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RED HERRING PROSPECTUS

100% Book Built Issue

Dated: September 16, 2023

Please read Section 26 and 32 of the

Companies Act, 2013

(This Red Herring Prospectus will be updated upon filing with the RoC)



SAAKSHI MEDTECH AND PANELS LIMITED  
CIN: U51909PN2009PLC133690

Registered Office	Contact Person	Email and Telephone	Website
Plot No. EL-23, J Block, MIDC Industrial Area, Bhosari, Pune- 411026, Maharashtra, India.	Shweta Pursnani Company Secretary & Compliance Officer	E-mail: <a href="mailto:info@smtpl.co">info@smtpl.co</a> Tel No: +91- 02039854400	<a href="http://www.smtpl.co">www.smtpl.co</a>

PROMOTERS OF THE COMPANY
Aniket Vijay Latkar and Chitra Vijay Latkar

DETAILS OF THE ISSUE			
Type	Fresh Issue	Total Issue Size	Eligibility
Fresh Issue	Upo 46,56,000 Equity Shares aggregating to ₹ [●] Lakhs	₹ [●] Lakhs	THIS ISSUE IS BEING MADE IN TERMS OF REGULATION 229(2) AND 253(1) OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED.

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


RISK IN RELATION TO THE FIRST ISSUE
The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “ <i>Basis for Issue Price</i> ” on page 79 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 or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS
Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued 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 Red Herring Prospectus. Specific attention of the investors is invited to the section “ <i>Risk Factors</i> ” beginning on page 24 of this Red Herring Prospectus.

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

LISTING
The Equity Shares Issued through the Red Herring Prospectus are proposed to be listed on the SME Platform of NSE (NSE EMERGE) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited (“NSE”)

BOOK RUNNING LEAD MANAGER		
Name and Logo	Contact Person	Email & Telephone
 HEM SECURITIES LIMITED	Roshni Lahoti	Email: <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a> Tel. No.: +91 022 49060000

REGISTRAR TO THE ISSUE		
Name and Logo	Contact Person	Email & Telephone
 Bigshare Services Pvt. Ltd. BIGSHARE SERVICES PRIVATE LIMITED	Babu Rapheal C	Email: <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> Tel No: +91 022 6263 8200

BID/ISSUE PERIOD		
ANCHOR PORTION ISSUE OPENS/CLOSES ON: FRIDAY, SEPTEMBER 22, 2023*	BID/ISSUE OPENS ON: MONDAY, SEPTEMBER 25, 2023	BID/ISSUE CLOSES ON: WEDNESDAY, SEPTEMBER 27, 2023**

\*The 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.

\*\*Our Company may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.



SAAKSHI MEDTECH AND PANELS LIMITED

CIN: U51909PN2009PLC133690

Our Company was originally incorporated as a Private Limited Company under the name “Saakshi Machine and Tools Private Limited” on March 25, 2009 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Pune, Maharashtra. Later, on January 27, 2012, our Company took over the business of proprietorship concern of Lt. Vijay Laxman Latkar, namely M/s Supreme Industry. Thereafter, the name of the Company was changed from “Saakshi Machine and Tools Private Limited” to “Saakshi Medtech and Panels Private Limited” pursuant to special resolution passed by the shareholders at the Extra Ordinary General Meeting held on February 06, 2023 and consequent to name change a fresh Certificate of Incorporation was granted to our Company on March 16, 2023 by the Registrar of Companies, Pune. Subsequently, our Company was converted into a Public Limited Company vide Special Resolution passed by the Shareholders at the Extraordinary General Meeting, held on May 8, 2023 and consequently the name of our Company was changed from “Saakshi Medtech and Panels Private Limited” to “Saakshi Medtech and Panels Limited” vide a fresh certificate of incorporation dated June 06, 2023 issued by the Registrar of Companies, Pune, Maharashtra bearing CIN U51909PN2009PLC133690.

Registered Office: Plot No. EL-23, J Block, MIDC Industrial Area, Bhosari, Pune- 411026, Maharashtra, India.

Contact Person: Shweta Pursnani, Company Secretary & Compliance Officer

Tel No: +91- 02039854400; E-mail: info@smtpl.co; Website: www.smtpl.co;

Promoters of our Company: Aniket Vijay Latkar and Chitra Vijay Latkar

DETAILS OF THE ISSUE

INITIAL PUBLIC OFFER OF UPTO 46,56,000 EQUITY SHARES OF FACE VALUE OF RS.10/- EACH (THE "EQUITY SHARES") OF SAAKSHI MEDTECH AND PANELS LIMITED (“OUR COMPANY” OR “SMTPL” OR “THE ISSUER”) AT AN ISSUE PRICE OF RS. [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹[●] LAKHS(“PUBLIC ISSUE”) OUT OF WHICH 2,35,200 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 44,20,800 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.37% AND 25.04% RESPECTIVELY OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN ALL EDITION OF BUSINESS STANDARD (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND ALL EDITION OF BUSINESS STANDARD (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND PUNE EDITION OF RASHTRA SANCHAR, A MARATHI DAILY NEWSPAPER (MARATHI BEING THE REGIONAL LANGUAGE OF PUNE WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF NSE (“NSE EMERGE”) FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE

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

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 Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize 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 SCSBs 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 “*Issue Procedure*” beginning on page 242 of this Red Herring Prospectus.

ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled “*Issue Procedure*” beginning on page 242 of this Red Herring Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “*Basis for Issue Price*” on page 79 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 or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued 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 Red Herring Prospectus. Specific attention of the investors is invited to the section “*Risk Factors*” beginning on page 24 of this Red Herring Prospectus.

ISSUER’S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares Issued through this Red Herring Prospectus are proposed to be listed on the SME Platform of NSE (NSE EMERGE) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Ltd. (“NSE”)

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
	 Bigshare Services Pvt. Ltd.
<b>HEM SECURITIES LIMITED</b> 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, India Tel. No.: +91- 022- 49060000; Fax No.: +91- 022- 22625991 Email: <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a> Investor Grievance Email: <a href="mailto:redressal@hemsecurities.com">redressal@hemsecurities.com</a> Website: <a href="http://www.hemsecurities.com">www.hemsecurities.com</a> Contact Person: Roshni Lahoti SEBI Regn. No. INM000010981	<b>BIGSHARE SERVICES PRIVATE LIMITED</b> Address: S6-2, 6 <sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai- 400093, India. Tel No.: +91 022 6263 8200 Fax: +91 022 6263 8299 Email: <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> Contact Person: Babu Rapheal C Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> SEBI Registration Number: INR000001385

ISSUE PROGRAMME

ANCHOR PORTION ISSUE OPENS/CLOSES ON: FRIDAY, SEPTEMBER 22, 2023*	BID/ISSUE OPENS ON: MONDAY, SEPTEMBER 25, 2023	BID/ISSUE CLOSES ON: WEDNESDAY, SEPTEMBER 27, 2023 **
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\*The 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.

\*\*Our Company may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

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## **SECTION I – GENERAL**

### **DEFINITIONS AND ABBREVIATIONS**

*This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the 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 Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI (ICDR) Regulations, 2018, the Securities Contracts Regulation Act, 1956 (“SCRA”), the Depositories Act or the rules and regulations made there under.*

*Notwithstanding the foregoing, terms used in of the sections “Statement of Special Tax Benefits”, “Financial Information of the Company” and “Main Provisions of the Articles of Association” on page 84, 153 and 272 respectively, shall have the meaning ascribed to such terms in such sections.*

#### **General Terms**

<b>Terms</b>	<b>Description</b>
“SMTPL”, “the Company”, “our Company”, “Issuer” and “Saakshi Medtech & Panels Limited”	Saakshi Medtech & Panels Limited (Formerly known as Saakshi Machine and Tools Private Limited), a Company incorporated in India under the Companies Act, 1956, having its Registered office at Plot No. EL-23, J Block, MIDC Industrial Area, Bhosari, Pune- 411026, Maharashtra, India.
“we”, “us” and “our”	Unless the context otherwise indicates or implies refers to our Company.
“you”, “your” or “yours”	Prospective investors in this Issue.

#### **Company related and Conventional terms**

<b>Term</b>	<b>Description</b>
AOA/ Articles/ Articles of Association	Articles of Association of our Company, as amended from time to time
Audit Committee	The Audit Committee of our Board constituted in accordance with Section 177 of the Companies Act and as described in the chapter titled “ <b><i>Our Management</i></b> ” beginning on page 134 of this Red Herring Prospectus
Auditors/ Statutory Auditors	The Statutory Auditors of our Company being M/s Kishor Gujar & Associates (FRN: 116747W)
Bankers to our Company	Yes Bank Limited
Board of Directors/ the Board/ our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled “ <b><i>Our Management</i></b> ” beginning on page 134 of this Red Herring Prospectus
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company being Mayuri Aniket Latkar
CIN	Corporate Identification Number being U51909PN2009PLC133690
Companies Act/ Act	The Companies Act, 2013 and amendments thereto and erstwhile Companies Act 1956 as applicable
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Shweta Pursnani (M. No.: A50127)
Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Directors Identification Number.
Director(s)/ our Directors	The Director(s) of our Company, unless otherwise specified. For details of our directors, see “ <b><i>Our Management</i></b> ” on page 134 of this Red Herring Prospectus.
DP/ Depository Participant	A depository participant as defined under the Depositories Act, 1996.
DP ID	Depository’s Participant’s Identity Number
Equity Shareholders/	Persons/ Entities holding Equity Shares of our Company.

Term	Description
Shareholders	
Equity Shares	Equity Shares of the Company of face value of ₹ 10/- each unless otherwise specified in the context thereof.
Factory Unit I	The Registered Office is our Factory Unit I situated at Plot No. EL-23, J Block, MIDC Industrial Area, Bhosari, Pune- 411026, Maharashtra, India
Factory Unit II	The Factory Unit II of our Company situated at T 174, T Block, MIDC, Bhosari, Haveli, Pune, Maharashtra, India - 411026
Factory Unit III	The Factory Unit III of our Company situated at Plot No. T-75, 'T' Block, Pimpri Chichwad Industrial Area, Pune- 411026, Maharashtra, India
Fugitive economic offender	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
GIR Number	General Index Registry Number.
HNI	High Net worth Individual
HUF	Hindu Undivided Family
IBC	The Insolvency and Bankruptcy Code, 2016
Independent Director	An Independent Director as defined under Section 2(47) of the Companies Act, 2013 and as defined under the Listing Regulations. For details, see section titled <b><i>“Our Management”</i></b> on page 134 of this Red Herring Prospectus.
Ind AS or Indian Accounting Standards	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
ISIN	International Securities Identification Number. In this case being INE0PSK01027
IT Act	The Income Tax Act, 1961 as amended till date.
JV/ Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI Regulations, Section 2(51) of the Companies Act, 2013. For details, see section titled <b><i>“Our Management”</i></b> on page 134 of this Red Herring Prospectus.
MOA/ Memorandum/ Memorandum of Association	Memorandum of Association of Saakshi Medtech & Panels Limited as amended from time to time.
MD or Managing Director	The Managing Director of our Company, Aniket Vijay Latkar.
Materiality Policy	The policy adopted by our Board on June 22, 2023 for identification of Group Companies, material outstanding litigation and material outstanding dues to creditors, pursuant to the disclosure requirements under the SEBI (ICDR) Regulations, 2018 as amended from time to time.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with Section 178 of the Companies Act, 2013 as described in the chapter titled <b><i>“Our Management”</i></b> beginning on page 134 of this Red Herring Prospectus.
Non-Executive Director	The non-executive directors (other than the Independent Directors) of our Company in terms of the Companies Act, and the rules thereunder. For details, see section titled <b><i>“Our Management”</i></b> on page 134 of this Red Herring Prospectus.
NRI/ Non-Resident Indians	Person of Indian origin as defined under Consolidated foreign direct investment policy 2017
Person or Persons	Any Individual, Sole Proprietorship, Unincorporated Association, Unincorporated Organization, Body Corporate, Corporation, Company, Partnership, Limited Liability Company, Joint Venture, or Trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoter(s)	Shall mean promoters of our Company i.e. Aniket Vijay Latkar and Chitra Vijay Latkar. For further details, please refer to section titled <b><i>“Our Promoters &amp; Promoter Group”</i></b> beginning on page 148 of this Red Herring Prospectus.
Promoter Group	Includes such Persons and companies constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 as enlisted in the section <b><i>“Our Promoters and Promoter Group”</i></b> beginning on page 148 of this Red Herring Prospectus.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office of our Company	The Registered Office of our Company situated at Plot No. EL-23, J Block, MIDC Industrial Area, Bhosari, Pune- 411026, Maharashtra, India.

Term	Description
Reserve Bank of India/ RBI	Reserve Bank of India constituted under the RBI Act, 1934.
Restated Financial Information	The Restated Financial statements of our Company comprising of the Restated Statement of Assets and Liabilities as at March 31, 2023, March 31, 2022 and March 31, 2021 and the Restated Statements of Profit and Loss and Cash Flows for the period ended March 31, 2023, March 31, 2022 and March 31, 2021 of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto.
RoC/ Registrar of Companies	Registrar of Companies, PCNTDA Green Building, BLOCK A, 1st & 2nd Floor, Near Akurdi Railway Station, Akurdi, Pune-411044, Maharashtra, India.
Stakeholders' Relationship Committee	Stakeholders' relationship committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and regulation 20 of SEBI (Listing obligations and disclosure requirements) regulations 2015 as described in the chapter titled <b>"Our Management"</b> beginning on page 134 of this Red Herring Prospectus
Stock Exchange	Unless the context requires otherwise, refers to, National Stock Exchange of India
Shareholders	Shareholders of our Company from time to time.
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Subscriber to MOA	Initial Subscribers to MOA & AOA being Nitin Jayantilal Kothari, Atul Jayantilal Kothari, Neha Nitin Kothari and Jyotsana Atul Kothari.

### Issue 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/ Allot/ Allotted	Unless the context otherwise requires, means the allotment of Equity Shares, pursuant to the Issue to the successful bidders.
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee (s)	A successful bidder to whom the Equity Shares are allotted.
Anchor Investor(s)	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	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Managers during the Anchor Investor Bid/ Issue Period
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Bid/ Issue Period	One Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the Book Running Lead Managers
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Managers, to the 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 accordance with the SEBI ICDR Regulations
Application Supported by Block Amount (ASBA)	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorising an SCSB to block the Bid Amount in the ASBA Account and will include amounts blocked by the SCSB upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism
ASBA Account	A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a Retail Individual Investor linked to a UPI ID, which will be blocked in relation to a Bid by a Retail Individual Investor Bidding through the UPI Mechanism.
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Ahmedabad
ASBA Bidder	Any prospective investor(s) / Bidder (s) in this Issue who apply(ies) through the ASBA process except Anchor Investor
ASBA Form/ Bid cum Application	An application form (with or without UPI ID, as applicable), whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus or the Prospectus.
Banker to the Issue Agreement	Agreement dated September 13, 2023 entered into amongst the Company, Book Running Lead Manager, the Registrar, Sponsor Bank and the Banker to the Issue.
Bankers to the Issue/ Public Issue Bank/ Sponsor Bank	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being, Axis Bank Limited
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful bidders under the issue and which is described in the chapter titled <b><i>“Issue Procedure”</i></b> beginning on page 242 of this Red Herring Prospectus.
Bid	An indication to make an offer during the Bid/ Issue Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Issue Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue.
Bid Lot	[●] equity shares and in multiples of [●] equity shares thereafter.
Bid/ Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, which shall be notified in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Pune Edition of Regional newspaper Rashtra Sanchar, a Marathi daily newspaper (Marathi being the regional language of Pune), where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Issue closing Date also to be notified on the website and terminals of the Syndicate, SCSB’s and Sponsor Bank, as required under the SEBI ICDR Regulations.
Bid/ Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Pune Edition of Regional newspaper Rashtra Sanchar, a Marathi daily newspaper (Marathi being the regional language of Pune) where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Issue Opening Date also to be notified on the website and terminals

	of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Period	Except in relation to any Bids received from the Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date or the QIB Bid/ Issue Closing Date, as the case may be, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided however that the Bidding/ Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders.
Bidder/ Applicant	Any prospective investor who makes a bid pursuant to the terms of the Red Herring Prospectus and the Bid-Cum-Application Form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor Investor
Bidding	The process of making a Bid.
Bidding/ Collection Centres	Centres at which the Designated intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, specified locations for syndicates, broker centres for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Book Building Process/ Book Building Method	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 Issue in this case being Hem Securities Limited, SEBI Registered Category I Merchant Banker.
Broker Centres	Broker Centres notified by the Stock Exchanges, where the investors can submit the Application Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
Business Day	Monday to Friday (except public holidays).
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 above which the Issue Price will not be finalized and above which no Bids (or a revision thereof) 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 Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Collecting Registrar and Share Transfer Agent	Registrar to an Issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Cut Off Price	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investor) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the applicants such as their Address, PAN, name of the applicant's father/husband, investor status, Occupation and Bank Account details.
Depositor/ Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid-Cum-Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated Date	The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account(s) or the Refund Account(s), as applicable, in terms of the Red

	Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares may be Allotted to successful Bidders in the Offer.
Designated Intermediaries/ Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated Market Maker	Member Brokers of NSE who are specifically registered as Market Makers with the NSE SME Platform. In our case, Hem Finlease Private Limited is the sole Market Marker.
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. <a href="http://www.nseindia.com">www.nseindia.com</a> .
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant and a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> . Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	NSE ("SME Exchange") ("NSE Emerge")
DP ID	Depository's Participant's Identity Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act, 1996
Draft Red Herring Prospectus	Draft Red Herring Prospectus dated June 30, 2023 filed with NSE Emerge.
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
Eligible NRI	A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.
Eligible QFIs	QFIs 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 issued thereby and who have opened Demat accounts with SEBI registered qualified depository participants.
Escrow Account(s)	The account(s) to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/ NEFT/ RTGS in respect of the Bid Amount when submitting a Bid.
FII/ Foreign Institutional Investors	Foreign Institutional Investor as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First Bidder/ Applicant/ Bidders	Bidder(s) whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI/ Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.

General Information Document (GID)	The General Information Document for investing in public issues, prepared and issued in accordance with the SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 and the UPI Circulars. The General Information Document shall be available on the websites of the Stock Exchanges, and the Book Running Lead Managers.
Issue Agreement	The Issue Agreement dated June 13, 2023 between our Company and Book Running Lead Manager, Hem Securities Limited.
Issue Price	The Price at which the Equity Shares are being issued by our Company under this Red Herring Prospectus being ₹ [●] per Equity share.
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled <i>“Objects of the Issue”</i> beginning on page 71 of this Red Herring Prospectus
Issue/ Public Issue/ Issue size/ Initial Public Issue/ Initial Public Offering/ IPO	The Initial Public Issue of upto 46,56,000 Equity shares of ₹ 10/- each at issue price of ₹ [●]/- per Equity share, including a premium of ₹ [●]/- per equity share aggregating to ₹ [●] lakhs
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the Stock Exchange.
Lot Size	[●]
Mandate Request	Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
Market Maker Reservation Portion	The reserved portion of 2,35,200 Equity Shares of ₹10 each at an Issue price of ₹ [●] each is aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this issue.
Market Making Agreement	The Market Making Agreement dated September 13, 2023 between our Company, Book Running Lead Manager and Market Maker, Hem Finlease Private Limited.
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 44,20,800 equity Shares of ₹10/- each at a price of ₹ [●] per Equity Share (the “Issue Price”), including a share premium of ₹ [●] per equity share aggregating to ₹ [●] Lakhs.
Net Proceeds	The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Issue Proceeds and Issue expenses, please refer to the section titled <i>“Objects of the Issue”</i> beginning on page 71 of this Red Herring Prospectus.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors
Non- Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Non-Institutional Bidders	All Bidders that are not QIBs, RIBs or Eligible Employees Bidding in the Employee Reservation Portion and who have Bid for Equity Shares, for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Issue, consisting of 6,63,600 Equity Shares, which shall be available for allocation on a proportionate basis to Non-Institutional Investors, subject to valid Bids being received at or above the Issue Price.
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Pay-in-Period	The period commencing on the Bid/Issue Opening date and extended till the closure

	of the Anchor Investor Pay-in-Date.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/ or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●] and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid/ Issue Opening Date.
Pricing Date	The date on which our Company in consultation with the BRLM, will finalize the Issue Price.
Prospectus	The Prospectus, to be filed with the Registrar of Companies in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013, containing, inter alia, the Issue Price, size of the Issue and certain other information.
Public Issue Account	Account to be opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the Applicant, on the Designated Date.
QIB Category/ QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of 22,09,200 Equity Shares aggregating to ₹[●] lakhs which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLMs), subject to valid Bids being received at or above the Issue Price or Anchor Investor Offer Price (for Anchor Investors).
Qualified Institutional Buyers/ QIBs/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus / RHP	<p>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 Issued and the size of the Issue, including any addenda or corrigenda thereto.</p> <p>The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.</p>
Refund Account	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
Refund Bank/ Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being YES Bank Limited.
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable.
Registered Broker	The stockbrokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids
Registrar Agreement	The agreement dated June 28, 2023 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 DATED November 10, 2015 issued by SEBI.
Registrar/ Registrar to the Issue/ RTA/ RTI	Registrar to the Issue, in this case being Bigshare Services Private Limited.
Regulation S	Regulation S under the U.S. Securities Act of 1933, as amended from time to time.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018.

Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Retail Individual Bidders/ RIBs/ Retail Individual Investors/ RIIs	Individual Bidders, submitting Bids, who have Bid for Equity Shares for an amount not more than ₹ 2,00,000/- in any of the bidding options in the Net Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Retail Portion	The portion of the Issue being not less than 35% of the Net Issue, consisting of 15,48,800 Equity Shares, available for allocation to Retail Individual Bidders.
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), as applicable. QIBs and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage.
Securities laws	Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.
SEBI (ICDR) Regulations/ ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Act/ SEBI	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015/ SEBI Listing Regulations/ Listing Regulations/ SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
Self-Certified Syndicate Bank(s) / SCSB(s)	Shall mean a Banker to an Issue registered under Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.
SME Exchange	SME Platform of the NSE i.e. “NSE Emerge”
Specified Locations	Collection centres where the SCSBs shall accept application form, a list of which is available on the website of SEBI ( <a href="https://www.sebi.gov.in/">https://www.sebi.gov.in/</a> ) and updated from time to time.
Specified Securities	Equity shares offered through this Red Herring Prospectus.
Sponsor Bank	Sponsor Bank means a Banker to the Issue registered with SEBI, which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI (National Payments Corporation of India) in order to push the mandate, collect requests and / or payment instructions of the Retail Investors into the UPI.
Sub Syndicate Member	A SEBI Registered member of NSE appointed by the BRLM and/ or syndicate member to act as a Sub Syndicate Member in the Issue.
Syndicate	Includes the BRLM, Syndicate Members and Sub Syndicate Members.
Syndicate Agreement	The agreement dated September 13, 2023 entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue.
Syndicate ASBA Bidding Locations	Bidding Centres where an ASBA Bidder can submit their Bid in terms of SEBI Circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi
Syndicate Members/ Members of the Syndicate	Intermediaries registered with SEBI eligible to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being Hem Finlease Private Limited.
Systemically Important Non-	Systemically important non-banking financial company as defined under Regulation

Banking Financial Company	2(1)(iii) of the SEBI ICDR Regulations.
Transaction Registration Slip/ TRS	The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Applicant as proof of registration of the Application.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Underwriter	The BRLM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations, 2018 and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement dated September 13, 2023 entered between the Underwriter, BRLM and our Company.
UPI	UPI is an instant payment system developed by the NCPI, it enables merging several banking features, seamless fund routing & merchant payment into one hood. UPI allow instant transfer of money between any two bank accounts using a payment address which uniquely identifies a person's bank account
UPI Circulars	SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI Circular no. 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/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/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 SEBI Circular No: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022.and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request/ Mandate Request	A request (intimating the RII by way of notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
UPI Mechanism	The mechanism that was used by an RIB to make a Bid in the Offer in accordance with the UPI Circulars on Streamlining of Public Issues
UPI PIN	Password to authenticate UPI transaction
Venture Capital Fund/ VCF	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI (ICDR) Regulations, 2018.
Working Day	In accordance with Regulation 2(1) (mmm) of SEBI (ICDR) Regulations, 2018, working days means, all days on which commercial banks in Mumbai are open for business. However, in respect of– (a) announcement of Price Band; and (b) Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

#### **Technical and Industry Related Terms**

<b>Term</b>	<b>Description</b>
ABS	Air Brake Shop
AE	Advanced Economy
ALCo	American Locomotive Company

B2B	Business to Business
Bn	Billion
CAB	COVID-19 Appropriate Behaviour
CCDCs	Concessional Custom Duty Certificates
CDSCO	Central Drugs Standard Control Organisation
CNG	Compressed Natural Gas
DFC	Dedicated Freight Corridor
DG Sets	Diesel Generator Sets
DMW	Diesel Loco Modernization Works
ECS	Electrical & Commissioning Shop
ESH	Environment Health and Safety
EMEs	Emerging Market Economies
EN Standards	European Standards
FQC	Final Quality Certificate
GW	Gigawatt
GBI	Generation Based Incentive Scheme
HLA	High level Assembly
HMI	Human Machine Interface
HP	Horse Power
HST	High Temperature resistance Sleeve
HIC	Healthcare Innovation Centre
IEC	The International Electro technical Commission
IGBT	Insulated Gate Bipolar Transistors
KMPH	Kilometre Per Hour
KVP	Peak kilo voltage
LAS	Loco Assembly Shop
LED	Light-emitting diode
LCD	Liquid-crystal display
LFS	Light Fabrication Shop
mA	Milli ampere
MIDC	Maharashtra Industrial Development Corporation
MoHFW	Ministry of Health and Family Welfare
MPCB	Maharashtra Pollution Control Board
MT	Million Tonne
MW	Megawatt
NIWE	National Institute of Wind Energy
PCB	Printed Circuit Board
PHC	Primary Healthcare Centres
PLC	Programmable Logic Controller
PLIS	Production Linked Incentive Scheme
PM-ABHIM	Pradhan Mantri-Ayushman Bharat Health Infrastructure Mission
PMSSY	Pradhan Mantri Swasthya Suraksha Yojana
QA	Quality Assurance
QC	Quality Control
RM	Raw Material
R & D	Research and development
SCADA	Supervisory Control and Data Acquisition
SFG	Semi-Finished Goods
Sq. Ft.	Square Feet
US	United States
US EPA	US Environmental Protection Agency
VFD	Variable Frequency Drive
WTG	Wind Turbine Generators

### **Conventional terms and Abbreviations**

<b>Abbreviation</b>	<b>Full Form</b>
Rs./ Rupees/ INR/ ₹	Indian Rupees, the legal currency of the Republic of India
AS/ Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
ACS	Associate Company Secretary
AERB	Atomic Energy Regulatory Board
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
AMT	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B.A	Bachelor of Arts
B.Com	Bachelor of Commerce
B.E	Bachelor of Engineering
B.Sc	Bachelor of Science
B.Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee/ Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BRLM	Book Running Lead Manager
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
Companies Act, 2013	Companies Act, 2013 to the extent in force pursuant to the notification of sections of the Companies Act, 2013 along with the relevant rules made thereunder as amended.
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions that have ceased upon notification of the Companies Act, 2013) along with the relevant rules made thereunder
CA	Chartered Accountant
CAIIB	Certified Associate of Indian Institute of Bankers
CB	Controlling Branch
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CSR	Corporate Social Responsibility
C.P.C.	Code of Civil Procedure, 1908
CrPC	Code of Criminal Procedure, 1973
CENVAT	Central Value Added Tax
CST	Central Sales Tax
CWA/ ICWA	Cost and Works Accountant
DG Set	Diesel Generator Set
MD	Managing Director
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortization

ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
EPFA	Employee's Provident Funds and Miscellaneous Provisions Act, 1952
EMI	Equated Monthly Instalments
EPS	Earnings Per Share
EGM/ EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non-Resident Account
FIPB	Foreign Investment Promotion Board
FY/ Fiscal/ Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FCNR Account	Foreign Currency Non-Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	“Foreign Portfolio Investor” means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992
FTA	Foreign Trade Agreement
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Finance Act	Finance Act, 1994
Fraudulent Borrower	A fraudulent borrower as defined in Regulation 2(1)(III) of the SEBI ICDR Regulations.
FV	Face Value
GoI/ Government	Government of India
GDP	Gross Domestic Product
GST	Goods and Services Tax
GVA	Gross Value Added
HUF	Hindu Undivided Family
HNI	High Net Worth Individual
HSL	Hem Securities Limited
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
ISIN	International Securities Identification Number
IST	Indian Standard Time
ICWAI	The Institute of Cost Accountants of India
IMF	International Monetary Fund
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IT	Information Technology
IT Act	Information Technology Act, 2000
IFRS	International Financial Reporting Standards
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities

IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS	Indian Accounting Standards as referred to in and notified by the Ind AS Rules
Ind AS Rules	The Companies (Indian Accounting Standard) Rules, 2015
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
LL.B	Bachelor of Law
Ltd.	Limited
MAT	Minimum Alternate Tax
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
MCA	Ministry of Corporate Affairs, Government of India
MBA	Master of Business Administration
MAT	Minimum Alternate Tax
Mn	Million
M.E	Master of Engineering
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MSME	Micro, Small and Medium Enterprises
MAPIN	Market Participants and Investors Database
NA	Not Applicable
NCLT	National Company Law Tribunal
Net worth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus (Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit & Loss Account
NACH	National Automated Clearing House
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NCT	National Capital Territory
NPV	Net Present Value
NRI	Non-Resident Indians
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue.
OEM	Original equipment manufacturer
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PGDBA	Post Graduate Diploma in Business Administration
PGDBM	Post Graduate Diploma in Business Management
PGDM	Post Graduate Diploma in Management
PLR	Prime Lending Rate
PAC	Persons Acting in Concert
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
P.O.	Purchase Order

PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
Q.C.	Quality Control
RoC	Registrar of Companies
RBI	The Reserve Bank of India
Registration Act	Registration Act, 1908
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCADA	Supervisory Control And Data Acquisition
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SME	Small and Medium Enterprises
SCSB	Self-Certified syndicate Banks
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investments Funds) Regulations, 2012, as amended.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI (PFUTP) Regulations/ PFUTP Regulations	Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
SEBI Regulations/ SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
SEBI Takeover Regulations/ Takeover Regulations/ Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended from time to time.
SEBI	Securities and Exchange Board of India
STT	Securities Transaction Tax
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Sec.	Section
SENSEX	Bombay Stock Exchange Sensitive Index
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SSI	Small Scale Industry
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
Trade Marks Act	Trade Marks Act, 1999
TIN	Taxpayers Identification Number
UIN	Unique identification number
U.N.	United Nations
US/ United States	United States of America

U.S. Securities Act	The United States Securities Act, 1933
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value Added Tax
VCF	Venture Capital Funds
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may Be.
Wilful Defaulter(s)	Company or person categorised as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes any company whose directors or promoters is categorised as such and as defined under Regulation 2(1)(III) of the SEBI (ICDR) Regulations, 2018.
WDV	Written Down Value
WTD	Whole Time Director
w.e.f.	With effect from
-, (₹)	Represent Outflow

The words and expressions used but not defined in this Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in “*Main Provisions of the Articles of Association*”, “*Statement of Special Tax Benefits*”, “*Industry Overview*”, “*Regulations and Policies in India*”, “*Financial Information of the Company*”, “*Outstanding Litigations and Material Developments*” and “*Issue Procedure*”, will have the meaning ascribed to such terms in these respective sections.

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

### **Certain Conventions**

In this Red Herring Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, unless the context otherwise indicates or implies, refers to Saakshi Medtech & Panels Limited. All references in the Red Herring Prospectus to “India” are to the Republic of India. All references in the Red Herring Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

In this Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac/ Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac/ Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. In this Red Herring Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

### **Use of Financial Data**

Unless stated otherwise, throughout this Red Herring Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Red Herring Prospectus is derived from our restated financial information prepared for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled “**Financial Information of the Company**” beginning on page 153 of this Red Herring Prospectus.

There are significant differences between Indian GAAP, the International Financial Reporting Standards (“IFRS”) and the Generally Accepted Accounting Principles in the United States of America (“U.S. GAAP”). Accordingly, the degree to which the Indian GAAP financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “**Risk Factors**”, “**Our Business**”, “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” and elsewhere in the Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, 2018, as stated in the report of our Peer Review Auditor, set out in section titled “**Financial Information of the Company**” beginning on page 153 of this Red Herring Prospectus. As on date of the Red Herring Prospectus we don’t have any subsidiaries. Our fiscal year commences on April 1 of every year and ends on March 31 of every next year.

For additional definitions used in this Red Herring Prospectus, see the section “**Definitions and Abbreviations**” on page 1 of this Red Herring Prospectus. In the section titled “**Main Provisions of the Articles of Association**”, on page 272 of the Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

### **Use of Industry & Market Data**

Unless stated otherwise, industry and market data and forecast used throughout the Red Herring Prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein 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.

Although, we believe industry and market data used in the Red Herring Prospectus is reliable, it has not been independently verified by us or the BRLM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, 2018 the section titled ***“Basis for Issue Price”*** on page 79 of the Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

### **Currency of Financial Presentation**

All references to “Rupees” or “INR” or “Rs.” or “₹” are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled ***“Industry Overview”*** throughout the Red Herring Prospectus all figures have been expressed in Lakhs.

Any percentage amounts, as set forth in ***“Risk Factors”***, ***“Our Business”***, ***“Management's Discussion and Analysis of Financial Conditions and Results of Operations”*** on page 24, 103 and 194 respectively of this Red Herring Prospectus, unless otherwise indicated, have been calculated based on our restated financial statements prepared in accordance with Indian GAAP.

The Red Herring Prospectus contains conversion of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (ICDR) Regulations, 2018. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

## **FORWARD LOOKING STATEMENTS**

This Red Herring Prospectus includes certain “forward-looking statements”. We have included statements in the Red Herring Prospectus which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward looking statements.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Inability to promptly identify and respond to changing customer preferences or evolving trends
3. Our ability to effectively manage the operations of and costs associated with our manufacturing facilities
4. We may not be able to sustain our historical growth rates, and our historical performance may not be indicative of our future growth or financial results.
5. Failure to successfully upgrade our product portfolio, from time to time;
6. Any change in government policies resulting in increases in taxes payable by us;
7. Our ability to retain our key managements persons and other employees;
8. Changes in laws and regulations that apply to the industries in which we operate.
9. Our ability to grow our business;
10. General economic, political and other risks that are out of our control;
11. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
12. Company’s ability to successfully implement its growth strategy and expansion plans ;
13. failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
14. inability to successfully obtain registrations in a timely manner or at all;
15. occurrence of Environmental Problems & Uninsured Losses;
16. conflicts of interest with affiliated companies, the promoter group and other related parties;
17. any adverse outcome in the legal proceedings in which we are involved; and
18. Concentration of ownership among our Promoters.

For further discussion of factors that could cause our actual results to differ, see the Section titled ***“Risk Factors”, “Our Business” and “ Management’s Discussion and Analysis of Financial Condition and Results of Operations”*** beginning on page 24, 103, and 194 respectively of the 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 future gains or losses could materially differ from those that have been estimated.

There can be no assurance to 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 to be a guarantee of our future performance.

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

## **SECTION II – SUMMARY OF RED HERRING PROSPECTUS**

### **A. OVERVIEW OF BUSINESS**

We are a diversified company engaged in manufacturing of: (i) Electrical Control Panels and Cabinets used in elevators, air compressors, renewal energy industry, oil & gas exploration industry, electrical vehicle charging stations etc, (ii) Medical X Ray System used in healthcare industry (iii) Fabrication works for locomotives and (iv) wire harness division for our captive consumption in electrical control panels and for supply to air compressor industry. Our in-house engineering and design capabilities help us offer diversified products and solutions to our customers in each of the product categories in which we operate.

### **B. OVERVIEW OF THE INDUSTRY**

The Indian machine tool market size reached US\$ 1.4 billion in 2022. There are 750-800 domestic Medical Devices manufacturers in India, with an average investment of US\$ 2.3-2.7 million and an average turnover of US\$ 6.2-6.9 million. India is the 4th largest market for medical devices in Asia, among the top 20 markets for medical devices worldwide. India's expected export of medical devices will reach ~ US\$10 billion by 2025. Indian auto components industry, which accounts for 2.3% of India's GDP currently, is set to become the 3rd largest globally by 2025. The electric vehicle (EV) market is estimated to reach Rs. 50,000 crore (US\$ 7.09 billion) in India by 2025. The Indian market for medical equipment is predicted to increase to US\$ 50 billion by 2025.

### **C. PROMOTERS**

Aniket Vijay Latkar and Chitra Vijay Latkar

### **D. DETAILS OF THE ISSUE**

This is an Initial Public Issue of upto 46,56,000 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 (“**The Issue**”), out of which 2,35,200 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] Lakhs will be reserved for subscription by the market maker to the issue (the “**Market Maker Reservation Portion**”). The Issue less Market Maker Reservation Portion i.e. Issue of 44,20,800 Equity Shares of face value of ₹ 10 each, at an issue price of ₹ [●] per Equity Share for cash, aggregating to ₹ [●] is hereinafter referred to as the “**Net Issue**”. The Issue and Net Issue will constitute 26.37% and 25.04% respectively of the post- issue paid-up Equity Share capital of our Company.

### **E. OBJECTS OF THE ISSUE**

Our Company intends to utilize the proceeds of the Issue to meet the following objects:-

Sr. No	Particulars	Amt (Rs. in Lakhs)
1.	Repayment in full or in part, of certain of our outstanding borrowings;	500.00
2.	Funding to meet working capital requirements	2550.00
3.	General Corporate Purpose.	[●]
	<b>Total</b>	<b>[●]</b>

For further details please refer to the chapter titled “**Object of the Issue**” beginning on page 71 of this Red Herring Prospectus

### **F. PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP**

Our Promoters and Promoter Group collectively holds 1,29,99,500 Equity shares of our Company aggregating to 100.00% of the pre-issue paid-up Share Capital of our Company. Following are the details of the shareholding of the Promoters and Promoter Group, as on date of this Red Herring Prospectus:-

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	%	Shares Held	%
	<b>Promoters</b>				
1.	Chitra Vijay Latkar	1,17,00,000	90.00	1,17,00,000	66.27
2.	Aniket Vijay Latkar	6,50,000	5.00	6,50,000	3.68
	<b>Sub Total (A)</b>	<b>1,23,50,000</b>	<b>95.00</b>	<b>1,23,50,000</b>	<b>69.95</b>
	<b>Promoter Group</b>				

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	%	Shares Held	%
3.	Mayuri Aniket Latkar	6,49,500	5.00	6,49,500	3.68
	<b>Sub Total (B)</b>	<b>6,49,500</b>	<b>5.00</b>	<b>6,49,500</b>	<b>3.68</b>
	<b>Grand Total (A+B)</b>	<b>1,29,99,500</b>	<b>100.00</b>	<b>1,29,99,500</b>	<b>73.63</b>

## **SUMMARY OF FINANCIAL INFORMATION**

Following are the details as per the restated financial statements for the financial years ended on March 31, 2023, March 31, 2022 and March 31, 2021:-

(₹ in Lakhs)			
Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share Capital	260.00	260.00	260.00
Net worth	3964.07	2725.77	1788.17
Total Income	12,220.19	9169.35	6022.17
Profit after tax	1,238.30	937.59	220.08
Earnings per Share	9.53	7.21	1.69
Net Asset Value per Share (Based on Weighted Average Number of Shares)	32.49	22.97	15.76
Total Borrowings (including current maturities of long-term borrowings)	2007.45	1,635.78	2,199.44

## **G. AUDITOR QUALIFICATIONS**

There are no audit qualifications which have not been given effect in the restated financial statements.

## **H. SUMMARY OF OUTSTANDING LITIGATIONS**

*Litigations/ Matters against our Company:-*

Nature of Litigation	Number of Cases Outstanding	Amount in dispute/demanded to the extent ascertainable (Amount in Lakhs)
<b><i>Filed by the Company</i></b>		
Criminal Matters*	2	2.90

*\*The criminal matters involve the promoter, Aniket Vijay Latkar along with the company who have filed the litigation against the defendant.*

## **I. RISK FACTORS**

For details on the risks involved in our business, please see the Chapter titled “**Risk Factors**” beginning on page 24 of this Red Herring Prospectus.

## **J. SUMMARY OF CONTINGENT LIABILITIES**

Particulars	As at		
	31-03-2023	31-03-2022	31-03-2021
<b>Contingent liabilities in respect of:</b>			
Claims against the company not acknowledged as debts	-	11.26	11.26
Guarantees given on Behalf of the Company	-	-	-
Bank Guarantee Given to Wabtec India Industrial Pvt. Ltd.	500.00	500.00	500.00
Export obligation under EPCG Scheme.	81.94	-	-
Other commitments	-	-	-
<b>Total</b>	<b>581.94</b>	<b>511.26</b>	<b>511.26</b>

For further details, please refer to Note X – Contingent Liabilities of the chapter titled “**Financial Information of the Company**” on page 185 of this Red Herring Prospectus.

## K. SUMMARY OF RELATED PARTY TRANSACTIONS

Following is the summary of the related party transactions entered by the Company (based on Restated Financial Statements) for the financial years ended on March 31, 2023, March 31, 2022 and March 31, 2021:-

### AA RELATED PARTY DISCLOSURE

#### (a) List of Related parties

Sr. No.	Name of the Person / Entity	Relation
1	Late Vijay Laxman Latkar	Director (ceased w.e.f. 04.08.2021)
2	Aniket Vijay Latkar	Managing Director
3	Chitra Vijay Latkar	Non-Executive Director
4	Mayuri Aniket Latkar	Whole Time director (w.e.f. 24.03.2023) and CFO (w.e.f. 08.06.2023)
5	VLL Subcon Pvt. Ltd.	Enterprises where KMP (Key Managerial Personnel) are interested

#### (b) Transaction with related Parties:-

SI No.	Particulars	As at March 31,		
		2023	2022	2021
	<b><u>Remuneration Paid to Directors</u></b>			
	Late Vijay Laxman Latkar	-	27.60	82.80
	Aniket Vijay Latkar	122.79	74.87	38.76
	Chitra Vijay Latkar	85.72	4.40	2.40
	<b><u>Employee Remuneration</u></b>			
	Mayuri Aniket Latkar	88.65	39.25	20.16
	<b><u>Investment Made</u></b>			
	VLL Subcon Pvt. Ltd.	5.00	-	-
	<b><u>Investment Sold</u></b>			
	VLL Subcon Pvt. Ltd.	5.00	-	-
	<b><u>Loans Received</u></b>			
	Chitra Vijay Latkar	-	4.10	-
	VLL Subcon Pvt. Ltd.	5.00	-	-
	<b><u>Loans Repaid/ Given</u></b>			
	Aniket Vijay Latkar	14.84	11.28	19.31
	Late Vijay Laxman Latkar	-	1.60	-
	VLL Subcon Pvt. Ltd.	5.00	-	-
	<b><u>Balances at the end of year (LOAN)</u></b>			
	<b><u>Payables/ (Receivables)</u></b>			
	Chitra Vijay Latkar	4.10	4.10	0.05
	Aniket Vijay Latkar	29.37	45.17	55.90
	Late Vijay Laxman Latkar		-	2.10

For further details, please refer to the *Note Y – Related Party Disclosures* of chapter titled “*Financial Information of the Company*” on page 186 of this Red Herring Prospectus.

### L. DETAILS OF FINANCING ARRANGEMENTS

There are no financing arrangements whereby the promoters, members of the promoter group, the directors of the issuer and their relatives have financed the purchase by any other person of securities of the issuer 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 Red Herring Prospectus.

### M. WEIGHTED AVERAGE PRICE OF THE SHARES ACQUIRED BY PROMOTERS IN LAST ONE YEAR

Sr. No.	Name of Promoters	Total No. of Equity Shares	Weighted Average Price* (in ₹ per equity share)
1.	Chitra Vijay Latkar	93,60,000	Nil

2.	Aniket Vijay Latkar	5,20,000	Nil
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\* Pursuant to Bonus Issue in the ratio of 4:1 vide Board Resolution dated May 05, 2023

#### N. AVERAGE COST OF ACQUISITION OF SHARES

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

Sr. No.	Name of the Promoter	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Chitra Vijay Latkar	1,17,00,000	0.00
2.	Aniket Vijay Latkar	6,50,000	0.02

#### O. PRE IPO-PLACEMENT

Our Company is not considering any Pre-IPO Placement of equity shares of the Company.

#### P. EQUITY SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH

Except as set out below, we have not issued Equity Shares for consideration other than cash in the last one year.

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reason for Allotment	Benefits Accrued to our Company	Name of Allottees	No. of Shares Allotted
May 05, 2023	1,04,00,000	10.00	Nil	Bonus Issue	Capitalization of Reserves & Surplus**	Chitra Vijay Latkar	93,60,000
						Aniket Vijay Latkar	5,20,000
						Mayuri Aniket Latkar	5,20,000

\*\*Above allotment of shares has been made out of Reserve & Surplus available for distribution to shareholders and no part of revaluation reserve has been utilized for the purpose

#### Q. SPLIT/ CONSOLIDATION OF EQUITY SHARES

Pursuant to Shareholders' resolution dated March 23, 2023 the face value of Equity Shares of our Company was subdivided from 100.00 per Equity Share to 10.00 per Equity Share.

#### R. EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI

As on date of the Red Herring Prospectus, our Company has not availed any exemption from complying with any provisions of securities laws granted by SEBI.

### **SECTION III: RISK FACTORS**

*An investment in our Equity Shares involves a high degree of financial risk. Prospective investors should carefully consider all the information in the Red Herring Prospectus, particularly the “Financial Information of the Company” and the related notes, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 153, 103 and 194 respectively of this Red Herring Prospectus and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.*

*The risk factors set forth below are not exhaustive and do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, individually or together, could adversely affect our business, financial condition, results of operations or prospects, which could result in a decline in the value of our Equity Shares and the loss of all or part of your investment in our Equity Shares. While we have described the risks and uncertainties that our management believes are material, these risks and uncertainties may not be the only risks and uncertainties we face. Additional risks and uncertainties, including those we currently are not aware of or deem immaterial, may also have an adverse effect on our business, results of operations, financial condition and prospects.*

*This Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.*

#### **Materiality**

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

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

#### **Note:**

*The risk factors as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section.*

*In this Red Herring Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “Risk Factors” on page 24 and “Management Discussion and Analysis of Financial Condition and Results of Operations” on page 194 of this Red Herring Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the “Restated Financial Statements”.*

- 1. Our business is dependent on the sale of our products to certain key customers. The loss of any of these customers or loss of revenue from sales to these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.**

We are dependent on certain key customers for sale of our products. For the fiscals 2023, 2022 and 2021, our top five customers contributed to 93.08%, 90.45% and 90.57% of our revenue from operations. The loss of these customers or a loss of revenue from sales to these customers may materially affect our business, financial condition, results of operations and cash flows. As a result, the volume of sales to our customers may vary due to changes in our customers’ sourcing strategies. We cannot assure you that we will be able to significantly reduce customer concentration in the future. Most of our business comprises direct supply to our OEM customers, for which we do not have long term agreements.

Many of the purchase orders we receive from customers specify the price per unit and delivery schedule, with the quantities to be delivered. However, such orders may be amended or cancelled and should such amendment or cancellation take place, we may be unable to seek compensation for any surplus bought out or manufactured.

We generally supply our products for particular model of OEMs and the discontinuation of, loss of business with respect to or lack of commercial success of, those particular models of which we are a major supplier of components could reduce our sales and have a material adverse effect on our business, financial condition, results of operations and cash flows. As we are dependent on certain key customers for a significant portion of our sales, the loss of any one of our key customers, if not replaced, may have a material adverse effect on our business, results of operations and financial condition.

Our customers have high standards for product quality and delivery schedules. Any failure to meet customers' expectations could result in the liquidated damages. Also, purchase orders are typically subject to conditions such as ensuring that all products delivered to the customer have been inspected. Customers may set off their payment dues, require indemnification for themselves or their affiliates, change their outsourcing strategy by undertaking more work in-house or replace their existing products with alternative products, any of which may have an adverse effect on our business and results of operations

**2. *Pricing pressure from our customers may adversely affect our gross margin, profitability and ability to increase our prices, which may in turn have a material adverse effect on our results of operations and financial condition***

We manufacture and supply complex and machined components for various sectors like: elevators, air compressors, renewal energy industry, oil & gas exploration industry, electrical vehicle charging stations, healthcare industry and for locomotives, primarily supplying to OEMs in India. OEMs generally pursue aggressive but systematic price reduction initiatives and objectives each year with their suppliers. We have in the past experienced and may continue to experience pressure from our customers to reduce our prices, which may affect our profit margins going forward. In addition, as any price reduction is the result of negotiations and factors that may be beyond our control, we, like other manufacturers, must be able to reduce operating costs and increase operating efficiencies in order to maintain profitability. However, we may not be able to spread such fixed costs effectively as our customers generally negotiate for larger discounts in price as the volume of their orders increases. If we are unable to offset customer price reductions in the future through improved operating efficiencies, new manufacturing processes, sourcing alternatives and other cost reduction initiatives, our results of operations and financial condition may be materially adversely affected.

**3. *We are significantly dependent on the sale of Electrical Control Panels and Cabinets. An inability to anticipate or adapt to evolving up gradation of the required products or inability to ensure product quality or reduction in the demand of these products may adversely impact our revenue from operations and growth prospects.***

Our financial performance in last three financial years are significantly dependent on our revenue from sales of Electrical Control Panels and Cabinets, which represented 69.75%, 63.57% and 53.44% of our revenue from operations. We cannot assure you that we will increase our market share in the future for these products. Demand for these products depends primarily on our Top 5 customers. Further, the products may be substituted by product up gradation and our company may be unable to upgrade these products. We may not be able to introduce new product that are in faster-growing and more profitable categories. Any of these factors could have a material adverse impact on our financial condition and the results of operations. We may also be required to invest in updated technology and processes to develop upgraded product having the desired specification, qualities and characteristics and continually monitor and adapt to evolving demand. Any such upgradation may also require for additional capital investment which may affect our financial position.

