar to the Offer and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Offer and DPs as and when the same is made available.

Authority for the Offer

The present initial public offer is up to [●] Equity Shares for cash at a price of ₹[●] each, aggregating up to ₹[●] Lakhs comprising of comprising of a fresh issue of up to [●] equity shares aggregating up to ₹[●] lakhs by our Company and an offer for sale of up to [●] equity shares by the Promoter Selling Shareholders which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on [●] and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on [●] in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

Ranking of Equity Shares

The Equity Shares being offered shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including in respect of the right to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to Section titled "Description of Equity Shares and terms of the Articles of Association" beginning on Page 269 of the Draft Red Herring Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to chapter titled "Dividend Policy" beginning on Page 185 of the Draft Red Herring Prospectus.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹ 10/- and the Offer Price at the lower end of the Price Band is ₹[●] per Equity Share ("Floor Price") and at the higher end of the Price Band is ₹[●] per Equity Share ("Cap Price").

The Price Band and the minimum Bid Lot will be decided by our Company and the Promoter Selling Shareholders in consultation with the Book Running Lead Manager and advertised in all editions of an English national daily newspaper, all editions of a Hindi national daily newspaper, each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on its 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 website of the Stock Exchange. The Offer Price shall be determined by our Company and the Promoter Selling Shareholders in consultation with the Book Running Lead Manager, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares.

The Offer Price shall be determined by our Company and the Selling Shareholders in consultation with the Book Running Lead Manager and is justified under the chapter titled “Basis of Offer Price” beginning on page 99 of this Draft Red Herring Prospectus.

Compliance with SEBI (ICDR) Regulations

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. 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 the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 and the Memorandum and Articles of Association of our Company.

Minimum Application Value, Market Lot and Trading Lot

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Offer before filing this Draft Red Herring Prospectus:

- Tripartite agreement among the NSDL, our Company and Registrar to the Offer dated June 13, 2023.
- Tripartite agreement among the CDSL, our Company and Registrar to the Offer dated June 08, 2023.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of an issuer shall be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the National Stock Exchange of India Limited from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Offer will be done in multiples of [●] Equity Shares 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.

Minimum Number of Allottees

The minimum number of allottees in the Offer shall be 50 shareholders. In case, the number of prospective allottees is less than 50, no allotment will be made pursuant to this Offer and the amounts in the ASBA Account shall be unblocked forthwith.

Joint Holders

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Jurisdiction

Exclusive Jurisdiction for the purpose of this Offer is with the competent courts/authorities in India.

The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, —U.S. personal (as defined in Regulations), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction 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 applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, 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 in accordance with Section 72 of the Companies Act, 2013 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 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 the Registered Office of our Company or to the Registrar and Transfer Agent of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the 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 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys 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 Offer is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Offer capital of our Company, Promoter's minimum contribution as provided under the chapter titled "Capital Structure" on page 73 of this Draft Red Herring Prospectus and except as provided in the 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, please refer chapter titled "Description of Equity Shares and terms of the articles of association" on page 269 of this Draft 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, the Promoter Selling Shareholders and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company, the Promoter Selling Shareholders and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft 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.

Withdrawal of the Offer

Our Company and the Promoter Selling Shareholders in consultation with the Book Running Lead Manager, reserve the right to not to proceed with the Offer after the Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two (2) days of the Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Book Running Lead Manager, through the Registrar to the Offer, 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.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment (ii) the final RoC approval of the Red Herring Prospectus after it is filed with the RoC. If our Company and the Promoter Selling Shareholders in consultation with Book Running Lead Manager withdraws the Offer after the Offer Closing Date and thereafter determines that it will proceed with an Offer for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus/Red Herring Prospectus with Stock Exchange.

OFFER PROGRAM

Events	Indicative Dates
Bid/Offer Opening Date	[●]
Bid/Offer Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before [●]

Credit of Equity Shares to Demat accounts of Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

(1) Our Company and the Promoter Selling Shareholders may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.

**In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation on our Company the Book Running Lead Manager.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and commencement of trading of the Equity Shares on the Stock Exchange are taken within six Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company and the Promoter Selling Shareholders in consultation with the Book Running Lead Manager, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchange. 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 SEBI is in the process of streamlining and reducing the post Offer timeline for initial public offerings. Any circulars or notifications from the SEBI after the date of the Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the Offer procedure is subject to change to any revised circulars issued by the SEBI to this effect.

The Book Running Lead Manager will be required to submit reports of compliance with 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.

In terms of the UPI Circulars, in relation to the Offer, the Book Running Lead Manager will submit report of compliance with T+6 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.

Submission of Bids

Bid/Offer Period (except the Bid/Offer Closing Date)

Submission and Revision in Bids: Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))

Bid/Offer Closing Date

Submission and Revision in Bids: Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/Offer 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 Retail Individual Bidders.

On the Bid/Offer Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the Book Running Lead Manager to the Stock Exchange.

The Registrar to the Offer shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/ Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the Book Running Lead Manager and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

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 limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is Indian Standard Time. Bidders are cautioned that, in the event, large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company or any Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBs on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken. Our Company and the Promoter Selling Shareholders in consultation with the Book Running Lead Manager, reserve the right to revise the Price Band during the Bid/Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. 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. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Offer Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company and the Promoter Selling Shareholders in consultation with the Book Running Lead Manager, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the Book Running Lead Manager and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

Minimum Subscription

This Offer 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 been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring 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 Offer through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the Offer, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond four 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 Offer shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Offer through the Red Herring Prospectus and shall not be restricted to the minimum subscription level.

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.