**4. *We are subject to strict quality requirements, customer inspections and audits, and any failure to comply with quality standards may lead to cancellation of existing and future orders and could negatively impact our reputation and our business and results of operations and future prospects.***

We develop and manufacture complex and specialised components for our diversified range of products catering to various sectors based on specific requirements stipulated by them. Given the nature of our products and the sector in which we operate, we believe that our customers have high standards for product quality and delivery schedules. Adherence to quality standards is a critical factor as a defect in products manufactured by our Company or failure to comply with the specifications of our customers may, in turn, lead to the manufacture of faulty end-products. Component failures, manufacturing non-conformance, unknown safety, efficacy concerns, design defects, off-label use, or inadequate disclosure of product-related risks or product-related information with respect to our products, if they were to occur, could result in directly or indirectly, personal injuries or other adverse effects. This may lead to cancellation of supply orders or non-renewal of agreements by our customers and at certain instances may impose additional costs in the form

of product liability and/or product recall. However in certain case customers provide us an opportunity to submit our corrective and preventive action plans for quality issues. Further our facilities, process and products are exposed to regular inspection and audits by our customers to ensure that their internal standards are appropriately met. Any non-compliance observed during inspection/audit may have an adverse impact on our business, financial condition, results of operations and future prospects. Any negative publicity regarding our Company or our products could adversely affect our reputation, our operations and our results from operations

**5. *We may be subject to risks associated with product warranty.***

We are subject to risks and costs associated with product warranties, supply of defective products within the warranty periods stipulated for our products. We usually provide warranty against manufacturing defects on our products, other than for physical damages during transit, for a period of 12 months from the date of invoicing. Any defects in the finished products may result in invocation of such warranties issued by us and may require repair or replacement resulting in additional costs for our Company. For instance, we incur, from time to time, expenditure on account of product warranty claims, which are in the nature of product repairs on account of defects found in our products or on account of routine wear and tear. There can be no assurance that we will be able to successfully defend or settle such claims and lawsuits against defective products. Multiple instances of manufacturing defects in our products or any product liability claim against us could generate adverse publicity, leading to a loss of reputation, customers and/or increase our costs, thereby materially and adversely affecting our reputation, business, results of operations, financial condition and cash flows.

**6. *Our business is dependent on our manufacturing facilities and we are subject to certain risks in our manufacturing process. Obsolescence, destruction, theft, breakdowns of our major plants or machineries or failures to repair or maintain the same or Technology failures or Cyber-attacks or other security breaches could have a material adverse effect on our business, results of operation or financial condition may affect our business, cash flows, financial condition and results of operations.***

Our business is dependent upon our ability to manage our manufacturing facilities, which are subject to various operating risks, including those beyond our control, such as the breakdown and failure of equipment or industrial accidents and severe climate conditions and natural disasters. Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations. If we are unable to repair breakdown of machinery in a timely manner or at all, our operations may need to be suspended for a limited time until we procure new machinery to replace the same. In addition, we may be required to carry out planned shutdowns of our facilities for maintenance, statutory inspections and testing, or may shut down certain facilities for capacity expansion and equipment upgrades.

Obsolescence, destruction, theft or breakdowns of our major plants or machineries may significantly increase our machineries purchase cost and the depreciation of our plants and machineries, as well as change the way our management estimates the useful life of our plants and machineries. In such cases, we may not be able to acquire new plants or machineries or repair the damaged plants or machineries in time or at all. Some of our major machineries or parts may be costly to replace or repair. We may experience significant price increases due to supply shortages, inflation, transportation difficulties or unavailability.

IT systems are critical to our ability to manage our operations. Our IT systems enable us to coordinate our operations, from planning, production scheduling, raw material ordering, invoicing, delivery, customer relationship, management and decision support. If we do not allocate and effectively manage the resources necessary to build and sustain the proper IT infrastructure, we could be subject to transaction errors, processing inefficiencies, customer service disruptions and, in some instances, loss of customers.

We face cyber threats, threats to the physical security of our facilities and employees, the potential for business disruptions associated with IT failures, natural disasters, or public health crises. We have installed anti-virus software to prevent our systems and infrastructure from being infected and crippled by computer viruses. All our internet facing servers installed at all our data centres as well as at all our offices are also secured with firewalls and intrusion preventions systems to prevent hacking. If we are unable to protect sensitive information, our customers could question the adequacy of our threat mitigation and detection processes and procedures. Due to the evolving nature of these security threats, the impact of any future incident cannot be predicted.

Although we have not experienced any significant disruptions at our manufacturing facilities in the past, we cannot assure you that there will not be any disruptions in our operations in the future. Our inability to effectively respond to

such events and rectify any disruption, in a timely manner and at an acceptable cost, could lead to the slowdown or shut-down of our operations for limited time or under-utilization of our manufacturing facilities, which in turn may have an adverse effect on our business, results of operations and financial condition.

**7. *Inventories and trade receivables form a major part of our current assets. Failure to manage our inventory and trade receivables could have an adverse effect on our sales, profitability, cash flow and liquidity.***

Our Company's business is working capital intensive and hence, inventories and trade receivables form a major part of our current assets. The results of operations of our business are dependent on our ability to effectively manage our inventory and trade receivables. To effectively manage our inventory, we must be able to accurately estimate customer demand / potential orders and supply requirements and purchase new inventory accordingly. However, if we misjudge expected customer demand / potential orders, it could cause either a shortage of products or an accumulation of excess inventory. During the FY 2022-23, 2021-22 and 2020-21, our inventories were ₹2367.03 lakhs, ₹1336.40 lakhs and ₹1057.22 lakhs.

To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if we fail to accurately evaluate the credit worthiness of our customers, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. During the FY 2022-23, 2021-22 and 2020-21 our trade receivables were ₹ 2295.57 lakhs, ₹ 1746.73 lakhs and ₹ 1,466.73 lakhs. We may be subject to working capital risks due to delays or defaults in payment by clients, which may restrict our ability to procure raw materials and make payments when due. In addition, any delay or failure on our part to supply the required quantity or quality of products, within the time stipulated by our agreements, to our customers may in turn cause delay in payment or refusal of payment by the customer. Such defaults/delays by our customers in meeting their payment obligations to us may have a material effect on our business, financial condition and results of operations. Such situation may require an additional and, consequently, higher finance cost which will adversely impact our profitability.

**8. *Our manufacturing activities require deployment of labour and depend on availability of labour. In case of unavailability of such labour, our business operations could be affected.***

Our manufacturing operations require deployment and our ability to retain labour. In case such labour workforce is unavailable, or we are unable to identify and retain such labour our business could be adversely affected. We cannot guarantee that we may be able to continue with the same on favourable terms or at all. Any such failure may impact the operations, business process and profitability. Additionally, there have been amendments in the labour and Employment related laws, which may have a direct impact on our employee costs and consequently, on our margins. Further, latest amendments in labour laws in India may lead to increasing cost of compliance, wages, social security, Occupational Safety, Health and Working Conditions. We cannot assure you that we will continue to comply with all these labour related laws and that as we continue to grow our business in the future, our labour and employee costs coupled with operating compliances and expenses will not significantly increase.

We appoint contract labours for carrying out certain operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our results of operations and financial condition. In the event any regulatory body or court passes orders which require us to regularise any of the casual or contract labourers as regular employees, it may have an adverse effect on our business, results of operations and financial condition due to the various factors including increase in wages.

**9. *We depend on our technical expertise and R&D initiatives to develop new products and/or improve our existing products and if we are unable to keep our technical knowledge and process know-how confidential or if our R&D initiatives do not succeed, we may suffer loss of our competitive advantage.***

We possess extensive technical knowledge about our products. We have gained such technical knowledge through our own experiences, R&D initiatives undertaken to develop our products. While we are subject to strict confidentiality, non-disclosure and non-compete obligations under the agreements with our customers, if such technical knowledge is not protected we may lose our competitive edge. Even if all reasonable precautions, whether contractual or otherwise, are taken to protect the confidential and technical knowledge of our products and business, there is a risk that certain proprietary knowledge may be leaked, either inadvertently or wilfully, at various stages of the manufacturing process. Some members of our team have access to confidential design and product information and there can be no assurance that this information will remain confidential.

Further the development and commercialization of improved and/or new products is complex, time-consuming and costly, and its outcome may be uncertain. Accordingly, we have committed substantial effort, funds and other resources towards R&D activities. We cannot guarantee that the improved and/or new products we will introduce in the future will be successful or will continue to be successful. Our ongoing investments in new product launches and research and development for future products could result in higher costs without a proportionate increase in revenues. There can be no assurance that our expenditure on research and development activities will yield proportionate results or that commercially viable products may be developed as a result of such research and development activities. In the event that such products are unsuccessful, we may lose some or all of the investments that we have made in developing them.

***10. There are certain discrepancies/errors noticed in some of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 1956/ 2013. Moreover we are unable to trace some of our historical records. Any penalty or action taken by any regulatory authorities in future, for non-compliance with provisions of corporate and other law could impact the reputation and financial position of the Company to that extent.***

There are few discrepancies noticed in some of our corporate records relating to e-forms filed with the Registrar of Companies, which inter-alia includes clerical errors in the Annual Returns for instance except for Annual Return of the company filed in FY 2016, the company had inadvertently omitted to show joint shareholding of our promoters and promoter group members in all its annual returns filed with ROC. The Company has not filed certain ROC forms such as Form CHG-1 for creation of vehicle loans taken in the past which inter-alia includes non-compliance of Section 77 of the Companies Act, 2013 and is subject to penalty under section 86 and/or other relevant provision(s) of Companies Act, 2013, as may be applicable, such loan have been repaid by the company and there is no charge existing on those assets of the company. Further we have been unable to trace copy of form 23B filed in relation to appointment of auditor for the FY 12-13.

Further, our company has made certain errors in complying with certain Accounting Standards in the past such as AS-15, AS 22, however the same have been duly complied by the company in the restated financial statements as under:

(i) AS 15 (Employee Benefits) – Company has taken effect of Expenses and Provisions for Gratuity of Employees in the financial Statements as stated in AS15 and on the basis of actuarial valuation report. For details refer note “T” of the financial statements.

(ii) AS 22 (Accounting for Taxes on Income) – Company has taken the impact of timing differences for taxes as stated in AS22 For details refer note “C” of the financial statements.

Although, no show cause notice in respect of the above has been received by the Company till date, any penalty imposed for such non-compliance in future by any regulatory authority could affect our financial conditions to that extent

***11. Any delay, interruption or reduction in the supply of raw materials to manufacture our products may adversely affect our business, results of operations, cash flows and financial condition.***

Our business operations are significantly dependent on local third parties at all stages of product development and sales. We source our primary raw materials mild steel, stainless steel, copper, aluminum sheets and bought out components and sub-assemblies made out of these materials like: electrical switchgear products, cables, variable frequency drives, programmable logic controllers, chokes/reactors, transformers, x-ray tubes, beam alignment units, thermostats etc. from local suppliers in India. Certain parts of components like: weld nut, bolt, rivet, washer, conduit, Clamp Hose, gasket etc are imported from countries like USA, China, Germany etc. During the fiscal 2023, 2022 and 2021 we imported raw material worth ₹ 1,501.92 lakhs, ₹ 1,013.72 lakhs and ₹ 725.84 lakhs respectively.

The quality of our products is primarily derived from the quality of our raw materials, and any deterioration in the quality of raw materials supplied to us will have an adverse effect on the quality of our products, market reputation and sales volumes. There can be no guarantee that we will be able to maintain our current line-up of suppliers or adequate supply of such raw materials at all times. Additionally, the prices of our primary raw materials are volatile and fluctuate based on a number of factors outside our influence, including the price of steel and aluminium. We procure our raw material through purchase orders and the terms and conditions on warranties for product quality and return policy are specified on such purchase orders. We cannot be certain that we will be able to obtain raw material meeting the specified quality standards on commercially acceptable terms, or that our suppliers will perform as expected. If we fail to (i) receive the quality of raw materials that we require; (ii) negotiate appropriate financial terms; (iii) obtain adequate supply of raw materials in a timely manner, or (iv) if our principal suppliers discontinue the supply of such raw materials, or were to

experience business disruptions or become insolvent due to reasons beyond our control, we cannot assure that we will be able to find alternate sources for the procurement of raw materials in a timely manner or at all.

Our cost of raw materials and components consumed constituted 60.57%, 62.42% and 60.31% of our revenue from operations, for fiscals 2023, 2022 and 2021 respectively. Further, if we cannot fully offset increases in the prices of our raw materials, we will experience lower margins. The occurrence of any such event may adversely affect our business, results of operations, cash flows and financial condition.

We do not have long term contracts or exclusive arrangements with any of our suppliers, and any major disruption to the timely and adequate supplies of our raw materials for any of our segments exposes us to volatility in the prices of raw materials and could adversely affect our business, results of operations and financial condition. Prices of oil and gas also affect our distribution and transportation costs.

Further our Company has outstanding dues of trade payables during the Fiscals 2023, 2022 and 2021 of ₹2,032.76 lakhs, ₹1,375.91 lakhs and ₹1,078.64 lakhs respectively. Any delay in payment to our creditors may impact our long-standing relations with our suppliers and may result in stoppage of timely or at all delivery of raw material. Any such disruption would impact the production and overall financial position of our Company.

**12. *Our business is substantially dependent on our design and engineering teams to accurately carryout the estimates and engineering studies for potential orders. Any deviation during the execution of the order as compared to our estimates could have a material adverse effect on our cashflows, results of operations and financial condition.***

We have developed in-house resources with key competencies to deliver a product as per customer specifications which include our qualified design and engineering team. We rely on our in-house team of 37 engineers as on March 31, 2023 for timely and efficient operations. While our teams have the necessary skill and experience in carrying out estimates and engineering studies, we may not be able to assure the accuracy of such studies. Further the accuracy of the estimates is dependent on the on the prices quoted by our suppliers and how accurately we have analyzed and estimated the specifications provided by customers.

Any deterrence or deviation in the estimation and calculation of the key elements on which we rely before submitting quotations to customers as compared to our estimates during implementation and operation could have a material adverse effect on our cash flows, results of operations and financial condition.

**13. *Our manufacturing facilities are located on leased premises. If we are unable to renew these leases or relocate on commercially suitable terms, it may have a material adverse effect on our business, results of operation and financial condition***

Our manufacturing facilities, factory unit I and II are located on premises leased from Maharashtra Industrial Development Corporation for which we have entered into long-term lease agreements. Such lease agreements may be terminated upon the expiry of their tenure and may not be renewed. For details, see “***Our Business –Immoveable Properties***” on page103. Additionally, the lease agreements require our Company to comply with certain conditions including prior consent of the lessor for certain actions such as making significant structural alterations, subletting, transferring or assigning the leased premises. If we fail to meet any such conditions, we may be required to incur additional liability. For instance, our Company has not sought the consent from MIDC in relation to subletting a portion of the premises leased from MIDC at factory unit I to our group company, VLL Subcon Private Limited. The licensee has been made liable for compliance of all terms and conditions of lease deed executed between company and MIDC and this sub-lease is subject to termination if the said terms are violated by the licensee. Any present and future conflicts arising due to sharing our registered office and factory unit I premises could have a material adverse effect on our operations.

In addition, our manufacturing facility, factory Unit III has been obtained through leave and license agreement from RP Indospaces Pvt. Ltd. While we always seek to ensure through various means good title to property used by us, our rights in respect of these properties may be compromised by improperly executed, unregistered or insufficiently stamped agreements. If these agreements are terminated or revoked due to absence of prior consent from MIDC for sub-letting or any other reason or if we are unable to renew these agreements on commercially reasonable terms or at all, we may suffer significant disruptions to our operations and incur considerable costs to relocate and move our operations elsewhere. In the event we are required to vacate the premises, we may need to do with short or no notice. Any inability on our part to timely identify a suitable location to relocate could have an adverse impact on our business.

**14. *We currently avail benefits under the EPCG licenses. In order to continuously avail the benefits, we are required to export goods of a defined amount. Any failure in meeting the obligations we may be liable to pay duty proportionate to unfulfilled obligations along with interest***

Pursuant to our EPCG licenses, we are required to export goods of a defined amount, failing which we may have to pay the Government, a sum equivalent to the duty benefit enjoyed by us under the EPCG licenses along with interest. As on March 31, 2023 our pending obligation against the EPCG license is ₹ 81.94 lakhs. Any reduction or withdrawal of benefits or our inability to meet any of the conditions prescribed under such schemes would adversely affect our business, financial condition, to the extent of unfulfilled obligation along with interest.

**15. *Geographical concentration of our manufacturing facilities may adversely affect our operations, business and financial condition***

We manufacture and supply our products to customers in different geographies within and outside India from our three manufacturing facilities located in Pune. Since, our entire revenue is currently from products manufactured at the said manufacturing facilities, any disruption to our manufacturing facilities may result in production shutdowns. Further, any communal agitations in any parts of Pune causing significant loss to infrastructure, shutdown of business and industry or damage to property may affect our operations. Additionally, if our manufacturing facilities are harmed or rendered inoperable by natural or man-made disasters, including earthquakes, fire, floods, acts of terrorism and power outages, it may render it difficult or impossible for us to efficiently operate our business for some period of time which may adversely affect our business, financial condition, result of operations and cash flows. Further, we do not own any trucks or commercial vehicles and typically use third-party logistic providers for all of our product distribution and as a result incur considerable expenditure on transportation of our products. Our customers rely significantly on timely deliveries of our products and any delays in the delivery of a product can lead to our customers delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such product.

**16. *Our Company operates under several statutory and regulatory approvals in respect of our operations. Failure to obtain or maintain licenses, registrations, permits and approvals may affect our business and results of operations.***

We require certain statutory and regulatory permits, licenses and approvals to operate our business. Though we believe that we have obtained those permits and licenses which are adequate to run our business, we cannot assure that there is no other statutory/regulatory requirement which we are required to comply with. Further, some of these approvals are granted for fixed periods of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. We have applied registration of establishments employing contract labour and for registration of factory license for our factory unit III wherein we have recently initiated commercial production. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Failure by us to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations.

We cannot assure you that the approvals, licenses, registrations and permits required will be issued to us and those already issued will not be suspended or revoked in the event of non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any denial, suspension or revocation of the approvals, licenses, registrations and permits that has been or may be issued to us may affect our business and results of operations. For further details regarding the material approvals, licenses, registrations and permits, which have not been obtained by our Company or are, pending renewal, see "**Government and Other Approvals**" on page 212 of this Red Herring Prospectus.

**17. *If we are unable to manage our growth effectively and further expand into new markets our business, future financial performance and results of operations could be materially and adversely affected.***

The success of our business will depend on our ability to effectively implement our business and growth strategy. As part of our growth strategy, we aim to, among other things, continue to grow our businesses as and when opportunities exist including by Continuing to strengthen our existing product portfolio with attractive growth and profitability prospects, to strive for cost efficiency, attracting and retaining talented employees and focusing on consistently meeting quality standards

As we continue to grow our business and expand into newer markets, we may face several challenges, including as set forth below:

- acquiring new customers;
- identifying customer requirements and preferences in such markets;
- obtaining approvals and certifications for our products in such jurisdictions;

- making accurate assessments of the resources we will require;
- preserving a uniform culture, values and work environment;
- developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, internal control and other internal systems;
- 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.

In pursuing our growth strategy, we will require additional capital investments and cash outlays, which may have a material impact on our cash flows and results of operations. Our operating expenses and capital requirements may increase significantly pursuant to our expansion plans. Our ability to manage our growth effectively requires us to forecast accurately our sales, growth and manufacturing capacity and to expend funds to improve our operational, financial and management controls, reporting systems and procedures. An inability to implement our future business plan, manage our growth effectively, further expand into new markets or failure to secure the required funding on favourable terms or at all could have a material and adverse effect on our business, future financial performance and results of operations.

**18. *Expansion of our operations in factory unit III is subject to the risk of uncertainties and cost overruns.***

Our expansion plan relating to our factory unit III is subject to the risk of uncertainties delays in implementation and cost overruns. We have installed additional plant and machinery in our factory unit III and intend to develop various product prototypes of electrical control panels and cabinets. Our expansion plan remain subject to the potential problems and uncertainties including cost overruns. Problems that could adversely affect our plans include labour shortages, the possibility of unanticipated future regulatory restriction, incremental pre-operating expenses, taxes and duties, interest and finance charges, working capital margin and other external factors which may not be within the control of our management. Furthermore the products that we intend to develop in factory Unit III may not get the market traction and desired customer base which can have an adverse impact on the company.

**19. *Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have a material effect on our business and financial condition.***

While we maintain insurance coverage namely vehicle insurance, Marine Export Import Insurance, Bharat Laghu Udyam Suraksha Policy, Burglary Policy, Group Medishield Insurance Policy, Group Personal Accident – Policy, Machinery Breakdown Policy for our factory unit 2, Marine Cargo Insurance, Enterprise Package Policy– Sookshma Employee’s Compensation Insurance Policy Schedule in amounts which we believe are commercially appropriate. We believe that we have adequate insurance coverage for known risks. However, for unforeseen circumstances, we may not have sufficient insurance coverage to cover all possible economic losses, including when the loss suffered is not easily quantifiable. Even if we have made a claim under an existing insurance policy, we may not be able to successfully assert our claim for any liability or loss under such insurance policy. Additionally, there may be various other risks and losses for which we are not insured either because such risks are uninsurable or not insurable on commercially acceptable terms. The occurrence of an event for which we are not adequately or sufficiently insured could have an adverse effect on our business, results of operations, financial condition and cash flows. For further details of our Insurance Policies, please refer section titled “***Our Business***” beginning on page 103 of this Red Herring Prospectus.

**20. *We are dependent on third party transportation providers for the delivery of our raw material and products. Accordingly, continuing increases in transportation costs or unavailability of transportation services for them, as well the extent and reliability of Indian infrastructure may have an adverse effect on our business, financial condition, results of operations and prospects***

We use third party transportation providers for the delivery of our raw material and products. Transportation strikes if happen could have an adverse effect on overall industry and accordingly may affect our receipt of raw materials and our ability to deliver our products to our customers. In addition, transportation costs in India have been steadily increasing over the past several years. Continuing increases in transportation costs or unavailability of transportation services for our products may have an additional cost escalation. Continuing increases in transportation costs or unavailability of transportation services for our products may have an adverse effect on our business, financial condition, results of operations and prospects. In addition, India’s physical infrastructure is less developed than that of many developed nations, and problems with its road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity, including our supply of raw materials and the delivery of our products to customers

by third-party transportation providers. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our business operations, which could have a material adverse effect on our results of operations and financial condition.

**21. *We have significant working capital requirements. If we experience insufficient cash flows from our operations or are unable to borrow to meet our working capital requirements, it may materially and adversely affect our business, cash flows and results of operations.***

Our business requires significant working capital including in connection with our manufacturing operations, financing our inventory, providing bank guarantees, purchase of raw materials and our development of new products which may be adversely affected by changes in terms of credit and payment. A large amount of our working capital is blocked in trade receivables and inventories. Delays in payment under on-going purchase orders or reduction of advance payments and/or accelerated payments to suppliers, fixed deposits to facilitate bank guarantees to our customers, could adversely affect our working capital, lower our cash flows and materially increase the amount of working capital to be funded. We may also be unable to adequately finance our working capital requirements on account of various factors, including extraneous factors such as delay in disbursements under our financing arrangements, increased interest rates, insurance or other costs, or borrowing and lending restrictions or finance our working capital requirements on commercially acceptable terms or at all, devolvement of our bank guarantees by our bankers etc, each of which may have a material adverse effect on our business, financial condition, prospects and results of operations. 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.

**22. *Our business subjects us to risks in multiple countries where head offices or parent companies of our customers are situated.***

Various international jurisdictions restrict investments or otherwise doing business in or with certain countries or territories. We manufacture and sell our products primarily in India serving multinational customers having their head offices globally spread across North America and Europe. Our operations are subject to risks that are specific to each country from where our customers operate, including:

- Social, economic, political, geopolitical conditions and adverse weather conditions, such as natural disasters, civil disturbance, terrorist attacks, war or other military action, which may adversely affect our business and operations;
- Compliance with local laws, including legal constraints on ownership and corporate structure, environmental, health, safety, labour and accounting laws, which may impose onerous and costly obligations on our multinational customers.
- Changes in foreign laws, regulations and policies, including restrictions on trade, import and export licence requirements, and tariffs and taxes, intellectual property enforcement issues and changes in foreign trade and investment policies and
- Fluctuations in foreign currency exchange rates against the Indian Rupee.

**23. *Our Company is involved in certain legal proceedings and potential litigations. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties/prosecutions and may adversely affect our business and results of operations.***

Our Company is currently involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals, and government departments. The summary of outstanding litigation in relation to taxation matters, statutory or regulatory laws filed by or against our Company and Directors have been set out below.

*Litigations/ Matters against our Company:-*

Nature of Litigation	Number of Cases Outstanding	Amount in dispute/demanded to the extent ascertainable (Amount in Lakhs)
<b><i>Filed by the Company</i></b>		
Criminal Matters*	2	2.90

*\*The criminal matters involve the promoter, Aniket Vijay Latkar along with the company who have filed the litigation against the defendant.*

For further details, see “*Outstanding Litigation and Material Developments*” beginning on page 210 of this Red Herring Prospectus. Any adverse decisions in the aforesaid proceedings may have a material effect on our business, future financial performance and results of operations. If the courts or tribunals rule against our Company, we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities.

- 24. *The Logo used by our Company is currently under process of registration under Trade Marks Act, 1999. Failure to protect our intellectual property rights may adversely affect our competitive business position, financial condition and profitability.***



Presently, our Company is using logo and we have applied for registration of the same under the Trade Marks Act, 1999. The trademark is not granted/approved as on date and we do not enjoy the statutory provisions that are accorded to a registered trademark. The use of our logo by third parties could adversely affect our reputation, which could in turn adversely affect our business and results of operations. There can be no assurance that our trademark application will be approved. Third parties may also oppose our trademark applications, or otherwise challenge our use of the logo. In the event that our logo is successfully challenged, we could be forced to rebrand our products, which could result in loss of brand recognition, and could require us to devote resources advertising and marketing new brand.

- 25. *We rely on third parties manufactures for certain bought out parts and manufactured sub-assemblies. Any failure by or loss of a third-party manufacturer could result in delays and increased costs, which may adversely affect our business.***

The major raw materials required for manufacturing of our products are categorized in electrical and mechanical categories under bought out parts and manufactured sub-assemblies. Our bought-out parts are primarily locally sourced through approved third-party manufacturers. We depend on these third-party manufacturers to deliver those products to us on a timely basis and at acceptable prices. However, we cannot guarantee that these third-party manufacturers will be able to meet our near-term or long-term manufacturing requirements, which could result in lost sales and have an adverse effect on our business, financial condition, cash flows and results of operation. Other risks associated with our reliance on third parties to manufacture these products include, reliance on the third party for regulatory compliance and quality assurance, or limited ability to manage inventory. Moreover, if any of our third-party manufacturers suffer any damage to facilities, experience disruptions on account of power outages or otherwise, theft of materials, encounter financial difficulties, to secure necessary raw materials from their suppliers or suffer any other reduction in efficiency, we may experience significant business disruption. In the event of any such disruption, we would need to seek and source other qualified third-party manufacturers which may result in further delays and increased costs, which could affect our business adversely.

- 26. *Activities involving our manufacturing process can cause injury to people or property in certain circumstances. A significant disruption at any of our manufacturing facilities may adversely affect our production schedules, costs, sales and ability to meet customer demand.***

Although we employ safety procedures in the operation of our manufacturing facilities and maintain what we believe to be adequate insurance, there is a risk that an accident may occur at any of our manufacturing facilities. An accident may result in personal injury to our employees, destruction of property or equipment, environmental damage, manufacturing or delivery delays, or may lead to suspension of our operations and/or imposition of liabilities. Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost to defend such litigation can be significant. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations, cash flows and prospects.

In particular, if operations at our manufacturing facilities were to be disrupted as a result of any significant workplace accident, equipment failure, natural disaster, power outage, fire, explosion, terrorism, adverse weather conditions, labour dispute, obsolescence or other reasons, our financial performance may be adversely affected as a result of our inability to meet customer demand or committed delivery schedules for our products. While we have not experienced any interruption in our manufacturing activities in the past on account of any workplace accident, any future interruptions in production may also increase our costs and reduce our sales, and may require us to make substantial capital expenditures to remedy the situation or to defend litigation that we may become involved in as a result, which may negatively affect our profitability, business, financial condition, results of operations, cash flows and prospects.

- 27. *We have in the past entered into related party transactions and may continue to do so in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our Company's financial condition and results of operations.***

Our Company has entered into various transactions with our directors, promoters and group companies. These transactions, inter-alia includes remuneration, loans and advances etc. For details, please refer to “**Note Y- Related Party Transactions**” under Section titled “**Financial Information of the Company**” and Chapter titled “**Capital Structure**” beginning on page 179 and 58 respectively of this Red Herring Prospectus. Our Company has entered into such transactions due to easy proximity and quick execution in compliance with provisions of Companies Act 2013 and applicable laws. Although all related-party transactions that we may enter into in the future are subject to approval by our Audit Committee, Board or shareholders, as required under the Companies Act, we cannot assure you that such future transactions or any other future transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favorable terms if such transactions are not entered into with related parties.

Furthermore, it is likely that we may enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. Accordingly, there can be no assurance that such transactions, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

- 28. *Any failure to adapt to industry trends and evolving technologies to meet our customers' demands may materially and adversely affect our business and results of operations***

Changes in consumers' preferences, regulatory or industry requirements, or competitive technologies may render certain of our products obsolete or less attractive. For instance, the demand for our key product being non-fossil-based application of Electrical Control Panels and Cabinets catering to renewable energy sector like: wind turbines, air compressors etc may be affected if there is a change in government policies supporting renewable energy industry or change in technology in the said industry. Our ability to anticipate and successfully develop and introduce new or enhanced products on a timely basis may impact our revenue and results of operation.

Moreover, the Medical X-Ray system catering to healthcare industry is intensely competitive and is characterized by extensive R&D and rapid technological change. Our competition varies by market, geographic areas and type of product. Our customers consider many factors when choosing suppliers, including product quality, technology, breadth of product portfolio, cost, delivery and service, as well as quality and depth of senior level relationships, and other business factors.

There can be no assurance that we will be able to secure the necessary technological knowledge to enable us to develop our product portfolio as planned. For instance, we may not be able to install and commission the facilities required to manufacture new products for our customers in time for the start of production, and the transitioning of our manufacturing facilities and resources to full production for new products may impact production rates or other operational efficiency measures at our facilities. Our failure to successfully adopt such technologies in a cost effective and a timely manner may increase our costs and lead to us being less competitive.

- 29. *We are dependent on our promoter and senior management and other key personnel, and the loss of, or our inability to attract or retain, such persons could affect our business, results of operations, financial condition and cash flows.***

Our performance depends largely on the efforts and abilities of our Promoter and Managing Director Aniket Vijay Latkar and on our senior management and other key personnel. They have gained experience in this line of business and have over the years built relations with suppliers, customers, regulators and other persons who are connected with us and have been actively involved in the day to day operations and management. Further we believe that the inputs and experience of our senior management, in particular, and other key personnel are valuable for Research and development activities, procurement of raw materials, successful delivery of products and our overall business operations of our Company. For details in relation to the experience of our key management personnel, see “**Our Management**” on page 134 of this Red Herring Prospectus. We cannot assure you that these individuals or any other member of our senior management team will not leave us or join a competitor or that we will be able to retain such personnel or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such persons may have an effect on our business, results of operations, financial condition and cash flows.

- 30. *Our Company has taken unsecured loans that may be recalled by the lenders at any time.***

Our Company have availed unsecured loans which may be called by their lenders at any time. As on March 31, 2023, the unsecured loan amounting to ₹ 33.47 lakhs were due to promoters. In the event that promoter seeks a repayment of any such loan, our Company would need to find alternative sources of financing to the extent of outstanding balance. Also, there is no formal agreement with promoter. As a result, any such demand may affect our business, cash flows, financial condition and results of operations. For further details on financing arrangements entered into by our Company, please refer chapter titled *“Statement of Financial Indebtedness”* beginning on page 195 of this Red Herring Prospectus.

**31. Our contingent liabilities as stated in our Restated Financial Statements could affect our financial condition.**

Our Contingent liabilities as on March 31, 2023 were ₹ 581.94 Lakhs. If these contingent liabilities materialize, fully or partly, the financial condition of our Company could be affected.

(₹ in lakhs)

Particulars	As at		
	31/03/2023	31/03/2022	31/03/2021
Contingent liabilities in respect of:			
Claims against the company not acknowledged as debts	-	-	-
Taxation liabilities	-	11.26	11.26
Bank Guarantee Given to Wabtec India Industrial Pvt. Ltd.	500.00	500.00	500.00
Custom Duty on imported machinery under EPCG Scheme.	81.94	-	-
Other commitments	-	-	-
<b>Total</b>	<b>581.94</b>	<b>511.26</b>	<b>511.26</b>

For more information, regarding our contingent liabilities, please refer *“Note X”* in chapter titled *“Financial Information of the Company”* beginning on page 185 of this Red Herring Prospectus.

**32. We are exposed to foreign currency fluctuation risks, which may affect our results of operations.**

Our Company imports certain of its raw materials and components and for the fiscal 2023, 2022 and 2021 our imports accounted for ₹ 1,501.92 lakhs, ₹ 1,013.72 lakhs and ₹ 725.84 lakhs respectively. Further, for the fiscal 2023, 2022 and 2021 our revenue from export of our products accounted for ₹ 313.95 lakhs, ₹ 92.22 lakhs and ₹ 47.86 lakhs respectively. Our financial statements are presented in Indian Rupees. However, our expenditure and revenue are influenced by the currencies of those countries from where we procure our raw materials and by currencies of countries to which we export our finished products. The exchange rate between the Indian Rupee and these currencies 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. Depreciation of the Indian rupee against the U.S. Dollar and other foreign currencies may adversely affect our results of operations by increasing the cost of our raw materials or any proposed capital expenditure in foreign currencies. Volatility in the exchange rate and/or sustained appreciation of the Indian Rupee will negatively impact our revenue and operating results. We presently do not enter into hedging contracts for hedging our foreign exchange risks.

**33. We are subject to risks arising from interest rate fluctuations, which could reduce our profitability and adversely affect our business, financial condition and results of operations.**

Interest rates for borrowings have been increasing in recent times. We are availing term loan and working capital loan facilities from our bankers and any increase in interest rate and a consequent increase in the cost of servicing such debt may have an adverse effect on our results of operations and financial condition. Changes in prevailing interest rates affect our interest expense in respect of our borrowings and our interest income in respect of our interest on our deposits with banks. As on March 31, 2023, our financial assistance from banks is ₹ 1,973.98 lakhs. For further details, please see *“Financial Indebtedness”* on page 195. Our current debt facilities carry interest at floating rates on MCLR. We do not currently enter into interest hedging arrangements to hedge against interest rate risk. Upward fluctuations in interest rates may increase our borrowing costs, which could impair our ability to compete effectively in our business relative to competitors with lower levels of indebtedness. As a result, our business, financial condition, cash flows and results of operations may be adversely affected. In addition, we cannot assure you that difficult conditions in the global credit markets will not negatively impact the cost or other terms of our existing financing as well as our ability to obtain new credit facilities or access the capital markets on favourable terms.

**34. Our lenders have charge over our immovable and movable properties in respect of finance availed by us.**

We have secured our lenders by creating a charge over our movable and immovable properties in respect of Working capital loan and term loan availed by us from Yes Bank Limited and Deutsche Bank Limited. We have been extended such loan against hypothecation of our Company’s property and current assets. For further information on the financing

and loan agreements along with the total amounts outstanding and the details of the repayment schedule, please refer to chapter ***“Statement of Financial Indebtedness”*** beginning on page 195 of this Red Herring Prospectus.

- 35. *Under-utilization of our manufacturing capacities may have an adverse effect on our business, future prospectus and future financial performance. Moreover, information relating to capacity utilization of our production facilities included in this Red Herring Prospectus is based on certain assumptions and has been subjected to rounding off, and future production and capacity utilization may vary***

Our capacity utilization is affected by the availability of raw materials, industry and market conditions as well as by the product requirements of, and the procurement practice followed by, our customers. In the event that we are unable to achieve full capacity utilization of our current manufacturing facilities, this would result in operational inefficiencies which may have an adverse effect on our business, financial condition, cash flows, future prospects and future financial performance. For further details in relation to our capacity utilization, see ***“Our Business”*** on page 103 of the Red Herring Prospectus.

Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short term, could adversely impact our business, growth prospects and future financial performance. In case of oversupply in the industry or lack of demand, we may not be able to utilize our capacity efficiently. Further information relating to capacity utilization of our production facilities included in this Red Herring Prospectus is based on various assumptions and estimates of our management, assumptions relating to availability and quality of raw materials and assumptions relating to operational efficiencies. Actual production levels and utilization rates may differ significantly from the estimated production capacities or historical estimated capacity utilization of our facilities. Undue reliance should therefore not be placed on our capacity utilization information for our existing facilities included in this Red Herring Prospectus. For further information, see the section titled ***“Our Business”*** on page 103 of this Red Herring Prospectus.

- 36. *The Objects of the Issue for which funds are being raised, are based on our management estimates and have not been appraised by any bank or financial institution or any independent agency.***

The deployment of funds will be entirely at our discretion, based on the parameters as mentioned in the chapter titled ***“Objects of the Issue”***. The fund requirement and deployment, as mentioned in the ***“Objects of the Issue”*** on page 71 of this Red Herring Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter ***“Objects of the Issue”*** is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter ***“Objects of the Issue”*** will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

- 37. *Any variation in the utilization of the Net Proceeds as disclosed in this Red Herring Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company.***

We propose to utilize the Net Proceeds towards Repayment of certain outstanding borrowings, to meet working capital requirements and general corporate purposes. For further details of the proposed objects of the Issue, see ***“Objects of the Issue”*** beginning on page 71. However, these objects of the Issue have not been appraised by any bank, financial institution or other independent agency. Further, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Red Herring Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such circumstances that require us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations. Further, our Promoters would be required to provide an exit opportunity to the shareholders of our Company who do not agree with our proposal to modify the objects of the Issue, at a price and manner as prescribed by SEBI. Additionally, the requirement to provide an exit opportunity to such dissenting shareholders of our Company may deter our Promoters from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoter will have adequate resources at their disposal at all times

to enable them to provide an exit opportunity. In light of these factors, we may not be able to vary the objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition, if any, which may adversely affect our business and results of operations.

**38. *We operate in a competitive business environment. Failure to compete effectively against our competitors and new entrants in the industry in any of our business segments may adversely affect our business, financial condition and results of operations***

Due to our diversified product portfolio, we compete with various companies for each of our business segments. Our competitors range from small start-up companies to larger companies which have significantly greater resources and broader product offerings than us, and we anticipate that in the coming years, other large companies will enter certain markets in which we currently hold a strong position. The manufacturing of our products is competitive, and it experiences rapid technological developments and product up-gradation. Product introductions or enhancements by competitors which have advanced technology, better features or lower pricing may make our products or proposed products obsolete or less competitive. As a result, we will be required to devote continued efforts and financial resources to bring our products under development to market, enhance our existing products and develop new products for the marketplace. If we fail to develop new products, enhance existing products or compete effectively, our business, financial condition and results of operations will be adversely affected. For further details of our competitors, please see ***“Our Business – Competition”*** on page 103.

We compete on the basis of our ability to fulfil our obligations for the secured orders including the quality and the timely delivery of the products. Our competitors may have substantially greater financial, management, research and marketing resources than we have as a result of which they may be able to utilise their resources and economies of scale to develop improved products, divert sales away from us by winning larger orders or they may hire our employees by offering more lucrative compensation packages. Growing competition in the domestic and/or international markets may subject us to pricing pressures and require us to reduce the prices of our products in order to retain or attract customers, which may have an adverse effect on our revenues and margins. While we are focused in the development of customer-centric products, and to broaden our product range, in the event our competitors harness better process technology or improved process yield or are able to source raw materials at more competitive prices, we may not be able to maintain our growth rate and our revenues and profitability may decline. Our failure to compete effectively with respect to any of these or other factors could have a material adverse effect on our business, prospects, financial condition or operating results. In such a scenario, we may find difficulties in maintaining our position in the market.

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

This Red Herring Prospectus includes information on Industry in which we operate from various sources. For further details, please see ***“Industry Overview”*** beginning on page 87. The data has been furnished by independent agency on their websites and has no relationship with our Company, its Promoters, Directors, or the Book Running Lead Manager as on the date of this Red Herring Prospectus. The data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also 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, 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 recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.

**40. *We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

**41. *We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule.***

The proposed fund requirement as detailed in the section titled "*Objects of the Issue*" is to be funded from the proceeds of this Issue. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute our future plans/strategy within the given timeframe. For details, please refer to the Chapter titled "*Objects of the Issue*" beginning on page 71 of this Red Herring Prospectus.

**42. *Any Penalty or demand raised by statutory authorities in future will affect financial position of the Company.***

Our Company is engaged in the manufacturing business, which attracts tax liability such as Goods and Service tax and Income tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund, Employee State Insurance and Professional Tax. Any demand or penalty raised by the concerned authority in future for any previous year and current year will have an additional liability.

**43. *Our ability to pay any dividends will depend upon future earnings, financial condition, cash flows and working capital requirements.***

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our Dividend history refer to the Section "*Dividend Policy*" on page 152 of the Red Herring Prospectus.

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

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above ₹10,000.00 lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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.

**45. *Technology failures or Cyber-attacks or other security breaches could have a material adverse effect on our business, results of operation or financial condition***

IT systems are critical to our ability to manage our operations. Our IT systems enable us to coordinate our operations, from planning, production scheduling, raw material ordering, invoicing, delivery, customer relationship, management and decision support. If we do not allocate and effectively manage the resources necessary to build and sustain the proper IT infrastructure, we could be subject to transaction errors, processing inefficiencies, customer service disruptions and, in some instances, loss of customers.

We face cyber threats, threats to the physical security of our facilities and employees, the potential for business disruptions associated with IT failures, natural disasters, or public health crises. We have installed anti-virus software to prevent our systems and infrastructure from being infected and crippled by computer viruses. All our internet facing servers installed at all our data centres as well as at all our offices are also secured with firewalls and intrusion preventions systems to prevent hacking. If we are unable to protect sensitive information, our customers could question the adequacy of our threat mitigation and detection processes and procedures. Due to the evolving nature of these security threats, the impact of any future incident cannot be predicted.

**46. *Our Promoters and promoter group members are co-borrowers in the loan facilities obtained by our Company, and any failure or default by our Company to repay such loans in accordance with the terms and conditions of the financing documents could trigger repayment obligations on them, which may impact their ability to effectively service their obligations and thereby, impact our business and operations.***

Our Promoters Aniket Vijay Latkar, Chitra Vijay Latkar and our promoter group member Mayuri Aniket Latkar are co-borrowers in the loan facilities taken by our Company from Yes Bank Limited and Deutsche Bank and may continue to remain such co-borrowers post listing. Any default or failure by us to repay the loans in a timely manner, or at all could trigger repayment obligations of our co-borrowers in respect of such loans, which in turn, could have an impact on their ability to effectively service their obligations, thereby having an effect on our business, results of operation and financial condition. Furthermore, in the event that these individuals withdraw or terminate their co-borrowing, our lenders for such facilities may ask for alternate co-borrowers or guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details, please refer to chapter titled **“Statement of Financial Indebtedness”** beginning on page 195 of this Red Herring Prospectus.

**47. Excessive dependence on Yes Bank Limited and Deutsche Bank in respect of Loan facilities obtained by our Company.**

Our company has been sanctioned term loan and cash credit facilities by Yes Bank Limited and Deutsche Bank. The Company is dependent on such facilities and any default under such arrangement with such lender may create problem for operation of the Company, which may affect the financial stability of the Company. At the same time this may result into difficulty in arranging for funds for re-payment and may also adversely affect the financial position of the Company.

**48. We are subject to certain restrictive covenants in debt facilities provided to us by our lenders.**

We have entered into agreements for availing debt facilities from lenders. Our financing arrangements contain restrictive covenants whereby we are required to obtain approval from our lenders, regarding, among other things such as major changes in share capital, management, changes in fixed assets, creation of any other charge, undertake any guarantee obligation etc. Certain covenants in these agreements require us to obtain approval/permission from our lenders in certain conditions. There can be no assurance that such consents will be granted or that we will be able to comply with the financial covenants under our financing arrangements. In the event of default or the breach of certain covenants, our lender has the option to make the entire outstanding amount payable immediately. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business. For further details in this regard, please refer to chapter titled **“Statement of Financial Indebtedness”** beginning on page 195 of this Red Herring Prospectus.

**49. The average cost of acquisition of Equity Shares by our Promoters is lower than the face value of Equity Share.**

The average cost of acquisition of Equity Shares of our Promoters is lower than the face value of Equity Shares i.e. ₹10/-. For further details regarding the average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares of our Promoters in our Company, please see section titled **“Capital Structure”** beginning on page 61 of this Red Herring Prospectus.

**50. Our Promoters and the Promoter Group will jointly continue to retain majority shareholding in our Company after the issue, which will allow them to determine the outcome of the matters requiring the approval of shareholders.**

Our promoters along with the promoter group will continue to hold collectively 73.63 % of the post issue paid up share capital of the company. As a result of the same, they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholder's vote. Such a concentration of the ownership may also have the effect of delaying, preventing or deterring any change in the control of our company. In addition to the above, our promoters and promoter group will continue to have the ability to take actions that are not in, or may conflict with our interest or the interest of some or all of our minority shareholders and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

**51. We may require further equity issuance, which will lead to dilution of equity and may affect the market price of our Equity Shares or additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure and any future equity offerings by us.**

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the IPO Proceeds and our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to

unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favourable to the then existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt - equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy.

Any future issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence affect the trading price of our Company's Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company's Equity Shares. Additionally, the disposal, pledge or encumbrance of Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

**52. *The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the issue price and you may not be able to sell your Equity Shares at or above the Issue Price.***

The issue price of the equity shares has been based on many factors and may not be indicative of the market price of our Equity Shares after the Issue. For further information please refer the section titled "**Basis for Issue Price**" beginning on page 79 of the Red Herring Prospectus. The market price of our Equity Shares could be subject to significant fluctuations after the Issue in case of unfavourable situation it, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price.

**53. *Certain data mentioned in this Red Herring Prospectus has not been independently verified.***

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the limitation that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

**54. *QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid 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 Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. While we are required to complete Allotment, listing and commencement of trading pursuant to the Issue within six (6) Working Days from the Bid/ Issue Closing Date, events affecting the Bidders' decision to invest in our Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows and financial condition may arise between the date of submission of the Bid and Allotment, listing and commencement of trading. We may complete the Allotment, listing and commencement of trading of our Equity Shares even if such events occur and such events may limit the Bidders' ability to sell our Equity Shares Allotted pursuant to the Issue or may cause the trading price of our Equity Shares to decline on listing. Retail Individual Investors can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. While our Company is required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed including Allotment pursuant to the Issue within six Working Days from the Bid/Issue Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing

## **EXTERNAL RISK FACTORS**

### ***55. Financial instability in both Indian and international financial markets could adversely affect our results of operations and financial condition.***

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Recent developments in the ongoing conflict between Russia and Ukraine has resulted in and may continue to result in a period of sustained instability across global financial markets, induce volatility in commodity prices, increase borrowing costs, cause outflow of capital from emerging markets and may lead to overall slowdown in economic activity in India. 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.

### ***56. Our business and results of operations could be adversely affected by disruptions in global economic and geo political conditions.***

As substantially all of our operations are dependent on our customers who have their head offices or parent companies situated outside India, our financial performance and growth are necessarily dependent on economic conditions prevalent globally. The global economy may be materially and adversely affected by political instability or regional conflicts; a general rise in interest rates; inflation; exchange rate fluctuations; changes in tax, trade, and monetary policies; occurrence of natural or man-made disasters; downgrade in debt rating; and adverse economic conditions occurring elsewhere in the world, such as a slowdown in economic growth in China, the repercussions of the United Kingdom exit from the European Union and other matters. While the Indian economy has grown significantly in recent years, it has experienced economic slowdowns in the past due to global economic and geo political conditions. The Indian economy in particular could be adversely impacted by inflationary pressures, currency depreciation, the poor performance of its large agricultural and manufacturing sectors, trade deficits, recent initiatives by the Indian government and other factors. Unfavourable changes in the above factors or in other business and economic conditions affecting our customers could result in a corresponding decline in our business

### ***57. We are exposed to risks associated with fluctuation in metal prices or shortages in supply of electric components.***

Our manufacturing activities depend on fluctuation in metal prices, being one of the important raw materials and supply of electric components. Changes in macroeconomic conditions generally impact these industries and could negatively impact our business or profitability. Accordingly, our business is highly dependent on the state of development of the Indian economy and the macroeconomic environment prevailing in India. Changes in government policies that may have adverse effect on the development associated industries, may have an adverse impact on our business.

### ***58. If certain labour laws become applicable to us, our profitability may be adversely affected.***

India has stringent labour legislations that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Any change or modification in the existing labour laws may affect our flexibility in formulating labour related policies.

### ***59. The continuing effect of the COVID-19 pandemic on our business, results of operations and financial condition is highly uncertain and cannot be predicted.***

The outbreak, or threatened outbreak, of any severe communicable disease (particularly COVID-19) could adversely affect the overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The

outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines and lockdowns. These measures have impacted and may further impact our workforce and operations, the operations of our consumers. In case there is a rapid increase in severe cases of infections leading to deaths, where the measures taken by governments are not successful or are any bans imposed by the government in this regard are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. If any of our employees were suspected of contracting COVID-19 or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general. The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of COVID-19 will cause an economic slowdown and it is possible that it could cause a global recession.

**60. *A slowdown in economic growth in India may adversely affect our business, financial condition, cash flows, results of operations and prospects.***

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be materially and adversely affected by centre or state political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise. There have been periods of slowdown in the economic growth of India. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates and annual rainfall which affects agricultural production. Any continued or future slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on the price of our raw materials and demand for our products and, as a result, on our business and financial results. The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and financial results.

**61. *Changing laws, rules and regulations and legal uncertainties in India, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.***

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details please refer to the chapter ***"Government and Other Statutory Approvals"*** on page 212 for details of the laws currently applicable to us. The governmental and regulatory bodies in India and other jurisdictions where we operate may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, financial condition, results of operations and cash flows.

In addition, unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and investments in our Company by non-residents, could result in us being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, turnover tax, goods and services tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. We are involved in various disputes with tax authorities. For details of these disputes, see ***"Outstanding Litigation and Material Developments"*** on page 210. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time.

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Ordinance, 2019, a new tax ordinance issued by India's Ministry of Finance on September 20, 2019, prescribes a number of changes to the income tax rate applicable to companies in India. According to this new ordinance, companies can

henceforth voluntarily opt for a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the effective tax rate for Indian companies. Any such future amendments may affect other benefits such as an exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax-free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would influence our profitability.

The Finance Act, 2022 ("Finance Act"), has, amongst others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax ("DDT"), will not be payable 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 and are likely to be subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares. Further, the Government of India has notified the Finance Act, 2023, which has introduced various amendments to taxation laws in India. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

**62. *Instability in financial markets could materially and adversely affect our results of operations and financial condition.***

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

**63. *Natural calamities could have a negative impact on the Indian economy and cause Our Company's business to suffer.***

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

**64. *Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.***

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

**65. *Our performance is linked to the stability of policies and the political situation in India.***

The Government of India has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Any political instability in India may adversely affect the Indian securities markets in general, which

could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse effect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue under the newly elected government. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the industrial equipment manufacturing sectors, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

## **SECTION IV – INTRODUCTION**

### **THE ISSUE**

<b>PRESENT ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS</b>	
<b>Equity Shares Offered through Public Issue<sup>(1)(2)</sup></b>	Issue of upto 46,56,000* Equity Shares of face value of ₹10 each fully paid-up of our Company.
<b>Out of which:</b>	
<b>Issue Reserved for the Market Makers</b>	Up to 2,35,200 Equity Shares aggregating to ₹ [●] Lakhs.
<b>Net Issue to the Public</b>	Up to 44,20,800 Equity Shares aggregating to ₹ [●] Lakhs.
<b>Out of which*</b>	
A. QIB Portion <sup>(3)(4)</sup>	Not more than 22,09,200 Equity Shares aggregating up to ₹ [●] lakhs.
<b>Of which</b>	
i) Anchor Investor Portion	Upto [●] 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.
<b>Of which</b>	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Up to [●] Equity Shares aggregating up to ₹ [●] lakhs
(b) Balance of QIB Portion for all QIBs including Mutual Funds	Up to [●] Equity Shares aggregating up to ₹ [●] lakhs
B. Non-Institutional Portion	Not less than 6,63,600 Equity Shares aggregating up to ₹ [●] lakhs
C. Retail Portion	Not less than 15,48,000 Equity Shares aggregating up to ₹ [●] lakhs
<b>Pre and Post – Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	1,30,00,000 Equity Shares of face value of ₹10 each
<b>Equity Shares outstanding after the Issue</b>	1,76,56,000 Equity Shares of face value ₹10 each
<b>Use of Net Proceeds by our Company</b>	Please see the chapter titled <i>“Objects of the Issue”</i> on page 71 of this 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 issue price.*

Notes:

- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.
- 2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on June 08, 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 June 09, 2023.
- 3) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e., not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to non-institutional bidders.
- 4) Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.

Our Company 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. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please refer section titled ***“Issue Procedure”*** beginning on page 242 of this Red Herring Prospectus.

# SUMMARY OF OUR FINANCIAL STATEMENTS

## ANNEXURE- I RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakhs)

PARTICULARS		NOTE	As at		
			31-03-23	31-03-22	31-03-21
<b>A)</b>	<b>EQUITY AND LIABILITIES</b>				
1.	Shareholders' Funds				
(a)	Share Capital	<b>A</b>	260.00	260.00	260.00
(b)	Reserves & Surplus	<b>A</b>	3,964.07	2,725.77	1,788.17
(c)	Share Application Money		-	-	-
	<b>Total</b>		<b>4,224.07</b>	<b>2,985.77</b>	<b>2,048.17</b>
2.	Non Current Liabilities				
(a)	Long Term Borrowings	<b>B</b>	722.33	719.17	802.21
(b)	Deferred Tax Liabilities (Net)	<b>C</b>	20.88	24.35	36.20
(c)	Other Long Term Liabilities	<b>FF</b>	212.76	-	-
(d)	Long Term Provisions	<b>GG</b>	51.83	22.96	26.91
	<b>Total</b>		<b>1,007.79</b>	<b>766.48</b>	<b>865.32</b>
3.	Current Liabilities				
(a)	Short Term Borrowings	<b>D</b>	1,285.12	916.61	1,397.23
(b)	Trade Payables	<b>E</b>			
	Due to Micro and small enterprises		127.48	134.03	117.69
	Due to Others		1,905.28	1,241.88	960.95
(c)	Other Current Liabilities	<b>F</b>	159.14	29.97	13.63
(d)	Short Term Provisions	<b>G</b>	615.33	447.18	188.51
	<b>Total</b>		<b>4,092.36</b>	<b>2,769.67</b>	<b>2,678.00</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>9,324.22</b>	<b>6,521.91</b>	<b>5,591.50</b>
<b>B)</b>	<b>ASSETS</b>				
1.	Non Current Assets				
(a)	Property, Plant and Equipment and Intangible Assets	<b>H</b>			
	i) Property, Plant and Equipment		3,418.00	2,579.44	2,164.63
	ii) Intangible Assets		12.53	-	-
	iii) Capital Work in progress		-	-	2.64
	iv) Intangible Assets under development		-	12.90	12.90
(b)	Non-Current Investment	<b>I</b>	-	-	25.40
(c)	Deferred Tax Assets (Net)		-	-	-
(d)	Long Term Loans and Advances	<b>N</b>	-	-	-
(e)	Other Non Current Assets	<b>J</b>	282.91	283.21	283.21
			<b>3,713.44</b>	<b>2,875.55</b>	<b>2,488.76</b>
2.	Current Assets				
(a)	Current Investment		-	-	-
(b)	Trade Receivables	<b>K</b>	2,295.57	1,746.73	1,466.73
(c)	Cash and Cash equivalents	<b>L</b>	315.70	130.27	276.54
(d)	Inventories	<b>M</b>	2,367.03	1,336.40	1,057.22
(e)	Short-Term Loans and Advances	<b>N</b>	492.04	378.09	263.76
(f)	Other Current Assets	<b>O</b>	140.45	54.88	38.47
			<b>5,610.78</b>	<b>3,646.37</b>	<b>3,102.73</b>
	<b>TOTAL ASSETS</b>		<b>9,324.22</b>	<b>6,521.91</b>	<b>5,591.50</b>

**ANNEXURE - II**  
**RESTATED STATEMENT OF PROFIT AND LOSS**

(Rs. in Lakhs)

PARTICULARS		Note	For the period/year ended on		
			31-03-23	31-03-22	31-03-21
1	<b>Revenue From Operations</b>	<b>P</b>	12,205.82	9,157.78	5,977.39
2	<b>Other Income</b>	<b>Q</b>	14.36	11.56	44.79
3	<b>Total Revenue (1+2)</b>		<b>12,220.19</b>	<b>9,169.35</b>	<b>6,022.17</b>
4	<b>Expenses</b>				
(a)	Cost of Material Consumed	<b>R</b>	7,392.58	5,716.48	3,605.10
(b)	Purchase of Stock in trade		741.23	368.05	533.14
(c)	Change in Inventories of Work in progress and finished goods	<b>S</b>	(193.81)	(60.10)	(81.38)
(d)	Employee Benefit Expenses	<b>T</b>	1,323.58	922.80	751.81
(e)	Finance Costs	<b>U</b>	145.91	131.16	148.37
(f)	Depreciation and Amortisation Expenses	<b>V</b>	265.38	172.16	169.66
(g)	Other Expenses	<b>W</b>	889.01	654.15	580.57
5	<b>Total Expenses 4(a) to 4(g)</b>		<b>10,563.88</b>	<b>7,904.69</b>	<b>5,707.26</b>
6	<b>Profit/(Loss) Before Exceptional &amp; Extraordinary items &amp; Tax (3-5)</b>		<b>1,656.30</b>	<b>1,264.66</b>	<b>314.91</b>
7	Exceptional item		-	-	-
8	<b>Profit/(Loss) Before Extraordinary items &amp; Tax (6-7)</b>		<b>1,656.30</b>	<b>1,264.66</b>	<b>314.91</b>
9	Prior Period Expenses		-	-	-
10	Extraordinary items		-	-	-
11	<b>Profit/(Loss) Before Tax (8-9-10)</b>		<b>1,656.30</b>	<b>1,264.66</b>	<b>314.91</b>
12	Tax Expense:				
(a)	Current Tax		424.82	326.75	95.58
(b)	Deferred Tax		(3.47)	(11.85)	(14.65)
(c)	MAT Credit entitlements				
(d)	Prior period expenses				
(e)	Excess/short provision written back/off		(3.35)	12.17	13.90
	<b>Total</b>		<b>418.00</b>	<b>327.07</b>	<b>94.83</b>
13	<b>Profit/(Loss) for the Year (11-12)</b>		<b>1,238.30</b>	<b>937.59</b>	<b>220.08</b>

**ANNEXURE III**  
**RESTATED CASH FLOW STATEMENT**

(Rs. in Lakhs)

PARTICULARS	For the year ended on		
	31-03-23	31-03-22	31-03-21
	Amount	Amount	Amount
<b>A) Cash Flow From Operating Activities :</b>			
<b>Net Profit before tax as per Statement of Profit &amp; Loss</b>	1,656.30	1,264.66	314.91
Adjustment for :			
Depreciation and amortization Expenses	265.38	172.16	169.66
Finance Cost	145.91	131.16	148.37
Interest Income	(10.15)	(8.47)	(9.86)
Dividend Income	-	-	(0.82)
Profit on sale of Asset	-	(2.82)	(1.23)
<b>Operating profit before working capital changes</b>	<b>2,057.44</b>	<b>1,556.68</b>	<b>621.04</b>
<b>Changes in Working Capital</b>			
(Increase)/Decrease in Trade Receivables	(548.83)	(280.00)	(423.48)
(Increase)/Decrease in Inventory	(1,030.63)	(279.18)	(284.30)
(Increase)/Decrease in Short & Long Term Loans & Advances	(33.85)	37.20	(71.88)
(Increase)/Decrease in Other Current & Non Current Assets	(85.26)	(16.40)	(2.04)
Increase/(Decrease) in Trade Payables	656.86	297.26	315.01
Increase/(Decrease) in Other non current and non Current Liabilities	341.92	16.35	(2.87)
Increase/(Decrease) in Short Term Provisions, etc	98.97	23.56	13.46
<b>Cash generated from operations</b>	<b>1,456.61</b>	<b>1,355.47</b>	<b>164.93</b>
Less:- Income Taxes paid	403.50	259.27	137.33
<b>Net cash flow from operating activities (A)</b>	<b>1,053.11</b>	<b>1,096.20</b>	<b>27.60</b>
<b>B) Cash Flow From Investing Activities :</b>			
Purchase of Fixed Assets including of CWIP	(1,103.61)	(585.46)	(92.91)
Sale of Fixed Assets	-	3.95	2.50
Advance paid for purchase of fixed Assets	-	-	-
Investment made/Sold during the year	-	25.40	2.50
Dividend Income	-	-	0.82
Interest Income	10.15	8.47	9.86
<b>Net cash flow from investing activities (B)</b>	<b>(1,093.46)</b>	<b>(547.64)</b>	<b>(77.23)</b>
<b>C) Cash Flow From Financing Activities :</b>			
Proceeds from Issue of Share Capital	-	-	-
Increase/(Decrease) in Short Term Borrowings	368.52	(480.62)	265.16
Increase/(Decrease) in Long Term Borrowings	3.17	(83.05)	35.04
Finance Cost	(145.91)	(131.16)	(148.37)
<b>Net cash flow from financing activities (C)</b>	<b>225.77</b>	<b>(694.82)</b>	<b>151.82</b>
Net Increase/(Decrease) In Cash & Cash Equivalents (A+B+C)	185.42	(146.27)	102.19
Cash equivalents at the beginning of the year	130.27	276.54	174.35
<b>Cash equivalents at the end of the year</b>	<b>315.70</b>	<b>130.27</b>	<b>276.54</b>

Notes: -

1.

	31 -12-2022	31-03-2022	31-03-2021
<b>Component of Cash and Cash equivalents</b>			
Cash on hand	0.09	0.39	0.95
Balance With banks	315.61	128.89	275.59
Other Bank Balance	-	-	-
<b>Total</b>	<b>315.70</b>	<b>130.27</b>	<b>276.54</b>

2. Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.
3. The accompanying summary of significant accounting policies, restated notes to accounts and notes on adjustments for restated summary financial information (Annexure IV) are an integral part of this statement.

## GENERAL INFORMATION

### **Brief Summary:**

Our Company was originally incorporated as a Private Limited Company under the name “Saakshi Machine and Tools Private Limited” on March 25, 2009 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Pune, Maharashtra. Later, on January 27, 2012, our Company took over the business of proprietorship concern of Lt. Vijay Laxman Latkar, namely M/s Supreme Industry. Thereafter, the name of the Company was changed from “Saakshi Machine and Tools Private Limited” to “Saakshi Medtech and Panels Private Limited” pursuant to special resolution passed by the shareholders at the Extra Ordinary General Meeting held on February 06, 2023 and consequent to name change a fresh Certificate of Incorporation was granted to our Company on March 16, 2023 by the Registrar of Companies, Pune. Subsequently, our Company was converted into a Public Limited Company vide Special Resolution passed by the Shareholders at the Extraordinary General Meeting, held on May 8, 2023 and consequently the name of our Company was changed from “Saakshi Medtech and Panels Private Limited” to “Saakshi Medtech and Panels Limited” vide a fresh certificate of incorporation dated June 06, 2023 issued by the Registrar of Companies, Pune, Maharashtra bearing CIN U51909PN2009PLC133690.

For further details please refer to chapter titled “*History and Corporate Structure*” beginning on page 130 of this Red Herring Prospectus.

<b>CIN</b>	U51909PN2009PLC133690
<b>Registration No.</b>	133690
<b>Date of Incorporation</b>	March 25, 2009
<b>Registered Office/ Factory Unit I</b>	<b>Saakshi Medtech and Panels Limited</b> Plot No. EL-23, J Block, MIDC Industrial Area, Bhosari, Pune- 411026, Maharashtra, India <b>Tel. No.:</b> +91-02039854400 <b>Email:</b> <a href="mailto:info@smtpl.co">info@smtpl.co</a> <b>Website:</b> <a href="http://www.smtpl.co">www.smtpl.co</a>
<b>Designated Stock Exchange</b>	SME Platform of NSE “NSE Emerge”
<b>Address of the Registrar of Companies</b>	<b>Registrar of Companies, Pune</b> PCNTDA Green Building, BLOCK A, 1st & 2nd Floor, Near Akurdi Railway Station, Akurdi, Pune-411044, Maharashtra, India <b>Tel No:</b> 020-27651375 <b>Email id:</b> <a href="mailto:roc.pune@mca.gov.in">roc.pune@mca.gov.in</a> <b>Website:</b> <a href="http://www.mca.gov.in">www.mca.gov.in</a>

### **Board of Directors:**

The Board of Directors of our Company as on the date of filing of this Red Herring Prospectus consists of:

<b>Name of Directors</b>	<b>Designation</b>	<b>Address</b>	<b>DIN</b>
Aniket Vijay Latkar	Managing Director	Flat 401 Tower-1 Skyone Building, Plot 444 CTS 1062, Near Symbiosis Center For Distance Learning (scdl), Model Colony, Pune City, Pune, Maharashtra - 411016	03312108
Chitra Vijay Latkar	Non- Executive Director	Flat 401 Tower-1 Sky One Building, Plot 444 CTS 1062, Near Symbiosis Center For Distance Learning (SCDL), Model Colony, Pune City, Pune, Maharashtra – 411016	03291988
Mayuri Aniket Latkar	Whole Time Director and CFO	Flat 401 Tower-1 Sky One Bldg, Plot 444 CTS 1062, Near Symbiosis Center for Distance Learning (SCDL), Model Colony, Pune City, Pune, Maharashtra - 411016	03312077
Amit Yashavant Ghaisas	Independent Director	Plot No. 17, Anand Tarang, Shivparvati Society, Paud Road, Kothrud, Near MIT College Pune City, Ex. Serviceman Colony Pune Maharashtra-411038	00876472
Vishvas Vinayak Palande	Independent Director	Flat No. 001, Shiv Parvati Apartment, 1453, Shukrawar Peth, Khadilkar Path, Opp. Bank of India, Shukrawar Peth, Pune, Maharashtra- 411002	10210024

For further details in relation to our directors, please refer to chapter titled “*Our Management*” on page 134 of this Red Herring Prospectus.

<b>Chief Financial Officer</b>	<b>Company Secretary &amp; Compliance Officer</b>
<b>Mayuri Aniket Latkar</b> <b>Saakshi Medtech and Panels Limited</b> <b>Address:</b> Plot No. EL-23, J Block, MIDC Industrial Area, Bhosari, Pune- 411026, Maharashtra, India <b>Tel. No.:</b> +91-9561131232 <b>Email:</b> <a href="mailto:cfo@smtpl.co">cfo@smtpl.co</a> <b>Website:</b> <a href="http://www.smtpl.co">www.smtpl.co</a>	<b>Shweta Pursnani</b> <b>Saakshi Medtech and Panels Limited</b> <b>Address:</b> Plot No. EL-23, J Block, MIDC Industrial Area, Bhosari, Pune- 411026, Maharashtra, India <b>Tel. No.:</b> +91-02039854400 <b>Email:</b> <a href="mailto:cs@smtpl.co">cs@smtpl.co</a> <b>Website:</b> <a href="http://www.smtpl.co">www.smtpl.co</a>

### **Investor Grievances:**

**Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Issue and/or the Lead Manager, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.**

All grievances in relation to the application through ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving details such as the full name of the sole or First Applicant, ASBA Form number, Applicants DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of ASBA Form, address of Bidder, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Bidder, ASBA Account number in which the amount equivalent to the Bid Amount was blocked and UPI ID used by the Retail Individual Investors. Further, the Bidder shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

For all Issue related queries and for redressal of complaints, Applicants may also write to the Book Running Lead Manager. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the Book Running Lead Manager, who shall respond to the same.

All grievances relating to the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as name of the sole or first Applicant, Bid cum Application Form number, Applicants DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Applicant, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the relevant BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor. For all Issue related queries and for redressal of complaints, investors may also write to the BRLM.

### **Details of Key Intermediaries pertaining to this Issue and our Company:**

<b>Book Running Lead Manager to the Issue</b>	<b>Legal Advisor to the Issue</b>
<b>Hem Securities Limited</b> <b>Address:</b> 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India <b>Tel No.:</b> +91-22-4906 0000 <b>Email:</b> <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a> <b>Investor Grievance Email:</b> <a href="mailto:redressal@hemsecurities.com">redressal@hemsecurities.com</a> <b>Website:</b> <a href="http://www.hemsecurities.com">www.hemsecurities.com</a> <b>Contact Person:</b> Roshni Lahoti <b>SEBI Reg. No.:</b> INM000010981	<b>Vedanta Law Chambers</b> <b>Address:</b> 1st Floor, SSK House, B-62, Sahakar Marg, Lal Kothi, Jaipur-302015 Rajasthan, India <b>Tel:</b> +91- 141 -2740911, 4014091 <b>Fax:</b> +91- 141 -2740911 <b>Website:</b> <a href="http://www.vedantalawchambers.com">www.vedantalawchambers.com</a> <b>Email:</b> <a href="mailto:vedantalawchambers@gmail.com">vedantalawchambers@gmail.com</a> <b>Contact Person:</b> Advocate Nivedita Ravindra Sarda
<b>Registrar to the Issue</b>	<b>Statutory Auditor</b>
<b>Bigshare Services Private Limited</b> <b>Address:</b> S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093, India. <b>Tel No.:</b> +91 22 6263 8200 <b>Facsimile:</b> +91 22 6263 8299 <b>Email:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> <b>Investor Grievance Email:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> <b>Contact Person:</b> Babu Rapheal C.	<b>Kishor Gujar &amp; Associates</b> <b>Chartered Accountants,</b> <b>Address:</b> Off. No. 2, 1st Floor, Mahalaxmi Heights, Near Bank of Maharashtra (Pimpri Branch), Mumbai-Pune Road, Pimpri, Pune – 411018 <b>Tel No.:</b> 020 – 27472930 <b>Email:</b> <a href="mailto:info.kgapune@gmail.com">info.kgapune@gmail.com</a> <b>Firm Registration No.:</b> 116747W <b>Contact Person:</b> CA Javedkhan Saudagar <b>Membership No:</b> 139006

<b>Website:</b> www.bigshareonline.com <b>SEBI Registration Number:</b> INR000001385	<b>Peer Review Certificate Number:</b> 014220
<b>Banker to our Company</b> <b>YES Bank Limited</b> <b>Address:</b> Ground Floor, Shop No. 08-13, D Building, Empire estate, Sector No. 02, Chinchwad, Pune 411019 <b>Tel No.:</b> +91 9421535780 <b>Email:</b> <a href="mailto:Swati.pande@yesbank.in">Swati.pande@yesbank.in</a> <b>Contact Person:</b> Mrs. Swati Pande <b>Designation:</b> Relationship Manager-SEB Pune	<b>Syndicate Member</b> <b>Hem Finlease Private Limited</b> <b>Address:</b> 203, Jaipur Tower, M I Road, Jaipur, Rajasthan 302001, India <b>Telephone:</b> 0141-4051000 <b>Email:</b> ib@hemsecurities.com <b>Website:</b> www.hemsecurities.com <b>Contact Person:</b> Ashok Soni <b>SEBI Registration Number:</b> INZ000167734
<b>Bankers to the Issue/ Refund Banker/ Sponsor Bank</b>	
<p style="text-align: center;"> <b>Axis Bank Limited</b>  <b>Address:</b> Jeevan Prakash Building, Sir P M Road, Fort, Mumbai- 400001  <b>Contact No.:</b> 9619698042  <b>Email Id:</b> fort.branchhead2axisbank.com  <b>Contact Person:</b> Mehdi Ali Fatteh  <b>Website:</b> <a href="http://www.axisbank.com">www.axisbank.com</a>  <b>SEBI Registration Number:</b> INBI00000017  <b>CIN:</b> L65110GJ1993PLC020769 </p>	

#### Designated Intermediaries:

#### Self-Certified Syndicate Banks (SCSB's)

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on 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 Bid-cum-Application Forms, refer to the above mentioned SEBI link.

Further, as notified by SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019; the applications through UPI in IPOs can be made only through the SCSBs/ mobile applications whose name appears on the SEBI website [www.sebi.gov.in](http://www.sebi.gov.in) in at the following path: Home >> Intermediaries/Market Infrastructure Institutions >> Recognized intermediaries >> Self Certified Syndicate Banks eligible as Issuer Banks for UPI.

Investor shall ensure that when applying in IPO using UPI, the name of his Bank appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, he/she shall also ensure that the name of the app and the UPI handle being used for making the application is also appearing in the aforesaid list.

#### Syndicate SCSB Branches

In relation to ASBA Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> and updated from time to time. For more information on such branches collecting Bid-cum-Application Forms from the Syndicate at Specified Locations, refer to the above-mentioned SEBI link.

#### Registered Brokers

Bidders can submit Bid cum Application Forms in the Issue using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and email address, is provided on the website of the SEBI at (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>), respectively, as updated from time to time.

#### Registrar and Share Transfer Agents

The list of the Registrar to Issue and Share Transfer Agents (RTAs) eligible to accept Bid cum Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10> , as updated from time to time.

### **Collecting Depository Participants (CDP's)**

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of SEBI at (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>), as updated from time to time.

### **Brokers to the Issue**

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

### **Expert Opinion**

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

Except for the reports in the section *“Financial Information of the Company”* and *“Statement of Special Tax Benefits”* on page 153 and 195 respectively of this Red Herring Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions. We have received written consent from the Statutory Auditors for inclusion of their name. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act, 1933.

### **Inter-se Allocation of Responsibilities**

Since, Hem Securities Limited is the sole Book Running Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Book Running Lead Manager is not applicable.

### **Appraisal and Monitoring Agency**

As per regulation 262(1) of SEBI ICDR Regulations, the requirement of monitoring agency is not mandatory if the Issue size is up to ₹ 10,000 Lakh. Since the Issue size is below ₹ 10,000 Lakh, our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of the Companies Act, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

### **Green Shoe Option**

No Green Shoe Option is applicable for this Issue.

### **Credit Rating**

As this is an issue of Equity Shares, there is no credit rating for the Issue.

### **IPO Grading**

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

### **Debenture Trustees**

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

### **Filing of Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus with the SEBI/ ROC**

The Red Herring Prospectus is being filed with NSE, 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 Offer Document 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 / 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 required to be filed under Section 32 of the Companies Act, 2013 would be filed with the RoC at its office through the electronic portal at <http://www.mca.gov.in> and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be filed with the RoC at its office and through the electronic portal at <http://www.mca.gov.in>

### **Book Building Process**

Book Building, with reference to the Issue, 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 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 Business Standard, all editions of Hindi national newspaper Business Standard and Pune Edition of Regional newspaper Rashtra Sanchar (Marathi Daily) where our registered office is situated at least two working days prior to the Bid/ Issue Opening date. The Issue Price shall be determined by our Company, in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/ Issue Closing Date. Principal parties involved in the Book Building Process are:-

- Our Company;
- The Book Running Lead Manager in this case being Hem Securities Limited,
- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with NSE and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue and;
- The Designated Intermediaries and Sponsor bank

The SEBI ICDR Regulations have permitted the Issue 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 Issue is being made through the Book Building Process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “**Anchor Investor Portion**”), out 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 Issue Price. 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 Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue 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 Issue Price. All potential Bidders may participate in the Issue 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 Issue. 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 in consultation with the BRLM and the Designated Stock Exchange.

**All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Issue. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion 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/Issue Period and withdraw their Bids until the Bid/Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.**

Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, 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 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 (except Anchor Investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention are invited to the chapter titled **“Issue Procedure”** beginning on page 242 of the 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 Issue.

For further details on the method and procedure for Bidding, please see section entitled **“Issue Procedure”** on page 242 of this Red Herring Prospectus.

#### **Illustration of the Book Building and Price Discovery Process:**

For an illustration of the Book Building Process and the price discovery process, please refer to the chapter titled **“Issue Procedure”** on page 242 of this Red Herring Prospectus.

#### **Bid/ Issue Program:**

<b>Event</b>	<b>Indicative Dates</b>
Bid/ Issue Opening Date	Monday, September 25, 2023
Bid/ Issue Closing Date	Wednesday, September 27, 2023
Finalization of Basis of Allotment with the Designated Stock Exchange	Wednesday, October, 04, 2023
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or about Thursday, October 05, 2023
Credit of Equity Shares to Demat accounts of Allottees	On or about Friday, October 06, 2023
Commencement of trading of the Equity Shares on the Stock Exchange	On or about Monday, October, 09, 2023

<sup>(1)</sup> Our Company 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/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations.

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/ Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue 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 Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Issue 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/Issue Closing Date maybe extended in consultation with the BRLM, RTA and NSE 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/Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

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/Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum Application Form, for a particular 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 Issue shall ask the relevant SCSBs/ RTAs / DPs / stock brokers, as the case may be, for the rectified data.

## Underwriting

The Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten by the Underwriter Hem Securities Limited.

Pursuant to the terms of the Underwriting Agreement dated September 13, 2023 entered into by Company, Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakhs)	% of Total Issue Size Underwritten
<b>Hem Securities Limited</b> <b>Address:</b> - 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai 400013, India <b>Tel No.:</b> +91-22-4906 0000 <b>Email:</b> ib@hemsecurities.com <b>Investor Grievance Email:</b> redressal@hemsecurities.com <b>Website:</b> www.hemsecurities.com <b>Contact Person:</b> Rohit Sharma <b>SEBI Registration Number:</b> INM000010981	46,56,000	[●]	100%

*\*Includes upto 2,35,200 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker, Hem Finlease Private Limited in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.*

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

## Change in Statutory Auditors during the last three (3) years

Except as stated below, there have been no changes in our Company's auditors in the last three (3) years:

Details of Statutory Auditor	Date of Change	Reason of Change
<b>M/s. Jayant Joshi &amp; Co.</b> <b>Chartered Accountants,</b> <b>Address:</b> 11, Kasturi Apts., Lane 17, Dahanukar Colony, Kothrud, Pune, Maharashtra, India - 411038. <b>Tel No.:</b> 020- 25458946 <b>Email:</b> <a href="mailto:jayantjoshico@gmail.com">jayantjoshico@gmail.com</a> <b>Firm Registration No.:</b> 121665W <b>Contact Person:</b> Anil K Sathe <b>Membership No:</b> 031638	January 03, 2023	Resignation due to Personal Reasons
<b>M/s. Kishor Gujar &amp; Associates</b> <b>Chartered Accountants,</b> <b>Address:</b> Office No 2, 1st Floor Mahalaxmi Heights, Near Bank of	January 03, 2023	Appointment in Casual vacancy

Details of Statutory Auditor	Date of Change	Reason of Change
Maharashtra, Mumbai- Pune Road, Pimpri, Pune- 411018, Maharashtra <b>Tel No.:</b> 020- 27478224, 27472930 <b>Email:</b> <a href="mailto:info.kgapune@gmail.com">info.kgapune@gmail.com</a> <b>Firm Registration No.:</b> 116747W <b>Contact Person:</b> CA Javedkhan Saudagar <b>Membership No:</b> 139006		

### Withdrawal of the Issue

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue at any time before the Bid/ Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Bid/ Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Bid/ Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre- Issue advertisements have appeared and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar to the Issue, 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 withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to 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 Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares issued through the Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) the Filing of Red Herring Prospectus/ Prospectus with RoC.

### Details of the Market Making arrangement for this Issue

Our Company and the BRLM has entered into Market Making Agreement dated September 13, 2023 with the following Market Maker, to fulfill the obligations of Market Making for this issue:

<b>Name</b>	Hem Finlease Private Limited
<b>Correspondence Address</b>	203, Jaipur Tower, M I Road, Jaipur, Rajasthan 302001, India.
<b>Tel No.</b>	0141-4051000
<b>E-mail</b>	<a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a>
<b>Website</b>	<a href="http://www.hemsecurities.com">www.hemsecurities.com</a>
<b>Contact Person</b>	Mr. Ashok Soni
<b>SEBI Registration No.</b>	INZ000167734
<b>NSE Market Maker Registration No.</b>	SMEMM0674109092020

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

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

- The Market Maker(s) (individually or jointly) 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(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the NSE Emerge (SME platform of NSE) and SEBI from time to time.
- 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(s) (individually or jointly) 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.

- The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME platform of NSE (in this case currently the minimum trading lot size is [•] equity shares; however the same may be changed by the SME platform of NSE from time to time).
- 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 Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes.
- There shall be no exemption/ threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
- Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 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
- The Market Maker(s) shall have the right to terminate said arrangement by giving a 3 (three) months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement. 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 BRLM to arrange for another Market Maker 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(1) of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the BRLM reserve the right to appoint other Market Makers 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 five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our office from 10.00 A.M. to 5.00 P.M. on working days.
- **Risk containment measures and monitoring for Market Makers:** SME portal of NSE will have all margins, which are applicable on NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
- **Punitive Action in case of default by Market Makers:** NSE Emerge Exchange 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. 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.
- **Price Band and Spreads:** The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

- 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 Issue size and as follows:

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

The SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:

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

## CAPITAL STRUCTURE

Set forth below are the details of the Equity Share Capital of our Company as on the date of this Red Herring Prospectus.

(₹ in Lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
A	<b>Authorized Share Capital</b> 1,80,00,000 Equity Shares having Face Value of ₹ 10/- each	1800.00	-
B	<b>Issued, Subscribed &amp; Paid-up Share Capital prior to the Issue</b> 1,30,00,000 Equity Shares having Face Value of ₹10/- each	1300.00	-
C	<b>Present Issue in terms of this Red Herring Prospectus</b> Upto 46,56,000 Equity Shares having Face Value of ₹ 10/-each at a Premium of ₹ [6.5] per share <sup>(1) (2)</sup>	[●]	[●]
	<b>Which comprises of:</b>		
D	<b>Reservation for Market Maker Portion</b> 2,35,200 Equity Shares of ₹10/- each at a price of ₹[●] per Equity Share reserved as Market Maker Portion	23.52	[●]
E	<b>Net Issue to Public</b> Net Issue to Public of 44,20,800 Equity Shares of ₹10/- each at a price of ₹[●] per Equity Share to the Public	442.08	[●]
	<b>Of which:</b>		
	At least 15,48,000 Equity Shares aggregating up to ₹[●] lakhs will be available for allocation to Retail Individual Investors	[●]	[●]
	At least 6,63,600 Equity Shares aggregating up to ₹[●] lakhs will be available for allocation to Non-Institutional Investors	[●]	[●]
	Not more than 22,09,200 Equity Shares aggregating up to ₹ [●] lakhs will be available for allocation to Qualified Institutional Buyers, five per cent. of which shall be allocated to mutual funds.	[●]	[●]
F	<b>Issued, Subscribed and Paid up Equity Share Capital after the Issue*</b>		
	1,76,56,000 Equity Shares of face value of ₹10/- each		[●]
G	<b>Securities Premium Account</b>		
	Before the Issue (as on date of this Red Herring Prospectus)		Nil
	After the Issue		[●]

1. To be updated upon finalization of the Issue Price.

2. The Present Issue of upto 46,56,000 Equity Shares in terms of this Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated June 08, 2023 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of the members held on June 09, 2023

### 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 Red Herring Prospectus.

### NOTES TO THE CAPITAL STRUCTURE:

#### 1. Changes in Authorized Equity Share Capital of our Company:

Sr. No.	Particulars of increase	Cumulative No. of Equity Shares	Face Value of Equity Share	Cumulative Authorized Share Capital ( ₹ in lakhs)	Date of Meeting	Whether AGM/EGM
1.	On incorporation	5,000	100	5.00	Upon Incorporation	N.A.
2.	Increase in Authorized Share Capital from ₹ 5.00 Lakhs to ₹ 2.60 Crore	2,60,000	100	260.00	March 27, 2012	EGM

Sr. No.	Particulars of increase	Cumulative No. of Equity Shares	Face Value of Equity Share	Cumulative Authorized Share Capital ( ₹ in lakhs)	Date of Meeting	Whether AGM/EGM
3.	Sub-division of Face value of Equity Shares of the Company from Two Lakh Sixty Thousand Equity Shares of 100/- per Equity Share to Twenty-Six Lakh Equity shares of 10/- per Equity Share	26,00,000	10	260.00	March 23, 2023	EGM
4.	Increase in authorised share capital from ₹2.60 crore to ₹ 18.00 crore	1,80,00,000	10	1800.00	April 24, 2023	EGM

## 2. Equity Share Capital History of our Company:

a) The following table sets forth details of the history of the Paid up Equity Share capital of our Company:

Date of Allotment of Equity Shares	No. of Equity Shares allotted	Face Value (₹)	Issue Price (including Premium if applicable (₹))	Consideration Cash/ Other than Cash	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Securities Premium (₹)	Cumulative Paid Up Capital (₹)
Upon Incorporation	1,000	100	100	Cash	Subscription to MOA <sup>(i)</sup>	1,000	Nil	1,00,000
March 27, 2012	2,59,000	100	100	Other than Cash	Further issue <sup>(ii)</sup>	2,60,000	Nil	2,60,00,000
Pursuant to Shareholders' resolution dated March 23, 2023 the face value of Equity Shares of our Company was subdivided from Rs. 100.00 per Equity Share to Rs.10.00 per Equity Share. Therefore 2,60,000 equity shares of our Company of face value of ₹ 100 each was sub-divided into 26,00,000 equity shares of face value of ₹10 each and after sub-division the paid-up share capital was as follows:								
Post Sub-Division	26,00,000	10	-	-	-	26,00,000	Nil	2,60,00,000
May 05, 2023	1,04,00,000	10	-	Other than Cash	Bonus Issue in the ratio of 4:1 <sup>(iii)</sup>	1,30,00,000	Nil	13,00,00,000

All the above-mentioned shares are fully paid up since the date of allotment.

i. Initial Subscribers to the Memorandum of Association subscribed 1,000 Equity Shares of Face Value of ₹ 100/- each, details of which are given below:

S. No.	Name of Subscribers	Number of Shares Subscribed
1.	Nitin Jayantilal Kothari	250
2.	Atul Jayantilal Kothari	250
3.	Neha Nitin Kothari	250
4.	Jyotsana Atul Kothari	250
	<b>Total</b>	<b>1,000</b>

ii. Further issue of 2,59,000 Equity Shares of Face Value of ₹100/- each fully paid up, pursuant to the takeover of M/s. Supreme Industry, proprietorship firm of Vijay Laxman Latkar, details of which are given below:

S. No.	Name of Allottees	Number of Shares Allotted
1.	Vijay Laxman Latkar *	2,59,000
	<b>Total</b>	<b>2,59,000</b>

\* Jointly held with Chitra Vijay Latkar, the second holder

- iii. *Bonus Issue of 1,04,00,000 Equity Shares of Face Value of ₹ 10/- each fully paid up in the ratio of 4 (Four) equity shares for every 1 (One) equity shares held on the record date i.e. May 05, 2023 as per the details mentioned below:*

S. No.	Name of Allottees	Number of Shares Allotted
1.	Chitra Vijay Latkar	93,60,000
2.	Aniket Vijay Latkar	5,20,000
3.	Mayuri Aniket Latkar	5,20,000
	<b>Total</b>	<b>1,04,00,000</b>

**b) Preference Share Capital**

As on the date of this Red Herring Prospectus, our Company does not have any Preference Share Capital.

**3. Issue of Equity Shares for consideration other than cash**

Except as set out below we have not issued Equity Shares for consideration other than cash:

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reason for Allotment	Benefits Accrued to our Company	Name of Allottees	No. of Shares Allotted
March 27, 2012	2,59,000	100	100	Further issue of shares of Face Value of ₹100/- each fully paid up, pursuant to the takeover of M/s. Supreme Industry, proprietorship of Vijay Laxman Latkar	Acquisition of M/s Supreme Industry	Vijay Laxman Latkar*	2,59,000
May 05, 2023	1,04,00,000	10	-	Bonus in the ratio of 4:1 i.e. 4 Equity Share for every 1 Equity Shares held	Capitalization of Reserves & Surplus**	Chitra Vijay Latkar	93,60,000
						Aniket Vijay Latkar	5,20,000
						Mayuri Aniket Latkar	5,20,000

\* Jointly held with Chitra Vijay Latkar, the second holder

\*\*Above allotment of shares has been made out of Reserve & Surplus available for distribution to shareholders and no part of revaluation reserve has been utilized for the purpose.

**4. Details of Allotment made in the last two years preceding the date of Red Herring Prospectus:**

Except as mentioned in point 2 (iii) above, we have not issued any Equity Share in the last two years preceding the date of Red Herring Prospectus.

- No Equity Shares have been allotted pursuant to any scheme approved under sections 230-234 of the Companies Act, 2013 or under the erstwhile corresponding provisions of the Companies Act, 1956.
- Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.
- Except for the Bonus Issue made on May 05, 2023 for 1,04,00,000 Equity Shares as mentioned in point no. 3 above, no Equity shares have been issued at price below the Issue price within last one year from the date of the Red Herring Prospectus
- We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

**9. Shareholding Pattern of the Company**

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on the date of this Red Herring Prospectus:

**I - Our Shareholding Pattern:-**

I. Our Shareholding Pattern:																		
Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible securities (as a % of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
								No of Voting Rights			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)		
								Class Equity Shares of ₹10/- each^	Classes	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX				X	XI=VII+X	XII		XIII		XIV
(A)	Promoters & Promoter Group	3	1,29,99,500	-	-	1,29,99,500	100	1,29,99,500	-	1,29,99,500	100	-	100	-	-	-	1,29,99,500	
(B)	Public	5	500	-	-	500	Negligible	500	-	500	Negligible	-	Negligible	-	-	-	500	
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C 1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C 2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total	8	1,30,00,000	-	-	1,30,00,000	100	1,30,00,000	-	1,30,00,000	100	-	100	-	-	-	1,30,00,000	

**Notes-**

- As on date of this Red Herring Prospectus 1 Equity share holds 1 vote. We have only one class of Equity Shares of face value of ₹ 10/- each. We have entered into tripartite agreement with CDSL & NSDL.
- Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the Website of the Stock Exchange before commencement of trading of such Equity Shares.

**10. List of Shareholders of the Company holding 1% or more of the paid- up Share Capital of the Company: -**

a) As on the date of filing of this Red Herring Prospectus: -

Sr. No.	Names of Shareholder	Shares Held (Face Value of ₹ 10 each)	% Pre-Issue paid up Share Capital*
1.	Chitra Vijay Latkar	1,17,00,000	90.00
2.	Aniket Vijay Latkar	6,50,000	5.00
3.	Mayuri Aniket Latkar	6,49,500	5.00
	<b>Total</b>	<b>1,29,99,500</b>	<b>100.00</b>

\* the % has been calculated based on existing (pre-issue) Paid up Capital of the Company

b) Ten days prior to the date of filing of this Red Herring Prospectus: -

Sr. No.	Names of Shareholder	Shares Held (Face Value of ₹ 10 each)	% Pre- Issue paid up Share Capital*
1.	Chitra Vijay Latkar	1,17,00,000	90.00
2.	Aniket Vijay Latkar	6,50,000	5.00
3.	Mayuri Aniket Latkar	6,49,500	5.00
	<b>Total</b>	<b>1,29,99,500</b>	<b>100.00</b>

\* the % has been calculated based on existing (pre-issue) Paid up Capital of the Company

c) One Year prior to the date of filling of this Red Herring Prospectus: -

Sr. No.	Names of Shareholders	Shares Held (Face Value of ₹ 100 each)	% Pre-Issue paid up Share Capital*
1.	Chitra Vijay Latkar	2,34,000	90.00
2.	Aniket Vijay Latkar	13,000	5.00
3.	Mayuri Aniket Latkar	13,000	5.00
	<b>Total</b>	<b>2,60,000</b>	<b>100.00</b>

\*Details of shares held on September 15, 2022 and percentage held has been calculated based on the paid-up capital of our Company as on September 15, 2022.

d) Two Year prior to the date of filling of this Red Herring Prospectus: -

Sr. No.	Names of Shareholders	Shares Held (Face Value of ₹ 100 each)	% Pre-Issue paid up Share Capital*
1.	Chitra Vijay Latkar	2,59,760	99.91
2.	Aniket Vijay Latkar	160	0.06
3.	Mayuri Aniket Latkar	80	0.03
	<b>Total</b>	<b>2,60,000</b>	<b>100.00</b>

\*Details of shares held on September 15, 2021 and percentage held has been calculated based on the paid-up capital of our Company as on September 15, 2021.

11. Our Company has not made any Initial Public Offer of specified securities in the preceding two years from the date of filing of this Red Herring Prospectus.

12. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, Right issue or in any other manner during the period commencing from the date of the Red Herring Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the offer, by way of split/ consolidation of the denomination of Equity Shares. 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 listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

**13. Capital Buildup in respect of Shareholding of our Promoters**

As on the date of this Red Herring Prospectus, Our Promoters, Chitra Vijay Latkar and Aniket Vijay Latkar collectively holds 1,23,50,000 Equity Shares of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

Set forth below is the build-up of the shareholding of our Promoters in our Company since incorporation.

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Consideration	Nature of Issue	Pre-Issue Shareholding %	Post-Issue Shareholding %
<b>(A) Chitra Vijay Latkar</b>							
October 08, 2010	250	100.00	100.00	Cash	Acquisition by way of Transfer of shares <sup>(i)</sup>	0.02	0.00
August 09, 2021	2,59,510	100.00	Nil	Nil	Acquisition by way of Transmission of shares <sup>(ii)</sup>	19.96	1.47
March 30, 2022	(12,840)	100.00	Nil	Nil	Transfer of shares by way of Gift <sup>(iii)</sup>	(0.99)	-0.07
March 30, 2022	(12,920)	100.00	Nil	Nil	Transfer of shares by way of Gift <sup>(iii)</sup>	(0.99)	-0.07
Pursuant to Shareholders' resolution dated March 23, 2023 the face value of Equity Shares of our Company was subdivided from Rs.100.00 per Equity Share to Rs.10.00 per Equity Share.							
Post Sub-Division	23,40,000	10	-	-	-	18.00	13.25
May 05, 2023	93,60,000	10.00	Nil	Other than Cash	Bonus in the ratio of 4:1	72.00	53.01
<b>Total (A)</b>	<b>1,17,00,000</b>					<b>90.00</b>	<b>66.27</b>
<b>(B) Aniket Vijay Latkar</b>							
October 08, 2010	160	100.00	100.00	Cash	Acquisition by way of Transfer of shares <sup>(iv)</sup>	0.01	0.00
March 30, 2022	12,840	100.00	Nil	Nil	Acquisition by way of Transfer of shares by way of Gift	0.99	0.07
Pursuant to Shareholders' resolution dated March 23, 2023 the face value of Equity Shares of our Company was subdivided from Rs.100.00 per Equity Share to Rs.10.00 per Equity Share.							
Post Sub-Division	1,30,000	10	-	-	-	1.00	0.74
May 05, 2023	5,20,000	10	Nil	Other than Cash	Bonus in the ratio of 4:1	4.00	2.95
<b>Total (B)</b>	<b>6,50,000</b>					<b>5.00</b>	<b>3.68</b>
<b>Grand Total (A+B)</b>	<b>1,23,50,000</b>					<b>95.00</b>	<b>69.95</b>

Note: None of the Shares has been pledged by our Promoters.

**(i) Details of Acquisition by Chitra Vijay Latkar by way of transfer of 250 Equity Shares dated October 08, 2010.**

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares	Name of Transferee
1.	October 08, 2010	Jyotsana Kothari	250	Chitra Vijay Latkar*
<b>Total</b>			<b>250</b>	

\* Jointly held with Vijay Laxman Latkar, second holder

**(ii) Details of Acquisition by Chitra Vijay Latkar by way of transmission of 2,59,510 Equity Shares dated August 09, 2021.**

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares	Name of Transferee
1.	August 09, 2021	Vijay Laxman Latkar	2,59,510	Chitra Vijay Latkar
<b>Total</b>			<b>2,59,510</b>	

**(iii) Details of transfer of shares by Chitra Vijay Latkar by way of gift of 25,760 Equity Shares dated March 30, 2022**

(iii) Details of transfer of shares by Chitra Vijay Latkar by way of gift of 25,760 Equity Shares dated March 30, 2022				
Sr. No.	Date of Transfer	Name of Transferor	No. of Shares	Name of Transferee
1.	March 30, 2022	Chitra Vijay Latkar	12,840	Aniket Vijay Latkar*
			12,920	Mayuri Aniket Latkar**
Total			25,760	

\* Jointly held with Mayuri Aniket Latkar, second holder

*\*\* Jointly held with Aniket Vijay Latkar, second holder*

**(iv) Details of acquisition of shares by Aniket Vijay Latkar by way of transfer of 160 Equity Shares dated October 08, 2010**

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares	Name of Transferee
1.	October 08, 2010	Nitin Jayantilal Kothari	160	Aniket Vijay Latkar*
<b>Total</b>			<b>160</b>	

*\* Jointly held with Mayuri Aniket Latkar, second holder*

**14. The average cost of acquisition of or subscription of shares by our Promoters is set forth in the table below:**

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
1	Chitra Vijay Latkar	1,17,00,000	0.00
2	Aniket Vijay Latkar	6,50,000	0.02

**15. Shareholding of Promoters & Promoter Group**

Following are the details of pre and post Issue shareholding of persons belonging to the category “Promoters and Promoter Group”:

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	%	Shares Held	%
	<b>Promoters</b>				
1.	Chitra Vijay Latkar	1,17,00,000	90.00	1,17,00,000	66.27
2.	Aniket Vijay Latkar	6,50,000	5.00	6,50,000	3.68
	<b>Sub Total (A)</b>	<b>1,23,50,000</b>	<b>95.00</b>	<b>1,23,50,000</b>	<b>69.95</b>
	<b>Promoter Group</b>				
3.	Mayuri Aniket Latkar	6,49,500	5.00	6,49,500	3.68
	<b>Sub Total (B)</b>	<b>6,49,500</b>	<b>5.00</b>	<b>6,49,500</b>	<b>3.68</b>
	<b>Grand Total (A+B)</b>	<b>1,29,99,500</b>	<b>100.00</b>	<b>1,29,99,500</b>	<b>73.63</b>

16. Except as provided below, no Equity Shares were acquired/ purchased/ sold by the Promoters and Promoter Group, Directors and their immediate relatives within six months immediately preceding the date of filing of this Red Herring Prospectus.

Date of Allotment/ Transfer	Name of Shareholders	No. of Equity Share	% of Pre issue Capital	Subscribed/ Acquire/ Transfer	Category of Allottees (Promoters/ Promoter Group/ Director)
May 05, 2023	Chitra Vijay Latkar	93,60,000	72.00	Allotment of Bonus Shares	Promoter and Director
	Aniket Vijay Latkar	5,20,000	4.00		Promoter and Director
	Mayuri Aniket Latkar	5,20,000	4.00		Promoter Group and Director

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

**18. Details of Promoter’s Contribution Locked-in for Three Years**

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of 20% of the post issue capital held by our Promoters shall be considered as Promoter’s Contribution (“**Promoter’s Contribution**”) and shall be locked-in for a period of three years from the date of allotment of Equity shares issued pursuant to this Issue. The lock in of Promoter’s Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Red Herring Prospectus, our Promoters hold 1,23,50,000 Equity Shares constituting 69.95 % of the Post-Issued, subscribed and paid up Equity Share Capital of our Company, which are eligible for the Promoter’s contribution.

Our Promoters have given written consent to include 37,00,000 Equity Shares held by them and subscribed and held by them as part of Promoter’s Contribution constituting 20.95 % of the post issue Equity Shares of our Company. Further, they have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter’s contribution, for a period of three years from the date of allotment in the Issue.

Date of Allotment/ transfer and made fully paid up	No. of Equity Shares locked-in*	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Nature of transaction	Post-Issue Shareholding %	Lock in Period
<b>Chitra Vijay Latkar</b>						
May 05, 2023	37,00,000	10.00	Nil	Bonus in the ratio of 4:1	20.95	3 years
<b>Total</b>	<b>37,00,000</b>				20.95	

\*Assuming full subscription to the Issue.

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as **"Promoter"** under the SEBI (ICDR) Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoter's Contribution as per Regulation 237 of the SEBI (ICDR) Regulations and are being locked in for 3 years as per Regulation 238(a) of the SEBI (ICDR) Regulations i.e. for a period of three years from the date of allotment of Equity Shares in this issue.

No Equity Shares proposed to be locked-in as Minimum Promoter's Contribution have been issued out of revaluation reserve or for consideration other than cash and revaluation of assets or capitalization of intangible assets, involved in such transactions.

The entire pre-issue shareholding of the Promoters, other than the Minimum Promoter's contribution which is locked in for three years, shall be locked in for a period of one year from the date of allotment in this Issue.