Migration to Main Board

Our company may migrate to the main board of National Stock Exchange of India Limited at a later date subject to the following:

- a.* If the Paid-up Capital of our Company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in- principal approval from the main board), our Company shall apply to National Stock Exchange of India Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- b.* If the paid-up Capital of our company is more than ₹ 10 Crores but below ₹ 25 Crores, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Any company desiring to migrate to the Main board from the SME Board within two years of listing on Emerge platform of National Stock Exchange of India Limited has to fulfil following conditions:

- a.* The increase in post Offer face value capital beyond ₹ 25 crore should arise only because of merger/acquisition or for expansion purposes.
- b.* The company should have a minimum turnover of ₹ 100 crore as per last audited financials and market capitalization of ₹ 100 crore.
- c.* The company should have a minimum profit before tax of ₹ 10 crore for two years out of three preceding years.
- d.* There should not be any action against the company by any regulatory agency at the time of application for migration.

Market Making

The shares issued and transferred through this Offer are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited 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 the Emerge Platform of National Stock Exchange of India Limited. For further details of the market making arrangement please refer to chapter titled "General Information" beginning on page 61 of this Draft Red Herring Prospectus.

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 Emerge Platform of National Stock Exchange of India Limited.

Restrictions, if any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting

Except for lock-in of the pre-Offer Equity Shares and Promoter's minimum contribution in the Offer as detailed in the chapter "Capital Structure" beginning on page 73 this Draft Red Herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. 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, the Promoter Selling Shareholders and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company, the Promoter Selling Shareholders and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the 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.

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.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Offer without the prior approval of the RBI, so long as the price of the equity shares to be Offered is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

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.

Option to receive securities in Dematerialized 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. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Further, it is mandatory for the investor to furnish the details of his/her depository account, & if for any reason, details of the account are incomplete or incorrect the application shall be treated as incomplete & may be rejected by the Company without any prior notice.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debentures, warrants, secured premium notes, etc. issued by our Company.

OFFER STRUCTURE

This Offer 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 Offer paid up capital is more than ₹ 10 crores and up to ₹ 25 crores, shall Offer 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 National Stock Exchange of India Limited). For further details regarding the salient features and terms of such an Offer, please refer chapter titled “*Terms of Offer*” and “*Offer Procedure*” on page 233 and 246 respectively of this Draft Red Herring Prospectus.

This public Offer comprises of up to 54,81,600 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 (the “Offer price”) aggregating to ₹[●] Lakhs (“the Offer”) comprising of a fresh issue of up to 48,02,400 equity shares aggregating up to ₹[●] lakhs by our Company and an offer for sale of up to 6,79,200 equity shares by the selling shareholders. The Offer and the Net Offer will constitute [●]% and [●]% respectively of the post Offer paid up Equity Share Capital of the Company.

This Offer is being made by way of Book Building Process (1):

Particulars of the Offer (2)	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Retail Individual Investors
Number of Equity Shares available for allocation	Up to [●] Equity Shares	Not more than [●] Equity Shares.	Not less than [●] Equity Shares	Not less than Equity Shares [●]
Percentage of Offer size available for allocation	[●]% of the Offer size	Not more than 50% of the Net Offer being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion may 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. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion Up to 60.00% of the QIB Portion may be available for allocation to Anchor Investors and one third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only.”	Not less than 15% of the Net Offer	Not less than 35% of the Net Offer
Basis of Allotment(3)	Firm Allotment	Proportionate as follows: a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis	Proportionate	Proportionate

Particulars of the Offer ⁽²⁾	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Retail Individual Investors
		to all QIBs, including Mutual Funds receiving allocation as per (a) above		
Mode of Bid	Only through the ASBA Process	Only through the ASBA process.	Through ASBA Process through banks or by using UPI ID for payment	Through ASBA Process through banks or by using UPI ID for payment
Mode of Allotment	Compulsorily in dematerialized form			
Minimum Bid Size	[●] Equity Shares in multiple of [●] Equity shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of [●] Equity Shares that Bid size exceeds ₹ 200,000	[●] Equity Shares in multiple of [●] Equity shares so that the Bid Amount does not exceed ₹ 2,00,000
Maximum Bid Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer (excluding the QIB portion), subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000
Trading Lot	[●] Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder 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.			
Mode of Bid	Only through the ASBA process			

- (1) This Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
- (2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018, this is an Offer for at least 25% of the post Offer paid-up Equity share capital of the Company. This Offer 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 Offer 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 and the Selling Shareholders in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

- (4) Our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager may allocate up to 50% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI (ICDR) Regulations, 2018, as amended. 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 Price.
- (5) 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 Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. For further details please refer to the section titled “Offer Procedure” beginning on page 246 of the Draft Red Herring Prospectus

Withdrawal of the Offer

In accordance with SEBI (ICDR) Regulations, the Company and the Selling Shareholders, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Offer at any time before the Bid/Offer Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Offer after Bid/ Offer Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Offer. The public notice will appear in all editions [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper each with wide circulation and in [●] editions of [●], a Marathi regional language newspaper (Mumbai, being the place where the Registered Office of our Company is located).

The Book Running Lead Manager, through the Registrar to the Offer, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be offered in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Offer after the Bid/ Offer Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Offer is subject to obtaining (i) the final listing and trading approval of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the registration of Draft Red Herring Prospectus/ Red Herring Prospectus with RoC.

JURISDICTION

Exclusive jurisdiction for the purpose of this Offer is with the competent courts/authorities at Mumbai.

BID/ OFFER PROGRAMME

Events	Indicative Dates
Bid/Offer Opening Date	[●]
Bid/Offer Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or Before [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or Before [●]
Credit of Equity Shares to Demat accounts of Allottees	On or Before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or Before [●]

Note - Our Company and the Selling Shareholders in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.