#### **Eligibility of Share for "Minimum Promoter's Contribution in terms of clauses of Regulation 237(1) of SEBI (ICDR) Regulations, 2018**

Reg. No.	Promoter's Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
237(1) (a) (i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction	The Minimum Promoter's contribution does not consist of such Equity Shares which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets. <b><u>Hence Eligible</u></b>
237 (1) (a) (ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoter's contribution	The minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Eligible</u></b>
237 (1) (b)	Specified securities acquired by promoters during the preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer	The minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Eligible.</u></b>
237(1) (c)	Specified securities allotted to promoter during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms, where the partners of the erstwhile partnership firms are the promoters of the issuer and there is no change in the management: Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible	The minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Eligible.</u></b>
237 (1) (d)	Specified securities pledged with any creditor.	Our Promoters have not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Eligible.</u></b>

#### **Details of Promoter's Contribution Locked-in for One Year**

In terms of Regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoter's contribution which is locked in for three years, as specified above, the entire pre-issue equity share capital constituting 93,00,000 Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, the Equity Shares which are subject to lock-in shall carry inscription '**non-transferable**' along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

**Other requirements in respect of lock-in:**

1. In terms of Regulation 242 of the SEBI (ICDR) Regulations, the locked in Equity Shares held by the Promoters as specified above, can be pledged with any scheduled commercial bank or public financial institution or a systemically important non-banking finance company or a housing finance company as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter's contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.
2. In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred 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 SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.
3. Further in terms of Regulation 243 of the SEBI (ICDR) Regulations, the specified securities held by the promoters and locked-in as per regulation 238 may be transferred to another promoters or any person of the promoter group or a new promoters or a person in control of the issuer subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.
19. Neither, we nor our Promoters, Directors and the BRLM to this Issue have entered into any buyback and/ or standby arrangements and/ or similar arrangements for the purchase of our Equity Shares from any person.
20. As on the date of this Red Herring Prospectus, the entire Issued Share, Subscribed and Paid-up Share Capital of our Company is fully paid up. Since the entire issue price in respect of the issue is payable on application, all the successful applicants will be allotted fully paid- up Equity shares.
21. The BRLM i.e. Hem Securities Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of this Red Herring Prospectus.
22. As on the date of this Red Herring Prospectus, we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
23. We have 8 (Eight) shareholders as on the date of filing of this Red Herring Prospectus.
24. As on the date of filing of this Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer
25. Our Company has not raised any bridge loan against the proceeds of the Issue.
26. As on the date of this Red Herring Prospectus, none of the shares held by our Promoters/ Promoter Group are subject to any pledge.
27. We here by confirm that there will be no further issue of capital 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 Red Herring Prospectus until the Equity Shares offered have been listed or application money unblocked on account of failure of Issue.
28. An over-subscription to the extent of 1% of the Issue, subject to the maximum post issue paid up capital of Rs. 25 Cr., can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 1% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of

allotment so made. In such an event, the Equity Shares held by the Promoter and subject to 3-year lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.

29. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
30. Our Company shall comply with such disclosure and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.
31. There are no Equity Shares against which depository receipts have been issued.
32. Other than the Equity Shares, there is no other class of securities issued by our Company.
33. There are no safety net arrangements for this public issue.
34. As per RBI regulations, OCBs are not allowed to participate in this issue.
35. Our Promoters and Promoter Group will not participate in this Issue.
36. This Issue is being made through Book Building Process.
37. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.
38. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
39. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.

We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of filing the Red Herring Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

## **OBJECTS OF THE ISSUE**

The issue comprises of a fresh Issue of up to 46,56,000 Equity Shares of our Company at an Issue Price of Rs. [●] per Equity Share. We intend to utilize the proceeds of the Issue to meet the following objects: -

1. Repayment in full or in part, of certain of our outstanding borrowings;
2. Funding to meet working capital requirements
3. General Corporate Purpose.

*(Collectively referred as the “Objects”)*

We believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the NSE Emerge (SME Platform). It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

We are a diversified company engaged in manufacturing of: i) Electrical Control Panels and Cabinets used in elevators, air compressors, renewal energy industry, oil & gas exploration industry, electrical vehicle charging stations etc, ii) Medical X Ray System used in Healthcare industry iii) Fabrication works for locomotives and (iv) wire harness division for our captive consumption in electrical control panels and for supply to air compressor industry. Our in-house engineering and design capabilities help us offer diversified products and solutions to our customers in each of the segments in which we operate.

### **Net Proceeds**

The details of the Net Proceeds are set forth below:

<b>Particulars</b>	<b>Amt (Rs. in Lakhs)</b>
Gross Proceeds of the Issue	[●]
Less: Issue related expenses in relation to Issue	[●]
Net Proceeds	[●]

### **Requirement of Funds and Utilization of Net Proceeds**

The Net Proceeds are proposed to be used in accordance with the details as set forth below:

<b>Sr. No</b>	<b>Particulars</b>	<b>Amt (Rs. in Lakhs)</b>
1.	Repayment in full or in part, of certain of our outstanding borrowings;	500.00
2.	Funding to meet working capital requirements	2550.00
3.	General Corporate Purpose.	[●]
	<b>Total</b>	[●]

Our fund requirements and deployment thereof are based on internal management estimates of our current business plans and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs or in other financial conditions, business strategy, as discussed further below.

### **Means of Finance**

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

<b>Particulars</b>	<b>Amt (Rs. in Lakhs)</b>
Net Issue Proceeds	[●]
<b>Total</b>	[●]

*Since, the entire fund requirement are to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.*

Subject to applicable law, if the actual utilization 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 in accordance with Regulation 7(2) of the SEBI ICDR Regulations. In case of a shortfall in raising the requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations

may require us to explore a range of options including utilizing our internal accruals and seeking additional debt from existing and/or 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 purpose set forth above, increased funding requirements for a particular purpose may be financed by surplus funds, if any, available in respect of other purposes for which funds are being raised in the Fresh Issue. Any variation in the utilization of the Net Proceeds as disclosed in this Red Herring Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company. The Objects may be varied in the manner provided in ***“Objects of the Issue – Variation in Objects”*** on page 71

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company’s historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company’s management.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled ***“Risk Factors”*** beginning on page 24 of the Red Herring Prospectus.

### **Details of Utilization of Net Proceeds**

The details of utilization of the Net Proceeds are set forth herein below:

#### **1. Repayment in full or in part, of certain of our outstanding borrowings**

Our Company has entered into various borrowing arrangements with banks including borrowings in the form of term loans, vehicle loans and cash credit for working capital facilities. For details of our outstanding financial indebtedness, see ***‘Statement of Financial Indebtedness’*** on page 195. As at March 31, 2023, we had various borrowings facilities with total outstanding of Rs. 1,973.98 lakhs.

We propose to utilise an estimated amount of Rs.500.00 Lakhs from the Net Proceeds to repay in part or full certain borrowing, listed below, availed from the lender by our Company. Pursuant to the terms of the financing arrangements, prepayment of certain borrowings may attract prepayment charges as prescribed by the respective lender. Such prepayment charges, as applicable, will be funded from the internal accruals of our Company.

We believe that such repayment will help reduce our outstanding indebtedness and debt servicing costs and enable utilisation of our internal accruals for further investment in our business growth and expansion. Additionally, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business.

The details of the borrowings availed by our Company, which are proposed to be fully or partially repaid from the Net Proceeds is mentioned below: -

Name of Lender	Purpose	Loan/ Agreement A/c No./Ref. No.	Sanctioned Amount (Rs in lakhs)	Rate of interest	Pre-Payment Penalty	Primary & Collateral Security	Re-Payment Schedule	Moratorium	Outstanding amount as on 31.03.2023 (In Lakhs)
Yes Bank Limited	Cash Credit for Working Capital	064884600000290	610.00	8.20%	Prepayment/Preclosure charges of upto 4% of the entire sanctioned limit	1.Exclusive charge by way of hypothecation on Current Assets of both present & future. 2.Equitable/ registered mortgage of property located at (i) EL-23, J Block, MIDC, Bhosari, Sector-7, Pune- 411023 (ii) T-174, Pimpri Industrial Area, MIDC, Bhosari, Pune-411026	Repayable on Demand	N.A.	578.28

*Note: In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purposed availed, our Company has obtained the requisite certificate from our Statutory Auditors by way of their certificate dated June 26, 2023.*

## 2. Funding to meet working capital requirements

With the expansion of the business company will be in the need of additional working capital requirements. We fund a majority of our working capital requirements in the ordinary course of business from banks facilities and internal accruals. Our Company requires additional working capital for funding its incremental working capital requirements and releasing the internal accruals deployed in working capital.

Our Company proposes to utilize ₹ 2550.00 lakhs of the Net Proceeds in Fiscal 2024 towards our Company's working capital requirements. The balance portion of our Company working capital requirement shall be met from the working capital facilities availed and internal accruals. The incremental and proposed working capital requirements and key assumptions with respect to the determination of the same are mentioned below:

*Details of Estimation of Working Capital requirement are as follows:*

S. No.	Particulars	Actual (Restated)			(Rs. In Lakhs) Estimated
		March 31, 2021	March 31, 2022	March 31, 2023	March 31, 2024
<b>I</b>	<b>Current Assets</b>				
	Inventories	1,057.22	1,336.40	2,367.03	3,686.71
	Trade receivables	1,466.73	1,746.73	2,295.57	3,302.16
	Cash and Cash equivalents	276.54	130.27	315.70	409.28
	Short term loans and Advances	263.76	378.09	492.04	1,219.95
	Other Current Assets	38.47	54.88	140.45	140.45
	<b>Total (A)</b>	<b>3102.72</b>	<b>3,646.37</b>	<b>5,610.78</b>	<b>8,758.54</b>
<b>II</b>	<b>Current Liabilities</b>				
	Trade payables	1,078.64	1,375.91	2032.76	1,309.62
	Other Current Liabilities	13.63	29.97	159.14	155.73
	Short Term Provisions	188.51	447.18	615.33	747.23
	<b>Total (B)</b>	<b>1,280.78</b>	<b>1,853.06</b>	<b>2,807.23</b>	<b>2,212.58</b>
<b>III</b>	<b>Total Working Capital Gap (A-B)</b>	<b>1821.94</b>	<b>1,793.31</b>	<b>2,803.55</b>	<b>6,545.96</b>
<b>IV</b>	<b>Funding Pattern</b>				
	Short Term borrowings & Internal accrual	<b>1821.94</b>	<b>1,793.31</b>	<b>2,803.55</b>	<b>3,995.96</b>
	<b>IPO Proceeds</b>				<b>2550.00</b>

### Assumptions for working capital requirements

The following table sets forth the details of the holding period (with days rounded to the nearest whole number) considered for financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 as well as projections for financial year ended March 31, 2024.

Particulars	Unit	March 31, 2021	March 31, 2022	March 31, 2023	March 31, 2024
		Audited	Audited	Audited	Estimated
Debtors	Days	77	64	65	80
Creditors	Days	88	75	92	45
Inventories	Days	56	48	69	90

### Justification:

Sr No	Particulars	Justification
1	Debtors	The historical holding days of trade receivables has been ranging from 60 days to 80 days during Fiscal 2021 to Fiscal 2023. As per the current credit terms and prevalent trend of the

		industry & in order to expand company's operations, the holding level for debtors is anticipated at 80 days of total revenue from operations during Fiscal 24. The projected increase in trade receivables days is a strategic decision aimed at fostering higher sales growth. We intend to provide our customers with extended credit periods, allowing them more time to settle their invoices. By offering this flexibility, we expect to stimulate increased sales volume and foster stronger customer relationships. Furthermore, we are in the stage of prototype development for supply of few Electrical Control Panels and such developments if commercialized will foster increased revenue from operations.
2	Creditors	Past trend of trade payable holding days has been in the range of 75 days to 90 days approximately during Fiscal 2020 to December 31, 2022. However with additional working capital funding, our Company intends to reduce trade payable to 45 days during Fiscal 2024 to avail cash discount as well as competitive purchase price to increase overall profitability of our Company. By reducing the time it takes to settle our payables, we aim to negotiate more favorable terms and conditions with our suppliers, enabling us to access competitive pricing for the goods we procure.
3	Inventories	Inventories include raw materials and finished goods. The historical holding days of inventories has been in range of 45 days to 70 days during Fiscal 2021 to Fiscal 2023. With the perspective to increase business operations, the Company estimates inventories holding days to be around 90 days in Fiscal 24

### 3. General Corporate Purpose

Our Company intends to deploy the balance Net Proceeds towards general corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds, in accordance with Regulation 7(2) of the SEBI ICDR Regulations, to drive our business growth, including, amongst other things, (i) funding growth opportunities, including strategic initiatives; (ii) meeting any expenses incurred in the ordinary course of business by the Company; (iii) servicing of borrowings including payment of interest; (iv) brand building and other marketing expenses; (v) meeting of exigencies which our Company may face in the course of any business; and (vi) any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further in case, our actual issue expenses turn to be lesser than the estimated issue expenses of Rs. [●] lakhs, such surplus amount shall be utilized for General Corporate Purpose in such a manner that the amount for general corporate purposes, as mentioned in the Red Herring Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

#### Issue Expenses

The total estimated Issue Expenses are Rs. [●], which is [●] % of the total Issue Size. The details of the Issue Expenses are tabulated below:

Activity	(Rs. in Lakh) *	As a % of Estimates Issue Expenses	As a % of Issue Size
Lead Manger Fees	[●]	[●]	[●]
Fees Payable to Registrar to the Issue	[●]	[●]	[●]
Fees Payable for Advertising and Publishing Expenses	[●]	[●]	[●]
Fees Payable to Regulators including Stock Exchanges	[●]	[●]	[●]
Payment for Printing & Stationery, Postage, etc.	[●]	[●]	[●]
Fees Payable to Auditor, Legal Advisors and other Professionals	[●]	[●]	[●]
Others (Fees payable for Marketing & distribution expenses, Selling Commission, Brokerage, Processing Fees*, Underwriting fees and Miscellaneous Expenses)	[●]	[●]	[●]
<b>Total</b>	[●]	[●]	[●]

Issue expenses will be finalized on determination of Issue Price and incorporated at the time of filing of the Prospectus. Issue expenses are estimates and are subject to change.

(1) Amounts will be finalised and incorporated in the Prospectus on determination of Issue Price. Issue expenses include applicable taxes, where applicable. Issue expenses are estimates and are subject to change.

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

Portion for Retail Individual Bidders*	0.10 % of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders*	0.10 % of the Amount Allotted* (plus applicable taxes)

\*Amount allotted is the product of the number of Equity Shares Allotted and the Issue Price. 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 BSE or NSE

(3) No uploading/ processing fees shall be payable by our Company to the SCSBs on the applications directly procured by them. Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by the members of the Syndicate/ sub-Syndicate/ Registered Broker/ CRTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

Portion for Retail Individual Bidders	Rs. 10 per valid Bid cum Application Form (plus applicable taxes)
Portion for Non-Institutional Bidders	Rs. 10 per valid Bid cum Application Form (plus applicable taxes)

Notwithstanding anything contained above the total processing fee payable under this clause will not exceed Rs. 1 Lakh (plus applicable taxes) and in case if the total processing fees exceeds Rs. 1 Lakh (plus applicable taxes) then processing fees will be paid on pro-rata basis.

(4) The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism would be as follows:

Members of the Syndicate/ RTAs/ CDPs (uploading charges)	Rs. 10 per valid application (plus applicable taxes)
Sponsor Bank –Axis Bank Limited	Rs. 6 per valid Bid cum Application Form* (plus applicable taxes) 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 by respective Sponsor Bank

Notwithstanding anything contained above in this clause the total Uploading charges/ Processing fees payable to Members of the Syndicate/ RTAs/ CDPs for applications made by RIBs (up to ₹200,000), Non-Institutional Bidders (for an amount more than ₹200,000 and up to ₹500,000) using the UPI Mechanism and in case if the total uploading charges/ processing fees exceeds Rs. 1 Lakh (plus applicable taxes) then uploading charges/ processing fees using UPI Mechanism will be paid on pro-rata basis.

(5) Selling commission on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, CRTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the Registered Brokers which are Members of the Syndicate (including their Sub-Syndicate Members) would be as follows:

Portion for Retail Individual Bidders	0.10 % of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders	0.10 % of the Amount Allotted* (plus applicable taxes)

\*Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price

Uploading charges payable to Members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the applications made by RIBs using 3-in-1 accounts and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts, would be as follows:Rs. 10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

Bidding charges payable to the Registered Brokers, CRTAs/ CDPs on the portion for RIBs and Non-Institutional Bidders which are directly procured by the Registered Brokers or CRTAs or CDPs and submitted to SCSB for processing, would be as follows:

Portion for Retail Individual Bidders*	Rs. 10 per valid application (plus applicable taxes)
Portion for Non-Institutional Bidders*	Rs. 10 per valid application (plus applicable taxes)

\* Based on valid applications

Notwithstanding anything contained above the total uploading/ bidding charges payable under this clause will not exceed Rs. 1 Lakh (plus applicable taxes) and in case if the total uploading/ bidding charges exceeds Rs. 1 Lakh (plus applicable taxes) then uploading charges will be paid on pro-rata basis.

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. Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the portion for RIBs and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking, would be as follows: Rs. 10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

The selling commission and bidding charges payable to Registered Brokers the CRTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of BSE or NSE

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Bank Agreement. Further, 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.

### **Proposed Schedule of Implementation:**

The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Issue Proceeds is as under:

(Rs. In Lakhs)

S. No.	Particulars	Amount to be deployed and utilized in
		F.Y. 2023-24
1.	Repayment in full or in part, of certain of our outstanding borrowings;	500.00
2.	Funding to meet working capital requirements	2550.00
3.	General Corporate Purpose.	[•]
	<b>Total</b>	[•]

### **Appraisal**

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

### **Shortfall of Funds**

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

### **Bridge Financing Facilities**

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

### **Monitoring Utilization of Funds**

As the size of the Issue will not exceed Rs.10,000 Lakhs, the appointment of Monitoring Agency would not be required as per Regulation 262(1) of the SEBI ICDR Regulations. Our Board and the management will monitor the utilization of the Net Issue Proceeds through our audit committee. Pursuant to Regulation 32 of the SEBI Listing Regulations, our Company shall on half-yearly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full.

### **Interim Use of Proceeds**

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

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

### **Variation in Objects**

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

### **Other confirmations**

There are no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel, in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our Directors or key managerial personnel except in the normal course of business and in compliance with the applicable laws.

## **BASIS FOR ISSUE PRICE**

*Investors should read the following summary with the section titled “Risk Factors”, the details about our Company under the section titled “Our Business” and its financial statements under the section titled “Financial Information of the Company” beginning on page 24, 103 and 153 respectively of the Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.*

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

For the purpose of making an informed investment decision, the investors should also refer “Risk Factors”, “Our Business” and “Financial Statement as restated” beginning on page 24, 103 and 153 respectively of this Red Herring Prospectus.

## **QUALITATIVE FACTORS**

We believe the following business strengths allow us to successfully compete in the industry:

- a) We offer a diversified range of products.
- b) Engineering expertise with complex product manufacturing capability
- c) Long term and well-established relationships with OEM customers
- d) Quality Assurance
- e) Experienced and Qualified Management and Employee base
- f) Stable financial performance.

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “Our Business” beginning on page 103 of this Red Herring Prospectus.

## **QUANTITATIVE FACTORS**

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled “Financial Information of the Company” on page 153 of this Red Herring Prospectus.

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

### **1. Basic & Diluted Earnings per share (EPS) (Face value of ₹ 10 each):**

As per the Restated Financial Statements:-

Sr. No	Period	Basic & Diluted (₹)	Weights
1.	Financial Year 2020-2021	1.69	1
2.	Financial Year 2021-2022	7.21	2
3.	Financial Year 2022-2023	9.53	3
	<b>Weighted Average</b>	<b>7.45</b>	<b>6</b>

### **Notes:**

- i. The figures disclosed above are based on the Restated Financial Statements of the Company.
- ii. The face value of each Equity Share is ₹10.00.
- iii. Earnings per Share has been calculated in accordance with Accounting Standard 20 – “Earnings per Share” issued by the Institute of Chartered Accountants of India.
- iv. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.

- v. *Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders/ Weighted average number of equity shares outstanding during the year/ period.*
- vi. *Diluted Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders/ Weighted average number of diluted potential equity shares outstanding during the year/ period.*

**2. Price Earning (P/E) Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share of Face Value of ₹ 10/- each fully paid up**

Particulars	(P/E) Ratio at the Floor Price	(P/E) Ratio at the Cap Price
P/E ratio based on the Basic & Diluted EPS, as restated for Financial Year 2021-2022	[●]	[●]
P/E ratio based on the Weighted Average EPS, as restated.	[●]	[●]

**3. Average Return on Net worth (RoNW)\***

Sr. No	Period	RoNW (%)	Weights
1	Financial Year 2020-2021	10.75	1
2	Financial Year 2021-2022	31.4	2
3	Financial Year 2022-2023	29.32	3
	<b>Weighted Average</b>	<b>26.87</b>	<b>6</b>

**Note:**

- The RoNW has been computed by dividing net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year/ period*
- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/ Total of weights.*

**4. Net Asset Value (NAV) per Equity Share:**

(₹ in lakhs)

Sr. No.	NAV per Equity Share	Outstanding at the end of the year
1.	As at March 31, 2023	32.49
2.	As at March 31, 2022	22.97
3.	As at March 31, 2021	15.76
4.	NAV per Equity Share at floor price	[●]
5.	NAV per Equity Share at Cap price	[●]
6.	Issue Price	[●]

**Notes: -**

- NAV per share = Restated Net worth at the end of the year/period divided by total number of equity shares outstanding at the end of the year/ period.*
- Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares.*
- Issue Price per Equity Share will be determined by our Company in consultation with the Book Running Lead Manager.*

**5. Comparison of Accounting Ratios with Industry Peers:**

There are no listed companies in India that are engaged in a business similar to that of our company accordingly it is not possible to provide an industry comparison in relation to our company.

**6. Key Performance Indicators**

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of our company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated September 16, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this RHP. Further, the KPIs herein have been certified by M/s Kishor Gujar & Associates Chartered Accountants, by their certificate dated September 16, 2023.

The KPIs of our Company have been disclosed in the sections titled **“Our Business”** and **“Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators”** on pages 103 and 194 respectively. We have described and defined the KPIs, as applicable, in **“Definitions and Abbreviations”** on page 1.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

### Key Performance Indicators of our Company

(Rs. In Lakhs except percentages and ratios)

Key Financial Performance	FY 2022-23	FY 2021-22	FY 2020-21
Revenue from operations <sup>(1)</sup>	12,205.82	9,157.78	5,977.39
EBITDA <sup>(2)</sup>	2,031.20	1,551.87	573.33
EBITDA Margin <sup>(3)</sup>	16.64%	16.95%	9.59%
PAT	1,238.30	937.59	220.08
PAT Margin <sup>(4)</sup>	10.15%	10.24%	3.68%
Net Worth <sup>(5)</sup>	4,224.07	2,985.77	2,048.17
Return on Net Worth <sup>(6)</sup>	29.32%	31.40%	10.75%
RoCE (%) <sup>(7)</sup>	28.57%	30.10%	10.56%

### Notes:

<sup>(1)</sup> Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements

<sup>(2)</sup> EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

<sup>(3)</sup> ‘EBITDA Margin’ is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup> ‘PAT Margin’ is calculated as PAT for the period/year divided by revenue from operations.

<sup>(5)</sup> Net worth means the aggregate value of the paid-up share capital and reserves and surplus of the company.

<sup>(6)</sup> Return on Net Worth is ratio of Profit after Tax and Net Worth

<sup>(7)</sup> Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders’ equity plus total borrowings {current & non-current}.

### Explanation for KPI metrics

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
Net Worth	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.
RoE(%)	RoE provides how efficiently our Company generates profits from shareholders’ funds.
RoCE (%)	RoCE provides how efficiently our Company generates earnings from the capital employed in

	the business.
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**7. Set forth below are the details of comparison of key performance of indicators with our 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 a comparison of key performance indicators of industry with our Company.

**8. Weighted average cost of acquisition**

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

There has been no issuance of Equity Shares, other than Equity Shares issued pursuant to a bonus issue on May 05, 2023 during the 18 months preceding the date of this RHP, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

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

Except as mentioned below there has 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), 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-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Date of transfer	Name of transferor	Name of Transferee	No. of Equity shares	Price Per Equity Share	Nature of transaction	Total Consideration (in ₹ lakhs)
March 30, 2022	Chitra Vijay Latkar	Aniket Vijay Latkar	1,28,400	Nil	Transfer	Nil
		Mayuri Aniket Latkar	1,29,200	Nil		Nil

*Note: Pursuant to Shareholders' resolution dated March 23, 2023 the face value of Equity Shares of our Company was subdivided from 100.00 per Equity Share to 10.00 per Equity Share. Accordingly, the number of Equity Shares transacted and transaction price per Equity Share has been adjusted for subdivision of equity shares by our Company.*

- c) Since there are no such transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to the date of this certificate irrespective of the size of transactions, is as below:

**Primary Transactions:**

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

Date of Allotment	No. of equity shares allotted	Issue price per equity share (₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ lakhs)
May 05, 2023	1,04,00,000	Nil	Bonus Issue	Other than Cash	Nil

**Secondary Transactions:**

Except as disclosed below, there have been no secondary transactions by the Promoters, members of the Promoter Group or shareholder(s) having the right to nominate director(s) in the Board of Directors of our Company are a party to the transaction, in the last three years preceding the date of this Red Herring Prospectus:

Date of transfer	Name of transferor	Name of Transferee	No. of Equity shares	Price Per Equity Share	Nature of transaction	Total Consideration (in ₹ lakhs)
March 30, 2022	Chitra Vijay Latkar	Aniket Vijay Latkar	1,28,400	Nil	Transfer by way of Gift	Nil
		Mayuri Aniket Latkar	1,29,200	Nil		Nil
August 09, 2021	Vijay Laxman Latkar	Chitra Vijay Latkar	25,95,100	Nil	Transmission	Nil

*Note: Pursuant to Shareholders' resolution dated March 23, 2023 the face value of Equity Shares of our Company was subdivided from 100.00 per Equity Share to 10.00 per Equity Share. Accordingly, the number of Equity Shares transacted and transaction price per Equity Share has been adjusted for subdivision of equity shares by our Company.*

d) Weighted average cost of acquisition, floor price and cap price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price* (i.e. ₹ [●])	Cap price* (i.e. ₹ [●])
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.	NA^	NA^	NA^
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	Nil	Not Defined	Not Defined
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(c) above	Nil	Not Defined	Not Defined

*Note:*

*^There were no primary / new issue of shares in last 18 months from the date of this Red Herring Prospectus.*

*\* To be updated at Prospectus stage.*

Saakshi Medtech and Panels Limited is a Book Built Issue and the price band for the same shall be published 2 working days before opening of the Issue in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Pune Edition of Regional newspaper Rashtra Sanchar, a Marathi daily newspaper (Marathi being the regional language of Pune) where the registered office of the company is situated each with wide circulation.

The Price Band/ Floor Price/ Issue Price shall be determined by our Company in consultation with the BRLM and will be justified by us in consultation with the BRLM on the basis of the above information. Investors should read the above mentioned information along with **“Our Business”**, **“Risk Factors”** and **“Restated Financial Statements”** on pages 103, 24 and 153 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in **“Risk Factors”** or any other factors that may arise in the future and you may lose all or part of your investments.

## **STATEMENT OF SPECIAL TAX BENEFITS**

To,

**The Board of Directors,  
Saakshi Medtech and Panels Limited  
(Formerly known as Saakshi Machine & Tools Pvt. Ltd.)  
EL-23, J-Block,  
MIDC-Bhosari, Pune:- 411 026**

Dear Sirs,

**Sub: Statement of Tax Benefits ('The Statement') available to Saakshi Medtech and Panels Limited ("The Company") and its shareholders under the Direct and Indirect Tax Laws in India**

We hereby report that the enclosed annexure prepared by the management of **Saakshi Medtech and Panels Limited**, states the special tax benefits available to the Company and the shareholders of the Company under the Income-Tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act") presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that; this Statement is only intended to provide general information to the investors and is 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 of Equity shares ("the Issue") by the Company.

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

- a) The Company or its shareholders will continue to obtain these benefits in future; or
- b) The conditions prescribed for availing the benefits have been/would be met.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein.

We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the offer Document or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For**  
**KISHOR GUJAR & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No. - 116747W**

**Sd/-**

**CA Javedkhan Saudagar (Partner)**  
**Membership No.:- 139006**  
**Place:- Pimpri, Pune:- 411 018**  
**UDIN: 2319006BGVVCA9715**  
**Certificate No: 211/2023-24**  
**Date: September 16, 2023**

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

*The information provided below sets out the special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act, 1961 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 Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.*

### **A. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE COMPANY**

The Company is not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

### **B. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE SHAREHOLDERS**

The Shareholders of the Company are not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

#### **Notes:**

1. For the purpose of reporting here, we have not considered the general tax benefits available to the company or shareholders.
2. The above statement covers only certain relevant direct tax law benefits and indirect tax law benefits or benefit.
3. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. 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.
4. A new Section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 ('the Amendment Act, 2019') with effect from Financial Year 2019-20 granting an option to domestic companies to compute corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and cess of 4%), provided such companies do not avail specified exemptions/incentives. The option under section 115BAA of the Act once exercised cannot be subsequently withdrawn for any future financial year. The Amendment Act, 2019 further provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax ('MAT') under Section 115JB. The CBDT has further issued Circular 29/2019 dated October 02, 2019 clarifying that since the MAT provisions under Section 115JB itself would not apply where a domestic company exercises option of lower tax rate under Section 115BAA, MAT credit would not be available.

In such a case, the Company is not allowed to claim any of the following deductions/ exemptions under the Act:

- Deduction under the provisions of Section 10AA.
- Deduction under clause (iia) of sub- section (1) of Section 32 (additional depreciation).
- Deduction under section 32AD or Section 33AB or Section 33ABA
- Deduction under section 35AD or Section 35CCC
- Deduction under section 80G

Lower corporate tax rate under Section 115BAA of the Act and Minimum Alternate Tax ('MAT') credit under section 115JAA of the Act which are in general available and hence may not be treated as special tax benefits.

The Company has evaluated and decided to exercise the option permitted under Section 115BAA of the Act for the purpose of computing its income-tax liability from the Financial Year 2019-20 onwards.

5. Export Promotion Capital Goods (EPCG) Scheme- The company has imported the capital goods under (EPCG) Scheme. Under the scheme of EPCG, export obligation which is equal to six times of duty saved, to be satisfied within 6 years from the date of issue of EPCG authorization. If the company is unable to meet the stipulated export obligation, then in such case the company required to pay customs duties on unfulfilled obligation along with interest on it as prescribed. This benefit is in general available and hence may not be treated as special tax benefits.

## INDUSTRY OVERVIEW

*The information in this section has been extracted from various websites and publicly available documents from various industry sources. 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.*

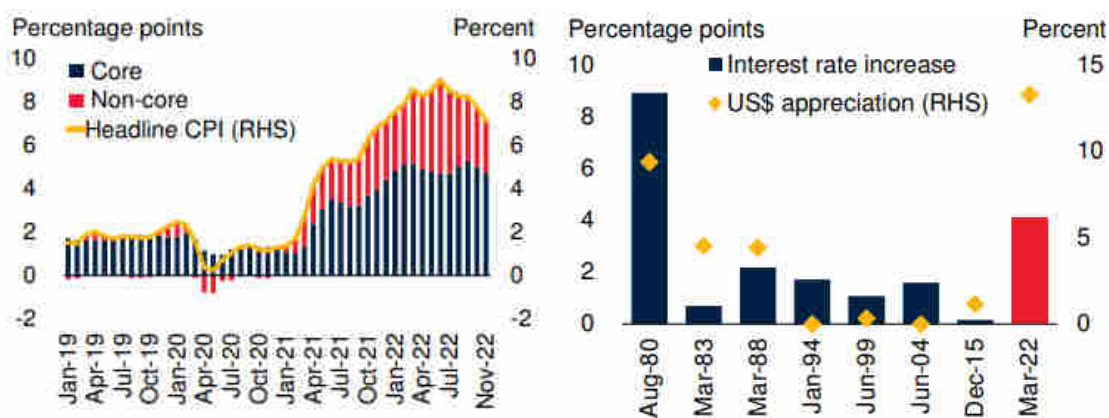
*Investors should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this Red Herring Prospectus, including the information in “Our Business” and “Financial Information” beginning on pages 103 and 153 respectively of this 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 24 of this Red Herring Prospectus.*

### Global Economic Environment

Global growth is expected to decelerate sharply to 1.7 percent in 2023—the third weakest pace of growth in nearly three decades, overshadowed only by the global recessions caused by the pandemic and the global financial crisis. This is 1.3 percentage points below previous forecasts, reflecting synchronous policy tightening aimed at containing very high inflation, worsening financial conditions, and continued disruptions from Russia’s invasion of Ukraine. The United States, the euro area, and China are all undergoing a period of pronounced weakness, and the resulting spillovers are exacerbating other headwinds faced by emerging market and developing economies (EMDEs). The combination of slow growth, tightening financial conditions, and heavy indebtedness is likely to weaken investment and trigger corporate defaults.

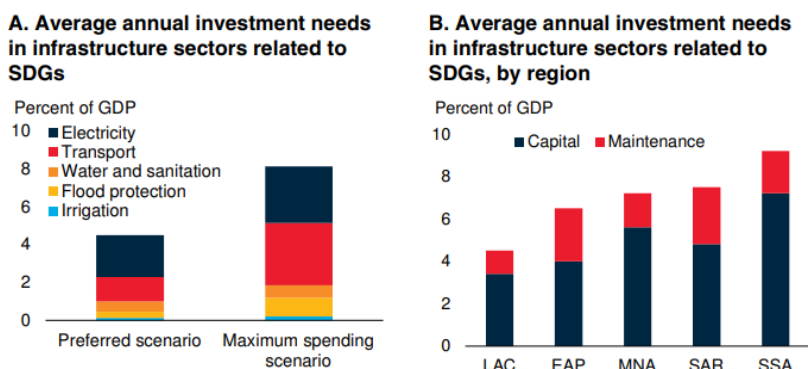
Growth in advanced economies is projected to slow sharply in 2023, to 0.5 percent, as central banks continue to tighten monetary policy to contain inflationary pressures, labour markets soften, and energy market disruptions in Europe persist. Growth is expected to pick up modestly in 2024, as policy headwinds abate and energy markets stabilize. Persistent high inflation requiring an even more aggressive monetary policy response represents a major downside risk, as do prolonged energy supply disruptions in Europe.

In the United States, rising food and energy prices, together with a tight labour market, pushed inflation to multi-decade highs in 2022, before price pressures began easing toward the end of the year. This has prompted the most rapid monetary policy tightening in more than 40 years. Activity contracted in the first half of 2022, and domestic demand remained weak in the second half, with particular softness in residential investment. In all, growth for 2022 is estimated to have slowed to 1.9 percent as substantial fiscal consolidation—worth about 5 percent of GDP—added to monetary policy headwinds.



## Empirical analysis of investment growth

To achieve the SDGs related to infrastructure (electricity, transport, water supply and sanitation) and infrastructure-related climate change preparation (flood protection, irrigation) in low- and middle-income countries, an estimated investment of \$1.5-\$2.7 trillion per year is required on average during 2015-30, mostly for transport and electricity (Rozenberg and Fay 2019). This is equivalent to 4.5-8.2 percent of these countries' combined annual GDP, depending on policy choices and the quality and infrastructure service quality. The 4.5 percent of GDP estimate anticipates investment in renewable energy; transport and land-use planning that result in denser cities and more affordable, reliable public transport; as well as deployment of decentralized technologies such as minigrids and water purifications systems in rural areas.

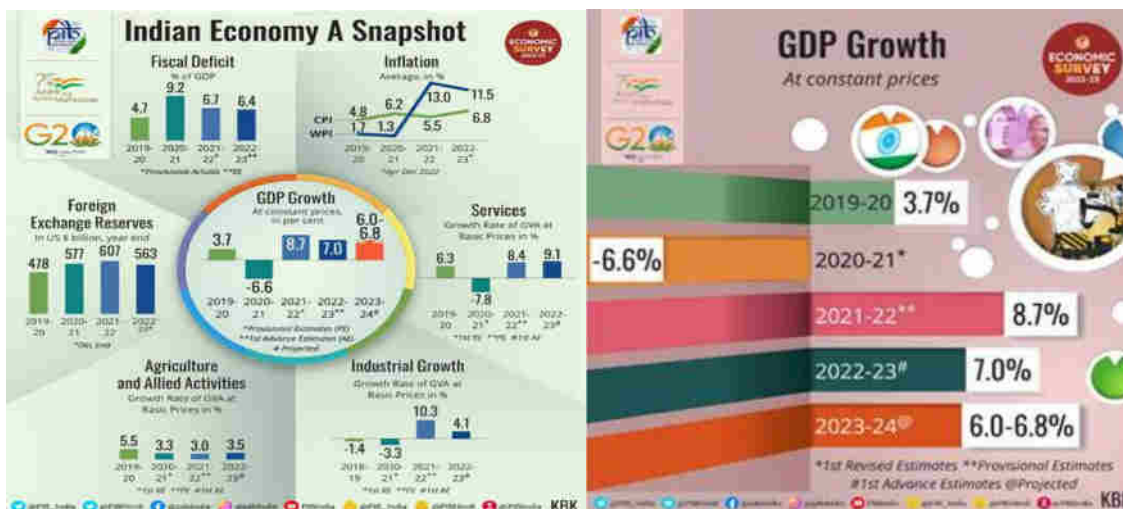


Two areas with strong growth potential are investment in digital capabilities and the clean energy transition. The pandemic created new opportunities for the adoption of digital infrastructure in commerce and governance, while energy market volatility due to Russia's invasion of Ukraine and an increasingly urgent need to meet climate goals have made the development of clean, renewable, and affordable energy sources a priority.

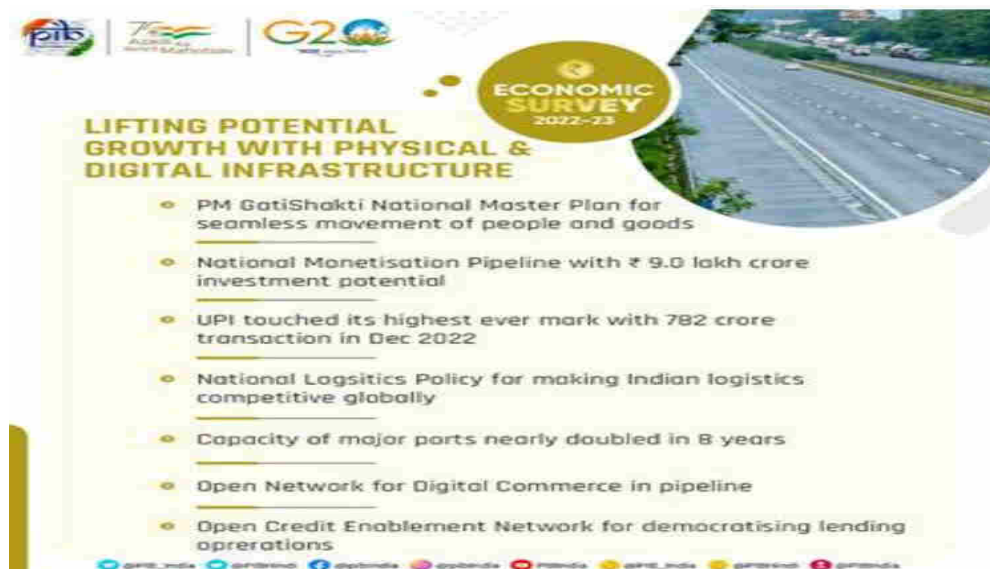
Source: <https://openknowledge.worldbank.org/server/api/core/bitstreams/254aba87-dfeb-5b5c-b00a-727d04ade275/content>

## Indian Economy

India to witness GDP growth of 6.0 per cent to 6.8 per cent in 2023-24, depending on the trajectory of economic and political developments globally.



It says, growth is expected to be brisk in FY24 as a vigorous credit disbursement, and capital investment cycle is expected to unfold in India with the strengthening of the balance sheets of the corporate and banking sectors. Further support to economic growth will come from the expansion of public digital platforms and path-breaking measures such as PM GatiShakti, the National Logistics Policy, and the Production-Linked Incentive schemes to boost manufacturing output.



(Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=1894932#:~:text=SURVEY%20POINTS%20TO%20THE%20LOWER,1.0%20PER%20CENT%20IN%202023&text=by%20PIB%20Delhi,India%20to%20witness%20GDP%20growth%20of%206.0%20per%20cent%20to,economic%20and%20political%20developments%20globally>)

## Energy Sector

- Annual production of 5 MMT under the Green Hydrogen Mission to be targeted by 2030 to facilitate the transition of the economy to low carbon intensity and to reduce dependence on fossil fuel imports.
- Rs. 35,000 crore (US\$ 4.3 billion) outlay for energy security, energy transition, and net zero objectives.
- Battery energy storage systems to be promoted to steer the economy on the sustainable development path.
- Rs. 20,700 crore (US\$ 2.52 billion) outlay provided for renewable energy grid integration and evacuation from Ladakh.

(Source: <https://www.ibef.org/economy/union-budget-2023-24>)

## INDUSTRY

### ENGINEERING AND CAPITAL GOODS INDUSTRY

#### Executive summary

- India's Capital Goods manufacturing industry serves as a strong base for its engagement across sectors such as Engineering, Construction, Infrastructure and Consumer goods, amongst others.
- It accounts for 27% of the total factories in the industrial sector and represents 63% of the overall foreign collaborations.
- Capital Goods sector contributes to 12% of India's manufacturing output and 1.8% to GDP. ▪ Market valuation of the capital goods industry was US\$ 43.2 billion in FY22.
- Indian Electrical equipment is the largest sub-sector followed by Plant equipment & Earth moving/ mining machinery.
- The electrical equipment market share in India is expected to increase by US\$ 33.74 billion from 2021 to 2025, and the market's growth momentum will accelerate at a CAGR of 9%.
- Investment in engineering R&D sector is expected to reach US\$ 63 billion by 2025
- The Index of Industrial Production (IIP), in absolute terms, increased to 144.7 in December 2022 from 137.4 in November 2022
- The Government's 'Vision Plan 2030' proposed an action plan to become a manufacturing and export hub for construction equipment and propel the development of world-class infrastructure in the country.
- In November 2022, exports of engineering goods from India stood at US\$ 8.07 billion.
- In last fiscal year, India exported engineering goods worth US\$ 112.10 billion.
- Cumulative engineering exports from April-November 2022 stood at US\$ 70.72 billion.

- Market size for the Indian Construction Equipment Market stood at US\$ 5.2 billion in FY22 and is forecasted to grow at a CAGR of 8.9% to reach US\$ 8.7 billion by 2028.
- The construction equipment industry is expected to sell 1,65,097 units by 2028.
- The overall exports of electronics goods in April-December 2021 stood at US\$ 11.11 billion and grew 49% as compared to FY20 with the US and the UAE being the top two destinations.
- In February 2021, the government had introduced the PLI scheme for manufacturing of telecom and networking equipment with an outlay of Rs 12,195 crore (US\$ 1.4 billion) over a five-year period.



## Advantage India

### 1. Robust Demand

Demand in the engineering industry segment is driven by investments and capacity creation in core sectors like power, infrastructure developments, mining, oil and other sectors like the general manufacturing sector, automotive and process industries, and consumer goods industry.

### 2. Attractive Opportunities

- In Budget 2023-24, Government has committed an outlay of Rs. 10 lakh crore (US\$ 120 billion) during 2023-24 towards infrastructure capital expenditure compared to Rs. 7.5 lakh crore (US\$ 90 billion) (BE) during 2022-23.
- An Urban Infrastructure Development Fund (UIDF) will be managed by National Housing Bank, which will enable creation of infrastructure in Tier 2 and 3 cities by supporting viability gap funding, enabling creation of more bankable projects, enhancing access to external funding, among others.
- In June 2022: Ministry of Heavy Industries (MHI) & Ministry of Skill Development and Entrepreneurship (MSDE) sign MoU to facilitate training in engineering trades to boost capital goods sector.

### 3. Policy Support

- De-licensed engineering sector; 100% FDI permitted.
- An amount of Rs. 54.22 crore (US\$ 6.5 million) utilized under the Scheme on 'Enhancement of Competitiveness in Indian Capital Goods Sector in the financial year 2020-21.
- Indian Electrical Equipment Industry Mission Plan (2012-22), aims to make India as a preferred destination for production of electrical equipment to achieve an output of US\$ 100 billion by balancing the trade deficit in the sector.
- In October 2022, NSIC Signs MoU with Phillips Machine Tools India Pvt. Ltd. For Skill Development Training in Additive Technologies which is the future of manufacturing.
- In May 2022, MHI signs an MoU with National Research Development Corporation to facilitate various activities for smooth implementation of the Scheme for Enhancement of Competitiveness in the Indian Capital Goods Sector.

### 4. Investments

To enhance opportunities for private investment in infrastructure - Infrastructure Finance Secretariat is being established who will assist all stakeholders for more private investment in infrastructure, including railways, roads, urban infrastructure, and power.

## **HEAVY ENGINEERING - KEY SEGMENTS**

### **Machine tools**

- The Indian machine tool market size reached US\$ 1.4 billion in 2022.
- The market is expected to reach US\$ 2.5 billion by 2028, exhibiting a growth rate (CAGR) of 9.4% during 2023-28.
- The manufacturers of machine tools are mostly SMEs, few of them are mid-sized manufacturers which have an annual turnover varying between US\$ 36-60 million (Rs. 300-500 crore).
- The types of machine tools currently manufactured are general/special purpose machines, standard Computer Numerical Control (CNC) machines, gear cutting, grinding, medium size machines, electrical discharge machining (EDM), presses, press brakes, pipe bending, rolling, bending machines, etc.

## **LIGHT ENGINEERING - KEY SEGMENTS**

### **Medical and surgical equipment**

- There are 750-800 domestic Medical Devices manufacturers in India, with an average investment of US\$ 2.3-2.7 million and an average turnover of US\$ 6.2-6.9 million
- India is the 4th largest market for medical devices in Asia, among the top 20 markets for medical devices worldwide.
- India's expected export of medical devices will reach ~ US\$10 billion by 2025.

## **PASSENGER AND COMMERCIAL VEHICLES**

- India's automotive Industry is worth more than US\$ 222 billion and contributes 8% of the country's total export. It accounts for 7.1% of India's GDP and is set to become the 3rd largest in the world by 2030.
- Export of total number of automobiles increased from 4.1 million in 2020-21 to 5.6 million in 2021-22, registering a positive growth of 35.9%.
- India's annual production of automobiles in FY22 was 22.93 million vehicles.
- In FY22, total passenger vehicle sales reached 3.07 million.
- In October 2022, 291,113 passenger vehicles\* units were sold.

In October 2022, the total production of passenger vehicles\*, three wheelers, two wheelers, and quadricycles was 2,191,090 units.

In FY22, total commercial vehicle sales stood at 716,566 units, three-wheeler sales stood at 260,995 units and two-wheeler sales stood at 13,466,412 units

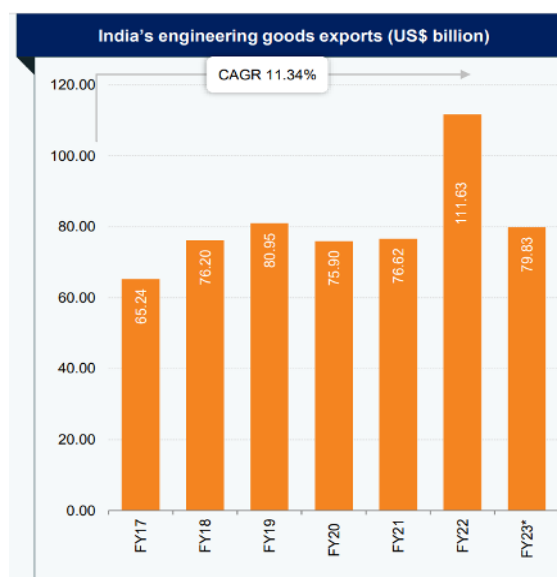
*Note: \*Data except for BMW, Mercedes, Tata Motors & Volvo Auto*

## **AUTO COMPONENTS**

- Indian auto components industry, which accounts for 2.3% of India's GDP currently, is set to become the 3rd largest globally by 2025.
- Indian auto components industry witnessed a 34.8% growth to Rs. 2.65 lakh crore (US\$ 31.9 billion) in first half of 2022-23, riding on domestic demand, particularly from the passenger vehicles segment.
- During the first half of 2022-23, exports of components grew by 8.6% to US\$ 10.1 billion.

### **Robust growth in India's engineering export over the years**

- Engineering accounts for about 25% of India's total global exports in the goods sector and is one of the largest foreign exchange earners.
- In FY22, India exported engineering goods worth US\$ 111.63 billion, a 45.51% YoY growth.
- Cumulative engineering exports for April-December 2022-23 stood at US\$ 79.83 billion.
- In December 2022, exports of engineering goods from India stood at US\$ 9.08 billion.
- India's engineering goods are exported to key markets such as the US, Europe, and China.
- The value of shipments to the US, the top market for India's engineering goods, stood at US\$ 1.58 billion in December 2022
- Engineering exports to China stood at US\$ 233.2 million whereas to the European Union (EU) it stood at US\$ 1.54 billion in December 2022.
- Export of engineering goods is expected to reach US\$ 200 billion by 2030.
- The engineering industry in Gujarat reported exports worth US\$ 25 billion contributing around 36% of the India's engineering exports



### **Strong policy support crucial for the sector**

#### **1. Make in India**

Shri Dharmendra Pradhan, Minister of Skill Development and Entrepreneurship and Education, said growth of capital goods sector is correlated to the success of Make in India program.

#### **2. Special Economic Zones (SEZs)**

- The government approved 15 SEZs for the engineering sector, & electrical machinery is a part of the sector.

- The Delhi Mumbai Industrial Corridor (DMIC) is being developed across seven states and is expected to bolster the sector.

## **INFRA PROJECTS**

Top infra projects that are underway includes Chenab Bridge, Delhi Mumbai Expressway, Central Vista, Eastern Dedicated Freight Corridor, Mumbai Nagpur Expressway, Kochi Water Metro.

### **Tariffs and custom duties**

In budget 2023, customs duty exemption is being provided to import of specified capital goods and machinery required for manufacture of lithium-ion cells for batteries used in electric vehicles and mobile handsets.

### **De-licensing**

The electrical machinery industry has been de-licensed, along with 100% FDI allowed in this sector. This has facilitated the entry of major global players into the electrical machinery industry in India.

### **Budgetary support**

Under the Union Budget 2023-24, Government has committed an outlay of Rs. 10 lakh crore (US\$ 120 billion) towards infrastructure capital expenditure compared to Rs. 7.5 lakh crore (US\$ 90 billion) (BE) during 2022–23, which is a 33% year-on-year increase.

(Source: [https://www.ibef.org/download/1682311486\\_Engineering-and-Capital-Goods-Feb2023.pdf](https://www.ibef.org/download/1682311486_Engineering-and-Capital-Goods-Feb2023.pdf))

## **ELECTRIC VEHICLES**

1. The electric vehicle (EV) market is estimated to reach Rs. 50,000 crore (US\$ 7.09 billion) in India by 2025.
2. In the year 2021, India's spending on electrical architecture development, such as battery development, electrification, e-motors, and power electronics, came up to Rs. 48,215 crore (US\$ 6.39 billion).
3. In December 2021, Hyundai announced plans to invest Rs. 4,000 crore (US\$ 530.25 million) in R&D in India, with the goal of launching six EVs by 2028.
4. In February 2022, a memorandum of understanding (MoU) was signed between electric two-wheeler company Ather Energy and Electric Supply Companies (ESCOMs) of Karnataka for setting up 1,000 fast charging stations across the state.

### **Market Overview**

A report by India Energy Storage Alliance estimated that the EV market in India is likely to increase at a CAGR of 36% until 2026. In addition, a projection for the EV battery market is forecast to expand at a CAGR of 30% during the same period.

### **New financing options**

According to NITI Aayog and Rocky Mountain Institute (RMI), India's EV finance industry is likely to reach Rs. 3.7 lakh crore (US\$ 50 billion) in 2030

(Source: <https://www.ibef.org/industry/india-automobiles>)

## **RENEWABLE ENERGY**

### **Executive Summary**

#### **Immense growth potential**

- India has low conventional energy resources compared to its required energy needs driven by a huge population and a rapidly increasing economy. However, India can harness the huge potential of solar energy as it receives sunshine for most of the year. It also has vast potential in the hydro power sector which is being explored across states, especially in the northeast.
- As of November 2022, India's installed renewable energy capacity (including hydro) stood at 165.94 GW, representing 40.6% of the overall installed power capacity and providing a great opportunity for the expansion of green data centres.
- India is the only country among the G20 countries who is on track to achieve its targets under the Paris Agreement.
- ICRA expects renewable energy capacity addition of 12.5 GW in FY22 and 16 GW in FY23.

#### **Ambitious targets**

- In November 2021, at the Cop-26 Summit in Glasgow, Prime Minister Mr. Narendra Modi made a promise to increase India's renewable energy generation capacity to 500 GW, and meet 50% of India's energy needs through renewable means by the year 2030.
- The non-hydro renewable energy capacity addition stood at 4.2 GW for the first three months of FY23 against 2.6 GW for the first three months of FY22.

#### **Increasing investment**

- The non-conventional energy space in India has become highly attractive for investors and received FDI inflow of US\$ 12.57 billion between April 2000- June 2022.
- More than Rs. 5.2 lakh crore (US\$ 70 billion) has been invested in India's renewable energy sector since 2014.
- India ranked third on the EY Renewable Energy Country Attractive Index 2021.

#### **Advantage India**

##### **Competitive Advantage**

- India was ranked fourth in wind power, fifth in solar power and fourth in renewable power installed capacity, as of 2020.
- Power generation from solar and wind projects are likely to be cost-competitive relative to thermal power generation in India in 2025-2030.
- As per the British Business Energy, India ranks third on renewable energy investments and plans

##### **Increasing Investment**

- Investment in renewable energy in India reached a record US\$ 14.5 billion in FY22, an increase of 125% over FY21.
- Rising foreign investment in the renewable sector (such as US\$ 75 billion investment from the UAE) is expected to promote further investments in the country.

#### **Renewable energy growth drivers**

##### **Government commitments**

- Prime Minister Mr. Narendra Modi initially set the target of installing 175 GW of renewable energy capacity by 2030, but has now increased it to 450 GW.
- In October 2021, the Ministry of Power announced a new set of rules aimed at reducing financial stress for stakeholders and safeguarding timely cost recovery in electricity generation.
- In November 2021, the government announced future plans to increase the funding under the PLI scheme for domestic solar cells and module manufacturing to Rs. 24,000 crore (US\$ 3.17 billion) from the existing Rs. 4,500 crore (US\$ 594.68 million) to make India an exporting nation.

## **Investments**

- In August 2022, Norfund, who manage the Norwegian Climate Investment Fund, and KLP, Norway's biggest pension company, signed an agreement to buy a 49% share of a 420 MW solar power plant in Rajasthan for Rs. 2.8 billion (US\$ 35.05 million).
- Investment in the renewable energy in India reached a record US\$ 14.5 billion in FY22, an increase of 125% over FY21.
- In 2022, India's renewable energy sector is expected to boom with a likely investment of US\$ 15 billion, as the government focuses on electric vehicles, green hydrogen, and manufacturing of solar equipment.

## **Favourable policies and incentives**

In April 2021, the Ministry of Power (MoP) released a draft of the National Electricity Policy (NEP) 2021 and has invited suggestions from all stakeholders such as Central Public Sector Undertakings, Solar Energy Corporation of India, power transmission companies, financial institutions such as the Reserve Bank of India, Indian Renewable Energy Development Agency, HDFC Bank, ICICI Bank, industrial, solar and wind associations and state governments.

## **Government policies**

### **1. Repowering policy**

- Promotes optimum utilisation of wind energy resources by creating facilitative framework for repowering.
- Providing interest rate rebate of 0.25% over and above the existing interest rate rebate offered to new wind energy projects.
- All fiscal and financial benefits offered to new wind power projects will be extended to repowering projects.

### **2. Wind-solar hybrid policy**

- Aims to achieve a hybrid wind-solar capacity of 10 GW by 2022.
- Hybridisation of the two technologies will help in:
  1. Minimising variability
  2. Optimal utilization of infrastructure, including land and transmission systems

### **3. Renewable Purchase Obligations (RPOs)**

- RPO's are a mechanism by which state electricity commissions are obliged to purchase certain percentage of power from renewable energy sources.
- Also, floor prices of the RPO have been set to provide certainty to companies. The floor price has been set at US\$ 144 per MW

### **4. Clean Energy Innovation**

- In November 2022, India and Sweden entered into a India-Sweden Green Transition Partnership to support the exchange of knowledge in the energy space.
- In June 2021, India launched the Mission Innovation Clean Tech Exchange, a global initiative that will create a whole network of incubators across member countries to accelerate clean energy innovation

### **5. Government Schemes**

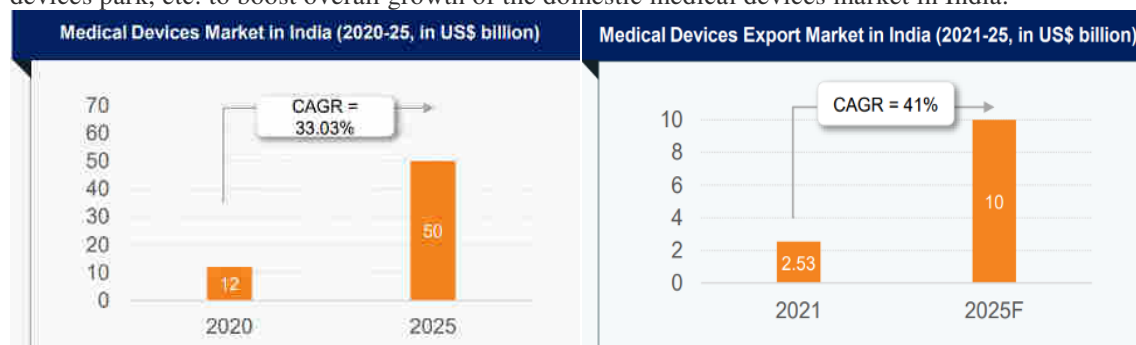
- In November 2021, the government announced future plans to increase the funding under the PLI scheme for domestic solar cells and module manufacturing to Rs. 24,000 crore (US\$ 3.17 billion) from the existing Rs. 4,500 crore (US\$ 594.68 million) to make India an exporting nation.
- In June 2021, the Ministry of Power proposed to revamp the 'Renewable Energy Certificate (REC) Mechanism' and circulated a discussion paper for comments from stakeholders in the power sector

(Source: [https://www.ibef.org/download/1673948447\\_Renewable-Energy-Nov2022.pdf](https://www.ibef.org/download/1673948447_Renewable-Energy-Nov2022.pdf))

## **MEDICAL DEVICES INDUSTRY**

### **Executive summary**

- The Indian market for medical equipment is predicted to increase to US\$ 50 billion by 2025.
- As of 2020, the medical devices market is estimated to be at US\$ 12 billion in India.
- India is the 4th largest Asian medical devices market after Japan, China, and South Korea, and among the top 20 medical devices markets globally.
- India has an overall 75-80% import dependency on medical devices.
- Export of medical devices from India stood at US\$ 2.53 billion in FY21.
- The US, Germany, China, Brazil, Iran, etc. are a few key countries that import Indian medical devices. Gujarat, Maharashtra, Karnataka, Haryana, Andhra Pradesh, Telangana and Tamil Nadu are the manufacturing hubs for medical devices in India.
- In Bio Asia 2021, key stakeholders in the panel discussion on medical technologies stated that India would become self-sufficient in domestic medical devices manufacturing by 2025-26.
- The panel observed that the government is taking supportive measures such as promoting indigenous manufacturing of high-tech medical devices, production-linked incentive schemes (PLIs) on medical devices, boosting new medical devices park, etc. to boost overall growth of the domestic medical devices market in India.



### **Advantage India**

#### **1. Increasing Demand**

- Rising number of medical facilities will boost the demand for medical devices in the market.
- The medical technology sector in India is projected to reach US\$ 50 billion by 2025.
- Various government initiatives such as 'Production Linked Incentive (PLI) Scheme for Medical Devices 2020' and establishing medical parks will augment demand.

#### **2. Policy Support**

- 100% FDI is allowed in the medical devices sector in India. Categories such as equipment and instruments, consumables and implants attract the most FDI.
- In September 2022, the government of India approved the setting up of an export promotion council for medical devices, under the Department of pharmaceuticals, with its headquarters in Noida.
- The Indian medical devices industry was granted the status of an 'independent industry' in 2014, and given the title of 'sunrise' sector under the Make in India scheme in 2014.

#### **3. Increasing Investment**

- FDI inflow in the medical and surgical appliances sector stood at US\$ 2.71 billion between April 2000-June 2022.
- In the Union Budget 2022-23, Rs. 86,200 crore (US\$ 11.3 billion) was allocated as a budget for the pharmaceutical and healthcare sector.

## **Growth in Medical Devices**

- As of 2020, the medical devices market is estimated to be at US\$ 12 billion in India. India is the 4<sup>th</sup> largest Asian medical devices market after Japan, China, and South Korea, and among the top 20 medical devices markets globally. However, it has the potential to surpass its peers in terms of size and scale; this is based on the government's support the sector has received over the past several years.
- India's medical devices market is projected to reach US\$ 50 billion by 2025.
- Between 2020-25, diagnostic imaging is likely to expand at a CAGR of 13.5%.
- The medical devices sector in India comprises large multinationals, and small and mid-sized companies. This sector, which is growing faster amid the pandemic, offers great opportunities for domestic players, particularly engineering MSMEs, to further penetrate the global markets.
- The Government of India (GOI) has commenced various initiatives to strengthen the medical devices sector, with emphasis on research and development (R&D) and 100% FDI for medical devices to boost the market.
- India added significant production capacity for various critical care items such as PPE kits, surgical gloves, sanitisers and N95 masks, and emerged as a significant destination for manufacturing of healthcare products and services.

## **Government Initiatives to Boost Demand**

### **1. 100% FDI**

- 100% FDI under the automatic route for both brownfield and greenfield setups in the sector is expected to boost the industry. Strong FDI inflows also reflect confidence among global players on the Indian medical devices market.
- Over the last five years (2015-20), India received US\$ 600 million, with key investments from countries such as Singapore, the US, Europe and Japan.
- Categories such as equipment and instruments, consumables and implants have attracted the most FDIs. ▪ From April 2000-June 2022, FDI inflow in the medical and surgical appliances sector stood at US\$ 2.71 billion.

### **2. Incentive Schemes**

- In July 2022, the government tabled a draft for the new Drugs, Medical Devices and Cosmetics Bill 2022, to assure and offer thorough legal protections to ensure that the medical items sold in India are reliable, efficient, and up to required standards.
- To boost domestic manufacturing of medical devices and attract huge investments in India, the Department Of Pharmaceuticals launched a PLI scheme for domestic manufacturing of medical devices, with a total outlay of funds worth Rs. 3,420 crore (US\$ 468.78 million) for the period FY21-28.
- The government also approved applications for nine eligible projects that are expected to lead to a total committed investment of ~Rs. 729.63 crore (US\$ 100.01 million) by the companies Siemens Healthcare Private Limited, Allengers Medical Systems Limited (AMSL), Allengers OEM Private Limited (AOPL), Wipro GE Healthcare Private Limited, Nipro India Corporation Private Limited, Sahajanand Medical Technologies Private Limited, Innvolution Healthcare Private Limited, and Integris Health Private Limited, and generate ~2,304 jobs.
- In March 2021, the PLI Scheme for pharmaceuticals worth Rs. 15,000 crores (US\$ 1.96 billion) was launched. This scheme aims to enhance India's manufacturing capabilities by increasing investment and production in the pharmaceutical and medical devices sectors and contribute to the availability of a wider range of affordable medicines for consumers.

### **3. Introduction of Medical Parks**

- The medical device parks are expected to reduce manufacturing costs as these will be equipped with the necessary infrastructure where companies can plug and play.
- In August 2022, the Department of Pharmaceuticals greenlit the "Promotion of Medical Device Parks" programme from FY21-25 with a total financial investment of Rs. 400 crore (US\$ 48.97 million), with a maximum support under the programme of Rs. 100 crore (US\$ 12.24 million) for each Medical Device Park.

- A vast medical device park is planned to open in Noida, bringing in a total investment of Rs. 5,250 crores (US\$ 705.38 million) by the government, and employ 20,000 people.
- In September 2021, the government sanctioned a proposal worth Rs. 5,000 crore (US\$ 674.36 million) to build a medical devices park in Himachal Pradesh's industrial township Nalagarh in the Solan district.
- In September 2021, the government approved the construction of a medical devices park near the Noida International Airport at Jewar in Sector 28.
- In September 2021, the government announced a scheme worth Rs. 400 crore (US\$ 53.95 million) to promote medical device parks until FY25. The scheme is expected to reduce the cost of manufacturing medical equipment, making it more affordable in the domestic market

#### **4. Commercialization in the medical devices and diagnostics space**

- In November 2021, the Indian Council of Medical Research (ICMR) collaborated with Indian Institutes of Technology (IITs) to establish 'ICMR at IITs' by setting up Centres of Excellence (CoE) for Make-in-India product development and commercialisation in the medical devices and diagnostics space.
- The ICMR-DHR CoEs at IITs will create a pipeline of innovative medical devices and start-ups that will incentivise and motivate local manufacturing in India and provide holistic support to the technologies/products nearing commercialisation

Source [https://www.ibef.org/download/1673937683\\_Medical-Devices-Nov2022.pdf](https://www.ibef.org/download/1673937683_Medical-Devices-Nov2022.pdf)

### **INDIAN RAILWAY INDUSTRY**

#### **Growth Initiatives**

- To boost rail infrastructure and make the Indian Railways network future ready, Indian Railways has identified 56 projects across the country in various zones to be completed by Feb-Mar 2021 and FY22.
- Under the Union Budget 2022-23, the government allocated Rs. 140,367.13 crore (US\$ 18.40 billion) to the Ministry of Railways.
- Indian Railways will develop new products and efficient logistics services for small farmers, and small and medium enterprises. It will also take steps towards integration of postal and railway networks to provide seamless solutions for movement of parcels.
- India is rolling out 400 Vande Bharat trains that is expected to bring Rs. 40,000 crore (US\$ 5.24 billion) of business opportunity for the country.
- As part of the National Rail Plan for 2030, Indian Railways is expected to create a future-ready railway system by 2030 to bring down logistics cost and ensure 100% electrification of broad rail routes by December 2023.

(Source: [https://www.ibef.org/download/1673948363\\_Railways-November-2022.pdf](https://www.ibef.org/download/1673948363_Railways-November-2022.pdf))

#### **Advantage India**

##### **1. Growing demand**

- Increasing urbanisation and rising income (both urban and rural) are driving growth in the passenger segment.
- Growing industrialisation across the country has increased freight traffic in the last decade.
- India is projected to account for 40% of the total global share of

##### **2. Opportunities**

- Indian Railways is developing and creating technology in areas such as signaling and telecommunication with 15,000 kms being converted into automatic signaling and 37,000 kms to be fitted with 'KAVACH', the domestically developed Train Collision Avoidance System.

- Metro rail projects are being envisaged across many cities over the next ten years

### 3. Policy support

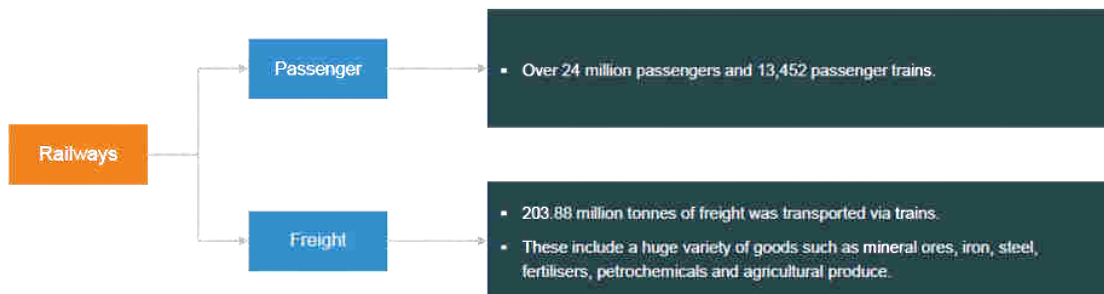
- The Government has increased the scope of PPP beyond providing maintenance and other such supporting roles. PPP is being utilised in areas such as redevelopment of stations, building private freight terminals and private container train operations.
- Government has allowed 100% FDI in the railway sector.

### 4. Higher investment

- FDI inflows in railway-related components stood at US\$ 1.23 billion from April 2000-June 2022.
- Investment in Railway's infrastructure is estimated to increase from US\$ 58.96 billion in 2013-17RE to US\$ 124.13 billion in 2018-22E.^
- It is estimated that Railway's infrastructure would need an investment of Rs. 50 lakh crores (US\$ 715 billion) between 2018-30.

### Indian railways has two major segments

- India has the fourth-largest railway system in the world, following the US, Russia and China.
- Indian Railway (IR) is:
  - a departmental undertaking of the Government of India, which owns and operates most of India's rail transport.
  - overseen by the Ministry of Railways.
  - As of FY21, IR had a total route network of 68,103 kms.
  - It daily operated 13,452 passenger and 9141 goods trains.
  - It has 1,26,611 kms of total tracks over a 68,103-km route and 7,337 stations.
  - It had 24 million passengers and 203.88 million tonnes of freight.
  - Introduced 200 new Vande Bharat trains



- Indian Railways' revenue reached US\$ 16.56 billion in FY 2023 (until October 2022)
- Revenue growth has been strong over the years. Indian Railways' revenue reached US\$ 24.67 billion in FY22. The gross revenue stood at US\$ 18.10 billion in FY21.
- Indian Railways has undertaken various measures to boost revenues including:
  - Passenger Earnings - introduction of new trains, operation of special trains during peak seasons, running premium special trains with dynamic pricing
  - Freight Earnings - reduction in distance of mini rakes, withdrawal of port congestion charge, rationalisation of Merry-go-Round policy
  - Parcel Earnings - leasing parcel space to private parties, liberalisation of parcel policy
  - Other Earnings - adoption of bulk advertising rights, vinyl wrapping of trains, right of way charges
- Indian Railways is also looking at other areas of revenue generation such as the following: a) Change in composition of coaches so that it can push the more profitable AC coach travel; b) Additional revenue streams by monetising traffic on its digital booking IRCTC; and c) Disinvesting IRCTC

## Infrastructure development

- In the Union Budget 2022-23, the following major announcements were made:
  - 100 PM-GatiShakti Cargo Terminals for multimodal logistics facilities will be developed over next three years.
  - Multimodal connectivity between mass urban transport and railway stations will be facilitated on priority.
  - 400 new-generation Vande Bharat trains will be manufactured over next three years. 2,000 km of network will be brought under Kavach, the indigenous technology for safety and capacity augmentation.
  - 'One Station-One Product' concept will be popularized to help local businesses and supply chains.
- It is estimated that India will require US\$ 4.5 trillion of infrastructure investment by 2040 to enhance economic growth and community wellbeing. Under the Union Budget 2021-22, the government allocated Rs. 110,054.64 crore (US\$ 15.19 billion) to the Ministry of Railways.
- Indian Railways is planning annual capital expenditure of Rs. 2 lakh crore (US\$ 27.18 billion) until FY24 in line with the robust infrastructure upgrade envisaged for the railway network.
- In October 2021, the Indian Railways' Mysuru and Hubballi workshops, under the South Western Railway zone, have established one prototype each for a High-Speed Automobile Carrier (NMGH) coach, with a capacity of 18 tonnes, to boost efficiency.
- Rail Land Development Authority (RLDA) is working on long-term planned projects worth Rs. 50,000 crore (US\$ 6.74 billion) for redeveloping 123 railway stations, across the country, on a self-sustainable model, which is in line with the smart city projects.
- In November 2020, Hindustan Construction Company (HCC), in a joint venture with Vensar Constructions Company (VCCL), bagged two orders totalling Rs. 236 crore (US\$ 32.05 million) from the Northeast Frontier Railway.
- The Indian Railways is likely to deliver 58 super critical as well as 68 critical projects worth more than Rs.1,15,000 crore (US\$ 15.44 billion) in the next few years.
  - 27 super critical projects will be completed by December 2021, while two projects will be handed over by March 2022. 29 super critical projects—spanning 1,044 kms and costing Rs. 11,588 crore (US\$ 1.5 billion)—have been commissioned.
  - Four projects worth Rs. 1,408 crore (US\$ 189.05 million) have been completed and the remaining projects are targeted for completion by March 2024.

## Key Achievements

Indian Railways has created a new world benchmark by successfully running 1st Double Stack Container Train in high rise Over Head Equipment (OHE) electrified sections, having a contact wire height of 7.57 metres. This achievement will also boost the Green India mission.

Indian Railways has operationalised its First 12000 HP locomotive. For the first time in the world, a high horsepower locomotive has been operationalised on a broad gauge track. The locomotive has been produced under the Make in India initiative, and India has become the 6th country to join the elite club of producing high horsepower locomotive indigenously.

Northeast Frontier Railway (NFR) has successfully completed Electrification work of total 649 RKM / 1294 TKM from Katihar to

PM Dedicates various Railways projects in the state of Madhya Pradesh. The country's first ISO certified, first PPP model-based railway station, i.e Rani Kamalapati Railway Station has been dedicated to the nation.

Till November, 2021, 575 pairs of trains have been replaced with Linke Hofmann Busch (LHB) coaches which are technologically superior and provide better traveling experience and safety.

Wi-Fi services have been provided at 6071 Railway Stations across India so far. These are available to the general public free of cost for the first half an hour of any day and on a chargeable basis, subsequently thus helping the public to avail online services/information, thereby contributing towards Digital India initiative of the Government.

'Kavach' is one of the cheapest, Safety Integrity Level 4 (SIL-4) certified technologies with the probability of 1 error in 10,000 years which has been successfully trialed between Gullaguda – Chitgidda Railway stations in South Central Railway.

Record electrification of 6,366 RKMs has been achieved in Indian Railways history during 2021-22. As on 31st March 2022, out of 65,141 RKM of BG network of Indian Railways (including KRCL), 52,247 BG RKM has been electrified, which is 80.20% of the total BG network.

(Source: <https://www.makeinindia.com/sector/railways>)

### ***Innovation in Indian Railway***

Indian Railways provides an effective Innovation Ecosystem involving free flow of technology and information among people, enterprises and institutions, which is the key to an innovative process. It allows interactions between the actors needed in order to turn an idea into a process, product, or service to achieve the ultimate objective of the organisation.

Being the Lifeline of nation, Indian Railways has been continually making innovations in its Technology, Service, Operations and Overall System to lead the nation on path to a modern and ever progressing future.

A few innovative improvements are the State of the Art *SMART Coaches* having special diagnostic systems and sensors connected to integrated computer systems for increased passenger comfort, *SMART Locomotives* having new features as Asset Performance Monitor (APM), Locotrol, LocoVision, Rail Integrity Monitor (RIM) etc, *SMART Yards* with ICT systems, sensors and data analytics to automatically gather information on rolling stock conditions, *Automated Train Examination System (ATES)*, new technology *Signalling Systems* with new features being added as indigenous Automatic Train Protection (ATP) system, Centralized Traffic Control (CTC), Train Management System (TMS) etc.



Besides these many improvements as Dedicated Freight Corridors, Self-designed Vande Bharat Express, Tejas Express, Vistadome Coaches, New Signalling Systems, Long Haul Freight Trains, High Capacity & High Speed Wagons, Kisan Rail, Solar Powered Passenger Coaches etc have been done to bring about sea change in the Customer comforts and expectations.



(Source: [https://indianrailways.gov.in/railwayboard/uploads/directorate/secretary\\_branches/IR\\_Reforms/Innovation%20in%20Indian%20Railways%20.pdf](https://indianrailways.gov.in/railwayboard/uploads/directorate/secretary_branches/IR_Reforms/Innovation%20in%20Indian%20Railways%20.pdf))

### **Upgradation of Coaches**

It is a continual endeavour of Indian Railways (IR) to provide more comfort to passengers during rail travel. Several steps have been taken by IR in this regard, some of which are listed below:-

1. State-of-the-art Train-set Vande Bharat services have been introduced between New Delhi – Varanasi and New Delhi-Shri Mata Vaishno Devi Katra. These trains have ultra modern features like quick acceleration, on board infotainment and Global Positioning System (GPS) based passenger information system, automatic sliding doors, retractable footsteps and Zero discharge vacuum bio toilets etc.
2. Various premium train services like Humsafar, Tejas, Antyodaya, Utkrisht Double Decker Air-conditioned Yatri (UDAY), Mahamana and coaches like Deen Dayalu and Anubhuti, which have upgraded interiors / exteriors and improved passenger amenities, have been introduced in service in various train services over IR.
3. With a view to provide safer and more comfortable journey to the travelling passengers, it has inter-alia been decided to proliferate / induct Linke Hofmann Busch (LHB) coaches and convert trains operating with conventional Integral Coach Factory (ICF) type coaches by LHB coaches, in a phased manner. LHB coaches are technologically superior and have better riding, aesthetics and safety features than conventional ICF type coaches. To this end, Production Units of Indian Railways are producing only LHB coaches from 2018-19 onwards. Presently, 647 pairs of trains on IR system are being operated with LHB coaches.
4. Vistadome coaches provide panoramic view, through wider body side windows as well as through transparent sections in the roof, thus enabling the passengers to enjoy the scenic beauty of the places through which they travel. Recently, Vistadome coaches on LHB platform have been manufactured with several modern features and amenities.
5. Under Project Swarn, 65 rakes of Rajdhani and Shatabdi trains have been upgraded across multiple dimensions, which include coach interiors, toilets, onboard cleanliness, staff behaviour, linen, etc.
6. 63 smart coaches with ultra modern features like Smart Public address and passenger information system, Smart HVAC (Heating, Ventilation and Air Conditioning system), Smart security and surveillance system etc. have been manufactured and introduced in service.
7. Conventional lighting in coaches is being replaced with modern and energy efficient Light Emitting Diode (LED) lights.
8. IR has also been providing increased number of mobile charging points in coaches.

The design of LHB AC General Second Class coaches is under finalization by Research Design and Standards Organisation/ Lucknow and design features of the coaches shall be finalized once the layout is frozen. The coaches shall be manufactured by Production Units thereafter.

(Source: <https://pib.gov.in/Pressreleaseshare.aspx?PRID=1707246>)

## **OUR BUSINESS**

*Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “Forward-Looking Statements” for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” 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. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the Twelve-month period ended March 31 of that year. In this section, a reference to the “SMTPL”, “Company” or “we”, “us” or “our” means Saakshi Medtech and Panels Limited.*

*All financial information included herein is based on our “Financial information of the Company” included on page 153 of this Red Herring Prospectus.*

We are a diversified company engaged in manufacturing of: i) Electrical Control Panels and Cabinets used in elevators, air compressors, renewal energy industry, oil & gas exploration industry, electrical vehicle charging stations etc, ii) Medical X Ray System used in healthcare industry iii) Fabrication works for locomotives and (iv) wire harness division for our captive consumption in electrical control panels and for supply to air compressor industry. Our in-house engineering and design capabilities help us offer diversified products and solutions to our customers in each of the product categories in which we operate. Our comprehensive solutions include design, process engineering and manufacturing including fabrication, assembly and testing facilities. The hardware components are imported or sourced from local suppliers which are then programmed and assembled at our manufacturing facilities.

We design, program and assemble Electrical Control Panels and Cabinets comprising of micro controller, programmable logic controllers and SCADA system. These Electrical control panels are essential for industrial automation. They provide higher-level monitoring and control various functions of machines to define, organize, and meet production objectives. The end users for our products in this category include OEMs producing elevators, wind turbines, air compressors, oil & gas exploration equipment, electrical vehicle charging stations or diesel generators. These panels direct input and output of equipment in which they are installed like: monitoring directional movement of wind turbines, bi-lateral movement of elevators, set automatic load and unload of pressure in air compressors used in CNG petrol pumps, metal industry, forging industry, chemical industry, aviation industry and allied industries, vibration and temperature monitoring in oil and gas exploration equipment, for charging of EV batteries and alarming of DG sets. Our major clientele in this product category include: Atlas Copco (India) Ltd and Ge India Industrial Pvt Ltd, OTIS Elevator Company (India) Ltd, GE Oil & Gas India Pvt Ltd, Kirloskar Oil Engines Ltd, Kirloskar Pneumatic Co.Ltd. Our company has entered into a long-term supply agreement with OTIS Elevator Company (India) Ltd for supply of electrical control panels for controlling of lift movement valid upto June 30, 2024.

Medical X Ray System manufactured and assembled by us comprises of X Ray machine, Imaging system, Generator and mechanics. Our company is certified manufacturer of medical diagnostic X-Ray equipment by AERB since 2018. With our research and development initiatives our company has recently received Licence to Manufacture Medical Devices for the purpose of Testing from The Central Drugs Standard Control Organisation (CDSCO). We have recently also got our testing lab certified by NABL for testing of medical diagnostic x-ray equipment. Our major clientele in this product category include: Wipro GE Healthcare Pvt. Ltd, Philips India limited and BPL Medical Technologies Private Limited.

Furthermore, we are also involved in Fabrication of High level Assembly (HLA) to be installed in locomotives which include manufacturing and assembly of sensor box, battery boxes, sand boxes, dynamic brake weldments, resistor boxes, oil tank assemblies, snow plow etc. We mainly supply these HLA to Wabtec group of companies namely, Wabtec India Industrial Private Limited, Wabtec Transportation Systems LLC, Wabtec Locomotive Private Limited. We have entered into a long term supply agreement with Wabtec India Industrial Private Limited, valid upto the year 2027. Our fabrication activities were first started in the year 2019 when we initiated backward integration for mechanical assembly and sheet metal fabrication for Medical X-Ray System and Electrical Control Panels and Cabinets. Recently our company has initiated to expand its operations for fabrication works in aerospace industry. For the said purposes we have been successfully certified for Quality Management System under Aviation Standard - AS 9100D and ISO 9001:2015.

Our company also has a wire harness division where wiring assembly or cable assembly is undertaken for transmission of signals or electrical power in the electrical cables or wires. Majority of our harnessed wire is used for captive consumption in manufacturing activities of Medical X-Ray system or Electrical Control Panels and Cabinets.

We operate through our three manufacturing facilities situated in Pune with total built up area of approx. 9600 sq mtr. We manufacture Electrical Control Panels and Cabinets, Medical X- Ray System and Wire Harness in the factory Unit-I and Fabrication works in factory Unit II and Unit III. Our manufacturing facilities include engineered layout with process controls and necessary automations for quality and productivity. This allows us to keep our core competencies within our Company, allowing us to ensure strict quality control and safety at each step of our manufacturing process. Further our testing laboratory situated at our factory unit 1 is accredited by the National Accreditation Board for Testing and Calibration Laboratories (“NABL”), which helps to ensure an additional quality check.

We have diversified our products under various business verticals, mainly due to our research and development (“R&D”) and technological capabilities. Our R&D capabilities include product design, product engineering, product simulation, prototyping and testing. Our R&D activities are mainly undertaken at our manufacturing facilities. Our R&D operations are supported by a team of 37 engineers as on March 31, 2023.

The share of revenue through our various product categories is as under:

Sr. No	Product Categories	FY 22-23	FY 21-22	FY 20-21
1	Medical X-Ray System	322.17	250.88	353.01
2	Electrical Control Panel and Cabinets	8,513.71	5,821.34	3,194.39
3	Fabrication Works	2,331.39	2,365.13	1,540.59
4	Wire Harness Division*	191.16	156.38	121.50
5	Trading**	758.96	489.28	712.75
6	Others	88.43	74.76	55.15
	<b>Total</b>	<b>12,205.82</b>	<b>9,157.78</b>	<b>5,977.39</b>

\* Wires harnessed at our manufacturing facility are used for portable compressors used in Compressor industry and interconnecting cables for medical products.

\*\*Source of revenue from Trading includes trading of components assembled in Electrical Control Panels and Cabinets and Medical X-Ray Systems sourced from Gigahertz Computing India Pvt. Ltd., Bangalore. These components are usually supplied to customers upon wear and tear caused to Electrical Control Panels and Cabinets and Medical X-Ray Systems after its sales.

Our Company is led by our Promoter and Managing Director, Aniket Vijay Latkar having an overall experience of around 15 years in the associated industry. We have received the below mentioned prestigious awards in the past that bear testimony to the faith our customers have in us and our ability to successfully serve and meet their requirements.

#### Awards and Recognitions

- Recognition certification of Zero Defect Zero Effect from MSME India.
- Best Delivery Performance Award for 2010 -from Atlas Copco Ltd, Pune.
- Best EHS Award for 2013-from Atlas Copco Ltd, Pune
- Awarded by HIC (Healthcare Innovation Centre) as NPI Development Partner Award from Philips in 2015
- Recognized as Productivity Partner in MMF Strategic Business Partnership Conclave 2021 by the GE Group.

Over the years our Company has obtained various registrations and certifications that facilitate our business and help us to secure orders from renowned customers:

Certification	Registration/L icense No.	Nature of Registration	Issuing Authority	Date of Issue	Date of Expiry
ISO 9001-2015	IN84168A	<b>For Factory Unit 1 &amp; 2:</b> For Management System  For the scope of activities described below:	LMS Certification Limited	30.11. 2018	29.11. 2024

		Manufacturing and Supply of Electrical Control Panels, X-ray Equipment, Fabricated Parts & Accessories, Powder coating & painting.			
ISO 14001-2015	IN90632B	<b>For Factory Unit 1 &amp; 2:</b> For Environmental Management System  This Certificate is applicable to the following product or service ranges: Manufacturing and Supply of X-Ray Equipment, Electrical Control Panel, Fabricated Parts, Powder Coating & Accessories	LMS Certification Limited	21.11.2020	20.11.2023
ISO 45001-2018	21IOHA44	<b>For Factory Unit 1 &amp; 2:</b> For Occupational Health and Safety Management System  The following product or service ranges: Manufacturing And Supply Of X-Ray Equipment, Electrical control Panel, Fabricated Parts, Powder Coating & Accessories	AQC Middle East LLC	11.08.2021	10.08.2024
ISO 13485:2016	BN21429/20679	<b>For Factory Unit 1:</b> Medical Devices- Quality Management System for the following scope of activities: Design, Manufacture and Supply of X-Ray Machine	BSCIC Certifications Private Ltd	07.01 2023	06.01.2026
EN15085-2	TÜVNORD/15085/CL2/434/0/23	<b>For Factory Unit 2:</b> Welding of railway vehicles and components  <b>Field of application:</b> New build of parts for railway vehicles, without design	TUV Nord	30.04.2021	31.03.2024
DIN EN ISO 3834 – 2	07/204/1326/H S/5055/21	<b>For Factory Unit 2:</b> verified and recognized as welding workshop based on the requirements of the standard	TÜV NORD Systems GmbH & Co. KG	03.05.2021	31.03.2024
CE Certificate EN 60204-1:2018 EN 62208:2011 EN 60439-1:2009	ECIC/LVD-34/22	<b>For Factory Unit 1:</b> Certificate of Compliance for Control Panel, Starter Panel, Isolation Switch	EC International Certifications	20.07.2022	19.07.2025
AS 9100D and ISO 9001:2015	951 22 5569	<b>For Factory Unit 1 &amp; 2:</b> The scope includes Manufacture and Sales of Mechanical Fabricated Assemblies	TUV SUD America Inc.	12.10.2022	11.10.2025

ISO/IEC 17025:2017	TC-11147	<b>For Factory Unit 1:</b> Certificate of Accreditation for  <b>Field of application:</b> General Requirements for the competence of Testing & Calibration Laboratories	Chief Executive officer of NABL	11.11.2022	10.11.2024
As per ISO/IEC 17025:2017	TC-11147	Certificate of Accreditation-  General Requirements for the competence of Testing & Calibration Laboratories	Chief Executive officer of NABL	11.11. 2022	10.11. 2024

### Key Performance Indicators of our Company

*(Rs. In Lakhs except percentages and ratios)*

Key Financial Performance	FY 2022-23	FY 2021-22	FY 2020-21
Revenue from operations <sup>(1)</sup>	12,205.82	9,157.78	5,977.39
EBITDA <sup>(2)</sup>	2,031.20	1,551.87	573.33
EBITDA Margin <sup>(3)</sup>	16.64%	16.95%	9.59%
PAT	1,238.30	937.59	220.08
PAT Margin <sup>(4)</sup>	10.15%	10.24%	3.68%
Net Worth <sup>(5)</sup>	4,224.07	2,985.77	2,048.17
Return on Net Worth <sup>(6)</sup>	29.32%	31.40%	10.75%
RoCE (%) <sup>(7)</sup>	28.57%	30.10%	10.56%

#### Notes:

<sup>(1)</sup>Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements

<sup>(2)</sup>EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

<sup>(3)</sup> 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup> 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

<sup>(5)</sup> Net worth means the aggregate value of the paid-up share capital and reserves and surplus of the company.

<sup>(6)</sup>Return on Net Worth is ratio of Profit after Tax and Net Worth.

<sup>(7)</sup>Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}.

### OUR COMPETITIVE STRENGTHS

*We offer a diversified range of products.*

We are strategically well placed to run various business verticals under one umbrella. Our diversified range of products cater to Healthcare industry and to the Industrial and Engineering segment of Renewable Energy, locomotives, elevators, air compressors, Diesel Generators electrical vehicle charging stations etc. Our core competencies include product prototype design and development, functional testing, validation and verification. We believe that our focus on maintaining quality across our product verticals and on continuous technological upgradation of our electric control panels, together with our extensive sales and marketing efforts have enabled us to expand our operations over the years.

Our diversification of revenue across multiple industries allow us to prevent any possible customer concentration in any of our product categories. With our track record and wide product portfolio, we have been able to retain our existing customers and have also been able to attract new customers

### ***Engineering expertise with complex product manufacturing capability***

We have comprehensive in-house capabilities of designing and manufacturing precision engineering products. Our Company manufactures and assembles a wide range of critical assemblies and precision components with close tolerances through its precision machining, assembly, and specialized fabrication facilities, for onward usage by our customers in the relevant industry. All raw materials procured for manufacturing our products are sourced from trusted vendors and our quality control team applies stringent quality measurements at every manufacturing stage to ensure low rejection rate such that our finished product confirms to the exact requirement of our customers and successfully passes all test, validations and quality checks.

As we have secured orders from our renowned customers in the past, and have been able to deliver successfully on these mandates, we believe that we are well positioned to capitalize on this opportunity and to take advantage of future orders placed by them. Owing to the critical end applications of our products and such stringent quality requirements, we believe it becomes very difficult for new players to get qualified for the projects we undertake.

We focus on research and development, with an emphasis on continuous improvement in product performance, cost and reliability, to enhance our product range. We believe the engineering capability of our Company, evolved over decades, has enabled us to consistently offer quality complex components and assemblies, within stipulated timelines and at reasonable cost in most cases enabled us to deliver our products to our customers in accordance with their designs and specifications in a cost competitive manner.

### ***Long term and well-established relationships with OEM customers***

We have long term relationships with several original equipment manufacturers (“OEMs”) and component manufacturers across our various product categories. Most of our business comprises direct supply to our OEM customers, for few of which we have entered into long term agreements, which are renewed from time to time. With our track record and wide product portfolio, we have been able to retain our existing customers and also been able to attract new customers.

Although the technical specifications for our products are largely standardized, we may undertake certain customization of certain products for our institutional and corporate customers. We also undertake modifications to our products for certain OEMs. Further, we believe that our ability to adapt our product offerings to match the needs of our consumers across a wide range of industries gives us a competitive advantage in the market.

### ***Quality Assurance***

Our Company is dedicated towards quality of our products, processes and input raw material. We are accredited with ISO 9001-2015 Certification for Management System, ISO 14001-2015 Certificate for Environmental Management System, ISO 45001-2018 Certification for occupational health and Safety management system and ISO 13485:2016 for Quality Management System for Manufacturing and Supply of Electrical Control Panels, X-ray Equipment, Fabricated Parts & Accessories, Powder coating & painting. We have also received certificates for our fabrication works as per EN Standards and are verified and recognized as welding workshop based on the requirements of the standard. Our Electrical Control Panels are CE Certified and for our exports orders of medical X Ray systems we also conduct tests as per IEC standards (The International Electrotechnical Commission) as required for distribution and use in multiple countries.

We adhere to quality standards as prescribed by our customers to meet the desired requirement; hence we get repetitive orders from our customers. Delivering Quality products on time is one of our prime objectives. We dedicate resources for quality assurance to ensure that quality norms are continually met. We also have quality control checks before any consignment of Raw material is accepted since it has a direct impact on the quality of Finished Product. The ability to consistently deliver high-quality products to customers is critical to our business. Quality control is ensured by strict adherence to work protocols, from the procurement of raw materials and through the various stages of production. Our quality assurance department conducts various tests such as functional test, reliability test, drop test and tensile test to ensure that our end products adhere to our quality policies

Our delivery of consistent high quality of products has led to receive various awards and accolade that bear testimony to the faith our customers have in us and our ability to successfully serve and meet their requirements. For further details on our recent awards see “***Awards and Recognitions***” on page 104

### ***Experienced and Qualified Management and Employee base***

We have an experienced and qualified management team led by our Promoter and Managing Director, Aniket Vijay Latkar who is a Master of Science in Engineering Business Management with overall work experience of around 15 years. Our Whole Time Director, Mayuri Aniket Latkar is a Bachelor of Engineering in Electronics & Telecommunication and PGDM in Finance with overall work experience of around 13 years. Thus we are well placed to capitalize the knowledge and experience of our management team which has been instrumental in growth of our Company. Our management team has substantial experience in the sectors which we serve, which enables us to capture market opportunities, formulate and execute business strategies, manage client expectations as well as proactively respond to changes in the market conditions. Their advisory services and inputs are a value addition to our performance, compliance and overall operations.

Each business vertical is being managed by experienced team having in-depth technical and industry knowledge that we cater to. They are instrumental in establishing and maintaining relationships with our customers. Our mid-level management is supported by our trained personnel and skilled workers who benefit from our regular in-house training initiatives. We therefore believe that our qualified management and employee base have enabled us to extend our operating capabilities, improved the technical quality of our products and facilitated our growth in the industry.

### ***Stable financial performance***

We have demonstrated stable financial performance over the years with growth in terms of revenues and profitability. Over the last three years, we have focused our attention towards expanding our product portfolio which has resulted in an increase in our revenue from operations and profits. Our revenue from operations has grown at a CAGR of 42.90% from ₹ 5,977.39 lakhs in Fiscal 2021 to ₹ 12,205.82 lakhs in Fiscal 2023. Our profit for this period has also grown from ₹ 220.08 lakhs in the Fiscal 2021 to ₹ 1,238.30 lakhs in Fiscal 2023. As of March 31, 2023 our debt equity ratio was 0.48 and ROCE was 28.57%. The stable growth in revenue, profits, ROCE and positive operating cash flows enable us to fund our strategic initiatives and pursue opportunities for growth.

## **OUR BUSINESS STRATEGIES**

### ***Leverage our manufacturing and engineering capabilities, to tap the industry opportunities.***

Our manufacturing and engineering capabilities enable us to capitalize on the growing opportunities and emerging trends in our industry, particularly in manufacturing Medical X-Ray System, where the Production Linked Incentive Scheme (PLI) Promoting Domestic Manufacturing of Medical Devices and Production Linked Incentive Scheme for Pharmaceuticals (PLI 2.0) have been introduced to provide an impetus to India's vision of becoming a global manufacturing hub for medical devices. The medical devices market in India has the potential to increase at a 37% CAGR and reach \$50 bn by 2025 (Source: <https://www.investindia.gov.in/sector/medical-devices>).

In this context our company has received CDSCO Approval and we believe that our Company is well-poised to capitalize on these opportunities and initiatives by the Government of India, creating value for all of the stakeholders involved, in the process. We believe a significant demand for our products is generated in India owing to our government's objective to enhance domestic sourcing as well as self-reliance, and that our ability to supply technologically advanced products enables us to tap growth opportunities.

Further government's initiative to operationalize its most powerful 12000 HP made in India locomotive (Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=1625158#:~:text=First%2012000%20HP%20made%20in,Dayal%20Upadhyaya%20In%20Station%20yesterday.&text=The%20loco%20is%20named%20WAG12%20with%20Number%2060027>) extends opportunities for our fabrication works of High level Assembly with increase in locomotives on broad gauge network. We also intend to capitalize on the unutilized capacity at our manufacturing facilities to further increase production of our current portfolio of electric control panels and take advantage of the experience of our sales and marketing team to increase our visibility in the domestic market. Additionally, we seek to further penetrate and strengthen our market position in each of the product categories to which we cater to.

### ***Continue to reduce operating costs and improve operational efficiencies***

Offering quality products at attractive prices is a key aspect of maintaining and expanding our relationships with our customers. We intend to continue enhancing our operational efficiencies, to increase economies of scale, better absorb our fixed costs, reduce our other operating costs and strengthen our competitive position. We would focus on improving capacity utilization at our production facilities, through increase in our overall production volumes. We will continue to seek to manage our supply chain costs through optimal inventory levels, economic orders and other measures. Economies of scale will also enable us to continuously improve our operational efficiencies.

Further, we intend to leverage technology for effective utilization of our machinery through digital solutions which would enable effective monitoring of the machine status and study of various shop floor patterns thereby allowing us to address the bottlenecks and to improve our output efficiency.

We are also focused on increasing the levels of digitization in our operations such that it allows us to track and monitor our sales force and distribution channel, and map it to our entire network of customers. This allows us to improve the efficiency of our sales team by tracking sales visits, orders and other parameters on a real time basis. We believe that our investments in strengthening our team and upgrading our systems and processes will enable us to achieve our growth objectives while improving our profitability and attain operational efficiencies.

#### ***Increase our geographical reach and expand our customer base***

Most of our sales is concentrated in the state of Karnataka, Maharashtra, Bihar, Kerala, Gujarat and Uttar Pradesh. We continually seek to enhance our addressable market through our sales and marketing initiatives. We seek to expand our global reach, through increased customer acceptance of our products in international markets. Currently we marginally export our products from India to USA solely on receipt of confirmed orders. We seek to enter new international markets, primarily in the Europe and Australia.

We intend to continue to strengthen and establish relationships with our existing customers for our direct sales. Owing to pricing pressures, OEMs are seeking cost-competitive alternatives giving rise to India as an emerging hub for manufacturing of high complexity, medium volume medical devices. We believe we are well-positioned to partner with OEMs, on the back of our capabilities of manufacturing high quality, affordable and certified products.

Furthermore, currently our revenue from top 5 customers account for 93.08%, 90.45% and 90.57% of our revenue from operations for Fiscal 2023, Fiscal 2022 and Fiscal 2021. We therefore intend to increase the volume of our sales to larger customer base or authorized dealers or distributors through various promotional activities, including product launches, electrician meets, exhibitions aimed at creating awareness for our products and through advertisements in the print and electronic media to increase acceptance of our products amongst our end-consumers

#### ***Continue to focus on R&D activities to develop and optimize niche and high value products***

We plan to continue to expand our technological coverage and research and development activities to invest in incremental innovation of existing products. In order to enhance our product offerings, we have leveraged our adaptability and manufacturing ability by continually investing in the Research and Development activities of the company over the years. We intend to continually invest to develop an experienced and qualified team of Engineers who help us develop complex products and assembly. Our R&D initiatives will enable us to keep abreast of technological developments in the precision manufacturing industry thereby allowing us to have a focused approach on consistently upgrading the technology and the processes used in the manufacture of our products.

#### ***Expand our Manufacturing facility and Product Range***






Our company intends to expand its manufacturing facility and product range. For example: we have successfully commissioned the first trial run order for manufacturing electrical control panel for battery charging station of Electrical Vehicles. Further our company intends to expand fabrication works of High level Assembly for electric locomotives also. For the said purposes, our company has installed its Factory Unit 3 located at Plot no. Plot No. T-75, 'T' Block, Pimpri Chichwad Industrial Area, Pune. We have also applied for consent to operate under MPCB for the said Unit 3. Further, the location of the proposed unit is nearer to our existing plant, thereby giving us strategic business advantages. For further details, please refer to the ***"Immovable Property"*** of this chapter on page 103 of this Red Herring Prospectus. Expanding our manufacturing unit will lower the

manufacturing costs, enable cheap labour costs, cut lead times and higher the production capabilities and hence result in production efficiency. Recently our company has initiated to expand its operations for fabrication works in aerospace industry. For the said purposes we have been successfully certified for Quality Management System under Aviation Standard - AS 9100D and ISO 9001:2015.