Bids and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Offer Period at the Bidding Centres mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Offer closing date:

- i. A standard cut-off time of 3.00 p.m. for acceptance of bids.
- ii. A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.
- iii. A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended up to such time as deemed fit by National Stock Exchange of India Limited after taking into account the total number of bids received up to the closure of timings and reported by Book Running Lead Manager to National Stock Exchange of India Limited within half an hour of such closure.
- iv. It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

OFFER PROCEDURE

All Bidders should read 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 which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the Book Running Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; 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 existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till 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 RIBs 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 existing 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/DIL2/CIR/P/2020/50 dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors (“UPI Phase III”), is prescribed by SEBI vide circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 effective from Offer opening on or after September 01, 2023 on voluntary basis and on or after December 01, 2023 on mandatory basis. The Offer has been 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. 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 Issues and redressing investor grievances. This circular shall come into force for initial public Issues opening on or after May 1, 2021 and the provisions of this circular are deemed to form part of this Prospectus. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 modifying the process timelines and extending the implementation timelines for certain measures introduced by the March 16 Circular. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 5,00,000/- shall use the UPI Mechanism.

The processing fees for applications made by Retail Individual 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 02, 2021, read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

Our Company, the Selling Shareholder, the Promoter and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this 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 Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus.

Further, our Company, the Selling Shareholder, the Promoter 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 Offer.

Book Building Procedure

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended read with Regulation 252 of SEBI ICDR Regulations, 2018, the Offer is being made for at least 25% of the post- Offer paid-up Equity Share capital of our Company. The Offer is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Offer 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 Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Subject to valid Bids being received at or above the Offer 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, at the discretion of our Company, and the Selling Shareholders, in consultation with the Book Running Lead Manager, and the Designated Stock Exchange and subject to applicable laws. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised 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 Offer, subject to applicable laws.

Phased implementation of UPI for Bids

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of *inter alia*, equity shares. Pursuant to the SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 ("**Previous UPI Circulars**") and 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 UPI Bidders 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 and the Previous 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, a 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.

Phase II: This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 decided to continue Phase II of UPI with ASBA 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 was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued 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 to three Working Days. The Offer 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 the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. The Company will be required to appoint one of the SCSBs as a sponsor bank 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 using the UPI.

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, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (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 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. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the Book Running Lead Manager 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 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.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges 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 with the Designated Intermediaries at the relevant Bidding Centres, and at our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE

(www.nseindia.com) at least one day prior to the Bid/ Offer Opening Date. Copies of the Anchor Investor Application Form will be available with the Book Running Lead Manager.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Offer is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- i. RIIs (other than the RIIs 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.
- ii. RIIs 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.
- iii. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTA sor CDPs.

Anchor Investors are not permitted to participate in the Offer through the ASBA process.

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the Book Running Lead Manager. 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.

For Anchor Investors, the Anchor Investor Application Form is available with the Book Running Lead Manager. The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Color of Bid cum Application Form*
Resident Indians, including QIBs, Non-institutional Bidders and Retail Individual Bidders, each resident in India and Eligible NRIs applying on a non-repatriation basis	[●]
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	[●]
Anchor Investors	[●]**

* 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).

The relevant Designated Intermediaries shall upload the relevant Bid details included in the ASBA forms, (including the UPI ID under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Banks on a continuous basis to enable the Sponsor Banks to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than RIBs), 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 Bank. Stock Exchanges shall 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 Exchange. Stock Exchange shall allow modification of either DP ID/ Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, 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 UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions shall be with the relevant intermediary 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. The Sponsor Bank and the Bankers to the Offer shall provide the audit trail to the Book Running Lead Manager for analysing the same and determining the liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in circulars prescribed by SEBI, from time to time. 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.

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 05:00 p.m. on the Bid/Offer Closing Date (“**Cut-Off Time**”). Accordingly, UPI Bidders Bidding using through the UPI Mechanism 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.

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:

- Cut-off time for acceptance of UPI mandate shall be up to 5:00 p.m. on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the offer and Depository Participants shall continue till further notice;
- 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;
- Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 5:00 p.m. on the initial public offer closure day;
- The Stock Exchange shall display Offer demand details on its website and for UPI bids the demand shall include/consider UPI bids only with latest status as RC 100–black request accepted by Investor/ client, based on responses/status received from the Sponsor Bank(s).

Electronic registration of Bids

- 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 Offer, subject to applicable laws.
- On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids until such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given until 5:00 pm on the Bid/Offer Closing Date to modify select fields uploaded in the Stock

Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

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 Offer 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 Offer, 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, 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 Offer under the Anchor Investor Portion:

- mutual funds sponsored by entities which are associate of the Book Running Lead Manager;
- insurance companies promoted by entities which are associate of the Book Running Lead Manager;
- AIFs sponsored by the entities which are associate 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.
- Pension funds sponsored by entities which are associate of the Book Running Lead Manager.

Further, the Promoters and members of the Promoter Group shall not participate by applying for Equity Shares in the Offer. Further, persons related to the Promoters and Promoter Group shall not apply in the Offer under the Anchor Investor Portion. However, a qualified institutional buyer who has any of the following rights in relation to the Company shall be deemed to be a person related to the Promoters or Promoter Group of our Company: rights under a shareholders' agreement or voting agreement entered into with the Promoters or Promoter Group of our Company; veto rights; or

right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an "associate of the Book Running Lead Manager" if:

- 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
- either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or
- there is a common director, excluding nominee director, amongst the Anchor Investors and 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 and the Selling Shareholders, 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 fund or sector or industry specific scheme. 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 NRIs

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour). Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment.

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSBs to block their Non-Resident Ordinary ("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 Offer 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.

Participation of Eligible NRIs in the Offer shall be subject to the FEMA NDI Rules. Participation of Eligible NRIs in the Offer shall be subject to the FEMA Rules and a limit of 5% of the total paid-up capital of the Company on a fully diluted basis shall be applicable on investments by Eligible NRIs. In accordance with the FEMA NDI 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 general body of the Indian company.