## OUR PRODUCTS

### 1) ELECTRICAL CONTROL PANELS AND CABINETS




An electrical control panel or cabinet is an enclosure, typically a metal box or plastic moulding which contains important electrical components that control and monitor a number of mechanical processes. The main components of electrical control panels manufactured and programmed by us include: Main circuit breaker, Surge arresters, Transformers, Terminal blocks, Programmable Logic Controller, Relays and contactors, Network switches, Human Machine Interface (HMI) etc

Sr No	Electrical Control Panels	Photo	Usage
1	For Wind Turbines		<ul style="list-style-type: none"> <li>It can initiate and shut down turbine operation as well as co-ordinate the operation of numerous wind turbines in response to environmental and operating conditions</li> <li>also initiate power production, low-wind shut-down, high-wind shut-down, high load limits, and orderly start-up and shut-down</li> </ul>
2	For Elevators		<p>For Manual door elevator control panel with features like: Fireman switch, Overload warning etc</p> <p>For automatic door operator elevator control panel features like: Fireman switch, Overload warning, Car chime, Alphanumeric display (LED/LCD/Dot matrix), Car chime, BMS/Duplex operation, Double door for Auto mobile elevators, Dust Proof controllers, Flame proof controllers etc</p>
3	For Air compressor		<p>These primarily function as motor starter panels that can be either contactor logic based or Variable frequency starts.</p> <p>Air compressors are used for industrial application wherever gas is required to power/assist various processes.</p> <p>CNG compressor panels are mainly used at CNG pumps for filling natural gas in vehicles under compressed state.</p>
4	For Oil and Gas Exploration		<ul style="list-style-type: none"> <li>Mark VIe Control Cabinets.</li> <li>Vibration &amp; Temperature Monitoring System control panel</li> <li>Control Console for boiler tube inspection machines.</li> <li>Test Bench for measurement control solutions.</li> <li>Lead Cabinet for Boiler Tube Inspection machines.</li> </ul>
5	For Diesel Generators		<ul style="list-style-type: none"> <li>Gas refrigeration</li> <li>Lightning tower &amp; Portable type compressors for</li> <li>Mining</li> <li>Oil &amp; Gas</li> <li>Construction</li> </ul>

			• Manufacturing industry
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## 2) Medical X Ray System

Our product range in the Medical X Ray System are highly engineered and require quality manufacturing processes to assure optimal end user performance. We manufacture both fixed and portable X Ray system with High and low frequency ranging from 60 mA to 500 mA. Our key products in our Medical X Ray System along with X Ray Machine include components such as Collimator of X-Ray system, Mechanical Tables and x-ray tube positioner columns, Electrical control units for x-ray systems and C-arms.

Sr No	Name of Product	Product Description	Photo	Usage
1	Fixed X-Ray System	<b>Ratings:</b> 300mA & 500mA  <b>Features:</b> <ul style="list-style-type: none"> <li>Digital display of KVP, mAs, &amp; mA.</li> <li>Quick Trip overload circuit breaker.</li> <li>Hand Switch with flexible long cord.</li> </ul>		These machines are analog X-ray systems used for all general purpose radiographic procedures
2	C- Arm	C-arm is a medical imaging device that is based on X-ray technology. It consists of a computer workstation used to view, manipulate, store and transfer the images.		C-Arm machines are widely used during orthopedic, urology, gastroenterology surgeries, other complicated surgical, pain management and emergency procedures.
3	High Frequency X-Ray System	<b>Ratings:</b> 16kW & 32kW  <b>Features:</b> <ul style="list-style-type: none"> <li>Digital display of KVP, mAs, &amp; mA.</li> <li>Quick Trip overload circuit breaker.</li> <li>Hand Switch with flexible long cord.</li> </ul>		<p>High-Frequency X-Ray machines are used for all general radiography and fluoroscopy applications.</p> <p>These systems come with various combinations of tube stands and examination tables for various profiles and application needs of specialists.</p>
4	A mobile or portable X-ray machine	This X-ray unit can be moved from one place to other. It allows radiographers, vets and dental professionals to take X-ray images of patients without having to call them		It is used for radiographic imaging in patient wards, intensive care units, operating rooms, orthopedics and for physicians with general practices.

		into a special room		
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### 3) Fabrication Works




We undertake complex assembly manufacturing solutions for high-level assembly (HLA) installed in locomotives. Our engineering and manufacturing capabilities in the fabrication works include complex mechanical, and electromechanical assemblies to integrate components. Fabricated assemblies for locomotives include: Weldment Rad Cap Skid, Dyn Bracket Weldment, Battery Box etc. These are housing assemblies used to secure traction motor, traction braking systems and battery systems used to power circuitry within the locomotive.

		
Weldment Rad Cap Skid	Dyn Bracket Weldment	Battery Box

### 4) Wire harness division

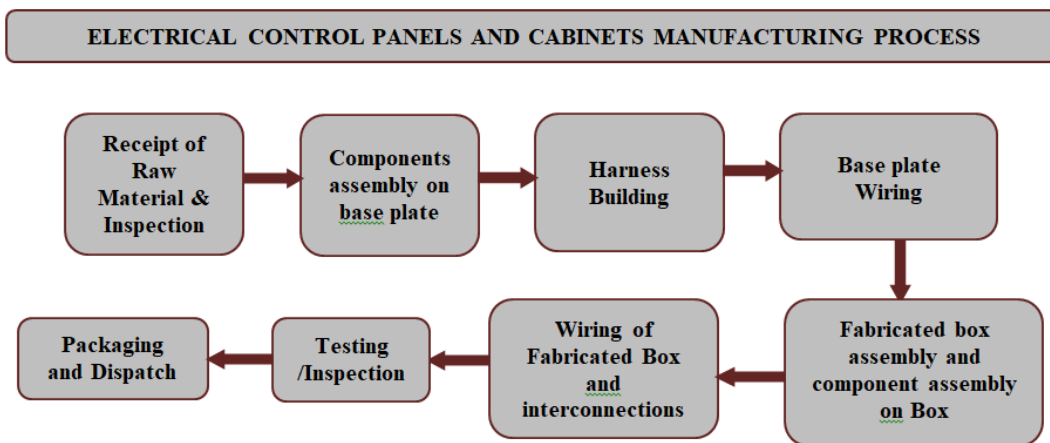
The wire harness division involve cable harness or wiring assembly in a systematic and integrated arrangement of cables within an insulated material. The purpose of the assembly is to transmit signal or electrical power. Cables are bound together with straps, cable ties, cable lacing, sleeves, electrical tape, conduit, or a combination thereof. The wire harness simplifies the connection to larger components by integrating the wiring into a single unit for “drop-in” installation.

Sr No	Name of Product	Product Description	Usage
1	Engine Wire Harness		Connects the engine control supply to various sensors for closed loop feedback mechanism
2	Battery Cables		Connects battery to Starter Motor
3	Communication cable harnesses		D –Sub for serial and parallel communication
4	Motor cables with EMC gland assembly		Connects the motor to VFDs

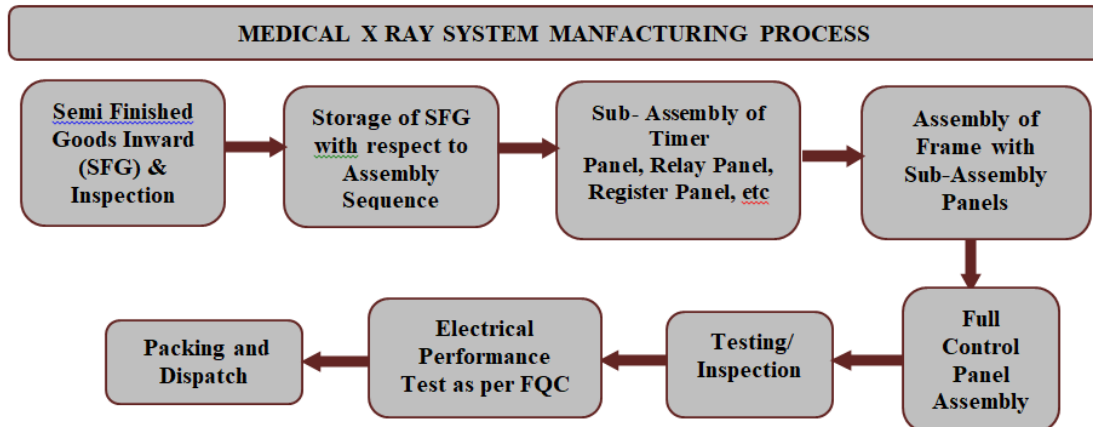
5	Sensor Harness		Connects Sensor signal to PLC/Controller
6	Conduit Harness		For external wiring -Interface between control panel other parts in machine
7	Wire harnesses		for internal wiring of electrical control panels

## OUR MANUFACTURING PROCESS

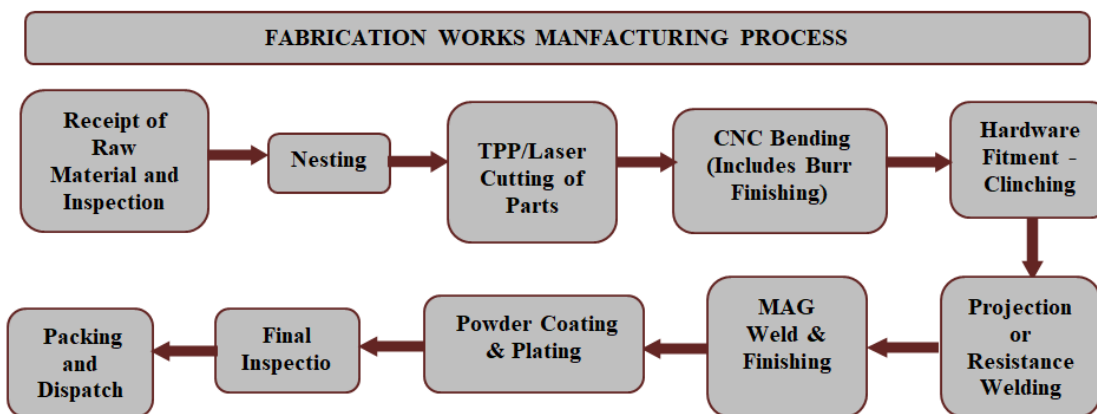
Our manufacturing process for different product categories is as set out below:



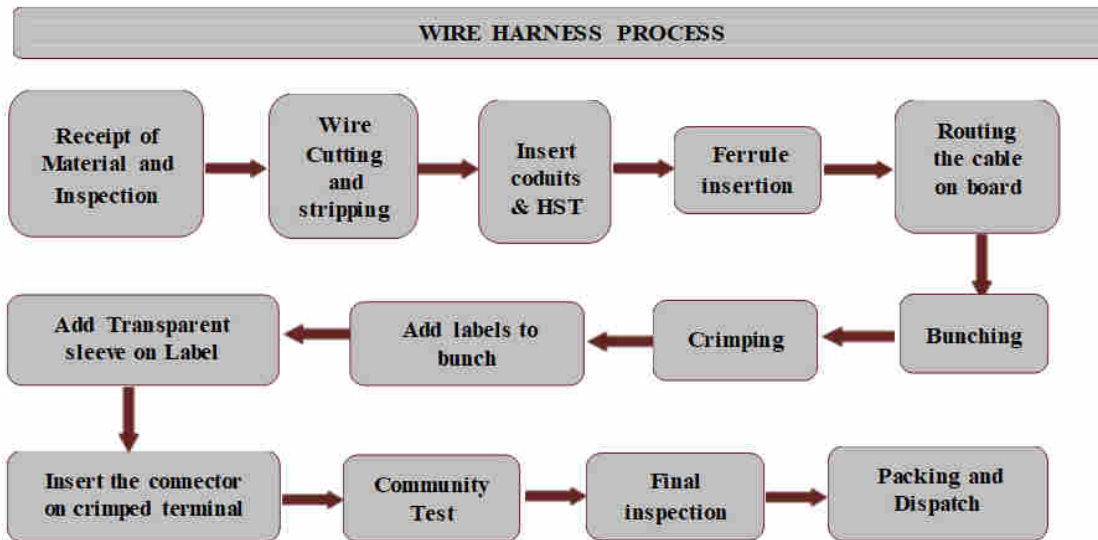
- Receipt of Raw Material and inspection - Company Purchases Raw Material directly from manufacturers or from authorized dealer and quality check is done by the in house quality control team
- Components assembly on base plate – involves PCB channel cutting and assembly, Din Rail channel cutting and assembly, Assembly of components, Labeling and Assembly of Earthing hardware
- Harness Building – involves Wire cutting, Ferruling, Stripping, Lug termination –Crimping and Routing and bunching
- Base plate Wiring – involves Control Harness and Power Harness of Main Baseplate
- Fabricated box assembly and component assembly on cabinets – involve Door and mounting plate assembly, Assembly of main base plate in box, Component assembly on box and doors, Child part assembly and Labeling
- Wiring of Fabricated Box and interconnections – involve wiring of components on box (fan, Connector etc)
- Testing – involves General Assembly and Visual Inspection, High Voltage Test and Functional test and inspection involves visual verification of aesthetic appearance of products
- Packaging – involves Pelleting the top box, Desiccant bag, Photographs, Wrap a plastic stretch film, Bubble sheet wrapping, Strapping and labeling.



- Receipt and in house build assemblies of Semi Finished Goods (SFG) like: X ray tube, collimator, tube stand, wall stand, table etc. Once SFG is received for further processing, it undergoes quality check by the in house quality control team.
- Upon receipt of SFG, Sub- Assembly of Timer, Panel, Relay Panel, Register Panel, Printed Circuit Boards (PCB) cable trays, contactors and wiring harness is initiated leading to Assembly of Frame with Sub-Assembly Panels
- Full Control Panel Assembly involves mounting of panels in mechanical enclosures.
- Assembled product is required to undergo Safety Tests like: Meggar Test (high voltage test) and Earth Resistance Test. Inspection involves visual verification of aesthetic appearance of products.
- Electrical Performance Test involves functional test as per Final Quality Check
- Packing and Dispatch - As per Customer Approved Packing standard, packing material is selected, packed and loaded for dispatch.



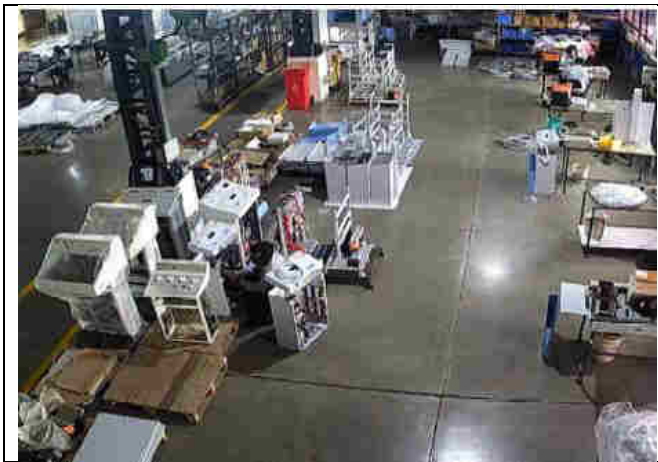
- Receipt of Raw Material and inspection - Company Purchases Raw Material directly from manufacturers or from authorized dealer and quality check is done by the in house quality control team.
- Nesting involves Program Loading in Machine & Tool
- At the next stage Turret Punch Press or Laser Cutting is started for cutting of sheet metals into required parts
- CNC Bending (Includes Burr Finishing) that forms cut sheet metal parts into requisite shapes and patterns
- Hardware Fitment (Clinching) involves mounting of components on cabinets
- Projection or Resistance welding involves welding of individual metal parts
- Finally the fabricated product undergoes Metal Active Gas Welding which leads to Finishing of cabinets
- Thereafter Powder Coating & Plating of cabinets is conducted
- Final inspection of the products are conducted based on characteristics like: Delta Value, Dry Film Thickness value, Shade match and Adhesion test.
- Packing and Dispatch - As per Customer Approved Packing standard, packing material is selected, packed and loaded for dispatch.



- Receipt of Material and inspection - wires and cables of different sizes are inspected with respect to the test requirement and quality standards.
- Wire Cutting and stripping involves loading the wire reels on machines that are specifically designed for carrying out the cutting of wires as per desired lengths automatically and stripping the PVC at the ends of the wires for further operation preparation.
- Insert conduits & HST is started for wires of various sizes and colours as per harness requirement. These are bunched together and to mechanically protect them from wear-tear and damage, they are inserted in specific designed conduits and applied with heat resistant sleeves at the end.
- Ferrule insertion ferrules are basically printed markers used for identification; these are inserted on individual wires popping out of the conduits.
- Routing the cable on board involves placing individual wires on a board and routing them from start to end at various locations based on the actual layout requirement.
- Bunching involves arranging different cables of sizes and colours together and mechanically arresting them together at desired location.
- Crimping involves mechanically pressing copper terminals on the ends of the cables/wires for fixing on desired components.
- Add labels to bunch for individual identification of the cables by tagging them.
- Add Transparent sleeve on Label to protect the tags from getting damaged over its life span by mechanically protecting them.
- Insert the connector on crimped terminal special connectors having a male female arrangement to couple on the desired components.
- Continuity Test involves checking whether the ends of the cable are correctly terminated so that on charging the desired electrical current and voltage are applied rightly.
- Final inspection involves carrying out various tests as mentioned in the product quality requirement.
- Packing and Dispatch involves sealing the wire harness to avoid it from getting damaged during transport.

**INFRASTRUCTURE FACILITIES:**

**Our Manufacturing Facilities**



**Factory Unit I**



**Factory Unit II**



**Factory Unit III**

- 1) **Availability of Raw Material** - The major raw materials required for manufacturing of our products are categorized in electrical and mechanical categories under bought out parts and manufactured sub-assemblies. Primarily procured raw material are mild steel, stainless steel, copper and aluminium sheets and components made out of these materials. Bought out parts generally are electrical switchgear products, cables, variable frequency drives, Programmable Logic Controllers, chokes/reactors, transformers, x-ray tubes, beam alignment units, thermostats etc. Our bought out parts are primarily locally sourced through approved third party manufacturers and certain parts are imported from countries within the Europe and USA. For bifurcation of domestic and imported raw materials please refer below table:

(Amount in lakhs)

Details of consumption of Raw Material*		As at 31 March, 2023	% of Total	As at 31 March, 2022	% of Total	As at 31 March, 2021	% of Total
(i)	Imported Raw materials	1,501.92	18.25%	1,013.72	17.08%	725.84	19.06%
(ii)	Indigenous Raw materials	6,727.49	81.75%	4,921.84	82.92%	3,082.17	80.94%
	<b>Total</b>	8,229.41	100.00%	5,935.55	100.00%	3,808.01	100.00%

(\*) Note 1: The stores and spares consumed are 100% indigenous.

- 2) **Power and fuel** - The requirement of power in our manufacturing facilities is met through Maharashtra State Electricity Distribution Company Ltd. We use diesel generators to meet exigencies to ensure that our facilities are operational during power failures.
- 3) **Water** - Our current water consumption at our manufacturing units are sourced from local sources from Maharashtra Industrial Development Corporation.

### Collaborations/ Tie Ups/ Joint Ventures

Except as disclosed in this Red Herring Prospectus and normal course of business, we do not have any collaborations/ Ties Ups/Joints Ventures as on date.

### Capacity and Capacity Utilization

Below are the details of the installed and the utilized capacity of major products of our company:

Business	Total Capacity in Nos (P.A)*	2022-23		2021-22		2020-21	
		Prod. Qty	%	Prod. Qty	%	Prod. Qty	%
Electrical Control Panel and Cabinets	18223	12884	70	13666	74	13603	74
Fabrication	190893	164431	86	163156	85	60719	31
Wire harness	28387	19159	67	17080	60	19512	68
Medical	17486	6011	34	6951	39	7620	43

\*The information related to the installed capacity is based on the certificate received from A.D. Joshi Chartered Engineers & Valuers LLP vide their certificate dated August 31, 2023.

### Plant & Machinery

The major plant & machinery installed at each of our factories are as under:

Laser cutting machine, Punching machine, CNC Press Break Machines, Surface treatment and Powder coating application setup, Automatic Cutting & stripping Machine, Laser Machine, EOT crane, Clinching Machine, Feeding system, Testing gadget for compressor panel inspection, Testing Jig for CNG Panel Inspection, Effluent Treatment Plant, Dust Collector, Fibre Marking machine, Moduler/Spot Welding Table, Powder coating plant, Semi-Automatic Crimping Machine, Fully automatic cable cutting and stripping machine, Boards for Bunching, Push Pull tester, Hot Air Gun, Triumph make Trumatic 1000 Fiber Machine, Laser cutting 6 kw, 6 axis- robotic Cold metal transfer welding, CNC Press Break machine, welding machines, sanding machines, metal polishing machines, etc.

## Sales and Marketing

We have a sales and marketing team focusing on customer development and maintaining customer relationship. This team is also responsible for the marketing of our products, negotiating prices, procuring repeat orders and ensuring timely dispatch and deliveries. Our sales team has built long-term relationships with a number of our customers.

As a B2B manufacturer, our channels of marketing are such that we need to reach and target our clients of various sectors to offer our diversified products. Physical access to B2B decision makers is always difficult and restricted; hence the first step is to connect with them digitally. The decision makers and influencers we want to reach out to, are most of the times present and reachable on professional networking sites. Email Marketing techniques are also used sometimes when we want to share an important update regarding policies or our achievement with a large number of audience.

For our HLA products we also sell our products to railway contractors. In this process the contractors sends an enquiry email along with details and specifications of requirements. Our sales and marketing team replies with quotations to such enquires and we receive purchase orders subject to acceptance of quotations or final negotiations.

Revenue bifurcation on the basis of domestic sale and export sales are detailed as under:

Revenue from Operations	FY 2022-23	FY 21-22	FY 20-21
Domestic Sales	11,891.87	9,065.56	5,929.53
Export Sales	313.95	92.22	47.86
<b>Total</b>	<b>12,205.82</b>	<b>9,157.78</b>	<b>5,977.39</b>

## Corporate Social Responsibility

Our Company has adopted a CSR policy in compliance with the requirements of the Companies Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014. Our Company contributed ₹ 14.45 lakhs to BVP South Pune Charitable Trust and ₹ 1.23 lakhs to Team Vision Foundation for the Fiscal 2023, ₹ 8.73 lakhs to the Bharat Vikas Parishad Western Maharashtra Prant for the Fiscal 2022, ₹ 7.67 lakhs in the PM Cares Fund for the Fiscal 2021.

## Competition

Our company operates in a very niche Industry and is well placed, informed and trained to conclude timely and quality delivery of its products. We believe the principal elements of competition in our industry are product features, design, quality, price, delivery, general customer experience, time to market and relationships between manufacturers and their customers. While there are various large and small manufactures that develop similar products that we sell, we do not have any direct listed competitor of our business.

## Human Resource

We have in our team qualified, technical, skilled and unskilled personnel who are abreast with the updated manufacturing norms. They are committed & dedicated to maintain the specified standard, quality & safety of our products. As on March 31, 2023, our Company has employed approximately 90 employees at various levels of the Organization. We also employ manpower on contractual basis as per our manufacturing requirements. As on March 31, 2023 we had deployed approximately 255 contract workers.

## Insurance

Operating our business involves many risks, which, if not insured, could adversely affect our business and results of operations. We maintain insurance coverage that we consider customary in the industry against certain of the operating risks. Our insurance policies include vehicle insurance, Marine Export Import Insurance, Bharat Laghu Udyam Suraksha Policy, Burglary Policy, Group Medishield Insurance Policy, Group Personal Accident – Policy, Machinery Breakdown Policy for our factory unit 2, Marine Cargo Insurance, Enterprise Package Policy – Sookshma, Employee's Compensation Insurance Policy Schedule. We believe that our current level of insurance is adequate for our business and consistent with industry practice, and we have not historically experienced a loss in excess of our policy limits. We may not be able to obtain insurance coverage in the future to

cover all risks inherent in our business, or insurance, if available, may be at rates that we do not consider to be commercially reasonable.

## IMMOVABLE PROPERTIES

Details of our immovable properties are as below:-

Sr. No	Particular	Use	Status (Owned/ rented)
1.	Plot No. EL-23, J Block, MIDC Industrial Area, Bhosari, Pune- 411026, Maharashtra, India	Registered Office And Factory Unit I	Leased from MIDC
2.	T 174, T Block, MIDC, Bhosari, Haveli, Pune, Maharashtra, India - 411026	Factory Unit II	Taken on Assignment of Lease with MIDC by original lessee
3.	Plot No. T-75, 'T' Block, Pimpri Chichwad Industrial Area, Pune	Factory Unit III*	Rented from M/s. RP Indospaces Pvt. Ltd valid upto August 31, 2025

*\*Factory Unit III has just started trial operations in the month of June 2023*

## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the section titled “Government and other Approvals” on page 212 of this Red Herring Prospectus -*

**This chapter has been classified as under:**

- A. Core Business Laws**
- B. Corporate and Commercial laws**
- C. Labour and employment Laws**
- D. Environment protection laws**
- E. Tax Laws**
- F. Foreign Trade Regulations**
- G. Intellectual Property Laws**

### **A. CORE BUSINESS LAWS**

#### **The Atomic Energy Act, 1962 read with Atomic Energy (Radiation Protection) Rules, 2004**

The said Act came into force on 25<sup>th</sup> August, 2004 and it was applicable to whole of India. The Act says that no person can establish a radiation installation for siting, design, construction without license and no person shall handle any radioactive material, or operate any radiation generating equipment. The license issued under rule 3 shall be valid for a period of five years from the date of issue of such license. It is a statutory requirement for the indigenous manufacturer of medical diagnostic x-ray equipment and x-ray tubes to obtain a prior license for commercial production from the competent authority as per Atomic Energy (Radiation Protection) Act, 2004.

The said act says that the manufacturer shall obtain import permission for x-ray tubes and x-ray tube inserts and company shall maintain data of testing of x-ray tubes and equipment. Indigenous manufacturer of x-ray equipment shall also obtain Type Approval certificate from the competent authority for the prototype of every model of x-ray equipment before manufacturing on commercial scale.

Pre requisites for obtaining License for commercial production of x-ray equipment are:

1. Radiation Testing Facility.
2. Radiation protection devices.
3. Quality Assurance (QA) equipment.
4. Staff requirements.
5. Radiological Safety Officer (RSO).
6. Radiological Safety Officer.

The main aim of this Act is to ensure the use of ionizing radiation and nuclear energy in India does not cause undue risk to the health of people and the environment. The board has developed an electronic licensing system for radiation applications called E-LORA for helping users to file applications and associated documents online.

#### **Drugs, Medical Devices and Cosmetics Draft Bill, 2022**

Currently all medical devices are covered as ‘Drug’ and regulated as per Drugs & Cosmetics Act and Medical Devices Rules 2020. The draft Bill now intends to repeal the current laws and proposes a new definition for medical devices placing them outside the purview of ‘Drugs’. Also, Chapter II of the draft Bill has a recommendation for constitution of a Medical Devices Technical Advisory Board (MDTAB), separate from Drug Technical Advisory Board (DTAB), including specialists from various associations to recommend the Central Government in technical matters. Under the new draft Bill, provisions to name or build medical device testing facilities for the purpose of evaluating and testing medical devices for regulators and business have also been included. The draft Bill lays the onus of providing medical management for any injury arising due to the trial on the

investigators. The Draft Bill makes provisions for compensation to participants or their legal heirs for injury or death suffered in clinical trials and investigations for drugs and medical devices.

There is a new provision for imprisonment, and fine amounting to double the compensation amount if the compensation is not paid.

### **Drugs and Cosmetics Act, 1940 read with Drugs and Cosmetics Rules, 1945**

This Act may be called the Drugs [and Cosmetics] Act, 1940. It extends to the whole of India. In this Act, unless there is anything repugnant in the subject or context ‘drug’ includes:

- a. all medicines intended for internal or external use for or in the diagnosis, treatment, mitigation or prevention of 8 [disease or disorder in human beings or animals, and manufactured] exclusively in accordance with the formulae described in, the authoritative books of 9 [Ayurvedic, Siddha and Unani Tibb systems of medicine];
- b. All medicines for internal or external use of human beings or animals and all substances intended to be used for or in the diagnosis, treatment, mitigation or prevention of any disease or disorder in human beings or animals;
- c. Substances intended to be used as components of drug including empty gelatine capsule etc.

In this Act, unless there is anything repugnant in the subject or context ‘Cosmetics’ includes:

- a. Cosmetic includes any article intended to be rubbed, poured, sprinkled or sprayed on, or introduced into, or otherwise applied to, the human body or any part thereof for cleansing, beautifying, promoting attractiveness, or altering the appearance.
- b. It also includes any article intended for use as a component of cosmetic.

Main Objectives of this Act are:

- Regulating the manufacture, import, distribution, and sale of drugs and cosmetics.
- Preventing substandard in drugs, to ensure high quality medical treatment for all.
- License the process of manufacture, import, distribution, and sale of drugs & cosmetics for the purpose of regulation.
- Regulating the manufacture, sale and other activities relating to Ayurvedic, Siddha and Unani drugs.

The enactment of the 1940 Food, Drug, and Cosmetic Act tightened controls over drugs and food, included new consumer protection against unlawful cosmetics and medical devices, and enhanced the government's ability to enforce the law. This law, as amended, is still in force today.

### **Medical Device Rules India, 2017**

The classification of medical devices rules along with regulatory approval and registration by the CDSCO is under the control of Drug Controller General of India (DCGI). All medical devices in India follow a regulatory framework that is based on the drug regulations under the Drugs and Cosmetics Act (1940) and Drugs and Cosmetic Rules (1945).

The Health ministry of India has published new Medical Device and IVD regulations to enhance the country's Drug and Cosmetic Act for creating effective regulations. The government has notified Medical Devices Rules, 2017 on 31.01.2017. The suggested medical device rules are necessary for regulatory approval impact of the Medical device and IVD Sector.

Key Features of Medical Devices Rules India, 2017 for Regulatory approvals and Registrations:

- It will be for the first time that there will be no requirement of periodic renewal of licenses/registrations. Accordingly, manufacturing and import licenses will remain valid till these are suspended or cancelled or surrendered.
- Further, the entire process starting from submission of application to grant of permission/license will be processed through online electronic platform.
- The registration document review, submission and tracking have become much simpler, efficient & transparent with the SUGAM system.
- Timelines have been defined for most activities at the regulators end.
- The new Rules “Medical Devices Rules, 2017” will help in developing quality standardization in the regulations of framework at par with international standards.
- It has been made easier to apply for change notifications once the registrations certificate is obtained. This can be done in the section “Post Approval Change”.

## **International Electro-technical Commission (IEC) Standards**

IEC is the leading standards organization that prepares and publishes International Standards for all electronic goods around the world. IEC standards cover a vast range of technologies from power generation, transmission and distribution to home appliances and office equipment, semiconductors, fibre optics, batteries, solar energy, nanotechnology and marine energy as well as many others. Currently, 89 countries are IEC members while another 85 participate in the Affiliate Country Programme, which is not a form of membership but is designed to help industrializing countries get involved with the IEC. India is one of the full members of IEC.

The international standards examine if the control panels satisfy market requirements and are safe for use. Considering the growing uncertainty of electronic markets, the IEC examines control panels under various standards that need to be kept in mind during the construction of panels. IEC 60204-1 ensures the electrical safety of the panels. A risk analysis should be carried out in for proper analysis IEC 60204-1, IEC 61439-1/-2 standards may help in proper designing of control panels.

### **Scope of IEC 60204-1**

- Applies to the use of electronic equipment and systems for machines
- Starts at the point of connection to the electrical equipment of the machine
- Relates to control panels with rated voltages of up to 1,000 V AC or 1,500 V DC

## **ISO/IEC 17025:2017**

ISO/IEC 17025:2017 specifies the general requirements for the competence, impartiality and consistent operation of laboratories. It is applicable to all organizations performing laboratory activities, regardless of the number of personnel. Laboratory customers, regulatory authorities, organizations and schemes using peer-assessment, accreditation bodies, and others use ISO/IEC 17025:2017 in confirming or recognizing the competence of laboratories.

## **B. CORPORATE AND COMMERCIAL LAWS**

### **The Companies Act, 2013**

The Companies Act primarily regulates the formation, financing, functioning and restructuring of separate legal entity as companies. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law lays down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

### **Competition Act, 2002**

The Competition Act, 2002 came into effect on June 1, 2011 and has been enacted to “prohibit anti- competitive agreements, abuse of dominant positions by enterprises” and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act. The Act prohibits Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is likely to have an appreciable adverse effect on competition in India.

### **Indian Contract Act, 1872**

Indian Contract Act codifies the way we enter into a contract, execute a contract, implementation of provisions of a contract and effects of breach of a contract. The Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced as amended from time to time. It determines the circumstances in which promise made by the parties to a contract shall be legally binding on them.

### **Negotiable Instruments Act, 1881**

In India, any negotiable instruments such as cheques are governed by this Act, Section 138 of the Act, makes dishonor of cheques a criminal offence if the cheque is dishonored on the ground of insufficiency of funds in the account maintained by a person who draws the cheque which is punishable with imprisonment as well as fine.

### **The Registration Act, 1908 (“Registration Act”)**

The Registration Act was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

### **Indian Stamp Act, 1899 (the “Stamp Act”)**

Under the Indian Stamp Act, 1899 (the “Stamp Act”) stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

### **The Arbitration and Conciliation Act, 1996**

This act was enacted by Parliament in the Forty-seventh Year of the Republic of India to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation.

### **The Insolvency and Bankruptcy Code, 2016-**

The Insolvency and Bankruptcy Code, 2016 (the “code”) cover Insolvency of individuals, unlimited liability partnerships, Limited Liability partnerships (LLPs) and companies.

The IBC 2016 has laid down a collective mechanism for resolution of insolvencies in the country by maintaining a delicate balance for all stakeholders to preserve the economic value of the process in a time bound manner. The code empowers any creditor of a Corporate Debtor (CD), irrespective of it being a Financial Creditor (FC) or Operational Creditor (OC) or secured or unsecured creditor, or the Corporate Debtor itself, to make an application before the Adjudicating Authority (AA) to initiate Corporate Insolvency Resolution Process (CIRP) against a Corporate Debtor, at their discretion, in the event of there being a default by the Corporate Debtor in payment of their dues for an amount as specified from time to time.

## **C. INDUSTRIAL LAWS, LABOUR AND EMPLOYMENT LAWS**

### **Industrial (Development and Regulation) Act, 1951**

This Act has been liberalized under the New Industrial Policy dated July 24<sup>th</sup>, 1991, and all industrial undertakings have been made exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defense equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector. An industrial undertaking, which is exempt from licensing, is required to file an Industrial Entrepreneurs Memorandum (“IEM”) with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and no further approvals are required.

### **Factories Act, 1948 (“Factories Act”)**

The Factories Act, 1948 defines a “factory” to cover any premises which employs 10 or more workers and in which manufacturing process is carried on with the aid of power and any premises where there are at least 20 workers, where a manufacturing process is being carried on without the aid of power. State Governments have the authority to formulate rules in

respect of matters such as prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act provides that the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers. It provides such safeguards of workers in the factories as well as offers protection to the exploited workers and improve their working conditions. The penalties for contravention of the Factories Act include fine and imprisonment for the ‘occupier’ or ‘manager’ as defined under the Factories Act, and enhanced penalties for repeat offences and contravention of certain provisions relating to use of the hazardous materials.

### **The Micro, Small and Medium Enterprises Development Act, 2006**

The Act provides for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. The Central Government is empowered to classify by notification, any class of enterprises including inter-alia, a company, a partnership, firm or undertaking by whatever name called, engaged in the manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 as: (i) a micro enterprise, (ii) a small enterprise, or (iii) a medium enterprise, as per criteria mentioned in the said Act. The MSMED Act inter-alia stipulates that any person who intends to establish, a micro or small enterprise or a medium enterprise engaged in rendering of services, may at his discretion and a medium enterprise engaged in the manufacture or production of goods as specified hereinabove, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

### **Child Labour (Prohibition and Regulation) Act, 1986**

This statute prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act, the employment of child labour in the building and construction industry is prohibited.

### **Contract Labour (Regulation and Abolition) Act, 1970**

The Contract Labour (Regulation and Abolition) Act, 1970 and the Contract Labour (Regulation and Abolition) Central Rules, 1971 came into force on 10.02.1971.

The Objective of the Contract Labour (Regulation and Abolition) Act, 1970 is to prevent exploitation of contract labour and also to introduce better conditions of work. A workman is deemed to be employed as Contract Labour when he is hired in connection with the work of an establishment by or through a Contractor. The Act states that a work is deemed to be of intermittent nature if it is performed for less than 120 days in the preceding twelve months or it is of non-seasonal character and is performed for less than 60 days in a year.

### **The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”)**

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 provides for the protection of women at work place and prevention of sexual harassment at work place. The Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favours or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs. 50,000/- (Rupees Fifty Thousand Only).

### **The Employees Provident Fund and Miscellaneous Provisions Act, 1952 (“EPF Act”) and the schemes formulated there under (“schemes”)**

The Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("EPF Act") was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPF Act provides for the

institution of provident funds and pension funds for employees in establishments where more than 20 (twenty) persons are employed and factories specified in Schedule I of the EPF Act. Under the EPF Act, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

### **The Employees State Insurance Act, 1948**

All the establishments to which the Employees State Insurance (ESI) Act applies are required to be registered under the Act with the Employees State Insurance Corporation. The Act applies to those establishments where 20 or more persons are employed. The Act requires all the employees of the factories and establishments to which the Act applies to be insured in the manner provided under the Act. Further, employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the ESI department. The Employees' State Insurance Rules, 1950 ensure implementation of the provisions of the Employees' State Insurance Act, 1948.

#### **The other labour laws applicable to the Company are:**

- Minimum Wages Act, 1948
- Payment Of Wages Act, 1936
- Employees' Compensation Act, 1923
- Payment Of Gratuity Act, 1972
- Payment Of Bonus Act, 1965
- Industrial Disputes Act, 1947
- The Maternity Benefit Act, 1961
- The Equal Remuneration Act, 1976 And Equal Remuneration Rules, 1976
- The Child and Adolescent Labour (Prohibition And Regulation) Act, 1986
- Apprentices Act, 1961

**The Government of India has consolidated 29 central Labour laws into four Codes namely Code of Wages 2019, The Code on Social Security, 2020, The Industrial Relations Code, 2020 and Occupational Safety, Health and Working Conditions Code, 2020. All these codes have received the assent of President of India but none of them has been made effective till date. Brief descriptions of each of the codes are given below:**

#### **Code of Wages, 2019**

The Code aims to consolidate the laws relating to wages and bonus and matters connected therewith or incidental thereto. It received the assent of President of India on August 08, 2019. The Code contains procedure for fixing minimum wage, limit for fines and deductions in wages, minimum and maximum bonus, calculation of allocable and available surplus, as well as gender neutral consideration in fixing wages. The Code has given the power to Central Government to fix a "floor wage" and the State governments cannot fix any minimum wage less than the "floor wage". It amalgamates and subsumes four imperative labour laws - the Payment of Wages Act, 1936; the Minimum Wages Act, 1948; the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The date of implementation of the Code is yet to be notified.

#### **The Code on Social Security, 2020**

This Code received the assent of President of India on September 28, 2020 though the implementation of the same is yet to be notified. The Code aims to provide better social security benefits such as provident fund, insurance and gratuity to workers. It extends the reach of the Employees' State Insurance Corporation and the Employees' Provident Fund Organization (which regulate benefits such as provident fund, insurance, pension, etc.) to the workers in the unorganized sector and the platform and gig workers. The Code further stipulates gratuity benefit for fixed term employees without any condition for minimum service period as envisaged under the current regime. The Code subsumes nine (9) labour laws relating to social security, namely, the Employees' Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Cine-

Workers Welfare Fund Act, 1981, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers Social Security Act, 2008.

### **The Industrial Relations Code, 2020**

This Code received the assent of President of India on September 28, 2020 though the implementation of the same is yet to be notified. The Code aims to streamline the laws regulating industrial disputes and trade unions in India. For the benefit of the employers, the Code has introduced various aspects such as increasing the threshold of workers to three hundred (300) for obtaining the consent of the concerned government in case of lay off, retrenchment or closure of the establishment, notice of change not required to be given subject to the conditions stipulated in the Code, increasing the wage threshold to INR 18,000 (Indian Rupees Eighteen Thousand) for exclusion from the definition of worker, etc. The Industrial Relations Code also introduces the concept of deemed certification of standing orders. The Code subsumes three labour laws relating to industrial relations, namely, the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947

### **Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code, 2020 (OSH Code) is one of three new labor codes that will consolidate the bulk of labor legislation in India and streamline labor compliance besides expanding the social security net for workers. This Code received the assent of President of India on September 28, 2020 though the implementation of the same is yet to be notified. Rules to implement the Code are expected to be finalized in the next few weeks.

New establishments covered by the OSH Code must register themselves (within 60 days of commencement of the Code) with registering officers appointed by the appropriate government. Establishments already registered under any other federal law will not be required to register again.

Every employer is directed to undertake the following obligations by the OSH Code:

- Ensure that the workplace is free from hazards can cause injury or occupational disease to the employees and comply with the OSH Code and the government's directions on the same;
- Provide free annual health examination or testing, free of cost, to certain classes of employees;
- Provide and maintain, as reasonably practical, a working environment that is safe and without risk to the health of the employees;
- Issue letters of appointments to employees; and
- Ensure that no charge is levied on any employee for maintenance of safety and health at workplace, including the conduct of medical examination and investigation for the purpose of detecting occupational diseases.

Further, the Code directs employers with respect to factories, mines, dock work, building and other construction work, or plantations to ensure: (i) safety arrangements in the workplace and absence of risk to health in connection with the use, storage, and transport of articles and substances; (ii) provision of such information, instruction, training, and supervision as are necessary to ensure the health and safety of all employees at work, etc. This Code shall subsume more than 10 labour laws including Factories Act 1948, Contract Labour (Regulation and Abolition) Act 1970 and Mines Act 1952.

## **D. ENVIRONMENTAL LAWS**

### **Environment Protection Act, 1986 ("Environment Act")**

The Environment Act provides a framework for the coordination of activities of various state and central authorities established under previous environmental laws by the Central Government. The Environment Act states that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environment pollutants in excess of prescribed standards. Further, it empowers the Central Government to make rules for various purposes, including prescribing as below:

- (i) the standards of quality of air, water or soil for various areas;
- (ii) the maximum allowable limits of concentration of various environmental pollutants for different areas;
- (iii) the procedures and safeguards for the prevention of accidents which may cause environmental pollution and remedial measures for such accidents.

### **Environment (Protection) Rules, 1986 (“Environment Rules”)**

The Environment Rules were notified by the Central Government, in exercise of its powers under the Environment Act. Pursuant to the Environment Rules, every person who carries on an industry, operation or process requiring consent under Water (Prevention and Control of Pollution) Act, 1974 or Air (Prevention and Control of Pollution) Act, 1981, shall submit to the concerned Pollution Control Board (“PCB”) an environmental statement for that financial year in the prescribed form.

### **The Noise Pollution (Regulation & Control) Rules 2000 (“Noise Regulation Rules”)**

The Noise Regulation Rules regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Regulation Rules shall be under the provisions of the Environment (Protection) Act, 1986.

### **Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)**

The Air Act mandates that any individual, industry or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions, obtains consent from the PCB prior to commencing any activity. The consent may be conditional on certain specifications like installation of pollution control equipment.

### **Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”)**

Under the provisions of the Water Act, any individual, industry or institution discharging industrial or domestic wastewater or establishing any treatment or disposal system or the using of any new or altered outlet for the discharge of sewage is required to obtain the consent of the applicable state PCB, which is empowered to establish standards and conditions that are required to be complied with. The consent to operate is granted for a specific period after which the conditions stipulated at the time of granting consent are reviewed by the state PCB. Even before the expiry of the consent period, the state PCB is authorized to carry out random checks on any industry to verify if the standards prescribed are being complied with by the industry. In the event of non-compliance, the state PCB after serving notice to the concerned industry may withdraw water supply to the industry or cause magistrates to pass injunctions to restrain such polluters.]

### **Water (Prevention and Control of Pollution) Cess Act, 1977**

The Water Cess Act is a legislation providing for the levy and collection of a cess on local authorities and industries based on the consumption of water by such local authorities and industries so as to enable implementation of the Water Act by the regulatory agencies concerned.

### **Hazardous and other Wastes (Management and Trans boundary Movement) Rules, 2016 (“HW Rules”)**

The HW Rules impose an obligation on every occupier of an establishment generating hazardous waste to recycle or reprocess or reuse such wastes through a registered recycler or to dispose of such hazardous wastes in an authorized disposal facility. Every person engaged, inter alia, in the generation, processing, treatment, package, storage and disposal of hazardous waste is required to obtain an authorization from the relevant state PCB for collecting, recycling, reprocessing, disposing, storing and treating the hazardous waste. The new HW Rules as compared to the Rules of 2008 have enlarged the scope of regulated wastes by including ‘other wastes’ in its ambit. Other wastes include: Waste tyre, paper waste, metal scrap, used electronic items, etc. and are recognized as a resource for recycling and reuse. These resources supplement the industrial processes and reduce the load on the virgin resource of the country.

## **E. TAX LAWS**

### **Income Tax Act, 1961**

The Income Tax Act, 1961 deals with the taxation of individuals, corporate, partnership firms and others. As per the provisions of this Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Act. The maintenance of Books of Accounts and

relevant supporting documents and registers are mandatory under the Act. Filing of returns of Income is compulsory for all assesses.

### **The Central Goods and Services Tax Act, 2017**

The Act received assent of the President on 12<sup>th</sup> April 2017 and came into force from 1<sup>st</sup> July 2017. Goods and Service Tax (GST) is an indirect tax levied on the supply of goods and services. This law has replaced many indirect tax laws that previously existed in India such as Service tax, Central Excise Act, Entry Tax, Octroi, Additional customs duty and other draconian indirect taxes. There are 3 taxes applicable under this system- CGST, SGST, IGST.

**CGST:** is collected by the Central Government on an intra-state sale;

**SGST:** Collected by the State Government on an intra-state sale;

**IGST:** Collected by the Central Government for inter-state sale.

### **Maharashtra Goods and Services Tax Act, 2017**

This Act has been enacted to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the State of Maharashtra except on liquor. This act repealed Maharashtra Value Added Tax Act, 2002 and other indirect local Acts. This Act mandates every supplier making a taxable supply of goods or services or both in the State of Maharashtra to take registration if his annual turnover exceeds Rs. 40 Lakhs.

**Following laws which have been subsumed in GST Acts were applicable to the Company till 30th June 2017 and shall remain applicable here after as stated in the GST ACTS.**

#### **Central Sales Tax Act, 1956**

Central Sales Tax (“CST”) was levied in accordance with the Central Sales Tax Act, 1956 on movable goods sold in the course of inter-state trade or commerce. CST was payable by a dealer (i.e. a person who carries on the business of buying, selling, supplying or distributing goods) on his sales turnover at the rate prescribed in the VAT statute of the State from where the movement of the goods originate.

#### **Service Tax (the ‘Finance Act, 1994’)**

Service tax was charged on taxable services as defined in Chapter V of Finance Act, 1994, which required a service provider of taxable services to collect service tax from a service recipient and pay such tax to the Government.

There are other indirect taxes which are now subsumed under GST and these are Additional Duties of Excise, Cess, Purchase Tax, Taxes on advertisements.

#### **Maharashtra Value Added Tax Act, 2002 (“MVAT) As Amended By Maharashtra Value Added Tax (Levy and Amendment) Act, 2005**

This Act was enacted to levy tax on sales and purchases of goods in the State of Maharashtra and came into force on April 1, 2005.

### **The Maharashtra State Tax on Professions, Trades Callings and Employments Act 1975**

The Maharashtra State Tax on Professions, Trades Callings and Employments Act 1975 provides for the Levy and Collection of a Tax on Professions, Trades, Callings and Employments for the benefit of the State. Every person engaged in any profession, trade, calling or employment and falling under one or the other of the classes mentioned in the second column of Schedule I shall be liable to pay to the State Government the tax at the rate mentioned against the class of such persons in the third column of the said Schedule. The tax payable under this Act by any person earning a salary or wage, shall be deducted by his employer from the salary or wage payable to such person, before such salary or wage is paid to him, and such employer shall, irrespective of whether such deduction has been made or not, when the salary or wage is paid to such persons, be liable to pay tax on behalf of all such person. As per Section 5 of the Act — every person, liable to pay tax u/s. 4, shall obtain a Certificate of Registration,

and, every person, liable to pay tax u/s. 3(2), shall obtain a Certificate of Enrolment from prescribed authority in prescribed manner.

## **F. Foreign Trade Regulations**

### **The Foreign Trade (Development & Regulation) Act, 1992**

The Foreign Trade (Development & Regulation) Act, 1992 [herein after FTA], provides for the development and regulation of foreign trade by facilitating imports into and augmenting exports from India and for matters connected therewith or incidental thereto. As per the provisions of the FTA, the Government: (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import Policy. FTA read with the Indian Foreign Trade Policy inter-alia provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce.

### **Foreign Exchange Management Act, 1999 (“the FEMA”) and Rules and Regulations thereunder**

Export of goods and services outside India is governed by the provisions of the Foreign Exchange Management Act, 1999 (“FEMA”), read with the applicable regulations. The Foreign Exchange Management (Export of goods and services) Regulations, 2000 have been superseded by the Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 (“Export of Goods and Services Regulations 2015”) issued by the RBI on January 12, 2016 [last amended on September 10, 2021]. The RBI has also issued a Master Circular on Export of Goods and Services. The export is governed by these Regulations which make various provisions such as declaration of exports, procedure of exports as well as exemptions.

## **G. Intellectual Property Laws**

### **The Trademarks Act, 1999 (“Trademarks Act”)**

Under the Trademarks Act, a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

## **HISTORY AND CORPORATE STRUCTURE**

### **Brief History and Background of our Company:**

Our Company was originally incorporated as a Private Limited Company under the name “Saakshi Machine and Tools Private Limited” on March 25, 2009 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Pune, Maharashtra. Later, on January 27, 2012, our Company took over the business of proprietorship concern of Lt. Vijay Laxman Latkar, namely Supreme Industry. Thereafter the name of the Company was changed from “Saakshi Machine and Tools Private Limited” to “Saakshi Medtech and Panels Private Limited” pursuant to special resolution passed by the shareholders at the Extra Ordinary General Meeting held on February 06, 2023 and consequent to name change a fresh Certificate of Incorporation was granted to our Company on March 16, 2023 by the Registrar of Companies, Pune. Subsequently, our Company was converted into a Public Limited Company vide Special Resolution passed by the Shareholders at the Extraordinary General Meeting, held on May 8, 2023 and consequently the name of our Company was changed from “Saakshi Medtech and Panels Private Limited” to “Saakshi Medtech and Panels Limited” vide a fresh certificate of incorporation dated June 06, 2023, issued by the Registrar of Companies, Pune, Maharashtra bearing CIN U51909PN2009PLC133690

Nitin Jayantilal Kothari, Neha Nitin Kothari, Atul Jayantilal Kothari and Jyotsna Atul Kothari were the initial subscribers to the Memorandum of Association of our Company.

However, all the shares of the company were bought by our Promoter and Promoter Group Members, Lt. Vijay Laxman Latkar, Chitra Vijay Latkar, Aniket Vijay Latkar and Mayuri Aniket Latkar on October 08, 2010.

### **Address of the Registered Office and Factory Offices:**

<b>Registered Office and Factory Unit I</b>	Plot No. EL-23, J Block, MIDC Industrial Area, Bhosari, Pune- 411026, Maharashtra, India
<b>Factory Unit II</b>	T 174, T Block, MIDC, Bhosari, Haveli, Pune- 411026, Maharashtra, India
<b>Factory Unit III</b>	Plot No. T-75, ‘T’ Block, Pimpri Chichwad Industrial Area, Pune- 411026, Maharashtra, India

### **Changes in the Registered Office of the Company since Incorporation:**

Except as stated below, there has not been any change in our Registered Office since inception of the Company till the date of the Red Herring Prospectus.