Eligible NRIs will be permitted to apply in the Offer 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 Offer, 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*" on page 421.

Participation of Eligible NRIs in the Offer 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

Bids by Hindu Undivided Families or HUFs should be made, in the individual name of the *Karta*. The Bidder/applicant 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/applicant: 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/Applications from individuals.

Bids by FPIs

An FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognised stock exchange in India, and/or may purchase or sell securities other than equity instruments.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our total paid-up Equity Share capital on a fully diluted basis. Further, in terms of the FEMA NDI Rules, the total holding by each FPI (or a group) shall be less than 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company on a fully diluted basis.

In terms of the FEMA NDI Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

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. 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 Offer are advised to use the Bid cum Application Form for Non- Residents ([●] in colour).

As specified in 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 SEBI master circular bearing reference number SEBI/HO/AFD-2/CIR/P/2022/175 dated December 19, 2022 (“**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 April 1, 2020, the aggregate limits for FPI investments are the sectoral caps applicable to our Company (i.e. up to 100% under the automatic route).

An FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognised stock exchange in India, and/or may purchase or sell securities other than equity instruments.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI 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:

- such offshore derivative instruments are transferred only to persons in accordance with Regulation 21(1) of the SEBI FPI Regulations; and
- 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 Offer shall be subject to the FEMA NDI 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 Draft 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 Offer 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 Offer 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 funds 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 ₹ 250 million and pension funds with a minimum corpus of ₹ 250 million registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013 (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 and Selling

Shareholders reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

Our Company, and the Selling Shareholders, 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 as amended, *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, VCFs and FVCIs can invest only up to 33.33% of the 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 an investee company directly or through investment in the units of other AIF. A Category III AIF cannot invest more than 10% of the investible funds in an investee company directly or through investment in the units of other AIF. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs 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 Selling Shareholders, and 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 Offer shall be subject to the FEMA NDI 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, the and the Selling Shareholders 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 RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company in consultation with the Book Running Lead Manager reserves the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("**Banking Regulation Act**"). and the Master Direction - 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 banking company's own paid-up share capital and reserves, whichever is less. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank'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, subject to prior approval of the RBI, if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company; (iii) hold along with its subsidiaries, associates or joint ventures or entities

directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above.

Further, the aggregate investment by a banking company in all its subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments, cannot exceed 20% of the banking company's paid up share capital and reserves.

The banking company is required to submit a time-bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make investment in a (i) subsidiary or a financial services company that is not a subsidiary (with certain exceptions prescribed); and (ii) non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in para 5(a)(v)(c)(i) of the Master Direction - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Offer 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 and the Selling Shareholders 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 Offer 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 ₹ 250 million registered with the Pension Fund Regulatory and Development Authority established under section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, 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 and the Selling Shareholders 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 and the Selling Shareholders, 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 Offer shall comply with all applicable regulations, guidelines and circulars issued 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 Investor 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 exceeds ₹100 million. 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 ₹100 million.
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/ Offer Opening Date and will be completed on the same day.
5. Our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than: (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100 million; (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million, subject to a minimum Allotment of ₹50 million per Anchor Investor; and (c) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum Allotment of ₹50 million per Anchor Investor.
6. Allocation to Anchor Investors will be completed on the Anchor Investor Bid/Offer Period. 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/ Offer Opening Date, through intimation to the Stock Exchanges.
7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. 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.
9. If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer 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 Offer Price.
10. Equity Shares Allotted in the Anchor Investor Portion will be locked in accordance with SEBI ICDR Regulations.
11. Neither the (a) Book Running Lead Manager (s) 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 pension funds sponsored by 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.

12. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids. For more information, please read the General Information Document.

The information set out above is given for the benefit of the Bidders. The information stated herein is key procedure pertaining to the procedure undertaken in relation to the Offer. The information herein is subject to amendment/modification/change after the date of Draft 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, the Selling Shareholders 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 Draft 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 Investors 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. Retail Individual Bidders can revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bid/Offer Period.

Do's:

3. 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. 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 an UPI bidding using the UPI Mechanism in the Bid cum Application Form and if you are an UPI Bidder using the UPI Mechanism 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. 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. UPI Bidders 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;

8. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre 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; UPI Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate, sub-Syndicate Members, Registered Brokers, RTA or CDP;
9. Ensure that you mandatorily have funds equal to or higher than the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries.;
10. If the first Bidder is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number in the Bid cum Application Form (for all the ASBA Bidders other than UPI Bidders bidding using the UPI Mechanism);
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 you request for and receive a stamped acknowledgement counterfoil or acknowledgment specifying the application number as a proof of having accepted Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
13. The ASBA bidders shall ensure that bids above ₹ 0.50 million, are uploaded only by the SCSBs;
14. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, 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. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
15. UPI Bidders bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
16. Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs or the relevant Designated Intermediary, as applicable;
17. UPI Bidders in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
18. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
19. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form or have otherwise provided an authorization to the SCSB or Sponsor Bank, 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, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorize the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
20. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/Dop/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of

obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular no. MRD/DoP/SE/Cir- 8 /2006 dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, 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 beneficiary 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;

21. Ensure that the Demographic Details are updated, true and correct in all respects;
22. 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;
23. 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;
24. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
25. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
26. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilize the MIM Structure, and such Bids have been made with different beneficiary account numbers, Client IDs, and DP IDs.
27. UPI Bidders who wish to Bid using the UPI Mechanism, should submit Bid with the Designated Intermediaries, pursuant to which the UPI Bidder should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank(s) to authorize blocking of funds equivalent to the revised Bid Amount in the UPI Bidder’s ASBA Account;
28. Since the Allotment will be in demat form only, ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, 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, PAN and UPI ID, if applicable, available in the Depository database;
29. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
30. Bidders (except UPI Bidders Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of UPI Bidders, once the Sponsor Bank(s) issues the Mandate Request, the UPI Bidders 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
31. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount in the RIB’s ASBA Account;
32. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the

Working Day immediately after the Bid/ Offer Closing Date;

33. Anchor Investors should submit the Anchor Investor Application Forms to the Book Running Lead Manager;
34. 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;
35. UPI Bidders 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, an UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidders in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form; and
36. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders bidding using the UPI Mechanism) 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).

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:

- d) Do not Bid for lower than the minimum Bid size;
- e) Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
- f) Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
- g) Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
- h) Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
- i) Do not submit the Bid for an amount more than funds available in your ASBA account;
- j) Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a color prescribed for another category of a Bidder;
- k) In case of ASBA Bidders, do not submit more than one ASBA Form ASBA Account the ASBA process;
- l) If you are an UPI Bidder and are using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID;
- m) Anchor Investors should not Bid through the ASBA process;
- n) Do not submit the ASBA Forms to any Designated Intermediary that is not authorized to collect the relevant ASBA Forms or to our Company;
- o) Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated

Intermediary;

- p) Do not submit the General Index Register (GIR) number instead of the PAN;
- q) Do not submit incorrect details of the DP ID, Client ID, PAN, and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
- r) 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;
- s) 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);
- t) Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
- u) Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
- v) Do not Bid on another Bid cum Application Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries after you have submitted a Bid to the Designated Intermediary;
- w) Do not Bid for Equity Shares more than what is specified by respective Stock Exchange for each category;
- x) If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/Offer Closing Date;
- y) Do not fill up the Bid cum Application Form such that the Equity Shares Bid for, exceeds the Offer 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;
- z) 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 can revise or withdraw their Bids on or before the Bid/Offer Closing Date;
- aa) Do not submit Bids to a Designated Intermediary at a location other than Specified Locations. If you are UPI Bidder and are using UPI Mechanism, do not submit the ASBA Form directly with SCSBs;
- bb) If you are an UPI Bidder which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;
- cc) Do not Bid if you are an OCB;
- dd) UPI Bidders bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/ or mobile applications which is not mentioned in the list provided on the SEBI website is liable to be rejected;
- ee) Do not submit the Bid cum Application Forms to any non-SCSB bank;
- ff) Do not submit a Bid cum Application Form with third party ASBA Bank Account or UPI ID (in case of Bids submitted by UPI Bidders using the UPI Mechanism); and
- gg) 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.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

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 the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see “*General Information*” on page 75 of this Draft Red Herring Prospectus.

For helpline details of the Book Running Lead Manager pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “*General Information -Book Running Lead Manager*” on page 75 of this Draft Red Herring Prospectus.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. The Book Running Lead Manager 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 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, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 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 Exchanges, 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.

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 the Offer through the offer document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the Offer to public may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the RIBs, Non-Institutional Bidders 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 Anchor Investors shall be on a discretionary basis.

The Allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis. Not more than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders. The allotment to each Non-Institutional Bidder shall not be less than the minimum application size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares if any, shall be Allotted on a proportionate basis.

Payment into Anchor Investor Escrow Accounts

Our Company and the Selling Shareholders, 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 favour of:

5. In case of resident Anchor Investors: “[●]”
6. In case of Non-Resident Anchor Investors: “[●]”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Escrow Banks and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed under the SEBI ICDR Regulations, in [●] editions of [●], an English national daily newspaper, [●] editions of [●], Hindi national daily newspaper (Hindi also being the regional language of New Delhi, where our Registered Office is located) each with wide circulation.

In the pre-Offer advertisement, we shall state the Bid/Offer Opening Date and the Bid/Offer 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 [●] editions of [●], an English national daily newspaper, [●] editions of a [●], Hindi national daily newspaper (Hindi also being the regional language of New Delhi, where our Registered Office is located) each with wide circulation.

The information set out above is given for the benefit of the Bidders/applicants. The information stated herein is key procedure pertaining to the procedure undertaken in relation to the Offer. The information herein is subject to amendment/modification/change after the date of Draft Red Herring Prospectus. Bidders/applicants 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

- i. Our Company, the Selling Shareholders and the Underwriters intend to enter into an Underwriting Agreement after the finalization of the Offer Price, but prior to filing of the Prospectus, in accordance with the nature of undertaking which is determined in accordance with Regulation 40 (3) of SEBI ICDR Regulations.
- ii. 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 Offer Price, the Anchor Investor Offer Price, the Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who:

- i. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- ii. 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*
- iii. 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 ₹ 1 million 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 ₹ 1 million 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 ₹ 5 million or with both.

Undertakings by our Company

Our Company undertakes the following:

- a. the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- b. all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within three working days of the Bid/Offer Closing Date or within such other time period prescribed by SEBI;
- c. the funds required for making refunds/unblocking (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- d. if Allotment is not made within two working days from the Bid/Offer Closing Date or such other prescribed timelines under applicable laws, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable laws. If there is a delay beyond such prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations, and other applicable laws for the delayed period;
- e. where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within time prescribed under applicable laws, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- f. the Promoters' contribution, if any, shall be brought in advance before the Bid/Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees, in accordance with the applicable provisions of the SEBI ICDR Regulations;
- g. that if our Company does not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges shall be informed promptly;
- h. where release of block on the application amount for unsuccessful bidders or part of the application amount in case of

proportionate allotment, a suitable communication shall be sent to the applicants;

- i. that if the Offer is withdrawn after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with SEBI, in the event a decision is taken to proceed with the Offer subsequently;
- j. that our Company shall not have recourse to the Net Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received

Undertakings by the Promoter Selling Shareholders

Each of the Promoter Selling Shareholder undertake, severally and not jointly, in relation to itself and its Offered Shares that:

- A. the Offered Shares have been held by it for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus with SEBI, or are otherwise eligible for being offered for sale pursuant to the Offer in accordance with the SEBI ICDR Regulations,
- B. it is the legal and beneficial owner of the Offered Shares, and that such Offered Shares shall be transferred in the Offer, free from liens, charges, and encumbrances;
- C. it shall deposit the Equity Shares offered by it in the Offer in an escrow account opened with the Registrar to the Offer prior to the filing of the Red Herring Prospectus with the RoC;
- D. it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;
- E. it shall not have recourse to the proceeds of the Offer for Sale until final approval for trading of the Equity Shares from the Stock Exchanges received. until which time all monies received shall be kept in a separate bank account in a scheduled bank, within the meaning of Section 40(3) of the Companies Act, 2013.