<b>Effective Date</b>	<b>From</b>	<b>To</b>	<b>Reason for Change</b>
February 15, 2011	10, Vastushree Complex, Hyde Park Society, Market Yard, Pune- 411037	Plot No. EL-23, J Block, MIDC Industrial Area, Bhosari, Pune- 411026, Maharashtra, India	For Operational Reasons

### **Main Objects of our Company as per the Memorandum of Association:**

The main object of our Company, as set forth in our Memorandum of Association, is as follows:

1. To carry on in India or elsewhere the business to assemble, design, develop, display, demonstrate, repair, market, recondition, remodel, import, export, buy, sell, resale, research, trade in a wide variety of all classes and kind of surgical goods, equipment's, instruments and machinery including but not limited to ostinmure D.C.P. Plates, cortical screws, researchers plates, X-Ray machines, Ultra sound machines sonars, ECG machines, echo cardio graphic machines, electro surgical instruments, digital B.P. instruments, medical apparatuses instruments, injections and all other tools required for medical and surgical operations in hospitals, dispensaries, medical centers and their parts, fittings, components and accessories thereof and for that purpose, to act as agents, brokers, stockiest, suppliers, consultants, collaborators of branded clinics, transport agents, shippers, commission agents, representatives, distributors, contractors, export and import agents or otherwise and to carry in-house research or to establish, develop and maintain testing house, workshop and laboratory for own use by engaging in the research and development for development, investigation and invention, both scientific and technical and to promote studies and research by conducting workshop, seminars, lectures, meetings and conferences and by providing the remuneration of

scientific or technical professors or teachers and generally to encourage promote and reward studies, researches, investigation, experiment, tests and invention of any kind that may be considered likely to assist the business of the Company.

2. To manufacture, formulate, process, develop, refine, import, export, wholesale and/ or retail trade all kinds of medical or diagnostic equipment.
3. To carry on the business of generating, trading, purchasing, marketing, selling, importing, exporting, producing, manufacturing, transmitting, distributing, supplying, exchanging or otherwise dealing in all aspects of Thermal, Hydro, Nuclear, Solar, Wind power and power generated through Non-conventional/ Renewable Energy sources including construction, generation, operation and maintenance, renovation and modernization of Power Stations, Gas Turbine, Wind Farms Projects and also to undertake the business of other allied /ancillary industries including those for utilization/sale/supply of steam and ash generated at power stations and other by-products and install, operate and manage all necessary plants, items equipment, cables, wires, lines, establishments and works.
4. To carry on the business in India and abroad as Manufacturer, Trader, Distributors, Dealers, Exporter, Importer, Suppliers, Brokers, Stockiest & Commission Agent, Agency business, Processors Installation, Selling & Marketing Business, Processors installation, Selling & Marketing Business, Assembling, Develop, Electrical, Electronic and Instrumentation items, LED Package and LED Lighting products, Lamps, Street Lights, Display Panels, Modules, Electronic Products, Accessories and other components and devices, Engineering products goods, Plant & Machinery, Equipment, Apparatus and other Gadgets, Appliances, Accessories, Electronic Organisers, Contractors, Light Fitting, erect, to expend money in experimenting upon and testing and in improving or seeking to improve any patents inventions.

#### **Amendments to the Memorandum of Association**

Set out below are the amendments that have been made to our Memorandum of Association, in the last ten years preceding the date of this Red Herring Prospectus:

<b>Date of Meeting</b>	<b>Type of Meeting</b>	<b>Nature of Amendments</b>
February 23, 2012	EGM	Alteration of the Objects Clause of the Memorandum of Association (“MOA”) of the Company.
March 27, 2012	EGM	Increase in the authorized share capital of the Company from ₹5.00 Lakhs divided into 50,000 Equity Shares of ₹ 100/- each to ₹260.00 Lakhs divided into 2,60,000 Equity Shares of ₹100/- each.
February 06, 2023	EGM	Adoption of MOA as per Companies Act, 2013
February 06, 2023	EGM	Alteration of the Objects Clause of the Memorandum of Association (“MOA”) of the Company.
February 06, 2023	EGM	Name of the Company was changed from “Saakshi Machine and Tools Private Limited” to “Saakshi Medtech and Panels Private Limited” pursuant to special resolution passed by the shareholders at the Extra Ordinary General Meeting held on February 06, 2023
March 23, 2023	EGM	Sub-division of Face value of Equity Shares of the Company from 2,60,000 Equity Shares of 100/- per Equity Share to 26,00,000 Equity shares of 10/- per Equity Share
April 24, 2023	EGM	Increase in authorized share capital from ₹ 260.00 Lakh divided into 26,00,000 Equity shares of Rs. 10/- each to Rs. 1800.00 Lakh divided into 1,80,00,000 (One Crore Eighty Lakh) Equity shares of Rs. 10/- each.
May 08, 2023	EGM	Conversion of our Company from Private Limited to Public Limited Company. Consequently, name of the Company has been changed from Saakshi Medtech and Panels Private Limited to Saakshi Medtech and Panels Limited and a fresh Certificate of Incorporation dated June 06, 2023 bearing CIN U51909PN2009PLC133690 was issued by Registrar of Companies, Pune, Maharashtra.

**Adoption of new set of Articles of Association of the Company:**

Our Company has adopted a new set of Articles of Association in accordance with the applicable provisions of the Companies Act 2013, at the Extraordinary General Meeting of the Company held on May 08, 2023.

**Major events and milestones of our Company:**

The Table below sets forth some of the major events in the history of our company:

Year/ F.Y.	Key Events/ Milestone/ Achievements
2010	All the shares of the company were purchased by our promoter and promoter group members, Vijay Laxman Latkar, Chitra Vijay Latkar, Aniket Vijay Latkar and Mayuri Aniket Latkar
2011	Commencement of Factory Unit I at Plot No. EL-23, J Block, MIDC Industrial Area, Bhosari, Pune
2012	Took over the business of proprietorship concern of Lt. Vijay Laxman Latkar, Supreme Industry
2013	Awarded Best ESH Award
2015	Awarded by HIC (Healthcare Innovation Centre) as NPI Development Partner Award
2018	Received license for commercial production of Medical Diagnostic X-Ray Equipment by AERB
2019	Started Fabrication of High level Assembly (HLA) to be installed in locomotives
2019	Commencement of Factory Unit II at T 174, T Block, MIDC, Bhosari, Haveli, Pune
2020	Crossed Revenue of ₹ 5,000 Lakhs
2022	Started supply of Electrical control panels and cabinets for its application in electrical vehicle charging stations
2022	Received NABL Accreditation for our testing laboratory situated at our factory unit 1
2023	License to Manufacture Medical Devices for Testing by CDSCO
2023	Commencement of commercial production at Factory Unit III at T-75 T Block, Pimpri Chinchwad, MIDC Bhosari, Tal- Haveli, Dist-Pune
2023	Received recognition certificate of Zero Defect Zero Effect from MSME
2023	Conversion of the Company from Private Limited to Public Limited.

**Changes in activities of our Company during the last five (5) Years:**

There has not been any change in the activity of our Company during the last five (5) years preceding the date of this Red Herring Prospectus.

**Our Holding Company:**

As on the date of the Red Herring Prospectus, our Company is not a subsidiary of any company.

**Our Associates and Joint Ventures:**

As on the date of this Red Herring Prospectus, our Company does not have any Associate Company and Joint Ventures.

**Our Subsidiaries:**

As on the date of this Red Herring Prospectus, we do not have any Subsidiary Company.

**Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc.:**

Our Company has not made any material acquisitions or divestments of business/undertakings mergers, amalgamation, any revaluation of assets, etc. in the last 10 years preceding the date of this Red Herring Prospectus.

**Injunction or Restraining Order:**

Except as disclosed in the section titled ***“Outstanding Litigation and Material Developments”*** beginning on page 210 of this Red Herring Prospectus, there are no injunctions/ restraining orders that have been passed against the Company.

### **Capacity/ Facility Creation, Location of Plants**

For details pertaining to capacity / facility creation, location of plant refers section **“Business Overview”** on page 200 of this Red Herring Prospectus.

### **Details of launch of key products, entry in new geographies or exit from existing markets**

For details pertaining to launch of key services, entry in new geographies or exit from existing markets, please refer chapter titled **“Business Overview”** on page 200 of this Red Herring Prospectus

### **Changes in the Management:**

For details of change in Management, please see chapter titled **“Our Management”** on page 134 of the Red Herring Prospectus.

### **Agreement with key managerial personnel or Directors or Promoters or any other employee of the Company:**

There are no agreements entered into by key managerial personnel or Directors or Promoters or any other employee, 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 the Company.

### **Shareholders Agreements:**

There are no subsisting shareholder’s agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of the Red Herring Prospectus.

### **Collaboration Agreements:**

As on date of this Red Herring Prospectus, Our Company is not a party to any collaboration agreements.

### **Other Material Agreement:**

Our Company has not entered into any other subsisting material agreements other than in the ordinary course of business of our Company, as on the date of this Red Herring Prospectus.

### **Strategic or Financial Partners:**

Except as disclosed in this Red Herring Prospectus, Our Company does not have any strategic or financial partners as on the date of this Red Herring Prospectus.

### **Time and Cost Overruns in Setting up Projects:**

There has been no time/ cost overrun in setting up projects by our Company.

### **Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks:**

There have been no defaults or rescheduling of borrowings with any financial institutions/ banks as on the date of the Red Herring Prospectus.

### **Other Agreements:**

#### **i. Non-Compete Agreement:**

Our Company has not entered into any Non-compete Agreement as on the date of filing of this Red Herring Prospectus.

#### **ii. Joint Venture Agreement:**

Our Company has not entered into any Joint Venture Agreement as on the date of filing of this Red Herring Prospectus.

## OUR MANAGEMENT

### Board of Directors:

The following table sets forth the details regarding the Board of Directors of our Company as on the date of filing of this Red Herring Prospectus:

Name, Designation, DIN, Date of Birth Age, Address, Occupation, Qualification, Current Term, Date of Appointment	Other Directorships
<b>Aniket Vijay Latkar</b>  <b>Designation:</b> Chairman and Managing Director  <b>Age:</b> 41 years  <b>Date of Birth:</b> June 24, 1982  <b>Address:</b> Flat 401 Tower-1 Skyone Building, Plot 444 CTS 1062, Near Symbiosis Center for Distance Learning (SCDL), Model Colony, Pune City, Pune, Maharashtra - 411016  <b>Experience:</b> 15 years  <b>Occupation:</b> Business  <b>Qualification:</b> Master of Science in Engineering Business Management  <b>Current Term:</b> For a period of 3 years, w.e.f June 09, 2023 liable to retire by rotation  <b>DIN:</b> 03312108	<b>Companies:</b> 1. Atal Technology Park Private Limited 2. VLL Subcon Private Limited
<b>Chitra Vijay Latkar</b>  <b>Designation:</b> Non- Executive Director  <b>Age:</b> 66 years  <b>Date of Birth:</b> June 15, 1957  <b>Address:</b> Flat 401 Tower-1 Sky One Building, Plot 444 CTS 1062, Near Symbiosis Center for Distance Learning (SCDL), Model Colony, Pune City, Pune, Maharashtra – 411016  <b>Experience:</b> 12 years  <b>Occupation:</b> Business  <b>Qualification:</b> Bachelor of Home Science  <b>Current Term:</b> For a period of 3 years, w.e.f June 09, 2023 liable to retire by rotation  <b>DIN:</b> 03291988	<b>Companies:</b> 1. Pradnyashodh Sewa Samiti Foundation
<b>Mayuri Aniket Latkar</b>  <b>Designation:</b> Whole Time Director and CFO  <b>Age:</b> 38 years	<b>Companies:</b> 1. Pradnyashodh Sewa Samiti Foundation 2. VLL Subcon Private Limited

Name, Designation, DIN, Date of Birth Age, Address, Occupation, Qualification, Current Term, Date of Appointment	Other Directorships
<p><b>Date of Birth:</b> January 10, 1985</p> <p><b>Address:</b> Flat 401 Tower-1 Sky One Bldg, Plot 444 CTS 1062, Near Symbiosis Center for Distance Learning (SCDL), Model Colony, Pune City, Maharashtra - 411016</p> <p><b>Experience:</b> 13 years</p> <p><b>Occupation:</b> Business</p> <p><b>Qualification:</b>  a) PGDM in Finance  b) Bachelor of Engineering in Electronics &amp; Telecommunication</p> <p><b>Current Term:</b> For a period of 3 years, w.e.f March 24, 2023 liable to retire by rotation</p> <p><b>DIN:</b> 03312077</p>	
<p><b>Amit Yashavant Ghaisas</b></p> <p><b>Designation:</b> Independent Director</p> <p><b>Age:</b> 48 years</p> <p><b>Date of Birth:</b> September 04, 1975</p> <p><b>Address:</b> Plot No. 17, Anand Tarang, Shivparvati Society, Paud Road, Near MIT College, Kothrud, Pune City, Maharashtra- 411038</p> <p><b>Experience:</b> 12 years</p> <p><b>Occupation:</b> Service</p> <p><b>Qualification:</b> M.B.A and B.E. in Mechanical Engineering</p> <p><b>Current Term:</b> For a period of 2 years, not liable to retire by rotation</p> <p><b>DIN:</b> 00876472</p>	<p><b>Companies:</b></p> <ol style="list-style-type: none"> <li>1. Yashprabha Agro Private Limited</li> <li>2. Mint Agri Research And Development Private Limited</li> <li>3. Intech Energy Systems Private Limited</li> <li>4. Statfield Equipments Pvt Ltd</li> <li>5. Intech Surface Coating Private Limited</li> <li>6. Minilec (India) Private Limited</li> </ol>
<p><b>Vishvas Vinayak Palande</b></p> <p><b>Designation:</b> Independent Director</p> <p><b>Age:</b> 67 years</p> <p><b>Date of Birth:</b> November 19, 1955</p> <p><b>Address:</b> Flat No. 001, Shiv Parvati Apartment, 1453, Shukrawar Peth, Khadilkar Path, opp. Bank of India, Shukrawar Peth, Pune, Maharashtra-411002, India</p> <p><b>Experience:</b> 41 years</p> <p><b>Occupation:</b> Professional</p> <p><b>Qualification:</b> B.E. in Mechanical Engineering and L.L.B</p>	<p><b>NIL</b></p>

Name, Designation, DIN, Date of Birth Age, Address, Occupation, Qualification, Current Term, Date of Appointment	Other Directorships
<b>Current Term:</b> For a period of 2 years, not liable to retire by rotation  <b>DIN:</b> 10210024	

#### Brief Profile of Directors:

1. **Aniket Vijay Latkar** aged 41 years is the chairman and Managing Director and promoter of our Company. He has been on the board of Directors from April 21, 2011. He holds the degree in Bachelor of Engineering in Mechanical from University of Pune and has completed his Master of Science in Engineering Business Management from the University of Warwick, United Kingdom in 2007. He has an overall experience of around 15 years in the production, marketing and engineering divisions. He has played a significant role in the growth of our company.
2. **Chitra Vijay Latkar** aged 66 years is the Non-Executive Director and promoter of our Company. She has been associated with our company since October 26, 2010. She has an experience of around 12 years has experience in human resource skill development and looks after the CSR activities of the company. She holds the degree in Bachelor of Home Science from Nagpur University in the year 1977. She is responsible for Corporate Social Responsibility related activities.
3. **Mayuri Aniket Latkar** aged 38 years is the Whole Time Director and CFO of our Company. She has completed her Post Graduation Diploma in Management in Finance from Welingkar Institute of Management, Mumbai in 2009. She also holds a degree in Bachelor of Engineering in Electronics & Telecommunication from University of Pune in 2006. She has a work experience of around 13 years in finance and administrative sector.
4. **Amit Yashavant Ghaisas** aged 48 years is an Independent Director of our Company. He has completed his Postgraduation Diploma in Business Administration from Robert Kennedy College, University of Wales, UK in the year 2012 and Graduation in Mechanical Engineering from Pune University, India in the year 1998. He has an experience of around 12 years in building pan India sales team for electronics components. He has been instrumental in product design and development at his company Minilec (India) Private Limited.
5. **Vishvas Vinayak Palande** aged 67 years is an Independent Director of our Company. He has completed his Bachelor of Engineering from Sardar Patel College of Engineering, Mumbai in the year 1981. He has also completed his graduation in Law from Symbiosis Law College, Pune in the year 1990. He has an experience of around 41 years in Engineering, General Management, Legal and Manufacturing.

#### Confirmations:

As on the date of this Red Herring Prospectus:

- a) None of our Directors is or was a director of any listed company during the last five years preceding the date of this Red Herring Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.
- b) None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.
- c) None of our Directors are categorized as a wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1)(III) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- d) None of our Directors is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018.

**Nature of any family relationship between our Directors and Key Managerial Personnel (KMP)**

The following Directors and KMPs of the Company are related to each other within the meaning of Section 2 (77) of the Companies Act, 2013. Details of which are as follows:

Sr. No.	Name of the Director/KMP	Relationship with other Directors/KMPs
1.	Chitra Vijay Latkar	Mother of Aniket Vijay Latkar & Mother- in- law of Mayuri Aniket Latkar
2.	Aniket Vijay Latkar	Son of Chitra Vijay Latkar and Spouse of Mayuri Aniket Latkar
3.	Mayuri Aniket Latkar	Daughter- in- law of Chitra Vijay Latkar and Spouse of Aniket Vijay Latkar

**Arrangements with major Shareholders, Customers, Suppliers or Others:**

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our Directors were selected as Directors or members of the senior management.

**Service Contracts:**

The Directors of our Company have not entered into any service contracts with our company which provides for benefits upon termination of their employment.

**Details of Borrowing Powers of Directors:**

Pursuant to a special resolution passed at an Extraordinary General Meeting of our Company held on June 09, 2023 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company have been authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained/ to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 100.00 (Rupees Hundred Crore Only).

**Compensation of our Managing Director and Whole Time Director**

The compensation payable to our Managing Director and Whole Time Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 188, 196, 197, 198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V thereto and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956 for the time being in force).

**The following compensation has been approved for:****(a) Managing Director and Whole Time Director:**

Particulars	Aniket Vijay Latkar	Mayuri Aniket Latkar
Appointment/ Change in Designation	Originally Appointed as Additional Executive Director w.e.f. April 21, 2011 and regularised as a director w.e.f. September 30, 2011. Further, redesignated as "Chairman and Managing Director" w.e.f. June 09, 2023	Originally appointed as Whole Time Director w.e.f. March 24, 2023
Current Designation	Chairman and Managing Director	Whole Time Director
Terms of Appointment	3 years	3 years
Remuneration	Upto ₹ 10 lakhs/- Per month plus performance based incentive of upto 200% of remuneration	Upto ₹ 7.5 lakhs/- Per month plus performance based incentive of upto 200% of remuneration
Compensation paid in the year 2021-2022	₹ 74.87 Lakh /- Per Annum	₹ 39.25/- Per Annum

**(b) Non-Executive Director**

Our Company has paid ₹ 4.40 lakhs to Non-Executive Director, Chitra Vijay Latkar, during the Fiscal 2022 in the capacity of Director of our Company and pursuant to resolution passed by our shareholders dated June 09, 2023 she will be entitled to get a remuneration of ₹ 7 lakhs/- per month and performance- based incentive of upto 200% of remuneration.

**Bonus or Profit-Sharing Plan for our Directors:**

We have no bonus or profit-sharing plan for our Directors.

**Sitting Fees:**

The Articles of Association of our Company provides for the payment of sitting fees to the Directors (other than Managing Director & Whole-time Directors), not exceeding ₹ 1.00 Lakhs, as may be fixed by the Board of Directors from time to time, for attending a meeting of the Board and Committees thereof. Our Board of Directors have resolved at their meeting held on June 23, 2023 for the payment of an amount not exceeding ₹ 1.00 Lakhs as sitting fees to all the Non-executive Directors (including Independent Director) for attending each such meeting of the Board and Committee thereof.

**Shareholding of our Directors as on the date of this Red Herring Prospectus:**

Sr. No.	Name of the Director	No. of Shares Held	Holding in %
1.	Aniket Vijay Latkar	6,50,000	5.00%
2.	Chitra Vijay Latkar	1,17,00,000	90.00%
3.	Mayuri Aniket Latkar	6,49,500	5.00%
	<b>Total</b>	<b>1,29,99,500</b>	<b>100.00%</b>

*None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Red Herring Prospectus.*

As on the date of the filing of this Red Herring Prospectus, we do not have any Subsidiary Company as defined under Section 2(6) of the Companies Act, 2013

Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

**INTEREST OF DIRECTORS**

All the Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, please refer to Chapter titled ***“Our Management”*** beginning on page 134 of this Red Herring Prospectus.

Our directors may also be regarded as interested to the extent of their shareholding and dividend payable thereon, if any, and to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our directors are also interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as Directors/ Members/ Partners. Further our directors are also interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/ Members/ Partners. Further, the Directors may have acted as co- borrower in respect of financial facilities availed by the company and for the details of Personal Guarantee given by the Directors towards Financial facilities of our Company please refer to ***“Statement of Financial Indebtedness”*** on page 195 of this Red Herring Prospectus.

Except as stated otherwise in this Red Herring Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of the Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Except as stated in this section ***“Our Management”*** or the section titled ***“Financial information of the Company –Note - Y -***

**Related Party Disclosure**” beginning on page 134 and 186 respectively of this Red Herring Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

### Interest in the property of Our Company:

Our directors do not have any interest in any property acquired by our Company during the period of two years before filing of this Red Herring Prospectus or proposed to be acquired by us as on date of this Red Herring Prospectus.

### Changes in Board of Directors in Last 3 Years:

S. No.	Name of Directors	Date of Event	Nature of Event	Reasons for Change
a.	Aniket Vijay Latkar	June 09, 2023	Redesignated as Chairman and Managing Director	To ensure better Corporate Governance and compliance with the Companies Act, 2013
b.	Chitra Vijay Latkar	June 09, 2023	Redesignated as Non- Executive Director	
c.	Mayuri Aniket Latkar	March 24, 2023	Appointed as Whole Time Director	
d.	Amit Yashavant Ghaisas	June 22, 2023	Appointed as an Independent Director	
e.	Vishvas Vinayak Palande	June 22, 2023	Appointed as an Independent Director	

### MANAGEMENT ORGANISATION STRUCTURE

The following chart depicts our Management Organization Structure:



### COMPLIANCE WITH CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and SEBI (ICDR) Regulations, 2018 in respect of corporate governance will be applicable to our Company immediately upon the listing of our Company’s Equity Shares on Stock Exchanges. The requirements pertaining to constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committees and Corporate Social Responsibility Committee have been complied with. Our Board undertakes to take all necessary steps to continue to comply with all the requirements of Listing Regulations and the Companies Act, 2013.

Our Board has been constituted in compliance with the Companies Act, 2013 and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors consist of five (5) Directors of which two (2) are Independent Directors and we have two women director on the Board. The constitution of our Board is in compliance with the provisions of section 149 of the Companies Act, 2013.

Our Company has constituted the following committees:

#### 1. Audit Committee

Our Company at its Board Meeting held on June 23, 2023 has approved the constitution of an Audit Committee (“*Audit Committee*”) in compliance with the provisions of the Section 177 of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 18 of SEBI Listing Regulations. The Audit Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Amit Yashavant Ghaisas	Chairman	Independent Director
Vishvas Vinayak Palande	Member	Independent Director
Aniket Vijay Latkar	Member	Managing Director

The Company Secretary of the Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of the Company to furnish clarifications to the shareholders on any matter relating to accounts. The scope and function of the Audit Committee and its terms of reference shall include the following:

##### A. Tenure of the Committee:

The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

##### B. Meetings of the Committee:

The committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of two Independent Directors at each meeting.

##### C. Power of the Committee:

The Audit Committee shall have powers, including the following:

- to investigate any activity within its terms of reference;
- to seek information from any employee;
- to obtain outside legal or other professional advice;
- to secure attendance of outsiders with relevant expertise, if it considers necessary as may be prescribed under the Companies Act, 2013 (together with the rules thereunder) and SEBI Listing Regulations; and
- To have full access to information contained in records of Company.

##### D. Role of the Committee:

The Role of Audit Committee together with its powers as per Part C of Schedule II of SEBI Listing Regulation and Companies Act, 2013 shall be as under:

**The role of the Audit Committee shall include the following:**

- Overseeing the Company’s financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- Recommending to the Board for the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;
- Reviewing and monitoring the statutory auditor’s independence and performance, and effectiveness of audit process;
- Approving payments to the statutory auditors for any other services rendered by the statutory auditors;
- 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;
  - 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 and modified opinions in the audit report.
- 6) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
  - 7) 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. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
  - 8) Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
  - 9) Scrutiny of inter-corporate loans and investments;
  - 10) Valuation of undertakings or assets of the Company, wherever it is necessary;
  - 11) Evaluation of internal financial controls and risk management systems;
  - 12) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
  - 13) Reviewing, with the management, the performance of statutory and internal auditors, and 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) Discussing with internal auditors on any significant findings and follow up thereon;
  - 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) Discussing 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 the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - 19) Reviewing the functioning of the whistle blower mechanism;
  - 20) Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
  - 21) Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹1,000 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
  - 22) Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
  - 23) Such roles as may be delegated by the Board and/or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law; and
  - 24) Carrying out any other functions as is mentioned in the terms of reference of the audit committee or containing into SEBI (LODR) Regulations 2015.

Further, the Audit Committee shall mandatorily review the following information:

- 1) Management's discussion and analysis of financial condition and results of operations;
- 2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- 3) management letters / letters of internal control weaknesses issued by the statutory auditors;
- 4) internal audit reports relating to internal control weaknesses;
- 5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
- 6) 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 ICDR 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) of the SEBI ICDR Regulations.

## 2. Nomination and Remuneration Committee

Our Company at its Board Meeting held on June 23, 2023 has approved the constitution of Nomination and Remuneration Committee in compliance with the provisions of Section 178, Schedule V and all other applicable provisions of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Power) Rules, 2014 and Regulation 19 SEBI Listing Regulations. The Nomination and Remuneration Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Amit Yashavant Ghaisas	Chairman	Independent Director
Vishvas Vinayak Palande	Member	Independent Director
Chitra Vijay Latkar	Member	Non-Executive Director

The Company Secretary of the Company shall act as a Secretary to the Nomination and Remuneration Committee. The Chairman of the Nomination and Remuneration Committee is entitled to attend the general Meeting of the company to furnish clarifications to the shareholders on any matter relating to remuneration. The scope and function of the Committee and its terms of reference shall include the following:

### A. Tenure of the Committee:

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

### B. Meetings of the Committee:

The committee shall meet as and when the need arises, subject to at least one meeting in a year. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is greater, including at least one independent director in attendance.

### C. Scope and terms of reference:

The terms of reference of the Nomination and Remuneration Committee as per Regulation 19 and Part D of Schedule II of SEBI Listing Regulations and Companies Act, 2013 shall be as under:

- 1) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- 2) For the appointment of an independent director, the 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 of directors of the Company 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 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 the performance of independent directors and the Board;
- 4) devising a policy on diversity of our Board;
- 5) identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;
- 6) determining 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) recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;
- 8) recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board

- and its committees, remuneration for other services, commission on profits;
- 9) recommending to the Board, all remuneration, in whatever form, payable to senior management;
  - 10) performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
  - 11) engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
  - 12) analyzing, monitoring and reviewing various human resource and compensation matters;
  - 13) reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
  - 14) framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
    - a. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
    - b. The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and
  - 15) Performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

### 3. Stakeholders Relationship Committee

Our Company at its Board Meeting held on June 23, 2023 has approved the constitution of the Stakeholders Relationship Committee in compliance with the provisions of the Section 178(5) and all other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder and Regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The constituted Stakeholders Relationship Committee comprises the following:

Name of the Director	Status in Committee	Nature of Directorship
Amit Yashavant Ghaisas	Chairman	Independent Director
Vishvas Vinayak Palande	Member	Independent Director
Chitra Vijay Latkar	Member	Non-Executive Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholder Relationship Committee. The scope and function of the Stakeholder Relationship Committee and its terms of reference shall include the following:

- A. Tenure:** The Stakeholder Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder Relationship Committee as approved by the Board.
- B. Meetings:** The Stakeholder Relationship Committee shall meet at least once in a year, and shall report to the Board on a quarterly basis regarding the status of re-dressal of the complaints received from the shareholders of the Company. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.
- C. Scope and terms of reference:** The terms of reference of the Stakeholders Relationship Committee as per Regulation 20 and Part D of Schedule II of SEBI Listing Regulations, 2015 and Companies Act, 2013 shall be as under:
  1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
  2. Review of measures taken for effective exercise of voting rights by shareholders;
  3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & 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 receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the company;

5. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized;
6. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
7. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company.;
8. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/ dividend warrants, non-receipt of annual report and any other grievance/ complaints with Company or any officer of the Company arising out in discharge of his duties;
9. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them;
10. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time;
11. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting; and
12. Such roles as may be delegated by the Board and/ or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

#### **4. Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee of our Board is reconstituted by the meeting of our Board on June 23, 2023. The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014. The constitution of the Corporate Social Responsibility Committee is as follows:

<b>Name of the Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Amit Yashavant Ghaisas	Chairman	Independent Director
Vishvas Vinayak Palande	Member	Independent Director
Chitra Vijay Latkar	Member	Non-Executive Director

The Company Secretary shall act as the secretary to the Committee. The scope and functions of the Corporate Social Responsibility Committee are in accordance with Section 135 of the Companies Act and Companies (Corporate Social Responsibility Policy) Rules, 2014.

1. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
2. To review and recommend the amount of expenditure to be incurred on activities referred to in Section 135(a) of the Companies Act, 2013;
3. To institute a transparent monitoring mechanism for the implementation of the CSR projects, programs and activities undertaken by the Company from time to time;
4. To Monitor the Corporate Social Responsibility policy of the Company from time to time; and

5. Any other matter of CSR Committee may deem appropriate after approval of the Board of Directors or as may be delegated by the Board and/ or prescribed under the Companies Act, 2013 or other applicable law.

#### **Policy on Disclosures & Internal procedure for prevention of Insider Trading:**

The provisions of Regulation 8 and 9 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the Stock Exchange. We shall comply with the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 on listing of our Equity Shares on stock exchange. Further, Board of Directors have approved and adopted in Board meeting held on June 22, 2023 the policy on insider trading in view of the proposed public issue. Our Board is responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct for Prevention of Insider Trading conduct under the overall supervision of the Board.

#### **KEY MANAGERIAL PERSONNEL**

Our Company is supported by a team of professionals having exposure to various operational aspects of our business. A brief detail about the Key Managerial Personnel of our Company is provided below:

<b>Name, Designation &amp; Educational Qualification</b>	<b>Age</b>	<b>Year/ period of joining</b>	<b>Compensation paid for F.Y. ended 2021-22 (₹ in Lakhs)</b>	<b>Overall experience</b>	<b>Previous employment</b>
<b>Aniket Vijay Latkar</b> <b>Designation:</b> Chairman and Managing Director <b>Educational Qualification:</b> Master of Science in Engineering Business Management <b>Term of office:</b> 3 Years	41 years	2011	74.87	15 years	NA
<b>Mayuri Vijay Latkar</b> <b>Designation:</b> Whole Time Director and CFO <b>Educational Qualification:</b> a) PGDM in Finance b) Bachelor of Engineering in Electronics & Telecommunication <b>Term of office:</b> 3 Years	38 years	2023	39.25	13 years	Finance Manager and Manager, Human Resource and Admin in Supreme Industry
<b>Ms. Shweta Pursnani</b> <b>Designation:</b> Company Secretary and Compliance Officer <b>Educational Qualification</b> - Company Secretary	30 years	2023	Nil	4 years	Agartala Plastic Private Limited

*\*Mrs. Mayuri Aniket Latkar had joined the company in year 2012 as Finance Manager, and was later appointed as Whole-Time director vide Extra- Ordinary General meeting dated March 24, 2023 and as Chief Financial Officer vide Board meeting dated June 08, 2023.*

#### **BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL**

**Aniket Vijay Latkar** - Please refer to section “**Brief Profile of our Directors**” beginning on page 134 of this Red Herring Prospectus for details.

**Mayuri Aniket Latkar** - Please refer to section “**Brief Profile of our Directors**” beginning on page 134 of this Red Herring Prospectus for details.

**Shweta Pursnani** is the Company Secretary and Compliance Officer of our Company. She is a qualified Company Secretary and an associate member of the Institute of Company Secretaries of India. She is currently responsible for the overall Corporate Governance and secretarial Compliance of our Company.

**We confirm that:**

- All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above-mentioned Key Managerial Personnel have been recruited.
- None of our KMPs except Aniket Vijay Latkar and Mayuri Aniket Latkar are also part of the Board of Directors.
- In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the financial year ended March 31, 2022.
- Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- Our Company does not have any bonus/ profit sharing plan for any of the Key Managerial Personnel.
- None of the Key Managerial Personnel hold any shares of our Company as on the date of filing of this Red Herring Prospectus except as under:

Sr. No.	Name of the KMP's	No. of Shares held
1	Aniket Vijay Latkar	6,50,000
2	Mayuri Aniket Latkar	6,49,500
	<b>Total</b>	12,99,500

- Presently, we do not have Employee Stock Option Plan (ESOP)/ Employee Stock Purchase Scheme (ESPS) for our employees.
- The turnover of KMPs is not high, compared to the Industry to which our company belongs.

**Nature of any family relationship between Key Managerial Personnel (KMP)**

Except for Aniket Vijay Latkar, Chairman and Managing Director and Mayuri Aniket Latkar, WTD and CFO of the Company are spouse of each other none of our KMP are related to each other

**Payment of benefits to officers of Our Company (non-salary related)**

Except as disclosed in this Red Herring Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/ rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards the Provident fund, Gratuity fund and Employee State Insurance

**Changes in the Key Managerial Personnel in last three years:**

There have been no changes in the Key Managerial Personnel of our Company during the last 3 (three) year except as stated below:

Sr. No.	Name of Directors/ KMP's	Designation and period	Appointment/ Cessation/ Re-designation	Reasons
1.	Aniket Vijay Latkar	Redesignated as Chairman and Managing Director w.e.f. June 09, 2023	Re-designation	To comply with the provisions of the Companies Act 2013 and to ensure better Corporate Governance
2.	Mayuri Aniket Latkar	Appointment as Whole Time Director w.e.f. March 24, 2023 and Appointed as CFO w.e.f. June 08, 2023	Appointment	
3.	Shweta Pursnani	Appointment as Company Secretary and Compliance Officer w.e.f. June 14, 2023	Appointment	

### **Interest of our Key Managerial Personnel**

Apart to the extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company, none of our Key Managerial Personal are interested in our Company. For details, please refer section titled ***“Financial information of the Company – Note - Y - Related Party Disclosures”*** beginning on page 186 of this Red Herring Prospectus.

### **Interest in the property of our Company**

Our KMPs do not have any interest in any property acquired by our Company in a period of two years before the filing of this Red Herring Prospectus or proposed to be acquired by us as on the date of filing the Red Herring Prospectus with RoC.

### **Details of the Service Contracts of the Key Managerial Personnel**

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

### **Loans given/ availed by Directors/ Key Managerial Personnel of our Company**

For details of unsecured loan taken from or given to our Directors/ KMPs and for details of transaction entered by them in the past please refer to ***“Note - Y – Related Party Disclosure”*** page 186 of this Red Herring Prospectus.

### **Employee Stock Option Plan ('ESOP')/ employee stock purchase scheme ('ESPS Scheme') to Employees**

Presently, we do not have any ESOP/ ESPS Scheme for our employees.

## **OUR PROMOTERS & PROMOTER GROUP**



### **A. OUR PROMOTERS:**

The Promoters of our Company are:

1. Aniket Vijay Latkar
2. Chitra Vijay Latkar

As on date of this Red Herring Prospectus, our Promoters, in aggregate, hold 1,23,50,000 Equity shares of our Company, representing 95.00% of the pre-issue paid-up Equity Share capital of our Company. For details of the build-up of the Promoters' shareholding in our Company, see "*Capital Structure – History of the Equity Share Capital held by our Promoters*", on pages 61 of this Red Herring Prospectus.

***Brief Profile of our Promoters are as under:***

	<p><b>Aniket Vijay Latkar- Managing Director</b></p> <p>Aniket Vijay Latkar, aged 41 years, is one of our Promoters and is also the Chairman and Managing Director on our Board. For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see "<i>Our Management –Brief profile of Directors</i>" on page 134</p> <p><b>Other ventures of our Promoters</b> - Except as set out in the chapter titled '<i>Our Management</i>', our Promoters are not involved with any other venture, as a shareholder/ stakeholder, proprietor, partner, promoters or director.</p> <p>His permanent account number is ACQPL4763M.</p> <p>For details of his shareholding, please see "<i>Capital Structure</i>" on page 61</p>
	<p><b>Chitra Vijay Latkar- Non- Executive Director</b></p> <p>Chitra Vijay Latkar, aged 65 years, is one of our Promoters and is also the Non-Executive Director on our Board. For further details, i.e., her date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see "<i>Our Management –Brief profile of Directors</i>" on page 134</p> <p><b>Other ventures of our Promoters</b> - Except as set out in the chapter titled '<i>Our Management</i>', our Promoters are not involved with any other venture, as a shareholder/ stakeholder, proprietor, partner, promoters or director.</p> <p>Her permanent account number is AGKPL6145M</p> <p>For details of his shareholding, please see "<i>Capital Structure</i>" on page 61</p>

### **Confirmations/ Declarations:**

In relation to our Promoters, our Company confirms that the PAN, Bank Account Numbers, Passport Number, Aadhaar Card Number and Driving License number shall be submitted to NSE at the time of filing of this Red Herring Prospectus.

### **Undertaking/ Confirmations:**

None of our Promoters or Promoter Group or Group Company or person in control of our Company has been:

- Prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or

- Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.
- No material regulatory or disciplinary action is taken by any stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the promoters of our company.
- There are no defaults in respect of payment of interest and principal to the debenture/ bond/ fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the promoters during the past three years.
- The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in chapter titled ***“Outstanding Litigations and Material Developments”*** beginning on page 210 of this Red Herring Prospectus.
- None of our Promoters, person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

### **Interest of our Promoters:**

#### ***i. Interest in promotion and shareholding of Our Company:***

Our Promoters are interested in the promotion of our Company and also to the extent of their shareholding and shareholding of their relatives, from time to time, for which they are entitled to receive dividend payable, if any, and other distribution in respect of the Equity Shares held by them and their relatives. As on the date of this Red Herring Prospectus, our Promoters, Aniket Vijay Latkar and Chitra Vijay Latkar collectively holds 1,23,50,000 Equity Shares in our Company i.e., 95.00% of the pre issue paid up Equity Share Capital of our Company. Our Promoters may also be deemed to be interested to the extent of the remuneration, as per the terms of their appointment and reimbursement of expenses payable to them and unsecured loan advanced to/ taken from them, if any. For details, please refer to ***Note - Y – “Related Party Transactions”*** beginning on page 186 of this Red Herring Prospectus.

For details regarding the shareholding of our Promoters in our Company, please see ***“Capital Structure”*** on page 61 of this Red Herring Prospectus.

#### ***ii. Interest in the property of Our Company:***

Our Promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Red Herring Prospectus or proposed to be acquired by us as on date of this Red Herring Prospectus.

#### ***iii. In transactions for acquisition of land, construction of building and supply of machinery***

None of our Promoters or Directors are interested in any transaction for the acquisition of land, construction of building or supply of machinery.

#### ***iv. Other Interests in our Company***

For transactions in respect of loans and other monetary transactions entered in past please refer ***Note - Y*** on ***“Related Party Transactions”*** on page 186 forming part of ***“Financial Information of the Company”*** of this Red Herring Prospectus.

Further, our promoters may be interested to the extent of personal guarantees given by them in favour of the Company, for the details of Personal Guarantee given by Promoters towards Financial facilities of our Company please refer to ***“Statement of Financial Indebtedness”*** and ***“Financial Information of Our Company”*** on page 186 and 153 respectively of this Red Herring Prospectus.

### **Payment or Benefits to our Promoters and Promoter Group during the last 2 years:**

For details of payments or benefits paid to our Promoters and promoter group, please refer to the paragraph ***“Compensation of***

our Managing Director and Whole Time Director” in the chapter titled “*Our Management*” beginning on page 137 also refer Note-Y on “*Related Party Transactions*” on page 186 forming part of “*Financial Information of the Company*” and Paragraph on “*Interest of Promoters*” in chapter titled “*Our Promoters and Promoter Group*” on page 148 of this Red Herring Prospectus.

**Companies/ Firms with which our Promoters have disassociated in the last (3) three years:**

Our promoters have not disassociated themselves from any of the Company, Firms or other entities during the last three years preceding the date of this Red Herring Prospectus.

**Other ventures of our Promoters:**

Save and except as disclosed in this section titled “*Our Promoters & Promoter Group*” beginning on page 148 of this Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

**Litigation details pertaining to our Promoters:**

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled “*Outstanding Litigations and Material Developments*” beginning on page 210 of this Red Herring Prospectus.

**Material Guarantees:**

Except as stated in the “*Statement of financial indebtedness*” and “*Restated financial information*” of the company beginning on page 195 and 153 of this Red Herring Prospectus respectively, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Red Herring Prospectus.

**Experience of Promoters in the line of business:**

Our Promoters, Aniket Vijay Latkar and Chitra Vijay Latkar have an overall experience of around 15 years and 12 years respectively. The Company shall also endeavor to ensure that relevant professional help is sought as and when required in the future.

**Related Party Transactions:**

Except as stated in “*Note - Y Related Party Transactions*” beginning on page 186 of this Red Herring Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

**B. OUR PROMOTER GROUP**

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

- (a) **Natural persons i.e., an immediate relative of the promoters (i.e., any spouse of that person, or any parent, brother, sister or child of the person or of the spouse);**

As per Regulation 2(1) (pp) (ii) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoters) are as follows:

Relationship	Name of the Relatives	
	Aniket Vijay Latkar	Chitra Vijay Latkar
Father	Late Vijay Laxman Latkar	Late Bhanudas Vaman Dhabadgaonkar
Mother	Chitra Vijay Latkar	Late Vimlabai Bhanudas Dhabadgaonkar
Spouse	Mayuri Aniket Latkar	Late Vijay Laxman Latkar
Brother	NA	NA
Sister	Pallavi Sachin Kadlaskar	Pushpa Pagey Shobha Deshpande
Son	NA	Aniket Vijay Latkar

Relationship	Name of the Relatives	
	Aniket Vijay Latkar	Chitra Vijay Latkar
Daughter	Annanya Latkar	Pallavi Sachin Kadlaskar
Spouse's Father	Col. Dilip Ranade	Late Laxman Shamrao Latkar
Spouse's Mother	Nitanta Ranade	Late Nalini Laxman Latkar
Spouse's Brother	NA	Satish Laxman Latkar
Spouse's Sister	NA	NA

**(b) Corporate Entities or Firms forming part of the Promoter Group:**

As per Regulation 2(1)(pp)(iv) of the SEBI (ICDR) Regulations, 2018, the following entities would form part of our Promoter Group:

S. No.	Nature of Relationship	Name of Entities
A.	Any Body Corporate in which 20% or more of the Equity Share Capital is held by Promoter or an immediate relative of the Promoter or a firm or Hindu Undivided Family (HUF) in which Promoter or any one or more of his immediate relatives are a member.	<ul style="list-style-type: none"> <li>Atal Technology Park Private Limited</li> <li>VLL Subcon Private Limited</li> <li>Pradnyashodh Sewa Samiti Foundation</li> </ul>
B.	Any Body Corporate in which a body corporate as provided in (A) above holds twenty per cent or more, of the equity share capital.	-
C.	Any Hindu Undivided Family or firm in which the aggregate share of the promoter and their relatives is equal to or more than twenty per cent of the total capital.	-

## **DIVIDEND POLICY**

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial year except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode.

Our Company does not have a formal dividend policy for declaration of dividend in respect of Equity shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares in the nine months period ended December 31, 2022 and last three financial years. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

## FINANCIAL INFORMATION OF THE COMPANY

### INDEPENDENT AUDITOR'S REPORT ON RESTATED FINANCIAL INFORMATION

To,

**The Board of Directors,  
Saakshi Medtech and Panels Limited  
(Formerly known as Saakshi Machine & Tools Pvt. Ltd.)  
EL-23, J-Block,  
MIDC-Bhosari, Pune:- 411 026**

Dear Sirs,

1. We have examined the attached Restated Financial Statements of Saakshi Medtech and Panels Limited, comprising the Restated Statement of Assets and Liabilities as at March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the year ended March 31, 2023, March 31, 2022 and March 31, 2021, the Summary Statement of Significant Accounting Policies, the Notes and Annexures as forming part of these Restated Financial Statements (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on September 16<sup>th</sup>, 2023 for the purpose of inclusion in the Red Herring Prospectus (Offer Document) prepared by the Company in connection with its proposed SME Initial Public Offer of equity shares ("SME IPO") prepared in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").
2. The Company's Board of Directors are responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Offer Document to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Pune in connection with the proposed SME IPO. The Restated Financial Information of the Company have been Prepared by the Management of the Company and approved by the Board of Directors on the basis of preparation stated in Annexure IV of the Restated Financial Information. Our responsibility is to examine the Restated Financial Information and confirm whether such Restated Financial Information comply with the requirements of the Act, the Rules, SEBI-ICDR Regulations and the Guidance Note.
3. We, M/s Kishor Gujar & Associates, Chartered Accountants, been subject to peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid peer review certificate issued dated **18<sup>th</sup> May, 2022** valid till **31<sup>th</sup> May, 2025**.
4. We have examined these Restated Financial Information taking into consideration;
  - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated March 1<sup>st</sup>, 2023 in connection with the proposed SME IPO of the Company.
  - b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
  - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the SME IPO.

5. These Restated Financial Information have been compiled by the Management from the audited Financial Statements of the Company for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 which have been approved by the Board of Directors of the Company. The financial statements of the Company for the year ended March 31, 2023 has been audited by us and the financial statements of the Company for the year ended March 31, 2022 and March 31, 2021 has been audited by other auditors Jayant Joshi & Co., Chartered Accountant.
6. Based on our examination and according to the information and explanation given to us, we report that the Restated Financial Information have been prepared:
  - (a) After incorporating adjustments for the changes in accounting policies and regrouping/reclassifications retrospectively, if any in the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications; and
  - (b) in accordance with the Act, ICDR Regulations and the Guidance Note.
7. For the purpose of our examination, we have relied on:
  - a) Auditors' report issued by other Auditors Jayant Joshi & Co., Chartered Accountant for the year ended 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March, 2021
  - b) Auditors' reports issued by us dated August 17<sup>th</sup>, 2023 on the financial statements of the Company as at and for the year ended March 31, 2023.
8. We have also examined the following Notes to the Restated financial information of the Company set out in the Annexure V, prepared by the management and approved by the Board of Directors on September 16<sup>th</sup>, 2023 for the years ended March 31, 2023, March 31, 2022 and March 31, 2021.

Annexure V - Notes to the Restated Summary Financial Information;

- a) Restated Statement of Share Capital, Reserves and Surplus as appearing in Note A to this report;
- b) Restated Statement of Long Term Borrowings as appearing in Note B to this report;
- c) Restated Statement of principal terms of Secured Loans and Assets charged as security as appearing in Note B(A) to this report;
- d) Restated Statement of terms & conditions of unsecured loans as appearing in Note B(B) to this report;
- e) Restated Statement of Deferred Tax (Assets) / Liabilities as appearing in Note C to this report;
- f) Restated Statement of Short term borrowings as appearing in Note D to this report;
- g) Restated Statement of Trade Payables as appearing in Note E to this report;
- h) Restated Statement of Other Long Term Liabilities as appearing in Note FF to this report;
- i) Restated Statement of Other Current Liabilities as appearing in Note F to this report;
- j) Restated Statement of Short Term Provisions as appearing in Note G to this report;
- k) Restated Statement of Long Term Provisions as appearing in Note GG to this report
- l) Restated Statement of Property, Plant and Equipment as appearing in Note H to this report;
- m) Restated Statement of Non-Current Investment as appearing in Note I to this report
- n) Restated Statement of Other Non-Current Assets as appearing in Note J to this report
- o) Restated Statement of Trade Receivables as appearing in Note K to this report;
- p) Restated Statement of Cash and Cash Equivalents as appearing in Note L to this report;
- q) Restated Statement of Inventories as appearing in Note M to this report;
- r) Restated Statement of Loans and Advances as restated as appearing in Note N to this report;
- s) Restated Statement of Other Current Assets as appearing in Note O to this report;
- t) Restated Statement of Revenue from Operations as appearing in Note P to this report;
- u) Restated Statement of Other Income as appearing in Note Q to this report;
- v) Restated Statement of Cost of Material Consumed as appearing in Note R to this report;
- w) Restated Statement of Change in Inventories of Work in progress and finished goods as appearing in Note S to this report;
- x) Restated Statement of Employee Benefit Expenses as appearing in Note T to this report;
- y) Restated Statement of Finance Cost as appearing in Note U to this report;
- z) Restated Statement of Depreciation & Amortization as appearing in Note V to this report;

- aa) Restated Statement of Other Expenses as appearing in Note W to this report;
  - bb) Restated Summary Statement of Contingent Liabilities as appearing in Note X to this report;
  - cc) Restated Statement of Related Party Transactions as appearing in Note Y to this report;
  - dd) Restated Statement of Tax Shelter as appearing in Note Z to this report;
  - ee) Capitalization Statement as appearing in Note ZA to this report;
  - ff) Restated Statement of Mandatory Accounting Ratios as appearing in Note ZB to this report;
  - gg) Restated Statement of Other Disclosures as per Schedule-III of the Companies Act 2013 as appearing in Note ZC to this report;
  - hh) Restated Statement of Other Disclosures as appearing in Note ZD to this report;
9. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 7 above.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or other auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Document to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Pune in connection with the proposed SME IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.
13. In our opinion, the above financial information contained in Annexure I to Annexure III of this report read with the respective Significant Accounting Policies and Notes to Accounts 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 and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable.