Only the statements and undertakings in relation to the Selling Shareholders and the Offered Shares which are specifically “confirmed” or “undertaken” by it in this Draft Red Herring Prospectus, shall be deemed to be “statements and undertakings specifically confirmed or undertaken” by the Selling Shareholders. All other statements and/ or undertakings in this Draft Red Herring Prospectus shall be statements and undertakings made by our Company even if the same relates to the Selling Shareholder.

Utilisation of Net Proceeds

The Company declares that:

- a. all monies received out of the Fresh 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;
- b. 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
- c. 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 foreign direct investment ('FDI') through press notes and press releases.

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India ("DPIIT") issued the Consolidated FDI Policy, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. . The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular. Pursuant to Press Note 2 (2021 Series) issued by DPIIT, the FDI Policy was amended to reflect the increase in FDI limit up to 74% foreign investment under the automatic route.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that: (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI Takeover 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.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt 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 ("**Restricted Investor**"), 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 FDI 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 of fund in India. Each Applicant 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 Applicant shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in 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 other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to 'qualified institutional buyers' (as defined in Rule 144A under the Securities Act and referred to in this Draft Prospectus as 'U.S. QIBs') in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in 'offshore transactions' in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For the avoidance of doubt, the term 'U.S. QIBs' does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Prospectus as 'QIBs'.

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 Applications 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 Applicants. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION IX - DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

Preliminary

The Regulations contained in Table 'F' of Schedule 1 to the Companies Act, 2013 shall apply to the Company except in so far as such regulations are inconsistent with the present Articles. In case of any contradiction between the provisions of Table 'F' and these Articles, the provisions of these Articles shall prevail.

Interpretation

- (1) In these regulations -
 - (a) "the Act" means the Companies Act, 2013,
 - (b) "the Seal" means the Common Seal of the Company.
- (2) 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.

Share capital and variation of rights

1. (i) Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors 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 and either at a premium or at par and at such time as they may from time to time think fit.

(ii) The Authorized Share Capital of the Company shall be such amounts and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital in accordance with the Company's regulations and legislative provisions for the time being in force in that behalf with the powers to divide the share capital, whether original increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such a manner as may for the time being be provided by the Regulations of the Company and allowed by law.
2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided, --
 - (a) one certificate for all his shares without payment of any charges; or
 - (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon. and shall be signed by two directors or by a director and the company secretary, wherever the company has appointed a company secretary.

(iii) 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 a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

- (ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.
4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, 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 that section and rules made thereunder.
- (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
- (iii) 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.
6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
7. 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.
8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

Lien

9. (i) The company shall have a first and paramount lien –
- (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
- (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:
Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
- (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:
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.
11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) 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.
12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Calls on shares

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:
- Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
- (iii) A call may be revoked or postponed at the discretion of the Board.
14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.
15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations 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.
18. The Board –
- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Transfer of shares

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) 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.
20. The Board may, subject to the right of appeal conferred by section 58 decline to register –

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the company has a lien.
21. The Board may decline to recognise any instrument of transfer unless –

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

(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

(c) the instrument of transfer is in respect of only one class of shares.
22. On giving not less than seven days' previous notice in accordance with section 91 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 days at any one time or for more than forty-five days in the aggregate in any year.

Transmission of shares

23. (i) 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 recognised by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) 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.
24. (i) 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.

(ii) 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.
25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

Forfeiture of shares

27. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

28. The notice aforesaid shall --
(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

30. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

31. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

32. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee 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 or disposal of the share.

33. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of capital

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

35. Subject to the provisions of section 61, the company may, by ordinary resolution,

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

36. Where shares are converted into stock, --

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, --

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

Capitalisation of profits

38. (i) The company in general meeting 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 any 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 (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards --

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

39. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall -

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power --

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

General meetings

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.

42. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at general meetings

43. (i) 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.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

Adjournment of meeting

47. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares, --
- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
50. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

54. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 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 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

57. 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.

Board of Directors

58. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.

The number of directors shall not be less than two and not more than fifteen.

The following shall be the first director(s) of the Company:

1. Aliasgar Roshan Hararwala
2. Mohammed Salim Hararwala
3. Aliasgar Abdulla Bhagat

59. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel 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.

60. The Board may pay all expenses incurred in getting up and registering the company.

61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

62. 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.

63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
64. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Proceedings of the Board

65. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
66. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
68. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- (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 directors present may choose one of their number to be Chairperson of the meeting.
69. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
70. (i) A committee may elect a Chairperson of its meetings.
- (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.
71. (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all 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.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

74. Subject to the provisions of the Act, --

(i) A chief executive officer, manager, company secretary or 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 or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

75. A 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.

The Seal

76. (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Dividends and Reserve

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

78. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

79. (i) 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 applicable 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.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

80. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) 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.

81. 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.
82. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid 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.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
83. 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.
84. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
85. No dividend shall bear interest against the company.

Accounts

86. (i) The Board shall from time to time 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.
- (ii) 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 or by the company in general meeting.

Winding up

87. Subject to the provisions of Chapter XX of the Act and rules made thereunder -
- (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

88. Every officer of the company shall be indemnified out of the assets of the company 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 in which relief is granted to him by the court or the Tribunal.

We, the several persons whose names, addresses, descriptions, and occupations are hereunto subscribed are desirous of being formed into a Public Limited Company, in pursuance of this Article of Association.

Sr. No	Name, addresses, description and occupations of subscribers	Signature of each subscriber	Name, addresses, description, occupations and signature of the witness
1.	<p>Aliasgar Roshan Hararwala S/o Roshan Alihusain Hararwala R/o 102, Sweet Home Apartments, Plot-147, 10th Road, Near Madhu Park, Khar Delivery, Mumbai – 400052 Occupation: Business DOB: 02.01.1978</p>		I witness the subscribers who have subscribed and signed in my presence. Further I have verified their id for their identification and satisfied myself for their identification particularly.
2.	<p>Mohammed Salim Hararwala S/o Salim Alihussain Hararwala R/o 73, Faridoon Court, S. B Singh Road, Opp. 4th Pasta Lane, Mumbai – 400005 Occupation: Business DOB: 23.09.1978</p>		Dipesh Kamlesh Jain, S/o Kamlesh Jethmal Jain M.NO. 12117, COP.17524
3.	<p>Aliasgar Abdulla Bhagat S/o Abdulla Bhagat, R/o 1601, Jupiter Tower, 21 Nesbit Road, Near Sales Tax Office, Mazgaon, Mumbai – 400010 Occupation: Business DOB: 07.09.1954</p>		Address: Room No.6, Plot No. 151, Road No.9, Jawahar Nagar, Goregaon West, Mumbai - 400104 Profession: Practicing Company Secretary
4.	<p>Abdulla Aliasgar Bhagat S/o Aliasgar Abdullabhai Bhagat, R/o 1601, Jupiter Tower, 21, Nesbit Road, Near Sales Tax Office, Mazgaon, Mumbai – 400010 Occupation: Business DOB: 01.10.1981</p>		Date- 19.01.2023 Place- Mumbai
5.	<p>Hoozefa Saleem Hararwala S/o Saleem Ali Husain Hararwala, R/o Flat No. 4, 1st Floor, 73 Faridoon Court, Sahid Bhagat Singh Road, Colaba, Mumbai – 400005 Occupation: Business DOB: 25.11.1982</p>		
6.	<p>Abbasali Salim Hararwala S/o Saleem Salim Hararwala, R/o 4, Floor 1, Plot 73 Faridoon Court, Sahid Bhagat Singh Road, Colaba Fire Station, Colaba Mumbai – 400005 Occupation: Business DOB: 08.08.1985</p>		
7.	<p>Zahid Mohamadi Hararwala S/o Mohamadi Taher Hararwala, R/o New Sai Niketan, A Wing, 8th</p>		

8.	Floor, Room No. 3, Dr. Mascarenhas Road, Mazgaon, Mumbai – 400010 Occupation: Business DOB: 30.09.1990 Roshan Alihusain Hararwala S/o Alihusain Mohamedali Hararwala, R/o 102/Sweet Home Apartments, Plot-147, 10th Road, Near Madhu Park, Khar Delivery, Mumbai – 400052 Occupation: Business DOB: 10.02.1937		
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SECTION X - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus to be delivered to the RoC for filing and also the documents for inspection referred to hereunder, may be inspected at the Registered office: 3, 1, Guru Himmat Building, Dr. Mascarenhas Road Anjirwadi, Mazgaon, Mumbai – 400010, Maharashtra, India from the date of filing this Draft Red Herring Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

MATERIAL CONTRACTS

1. Offer Agreement dated Friday, December 08, 2023, between our Company, the Promoter Selling Shareholders, and the Book Running Lead Manager.
2. Registrar Agreement dated Friday, December 08, 2023, between our Company, the Selling Shareholders, and the Registrar to the Offer.
3. Cash Escrow and Sponsor Bank Agreement dated [●], between our Company, the Selling Shareholders, the Registrar to the Issue, the Book Running Lead Manager, the Escrow Collection Bank(s) and the Refund Bank(s).
4. Share Escrow Agreement dated [●], between the Selling Shareholders, our Company, and the Share Escrow Agent.
5. Syndicate Agreement dated [●], amongst our Company, the Promoter Selling Shareholders, the BRLM, the Syndicate Member, and the Registrar to the Offer
6. Underwriting Agreement dated [●], between our company and the Underwriters.
7. Market Making Agreement dated [●], between our company, the Lead Manager, and the Market Maker.
8. Agreement among NSDL, our company and the registrar to the issue dated June 08, 2023.
9. Agreement among CDSL, our company and the registrar to the issue dated June 08, 2023.

MATERIAL DOCUMENTS FOR THE OFFER

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Authorization / Consent Letter dated Friday, December 08, 2023, issued by the Promoter Selling Shareholders.
3. Resolutions of the Board of Directors dated Friday, December 01, 2023, in relation to the Offer and other related matters.
4. Shareholders' resolution dated Wednesday, December 06, 2023, in relation to the Issue and other related matters.
5. Consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, the Book Running Lead Manager, Registrar to the Issue, Banker to the Issue/Sponsor Bank, Peer Review Auditor, Banker to our Company, and Legal Advisor to act in their respective capacities.
6. Peer Review Auditors Report dated Wednesday, December 06, 2023, on Restated Financial Statements of our Company for the period ended June 30, 2023, and for the years ended March 31, 2023, 2022 and 2021.
7. The Report dated Friday, December 08, 2023, from the Peer Reviewed Auditors of our Company, confirming the Statement of Possible Tax Benefits available to our Company and its Shareholders as disclosed in this Red Herring

Prospectus.

8. Auditors Certificate for Key Performance Indicators dated Friday, December 08, 2023.
9. Copy of approval from NSE Emerge vide letter dated [●], to use the name of NSE in this offer document for listing of Equity Shares on Emerge Platform of NSE.
10. Board Resolution dated Wednesday, December 20, 2023, for approval of Draft Red Herring Prospectus.
11. Board Resolution dated [●] for approval of the Red Herring Prospectus and Prospectus.
12. Due diligence certificate dated Wednesday, December 20, 2023, from Book Running Lead Manager to the NSE.
13. Due diligence certificate dated [●] from Book Running Lead Manager to the SEBI.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by other parties, without reference to the 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 and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY MR. ALIASGAR ROSHAN HARARWALA

Chairman and Managing Director
DIN: 00334957

Dated : Wednesday, December 20, 2023
Place: Mumbai

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY MR. MOHAMMED SALIM HARARWALA

Executive Director
DIN: 00334957

Dated : Wednesday, December 20, 2023
Place: Mumbai

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY MR. ALIASGAR ABDULLA BHAGAT

Executive Director
DIN: 00335869

Dated : Wednesday, December 20, 2023
Place: Mumbai

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY MR. KURIAN PALLATHUSERIL CHANDY

Independent Director
DIN: 00855226

Dated : Wednesday, December 20, 2023
Place: Mumbai

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY MS. APURVA PRADEEP JOSHI

Independent Director
DIN: 06608172

Dated : Wednesday, December 20, 2023
Place: Mumbai

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY MR. NIMESH MUKERJI

Independent Director
DIN: 07705885

Dated : Wednesday, December 20, 2023
Place: Mumbai

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY MS. FARKHANDA ABDULRAZAK PAGARKAR

Chief Financial Officer

Dated : Wednesday, December 20, 2023

Place: Mumbai

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY MS. ANKITA ANIL PATANKAR

Company Secretary and Compliance Officer

Dated : Wednesday, December 20, 2023

Place: Mumbai

DECLARATION

I, hereby confirm and certify that all statements, disclosures and undertakings specifically made or confirmed in this Draft Red Herring Prospectus in relation to ourselves, as a Promoter Selling Shareholder and our portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings including any statements, disclosures and undertakings made or confirmed by or relating to the Company, any other Selling Shareholders or any other person(s) in this Draft Red Herring Prospectus Prospectus.

SIGNED BY MR. ALIASGAR ROSHAN HARARWALA

Dated : Wednesday, December 20, 2023

Place: Mumbai

DECLARATION

I, hereby confirm and certify that all statements, disclosures and undertakings specifically made or confirmed in this Draft Red Herring Prospectus in relation to ourselves, as a Promoter Selling Shareholder and our portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings including any statements, disclosures and undertakings made or confirmed by or relating to the Company, any other Selling Shareholders or any other person(s) in this Draft Red Herring Prospectus Prospectus.

SIGNED BY MR. MOHAMMED SALIM HARARWALA

Dated : Wednesday, December 20, 2023
Place: Mumbai

DECLARATION

I, hereby confirm and certify that all statements, disclosures and undertakings specifically made or confirmed in this Draft Red Herring Prospectus in relation to ourselves, as a Promoter Selling Shareholder and our portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings including any statements, disclosures and undertakings made or confirmed by or relating to the Company, any other Selling Shareholders or any other person(s) in this Draft Red Herring Prospectus Prospectus.

SIGNED BY MR. ABDULLA ALIASGAR BHAGAT

Dated : Wednesday, December 20, 2023
Place: Mumbai

DECLARATION

I, hereby confirm and certify that all statements, disclosures and undertakings specifically made or confirmed in this Draft Red Herring Prospectus in relation to ourselves, as a Promoter Selling Shareholder and our portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings including any statements, disclosures and undertakings made or confirmed by or relating to the Company, any other Selling Shareholders or any other person(s) in this Draft Red Herring Prospectus Prospectus.

SIGNED BY MR. HOOZEFA SALEEM HARARWALA

Dated : Wednesday, December 20, 2023
Place: Mumbai

DECLARATION

I, hereby confirm and certify that all statements, disclosures and undertakings specifically made or confirmed in this Draft Red Herring Prospectus in relation to ourselves, as a Promoter Selling Shareholder and our portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings including any statements, disclosures and undertakings made or confirmed by or relating to the Company, any other Selling Shareholders or any other person(s) in this Draft Red Herring Prospectus Prospectus.

SIGNED BY MR. ABBASALI SALIM HARARWALA

Dated : Wednesday, December 20, 2023
Place: Mumbai

DECLARATION

I, hereby confirm and certify that all statements, disclosures and undertakings specifically made or confirmed in this Draft Red Herring Prospectus in relation to ourselves, as a Promoter Selling Shareholder and our portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings including any statements, disclosures and undertakings made or confirmed by or relating to the Company, any other Selling Shareholders or any other person(s) in this Draft Red Herring Prospectus Prospectus.

SIGNED BY MR. ZAHID MOHAMADI HARARWALA

Dated : Wednesday, December 20, 2023
Place: Mumbai

DECLARATION

I, hereby confirm and certify that all statements, disclosures and undertakings specifically made or confirmed in this Draft Red Herring Prospectus in relation to ourselves, as a Promoter Selling Shareholder and our portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings including any statements, disclosures and undertakings made or confirmed by or relating to the Company, any other Selling Shareholders or any other person(s) in this Draft Red Herring Prospectus Prospectus.

SIGNED BY MR. ROSHAN ALIHUSAIN HARARWALA

Dated : Wednesday, December 20, 2023
Place: Mumbai