**For**  
**KISHOR GUJAR & ASSOCIATES**  
**Chartered Accountants**

Firm Registration No. - 116747W  
Peer Review No.: 014220/2022

Sd/-

CA Javedkhan Saudagar (Partner)  
Membership No.: 139006  
Place:- Pimpri, Pune:- 411 018  
Date.: 16<sup>th</sup> September, 2023  
UDIN : 23139006BGVVBI3863

**ANNEXURE- I**  
**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

(Rs. in Lakhs)

PARTICULARS		NOTE	As at		
			31-03-23	31-03-22	31-03-21
<b>A)</b>	<b>EQUITY AND LIABILITIES</b>				
1.	Shareholders' Funds				
(a)	Share Capital	<b>A</b>	260.00	260.00	260.00
(b)	Reserves & Surplus	<b>A</b>	3,964.07	2,725.77	1,788.17
(c)	Share Application Money		-	-	-
	<b>Total</b>		<b>4,224.07</b>	<b>2,985.77</b>	<b>2,048.17</b>
2.	Non Current Liabilities				
(a)	Long Term Borrowings	<b>B</b>	722.33	719.17	802.21
(b)	Deferred Tax Liabilities (Net)	<b>C</b>	20.88	24.35	36.20
(c)	Other Long Term Liabilities	<b>FF</b>	212.76	-	-
(d)	Long Term Provisions	<b>GG</b>	51.83	22.96	26.91
	<b>Total</b>		<b>1,007.79</b>	<b>766.48</b>	<b>865.32</b>
3.	Current Liabilities				
(a)	Short Term Borrowings	<b>D</b>	1,285.12	916.61	1,397.23
(b)	Trade Payables	<b>E</b>			
	Due to Micro and small enterprises		127.48	134.03	117.69
	Due to Others		1,905.28	1,241.88	960.95
(c)	Other Current Liabilities	<b>F</b>	159.14	29.97	13.63
(d)	Short Term Provisions	<b>G</b>	615.33	447.18	188.51
	<b>Total</b>		<b>4,092.36</b>	<b>2,769.67</b>	<b>2,678.00</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>9,324.22</b>	<b>6,521.91</b>	<b>5,591.50</b>
<b>B)</b>	<b>ASSETS</b>				
1.	Non Current Assets				
(a)	Property, Plant and Equipment and Intangible Assets	<b>H</b>			
	i) Property, Plant and Equipment		3,418.00	2,579.44	2,164.63
	ii) Intangible Assets		12.53	-	-
	iii) Capital Work in progress		-	-	2.64
	iv) Intangible Assets under development		-	12.90	12.90
(b)	Non-Current Investment	<b>I</b>	-	-	25.40
(c)	Deferred Tax Assets (Net)		-	-	-
(d)	Long Term Loans and Advances	<b>N</b>	-	-	-
(e)	Other Non Current Assets	<b>J</b>	282.91	283.21	283.21
			<b>3,713.44</b>	<b>2,875.55</b>	<b>2,488.76</b>
2.	Current Assets				
(a)	Current Investment		-	-	-
(b)	Trade Receivables	<b>K</b>	2,295.57	1,746.73	1,466.73
(c)	Cash and Cash equivalents	<b>L</b>	315.70	130.27	276.54
(d)	Inventories	<b>M</b>	2,367.03	1,336.40	1,057.22
(e)	Short-Term Loans and Advances	<b>N</b>	492.04	378.09	263.76
(f)	Other Current Assets	<b>O</b>	140.45	54.88	38.47
			<b>5,610.78</b>	<b>3,646.37</b>	<b>3,102.73</b>
	<b>TOTAL ASSETS</b>		<b>9,324.22</b>	<b>6,521.91</b>	<b>5,591.50</b>

**ANNEXURE - II**  
**RESTATED STATEMENT OF PROFIT AND LOSS**

(Rs. in Lakhs)

PARTICULARS		Note	For the period/year ended on		
			31-03-23	31-03-22	31-03-21
1	<b>Revenue From Operations</b>	<b>P</b>	12,205.82	9,157.78	5,977.39
2	<b>Other Income</b>	<b>Q</b>	14.36	11.56	44.79
3	<b>Total Revenue (1+2)</b>		<b>12,220.19</b>	<b>9,169.35</b>	<b>6,022.17</b>
4	<b>Expenses</b>				
(a)	Cost of Material Consumed	<b>R</b>	7,392.58	5,716.48	3,605.10
(b)	Purchase of Stock in trade		741.23	368.05	533.14
(c)	Change in Inventories of Work in progress and finished goods	<b>S</b>	(193.81)	(60.10)	(81.38)
(d)	Employee Benefit Expenses	<b>T</b>	1,323.58	922.80	751.81
(e)	Finance Costs	<b>U</b>	145.91	131.16	148.37
(f)	Depreciation and Amortisation Expenses	<b>V</b>	265.38	172.16	169.66
(g)	Other Expenses	<b>W</b>	889.01	654.15	580.57
5	<b>Total Expenses 4(a) to 4(g)</b>		<b>10,563.88</b>	<b>7,904.69</b>	<b>5,707.26</b>
6	<b>Profit/(Loss) Before Exceptional &amp; Extraordinary items &amp; Tax (3-5)</b>		<b>1,656.30</b>	<b>1,264.66</b>	<b>314.91</b>
7	Exceptional item		-	-	-
8	<b>Profit/(Loss) Before Extraordinary items &amp; Tax (6-7)</b>		<b>1,656.30</b>	<b>1,264.66</b>	<b>314.91</b>
9	Prior Period Expenses		-	-	-
10	Extraordinary items		-	-	-
11	<b>Profit/(Loss) Before Tax (8-9-10)</b>		<b>1,656.30</b>	<b>1,264.66</b>	<b>314.91</b>
12	Tax Expense:				
(a)	Current Tax		424.82	326.75	95.58
(b)	Deferred Tax		(3.47)	(11.85)	(14.65)
(c)	MAT Credit entitlements				
(d)	Prior period expenses				
(e)	Excess/short provision written back/off		(3.35)	12.17	13.90
	<b>Total</b>		<b>418.00</b>	<b>327.07</b>	<b>94.83</b>
13	<b>Profit/(Loss) for the Year (11-12)</b>		<b>1,238.30</b>	<b>937.59</b>	<b>220.08</b>

**ANNEXURE III**  
**RESTATED CASH FLOW STATEMENT**

(Rs. in Lakhs)

PARTICULARS	FOR THE YEAR ENDED		
	31-03-23	31-03-22	31-03-21
	Amount	Amount	Amount
<b>A) Cash Flow From Operating Activities :</b>			
<b>Net Profit before tax as per Statement of Profit &amp; Loss</b>	1,656.30	1,264.66	314.91
Adjustment for :			
Depreciation and amortization Expenses	265.38	172.16	169.66
Finance Cost	145.91	131.16	148.37
Interest Income	(10.15)	(8.47)	(9.86)
Dividend Income	-	-	(0.82)
Profit on sale of Asset	-	(2.82)	(1.23)
<b>Operating profit before working capital changes</b>	<b>2,057.44</b>	<b>1,556.68</b>	<b>621.04</b>
<b>Changes in Working Capital</b>			
(Increase)/Decrease in Trade Receivables	(548.83)	(280.00)	(423.48)
(Increase)/Decrease in Inventory	(1,030.63)	(279.18)	(284.30)
(Increase)/Decrease in Short & Long Term Loans & Advances	(33.85)	37.20	(71.88)
(Increase)/Decrease in Other Current & Non Current Assets	(85.26)	(16.40)	(2.04)
Increase/(Decrease) in Trade Payables	656.86	297.26	315.01
Increase/(Decrease) in Other non current and non Current Liabilities	341.92	16.35	(2.87)
Increase/(Decrease) in Short Term Provisions, etc	98.97	23.56	13.46
<b>Cash generated from operations</b>	<b>1,456.61</b>	<b>1,355.47</b>	<b>164.93</b>
Less:- Income Taxes paid	403.50	259.27	137.33
<b>Net cash flow from operating activities (A)</b>	<b>1,053.11</b>	<b>1,096.20</b>	<b>27.60</b>
<b>B) Cash Flow From Investing Activities :</b>			
Purchase of Fixed Assets including of CWIP	(1,103.61)	(585.46)	(92.91)
Sale of Fixed Assets	-	3.95	2.50
Advance paid for purchase of fixed Assets	-	-	-
Investment made/Sold during the year	-	25.40	2.50
Dividend Income	-	-	0.82
Interest Income	10.15	8.47	9.86
<b>Net cash flow from investing activities (B)</b>	<b>(1,093.46)</b>	<b>(547.64)</b>	<b>(77.23)</b>
<b>C) Cash Flow From Financing Activities :</b>			
Proceeds from Issue of Share Capital	-	-	-
Increase/(Decrease) in Short Term Borrowings	368.52	(480.62)	265.16
Increase/(Decrease) in Long Term Borrowings	3.17	(83.05)	35.04
Finance Cost	(145.91)	(131.16)	(148.37)
<b>Net cash flow from financing activities (C)</b>	<b>225.77</b>	<b>(694.82)</b>	<b>151.82</b>
<b>Net Increase/(Decrease) In Cash &amp; Cash Equivalents (A+B+C)</b>	<b>185.42</b>	<b>(146.27)</b>	<b>102.19</b>
Cash equivalents at the beginning of the year	130.27	276.54	174.35
<b>Cash equivalents at the end of the year</b>	<b>315.70</b>	<b>130.27</b>	<b>276.54</b>

Notes:

1.

	31-03-23	31-03-22	31-03-21
Component of Cash and Cash equivalents			
Cash on hand	0.09	0.39	0.95
Balance With banks	315.61	128.89	275.59
Other Bank Balance	-	-	-
<b>Total</b>	<b>315.70</b>	<b>130.27</b>	<b>276.54</b>

2. Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.
3. The accompanying summary of significant accounting policies, restated notes to accounts and notes on adjustments for restated summary financial information (Annexure IV) are an integral part of this statement.

## **ANNEXURE – IV**

### **SUMMARY STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES & NOTES TO RESTATED FINANCIAL STATEMENTS**

#### **COMPANY OVERVIEW**

Saakshi Medtech and Panels Limited ("the company") erstwhile known "Saakshi Machine and Tools Pvt. Ltd." was incorporated on 25<sup>th</sup> March, 2009 under the provisions of The Companies Act 1956. Thereafter the company was converted from private limited to public limited vide fresh certificate of incorporation dated 6<sup>th</sup> June, 2023 issued by Registrar of Companies, Pune, Maharashtra. The companies registered office is situated at EL-23 J block, MIDC, Bhosari, Pune - 411026, Maharashtra. It is a diversified company engaged in manufacturing of: i) Electrical Control Panels and Cabinets used in elevators, air compressors, renewal energy industry, oil & gas exploration industry, electrical vehicle charging stations etc, ii) Medical X Ray System used in Healthcare industry iii) Fabrication works for locomotives and (iv) wire harness division for captive consumption in electrical control panels and for supply to air compressor industry.

#### **I. SIGNIFICANT ACCOUNTING POLICIES**

##### **A) BASIS OF PREPARATION OF FINANCIAL STATEMENT**

The Restated Financial Statements (Annexure I) comprises of financial statements of Saakshi Medtech and Panels Limited as at March 31, 2023, March 31, 2022, March 31, 2021 and the Restated Statement of Profit and Loss (Annexure II) and Restated Statements of Cash Flows (Annexure III) for the same period mentioned above and the annexure thereto (collectively, the "Restated Financial Statements") have been extracted by the management from the audited Financial Statements of the Company for the year ended on March 31, 2023, March 31, 2022, March 31, 2021, approved by the respective Board of Directors of the companies.

These financial statements are prepared on a Going Concern Basis and in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act. The accounting policies adopted in the preparation of financial statements have been consistently applied. All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of operations and time difference between the provision of services and realization of cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

These financial statements are now restated as per requirements of Companies Act, 2013, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("the SEBI ICDR Regulations") and Guidance note on reports in Company Prospectus (Revised 2019) ("Guidance Note") issued by the Institute of chartered Accountants of India ("ICAI").

##### **B) Basis of Measurement**

The Restated Financial Statements have been prepared on accrual basis and under historical cost convention, except for certain financial assets and liabilities which are measured at fair value.

The Restated financial statements have been prepared on a going concern basis. The accounting policies are applied consistently to all the period presented in the Restated financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in accounting policy hitherto in use.

The Functional and presentation currency of the company is Indian Rupees ("INR") which is the currency of the primary economic environment in which the Company operates.

Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "(Zero)" in the relevant notes to Restated financial statements.

### **C) Use of Estimates**

The preparation of Restated Financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported amount of assets and liabilities as at the Balance sheet date, reported amount of revenue and expenditure for the year and disclosures of contingent liabilities as at the Balance sheet date. The judgements, estimates and assumptions used in the accompanying Restated Financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the Restated Financial statements. Actual results could differ from these judgements, estimates and assumptions. Estimates and underlying assumptions are reviewed on a year basis. Revisions to accounting estimates, if any, are recognised in the year in which the estimates are revised and in any future years affected.

#### **Summary of Significant Accounting Policies**

##### **A) Revenue recognition**

###### **i) Sale of goods**

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have being sold and is transferred to our customer and when there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on the customer terms.

Revenue is disclosed at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is recognised to the extent that it is highly probable that significant reversal will not occur.

###### **(ii) Income from services**

Revenue from services is recognised when services have been rendered and there should be no uncertainty regarding consideration and its ultimate collection.

###### **(iii) Interest Income**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

##### **B) Property, plant and equipments**

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation/ amortization and accumulated impairment, if any.

Cost includes purchase price, taxes and duties, labour cost and directly attributable overhead expenditure for self-constructed assets incurred up to the date the asset is ready for its intended use. Borrowing cost incurred for qualifying assets is capitalized up to the date the asset is ready for intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset.

Cost also includes the cost of replacing part of the plant and equipment, if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at regular intervals and adjusted prospectively, if appropriate.

An item of property, plant and equipment's and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

##### **C) Depreciation**

All fixed asset, except capital work in progress, are depreciated on a written down value method. Depreciation is provided based on useful life of the asset as prescribed in schedule II to the companies Act, 2013. Depreciation on additions /deletion from

property, plant and equipment made during the year is provided on pro- rata basis to extent of depreciable amount on Written Down Value(WDV) method from/up to the date of such addition / deletion as the case may be.

#### **D) Intangible Assets**

Intangible assets are non-physical Assets such as patent, license agreement, copyright, software. Intangible Assets must be amortized over their useful life, if possible, sum assets, such as Brand Name have indefinite life and cannot be capitalize or amortized, other intangible assets such as license agreement have useful life determined in the license agreement, item with a defined useful life must be amortized. Intangible assets purchased are measured at cost or fair value as on the date of acquisition less accumulated amortisation and accumulated impairment, if any.

Amortisation is provided on a WDV basis over estimated useful lives of the intangible assets. The amortisation period for intangible assets with finite useful lives is reviewed at least at each year-end. Changes in expected useful lives are treated as changes in accounting estimate.

#### **E) Impairment**

The Management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

#### **F) Inventories**

##### Raw material, Work in Progress and finished goods

Raw materials, Stores, consumables & Spare Parts and packing materials are valued at lower of cost and net realisable value. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, Weighted average method is used.

Manufactured finished goods and Work in progress are valued at the lower of cost and net realisable value. Cost of manufactured finished goods comprises direct material, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

##### Traded Goods

Traded goods are valued at Lower of cost and net realisation values.

##### Goods in transit

Goods in transit are stated at actual purchase cost.

#### **G) Borrowing Costs**

Borrowing cost that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial year of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. Costs incurred in raising funds are amortized equally over the period for which the funds are acquired. All other borrowing costs are expensed in the year/period they occur.

## **H) Employee Benefits**

Short term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

The Company's contribution to Provident Fund and Employees State Insurance Scheme is determined based on a fixed percentage of the eligible employees' salary and charged to the Statement of Profit and Loss on accrual basis.

### **Gratuity**

Employees who are in continuous service for a period of 5 years are eligible for gratuity.

Company contributes the Premium to approved gratuity fund of Life Insurance Corporation on the basis of present liability of future payment of gratuity.

Accordingly, in March, 2023 asset has been recognised in the Balance Sheet in respect of plan assets under the head other current assets and accordingly deferred tax is recognized.

Similarly, liability is also recognised in the balance sheet in respect of the obligation under the head Short/Long term provision.

Plan assets and corresponding provisions are recognised as per Actuarial Report.

## **I) Foreign Exchange Transactions**

Foreign-currency denominated monetary assets and liabilities if any are translated at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from the transactions relating to purchase of current assets like Raw Material etc. are included in the Statement of Profit and Loss. Revenue, expense and cash-flow items denominated in foreign currencies are translated using the exchange rate in effect on the date of the transaction.

## **J) Cash Flow Statement**

Cash flows are reported using Accounting Standard -3 Cash Flow Statement- indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

## **K) Taxes on Income**

The accounting treatment for the Income Tax in respect of the Company's income is based on the Accounting Standard on 'Accounting for Taxes on Income' (AS-22). The provision made for Income Tax in Accounts comprises both. Income tax expenses for the year comprises of current tax and deferred tax. Current tax provision is determined on the basis of taxable income computed as per the provision of the income tax Act 1961.

Deferred tax is recognized for all timing differences, between the taxable income and accounting income that are capable of reversal in one or more subsequent periods subject to conditions of prudence and by applying tax rates that have been substantively enacted by the balance sheet. The carrying amount of deferred tax asset/liability is reviewed at each Balance Sheet date and consequential adjustments are carried out

## **L) Provision, Contingent Liabilities and Contingent assets**

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the likely future outflow of economic benefits required to settle the obligation at the reporting date.

Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

## **M) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and term deposits with highly liquid investments.

## **N) Related Party Transactions**

Related parties as defined under Accounting Standard - 18 'Related Party Disclosures' have been identified based on representations made by management and information available with the Company. All transactions with related parties are in the ordinary course of business and on arms' length basis.

## **O) Corporate Social Responsibility (CSR)**

As per Section 135 of the Companies act, 2013, a company, meeting the applicability threshold, need to spend at least 2% of its average net profit for the immediately preceding three financial years on CSR activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, health care, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. The funds were primarily allocated to a project and utilized through the year on these activities which are specified in schedule VII of the Companies Act, 2013.

As per section 135 of the Companies Act, 2013, a company has formed CSR committee.

## **P) Earnings per share**

Basic earnings per share is 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. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period. The weighted average number of equity shares outstanding during the period and all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

## **Q) Leases**

The company has taken machinery and factory on lease and classified as an Operating lease and lease rentals are recognized in profit of loss account as per lease terms.

## **R) Segment Reporting**

The company is operating under a single segment.

## **II. NOTES TO RESTATED SUMMARY STATEMENTS:**

The financial statements for the year ended on 31 March 2021, and 2022 and 2023 respectively are prepared as per Schedule III of the Companies Act, 2013: -

### **1. Contingent liabilities and commitments (to the extent not provided for)**

A disclosure for a contingent liability is reported in the notes to restated financial restatements when there is a possible obligation that may, require an outflow of the Company's resources. For details of contingent liability please refer Note X of the financial statements.

**2. Related party** transactions are already reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Note –Y of the enclosed financial statements.

**3. Deferred Tax liability/Asset in view of Accounting Standard – 22:** "Accounting for Taxes on Income" as at the end of the year is as under:

<b>(Rs.in Lakhs)</b>			
<b>Particulars</b>	<b>2022-23</b>	<b>2021-22</b>	<b>2020-21</b>
A. Opening balance of Deferred tax (Assets)/liability	24.35	36.20	50.84
(DTA)/DTL on timing Difference in Depreciation as per Companies Act and	44.65	39.34	37.56

Income Tax Act			
(DTA) /DTL on timing Differences in others	(23.77)	(14.99)	(1.36)
<b>B. Net Deferred Tax (Asset)/Liability</b>	<b>20.88</b>	<b>24.35</b>	<b>36.20</b>
<b>C. Current Year Provision (B-A)</b>	<b>(3.47)</b>	<b>(11.85)</b>	<b>(14.65)</b>

#### 4. Directors' Remuneration:

(Rs. in Lakhs)

Particulars	2022-23	2021-22	2020-21
Directors' Remuneration	208.51	106.87	123.96
<b>Total</b>	<b>208.51</b>	<b>106.87</b>	<b>123.96</b>

#### 5. Auditors' Remuneration:

(Rs. in Lakhs)

Particulars	For the Year Ended		
	2022-23	2021-22	2020-21
a. As Auditors			
Statutory & Tax Audit Fees	3.00	1.50	1.50
<b>Total</b>	<b>3.00</b>	<b>1.50</b>	<b>1.50</b>

#### 6. Earnings per Share:

(Amt. Rs. in Lakhs, except EPS)

Particulars	For the Year Ended		
	2022-23	2021-22	2020-21
A. Total Number of equity shares outstanding at the end of the year (in Lakhs)	26.00	26.00	26.00
B. Weighted average number of equity shares outstanding during the year (in Lakhs)	130.00	130.00	130.00
C. Net profit after tax available for equity shareholders (excluding exceptional and extraordinary items) (as restated)	1,238.30	919.51	227.09
D. Basic and Diluted earnings per share (Rs.)(C/B)	9.53	7.21	1.69

#### 7. Employee Benefits

The Company has adopted Accounting Standard 15 (revised 2005) on Employee Benefits during the restated financials period. The disclosure as envisaged under the Accounting Standard is provided hereunder:

(Amount in Rs. Lakhs)

Details of Gratuity Expenses	2022-23	2021-22	2020-21
<b>Profit and loss account for the period</b>			
Current service cost	6.38	6.03	6.09
+Interest on obligation	1.61	1.49	1.41
Expected return on plan assets	(2.92)	(1.80)	(1.53)
Net actuarial loss/(gain)	32.23	(3.91)	(1.94)
Recognised Past Service Cost-Vested			
Loss (gain) on curtailments			
<b>Total included in 'Employee Benefit Expense'</b>			
prior year charge			
<b>Total Charge to P&amp;L</b>	<b>37.31</b>	<b>1.82</b>	<b>4.02</b>
<b>Reconciliation of defined benefit obligation</b>			
Opening Defined Benefit Obligation	27.95	25.88	26.43
Transfer in/(out) obligation			
Current service cost	6.38	6.03	6.09
Interest cost	1.61	1.49	1.41

Actuarial loss (gain)	31.29	(4.33)	(2.01)
Past service cost			
Benefits paid	(4.82)	(1.13)	(6.03)
prior year charge			
<b>Closing Defined Benefit Obligation</b>	<b>62.40</b>	<b>27.95</b>	<b>25.88</b>
<b>Table of experience adjustments</b>			
Defined Benefit Obligation			
Plan Assets			
<b>Surplus/(Deficit)</b>			
<b>Reconciliation of plan assets</b>			
Opening value of plan assets	30.25	20.48	22.90
Transfer in/(out) plan assets			
Expenses deducted from the fund			
Expected return	2.92	1.80	1.53
Contributions	24.75	9.77	2.54
Actuarial gain/(loss)	(0.95)	(0.42)	(0.07)
Mortality Charges & taxes	(0.31)	(0.25)	(0.40)
Benefits paid	(4.82)	(1.13)	(6.03)
<b>Closing value of plan assets</b>	<b>51.83</b>	<b>30.25</b>	<b>20.48</b>
<b>Principle actuarial assumptions</b>			
Discount Rate	7.30%	6.30%	5.90%
Expected Return in Compensation Level	7.00%	7.00%	7.00%
Salary Escalation Rate			
Withdrawal Rates	20.00%	20.00%	20.00%
Expected Return on Plan Assets	7.25%	7.25%	7.25%

8. Figures have been rearranged and regrouped wherever practicable and considered necessary.

9. The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for.

10. The balances of trade payables, trade receivables, loans, and advances are unsecured and considered good and are subject to confirmations of the respective parties concerned.

#### 11. Realizations

In the opinion of the Board and to the best of its knowledge and belief, the value on the realization of current assets and loans and advances are approximate of the same value as stated.

#### 12. Contractual liabilities

All other contractual liabilities connected with the business operations of the Company have been appropriately provided for.

#### 13. Amounts in the financial statements

Amounts in the financial statements are rounded off to the nearest Lakhs. Figures in brackets indicate negative values.

#### 14. Impact of Audit Qualifications/Observations in Statutory Auditor's Report on Financial Statements

There have been no audit qualifications/observations in Statutory Auditor's Report for F.Y. 2020-21, 2021-22 and 2022-23 which requires adjustments in restated financial statements.

## 15. Material Adjustments

Appropriate adjustments have been made in the restated financial statements, whenever required, by a reclassification of the corresponding items of assets, liabilities, and cash flow statement, in order to ensure consistency and compliance with requirements of Schedule VI and Accounting Standards.

Statement of Adjustments in the financial statements is presented here below:

### **RECONCILIATION OF RESTATED PROFIT:**

	<b>(Rs. In lakhs)</b>		
<b>Adjustments for</b>	<b>2022-23</b>	<b>2021-22</b>	<b>2020-21</b>
Net profit/(Loss) after Tax as per Audited Profit & Loss Account	1,237.67	955.36	234.42
<b>Adjustments for:</b>	-		
Provision for gratuity (Refer note no.1)	-	(1.82)	(4.02)
Change in depreciation (Refer note no.2)	-	0.95	4.32
Short/excess Provision W/Off for Bonus, ex gratia and Leave encashment	-	-	31.96
Reversal of provision for Bonus, ex gratia, leave encashment	-	(31.96)	(34.31)
Provision not made for PF, ESIC, Labour Charges, Bank Charges	-	(0.62)	(3.21)
Expenses of Capital nature			0.82
Actual Payment Made	-	2.72	7.46
Prior Period Adjustment- including gratuity premium	-	28.44	4.54
Prepaid Expenses- Bank Charges, Insurance, license fees	(2.72)	(3.14)	(7.50)
Short/excess Provision Of tax (Note no. 4)	3.35	(12.17)	(13.90)
Short/excess Deferred tax Provision (Note no. 3)	-	(0.18)	(0.53)
<b>Net Profit/ (Loss) After Tax as Restated</b>	<b>1238.30</b>	<b>937.59</b>	<b>220.08</b>

#### **Notes :-**

1. The provision for gratuity has been done in all years covered for restatement as per Actuarial Valuation Reports and provided in the respective year in which such liability has arisen as per AS 15: Employee Benefits
2. The depreciation charged by the company has been restated to the extent of changes in depreciation due to changes in depreciation rates on the basis of the useful life of an asset as prescribed in Schedule II of the Companies Act, 2013.
3. Due to changes in depreciation and gratuity provisions the deferred tax component on the same has also undergone a change.
4. Provision for Taxation has been adjusted for Items like Income Tax related to Earlier Years and Short Provision for Earlier Years and Mat Credit Availed.
5. The reconciliation of Equity and Reserves as per audited results and the Equity and Reserves as per Restated Accounts is presented below :-

### **RECONCILIATION OF EQUITY AND RESERVES:**

	<b>(Rs. In Lakhs)</b>		
<b>Particulars</b>	<b>31<sup>st</sup> March, 23</b>	<b>31-Mar-22</b>	<b>31-Mar-21</b>
<b>Equity and Reserves as per Audited Balance sheet</b>	4,224.07	2,930.74	1,975.38
Adjustments for:			
Opening adjustment to Reserve	-	72.80	87.14
Difference Due to Change in P&L	-	-17.77	-14.34
Prior period Adjustments (Refer Note-1)	-	-	-
<b>Equity and Reserves as per Re-stated Balance sheet</b>	<b>4,224.07</b>	<b>2,985.77</b>	<b>2,048.17</b>

**Note: 1**

Amounts relating to the prior period have been adjusted in the year to which the same relates to and the same amount is arrived on account of change in Opening Balance of Reserve and Surplus due to the restated effect on the profit / (loss) of prior period.

Appropriate adjustments have been made in the restated financial statements, wherever required, by a reclassification of the corresponding items of Income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financial of the company for all the years and requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018.

# ANNEXURE V- NOTES TO THE RESTATED FINANCIAL STATEMENTS

## NOTE – A

### RESTATED STATEMENT OF SHARE CAPITAL, RESERVES AND SURPLUS

(Amt. in Rs. Lakhs, Except Share Data)

Particulars	As at		
	31-03-2023	31-03-2022	31-03-2021
<b>Share Capital</b>			
<b>Authorised Share Capital</b>			
Equity shares of Rs.10 each	26,00,000	26,00,000	26,00,000
Equity Share Capital	260.00	260.00	260.00
<b>Issued, Subscribed and Paid up Share Capital</b>			
Equity Shares of Rs. 10 each fully paid up	26,00,000	26,00,000	26,00,000
Share Capital (in Rs.)	260.00	260.00	260.00
<b>Total</b>	<b>260.00</b>	<b>260.00</b>	<b>260.00</b>
<b>Reserves and Surplus</b>			
<b>Surplus in Profit and Loss account</b>			
Balance as per the last financial statements	2725.77	1788.17	1568.10
Profit for the Year	1238.30	937.59	220.08
<b>Balance as at the end of Financial Year</b>	<b>3964.07</b>	<b>2725.77</b>	<b>1788.17</b>

1. Terms/rights attached to equity shares:

i. The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share.

ii. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

3. Company does not have any Revaluation Reserve.

4. The reconciliation of the number of Equity shares outstanding as at: -

Particulars	As at		
	31-03-2023	31-03-2022	31-03-2021
Number of shares at the beginning*	26,00,000	26,00,000	26,00,000
Add: Bonus Share Issued	-	-	-
Add: Fresh Issue of shares	-	-	-
Number of shares at the end of the year	26,00,000	26,00,000	26,00,000

\*Pursuant to Shareholders' resolution dated March 23, 2023 the face value of Equity Shares of our Company was subdivided from Rs. 100.00 per Equity Share to Rs.10.00 per Equity Share. Therefore 2,60,000 equity shares of our Company of face value of ₹ 100 each was sub-divided into 26,00,000 equity shares of face value of ₹10 each.

Accordingly, the change in number of the shares are updated in previous years also for presentation purpose.

#### 5. The detail of shareholders holding more than 5% of Shares: -

Name of Shareholders	As at (No. of Shares)		
	31-03-2023	31-03-2022	31-03-2021
Late Vijay Laxman Latkar	-	-	25,95,100
Smt. Chitra Vijay Latkar	23,40,000	23,40,000	2,500
Mr. Aniket Vijay Latkar	1,30,000	1,30,000	1,600
Mrs. Mayuri Aniket Latkar	1,30,000	1,30,000	800

## 6. Promoter's Shareholding

### Shares held by Promoters at the end of the year 31.03.2023

Name	No. of Shares	% of Total Shares	% Change During the Year
Smt. Chitra Vijay Latkar	23,40,000	90%	0%
Mr. Aniket Vijay Latkar	1,30,000	5%	0%
Mrs. Mayuri Aniket Latkar	1,30,000	5%	0%

### Shares held by Promoters at the end of the year 31.03.2022

Name	No. of Shares	% of Total Shares	% Change During the Year
Smt. Chitra Vijay Latkar	23,40,000	90%	89.90%
Mr. Aniket Vijay Latkar	1,30,000	5%	4.94%
Mrs. Mayuri Aniket Latkar	1,30,000	5%	4.97%

### Shares held by Promoters at the end of the year 31.03.2021

Name	No. of Shares	% of Total Shares	% Change During the Year
Late Vijay Laxman Latkar	25,95,100	99.81%	0.00%
Smt. Chitra Vijay Latkar	2,500	0.10%	0.00%
Mr. Aniket Vijay Latkar	1,600	0.06%	0.00%
Mrs. Mayuri Aniket Latkar	800	0.03%	0.00%

## NOTE – B

### RESTATED STATEMENT OF LONG-TERM BORROWINGS

(Rs. in Lakhs)

Particulars	31-03-2023	31-03-2022	31-03-2021
<b>Secured</b>			
<b>(a) Term loans</b>			
Deutsche Bank	171.63	62.71	124.32
YES BANK	468.05	656.46	677.89
Kotak Mahindra Prime Ltd.	82.65	-	-
<b>Sub-total (a)</b>	<b>722.33</b>	<b>719.17</b>	<b>802.21</b>
<b>Unsecured</b>			
<b>(b) Loans and advances from related parties &amp; shareholders (Unsecured)</b>			
From Directors	-	-	-
<b>Sub-total (b)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (a+b)</b>	<b>722.33</b>	<b>719.17</b>	<b>802.21</b>

#### Notes:

1. The terms and conditions and other information in respect of Secured Loans and Unsecured Loans are given in NOTE-B (A) and NOTE B (B)

**NOTE B(A)**  
**RESTATED STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY**

(Rs. in Lakhs)

Sr. No.	Name of Lender	Purpose	Sanction amount (Rs. In Lakhs )	Rate of interest	Primary & Collateral Security	Re-Payment Schedule	Outstanding amount as on 31.03.2023	Outstanding amount as on 31.03.2022	Outstanding amount as on 31.03.2021
1	Deutsche Bank	Term Loan	145.90	9.25%	Flat no. 401, 4th floor, tower no. 1, SKY One, Shivaji nagar, Pune:- 411016	EMI : 1.59 Lakhs Term : 180 months	36.6842	67.36	105.96
2	Deutsche Bank	GECL Loan	52.99	9.25%	(i) Extension of secondary charge over existing Current Assets and collateral securities including mortgages / liens / hypothecations which may have been created in favour of the Bank; (ii) Creation of charge/hypothecation over the Current assets acquired through this loan;	EMI : 1.66 Lakhs Term : 48 months	26.6448	43.96	52.99
3	Deutsche Bank	Term Loan	119.5	9.80%	Flat no. 401, 4th floor, tower no. 1, SKY One, Shivaji nagar, Pune:- 411016	EMI : 1.27 Lakhs Term : 180 months	-	13.01	34.84
4	Deutsche Bank	Term Loan	200.00	9.14%	Flat no. 401, 4th floor, tower no. 1, SKY One, CTS no. 1062, Final plot no. 444, Shivaji nagar (Bhamburda), Pune:- 411016	EMI : 1.91 Lakhs Term : 180 months	146.7089	-	-
5	Yes Bank Limited	Vehicle Loan	16.98	9.30%	Vehicle	EMI : 0.35 Lakhs Term : 60 months	6.2750	9.93	13.27
6	Yes Bank Limited	Vehicle Loan	8.59	8.19%	Vehicle	EMI : 0.17 Lakhs Term : 60 months	5.1359	6.74	8.21
7	Yes Bank Limited	Term Loan	918.00	8.80%	1.Exclusive charge by way of hypothecation on Current Assets of both present & future 2.Equitable/ registered mortgage of property located at (i) EL-23, J Block, MIDC, Bhosari, Sector 7, Pune 411026 (ii) T-174,pimpri	EMI : 11.73 Lakhs Term : 76 months	373.0082	513.71	654.30

					Industrial Area MIDC, Bhosari, Pune - 411026				
8	Yes Bank Limited	ECLGS Loan	197.50	8.80%	1.100% guarantee by National Credit Guarantee Trustee Co. Ltd. (NCGTCL) 2. Charge on assets created out of term loan	EMI : 5.49 Lakhs Term : 48 months	82.2917	148.13	197.50
9	Yes Bank Limited	Term Loan	344.30	8.80%	1.Exclusive charge by way of hypothecation on Current Assets of both present & future 2.Equitable/ registered mortgage of property located at (i) EL-23, J Block, MIDC, Bhosari, Sector 7, Pune 411026 (ii) T-174,pimpri Industrial Area MIDC, Bhosari, Pune - 411026	EMI : 4.32 Lakhs Term : 60 months	191.3318	236.17	-
10	Yes Bank Limited	Term Loan	187.50	8.80%	1.Exclusive charge by hypothecation charge Current Assets, Plant & Machinery out of propsed term loan of both present & future 2.Equitable/Registered Mortgage of property located at: a) Plot no. T-174, MIDC, Bhosari, Pune - 411026 b) EL-23, J Block, MIDC, Bhosari Pune - 411026	EMI : 2.08 Lakhs Term : 60 months	93.7767	-	-
11	HDFC Bank Limited	Vehicle Loan	7.19	10.25%	Vehicle	EMI : 0.15 Lakhs Term : 60 months		-	-
12	HDFC Bank Limited	Vehicle Loan	4.80	10.76%	Vehicle	EMI : 0.10 Lakhs Term : -- 60 months		-	-
13	KOTAK MAHINDRA PRIME LTD.	Vehicle Loan	112.00	8.07%	Vehicle	EMI : 2.27 Lakhs Term : 60 months	102.2957	-	-
14	Yes Bank Limited	Cash Credit for Working Capital	610.00	8.20%	1.Exclusive charge by way of hypothecation on Current Assets of both present & future 2.Equitable/ registered mortgage of property located at (i) EL-23, J Block, MIDC, Bhosari, Sector 7, Pune 411026 (ii) T-174,pimpri Industrial Area MIDC, Bhosari, Pune - 411026	Repayable on Demand	578.2774	536.13	673.19
15	Deutsche Bank	Bill Discounting		9.07%	Letter of Credit	Repayable on		11.37	401.13

						Demand			
<b>16</b>	Yes Bank Limited	SBLC (Standby Letter of Credit)	3.70 Lakhs Euro	4.27%	1.Exclusive charge by way of hypothecation on Current Assets, Plant & Machinery and assets created out of proposed term loan of both present & future  2.Equitable /registered mortgage of property located at (i) EL-23, J Block, MIDC, Bhosari, Sector 7, Pune 411026 (ii) Exclusive charge on T-174,pimpri Industrial Area MIDC, Bhosari, Pune - 411026	Payable by Dec. 2023	331.5481	-	-
<b>TOTAL</b>							<b>1,973.9783</b>	<b>1,586.51</b>	<b>2,141.39</b>

**Note 1**

**Yes Bank Term Loan**

**Co-borrower**

Smt. Chitra Latkar

Mr. Aniket Latkar

**Note 2**

**Deutsche Bank Term Loan**

**Co-borrower**

Smt. Chitra Latkar

Mr. Aniket Latkar

Mrs. Mayuri Latkar

**NOTE B (B)**  
**RESTATED STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS**

(Amt. Rs. in Lakhs)

Name of Lender	Purpose	Rate of Interest	Re-Payment Schedule	31-03-2023	31-03-2022	31-03-2021
<b>From Directors:-</b>						
Chitra Latkar	Working Capital	0.00%	Payable on demand	4.10	4.10	0.05
Aniket Latkar	Working Capital	0.00%	Payable on demand	29.37	45.17	55.90
Late Vijay Latkar	Working Capital	0.00%	Payable on demand	-	-	2.10
<b>GRAND TOTAL</b>				<b>33.47</b>	<b>49.27</b>	<b>58.05</b>

**NOTE- C**  
**RESTATED STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES**

(Amt. Rs. in Lakhs)

Particulars	As at		
	31-03-2023	31-03-2022	31-03-2021
<b>Opening Balance (A)</b>			
Opening Balance of Deferred Tax (Asset) / Liability	24.35	36.20	50.84
<b>Closing Balances (B)</b>			
(DTA) / DTL on Timing Difference in Depreciation as per Companies Act and Income Tax Act.	44.65	39.34	37.56
(DTA) / DTL on account of gratuity provision	(23.77)	(14.99)	(1.36)
<b>Closing Balance of Deferred Tax (Asset) / Liability (B)</b>	<b>20.88</b>	<b>24.35</b>	<b>36.20</b>
<b>Current Year Provision (B-A)</b>	<b>(3.47)</b>	<b>(11.85)</b>	<b>(14.65)</b>

**NOTE – D**  
**RESTATED STATEMENT OF SHORT-TERM BORROWINGS**

(Rs. in Lakhs)

Particulars	As at		
	31-03-2023	31-03-2022	31-03-2021
<b>Secured</b>			
<b>Current Maturity of Long Term Debts</b>	341.83	319.83	264.85
Cash Credit from Yes Bank Ltd	578.28	536.13	673.19
Bill Discounted with Duetsche Bank	-	11.37	401.13
SBLC (Standby Letter of Credit) -Yes bank	331.55	-	-
<b>Sub total (a)</b>	<b>909.83</b>	<b>547.50</b>	<b>1,074.32</b>
<b>Unsecured Loan</b>			
From Directors	33.47	49.27	58.05
<b>Sub Total (b)</b>	<b>33.47</b>	<b>49.27</b>	<b>58.05</b>
<b>Total (a+b)</b>	<b>1,285.12</b>	<b>916.61</b>	<b>1,397.23</b>

**Note :**

- The terms and conditions and other information in respect of Secured Loans and Unsecured Loans are given in NOTE-B (A) and NOTE B (B)

**NOTE – E**  
**RESTATED STATEMENT OF TRADE PAYABLES**

(Rs. in Lakhs)

Particulars	As at		
	31-03-2023	31-03-2022	31-03-2021
<b>Trade Payables</b>			
<b>For Goods &amp; Services</b>			
Micro, Small and Medium Enterprises	127.48	134.03	117.69
Other than Micro, Small and Medium Enterprises	1,905.28	1,241.88	960.95
<b>Total</b>	<b>2,032.76</b>	<b>1,375.91</b>	<b>1,078.64</b>

**Trade Payables ageing schedule as on 31.03.2023**

Particulars	Outstanding for following periods from due date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	127.48	-	-	-	127.48
Others	1,905.28	-	-	-	1,905.28
<b>Total</b>	<b>2,032.76</b>	-	-	-	<b>2,032.76</b>

**Trade Payables ageing schedule as on 31.03.2022**

Particulars	Outstanding for following periods from due date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	134.03	-	-	-	134.03
Others	1,228.98	12.85	0.05	-	1,241.87
<b>Total</b>	<b>1,363.02</b>	<b>12.85</b>	<b>0.05</b>	-	<b>1,375.91</b>

**Trade Payables ageing schedule as on 31.03.2021**

Particulars	Outstanding for following periods from due date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	117.69	-	-	-	117.69
Others	942.69	3.11	5.48	9.67	960.95
<b>Total</b>	<b>1,060.38</b>	<b>3.11</b>	<b>5.48</b>	<b>9.67</b>	<b>1,078.64</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company.

**NOTE – F  
RESTATED STATEMENT OF OTHER CURRENT LIABILITIES**

(Rs. in Lakhs)

Particulars	As at		
	31-03-2023	31-03-2022	31-03-2021
<b>Other Current Liabilities</b>			
Advance from Customers	3.63	2.05	3.38
Liability for Capital Goods	106.38	-	-
Other Payables	6.00		
<b>Duties and Taxes</b>			
TDS Payable	16.67	9.74	8.70
GST Payable	26.46	18.18	1.54
<b>Total</b>	<b>159.14</b>	<b>29.97</b>	<b>13.63</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

**NOTE – FF  
RESTATED STATEMENT OF OTHER LONG TERM LIABILITIES**

(Rs. in Lakhs)

Particulars	As at		
	31-03-2023	31-03-2022	31-03-2021
<b>Other Long term Liabilities</b>			
Liability for Capital Goods	212.76	-	-
<b>Total</b>	<b>212.76</b>	-	-

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

**NOTE – G**  
**RESTATED STATEMENT OF SHORT TERM PROVISIONS**

(Rs. in Lakhs)

Particulars	As at		
	31-03-2023	31-03-2022	31-03-2021
<b>Provision for employee benefits</b>	147.17	108.17	82.35
<b>Others</b>			
-Audit Fees Payable	3.00	1.62	1.39
-Electricity Charges Payable	3.01	0.10	8.35
-Profession Tax Payable	0.18	0.16	0.15
-Provisions for Current Tax	424.82	326.75	95.58
-Other Provision	37.15	10.39	0.69
<b>Total</b>	<b>615.33</b>	<b>447.18</b>	<b>188.51</b>

**NOTE – GG**  
**RESTATED STATEMENT OF LONG TERM PROVISIONS**

(Rs. in Lakhs)

Particulars	As at		
	31-03-2023	31-03-2022	31-03-2021
Provision for Leave benefit	-	-	6.43
Provision for Gratuity	51.83	22.96	20.48
<b>Total</b>	<b>51.83</b>	<b>22.96</b>	<b>26.91</b>

**NOTE – H**  
**RESTATED STATEMENT OF PROPERTY, PLANT AND EQUIPMENT**

**F.Y. 2019-20**

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.19	Additions	Deletions	As at 31.03.20	Upto 01.04.19	During the year	Deletion	Total upto 31.03.20	As at 31.03.20	As at 31.03.19
<b><u>Tangible Asset</u></b>										
Land	1,080.96	-	-	1,080.96	-	-	-	-	1,080.96	1,080.96
Building	576.31	472.67	-	1,048.99	303.80	49.69	-	353.49	695.50	272.51
Plant and Equipment	501.74	320.57	-	822.30	360.90	83.61	-	444.51	377.79	140.84
Furniture and Fixtures	48.41	24.40	-	72.81	42.42	4.63	-	47.05	25.76	5.99
RWH	3.77	0.21	-	3.98	1.71	0.23	-	1.94	2.04	2.06
Vehicles	62.16	18.22	-	80.38	41.23	9.75	-	50.97	29.40	20.93
Office equipment	14.64	13.33	-	27.97	12.33	4.23	-	16.56	11.41	2.31
Computers	32.11	7.22	-	39.33	30.10	3.85	-	33.95	5.38	2.02
Electric Installation	51.36	20.06	-	71.42	47.87	3.50	-	51.37	20.05	3.49
<b><u>Sub-total</u></b>	<b>2,371.47</b>	<b>876.67</b>	<b>-</b>	<b>3,248.14</b>	<b>840.36</b>	<b>159.49</b>	<b>-</b>	<b>999.85</b>	<b>2,248.29</b>	<b>1,531.11</b>
<b><u>(ii) WIP</u></b>										
Capital WIP - Building	168.31	-	168.31	-	-	-	-	-	-	168.31
Capital WIP - P&M	25.23	-	25.23	-	-	-	-	-	-	25.23
Capital WIP - Electric Installation	4.87	-	4.87	-	-	-	-	-	-	4.87
Capital WIP - ERP Software	3.60	6.30	-	9.90	-	-	-	-	9.90	3.60
<b><u>Sub-total</u></b>	<b>202.01</b>	<b>6.30</b>	<b>198.41</b>	<b>9.90</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9.90</b>	<b>202.01</b>
<b>Total</b>	<b>2,573.48</b>	<b>882.97</b>	<b>198.41</b>	<b>3,258.04</b>	<b>840.36</b>	<b>159.49</b>	<b>-</b>	<b>999.85</b>	<b>2,258.19</b>	<b>1,733.12</b>
<i>Previous Year</i>	<i>1,894.23</i>	<i>883.70</i>	<i>178.86</i>	<i>2,599.06</i>	<i>919.60</i>	<i>72.75</i>	<i>126.41</i>	<i>865.94</i>	<i>1,733.12</i>	<i>-</i>

**F.Y. 2020-21**

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.20	Additions during the year	Deletions during the year	As at 31.03.21	Upto 01.04.20	During the year	Deletion during the year	Total upto 31.03.21	As at 31.03.21	As at 31.03.20
<b><u>Tangible Asset</u></b>										
Land	1,080.96	-	-	1,080.96	-	-	-	-	1,080.96	1,080.96
Building	1,048.99	0.82	-	1,049.81	353.49	66.10	-	419.59	630.22	695.50
Plant and Equipment	822.30	67.11	-	889.42	444.51	74.09	-	518.60	370.82	377.79
Furniture and Fixtures	72.81	3.50	-	76.31	47.05	7.05	-	54.10	22.20	25.76
RWH	3.98	-	-	3.98	1.94	0.20	-	2.14	1.83	2.04
Vehicles	80.38	11.38	6.09	85.67	50.97	8.28	4.82	54.44	31.23	29.40

Office equipment	27.97	0.82	-	28.79	16.56	5.18	-	21.74	7.05	11.41
Computers	39.33	2.80	-	42.13	33.95	4.03	-	37.98	4.16	5.38
Electric Installation	71.42	0.84	-	72.26	51.37	4.73	-	56.10	16.16	20.05
<b>Sub-total</b>	<b>3,248.14</b>	<b>87.27</b>	<b>6.09</b>	<b>3,329.32</b>	<b>999.85</b>	<b>169.66</b>	<b>4.82</b>	<b>1,164.70</b>	<b>2,164.63</b>	<b>2,248.29</b>
<b>(ii) WIP</b>										
Capital WIP - Building	-	2.64	-	2.64	-			-	2.64	-
Capital WIP - P&M	-	-	-	-	-			-	-	-
Capital WIP - Electric Installation	-	-	-							
Capital WIP - ERP Software	9.90	3.00	-	12.90	-			-	12.90	9.90
<b>Sub-total</b>	<b>9.90</b>	<b>5.64</b>	<b>-</b>	<b>15.54</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15.54</b>	<b>9.90</b>
<b>Total</b>	<b>3,258.04</b>	<b>92.91</b>	<b>6.09</b>	<b>3,344.86</b>	<b>999.85</b>	<b>169.66</b>	<b>4.82</b>	<b>1,164.70</b>	<b>2,180.16</b>	<b>2,258.19</b>
<i>Previous Year</i>	<i>2,573.48</i>	<i>882.97</i>	<i>198.41</i>	<i>3,258.04</i>	<i>840.36</i>	<i>159.49</i>	<i>-</i>	<i>999.85</i>	<i>2,258.19</i>	

**F.Y. 2021-22**

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.21	Additions during the year	Deletions during the year	As at 31.03.22	Upto 01.04.21	During the Period	Deletion during the period	Total upto 31.03.22	As at 31.03.22	As at 31.03.21
<b><u>Tangible Asset</u></b>										
Land	1,080.96		-	1,080.96	-			-	1,080.96	1,080.96
Building	1,049.81	395.89		1,445.70	419.59	67.81		487.40	958.30	630.22
Plant and Equipment	889.42	63.11		952.53	518.60	72.25		590.85	361.67	370.82
Furniture and Fixtures	76.31	3.16		79.47	54.10	5.60		59.70	19.77	22.20
RWH	3.98			3.98	2.14	0.18		2.33	1.65	1.83
Vehicles	85.67		10.07	75.60	54.44	8.11	8.94	53.60	22.00	31.23
Office equipment	28.79	1.96		30.74	21.74	3.17		24.91	5.83	7.05
Computers	42.13	4.93		47.07	37.98	3.78		41.75	5.31	4.16
Solar Power Generation System	-	110.19		110.19	-	7.12		7.12	103.07	-
Electric Installation	72.26	8.85		81.11	56.10	4.13		60.24	20.87	16.16
<b>Sub-total</b>	<b>3,329.32</b>	<b>588.09</b>	<b>10.07</b>	<b>3,907.35</b>	<b>1,164.70</b>	<b>172.16</b>	<b>8.94</b>	<b>1,327.91</b>	<b>2,579.44</b>	<b>2,164.63</b>
<b>(ii) WIP</b>										
Capital WIP - Building	2.64	328.28	330.92	-	-			-	-	2.64
Capital WIP - P&M	-			-	-			-	-	-
Capital WIP - Electric Installation	-									
Capital WIP - ERP	12.90			12.90	-			-	12.90	12.90

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.21	Additions during the year	Deletions during the year	As at 31.03.22	Upto 01.04.21	During the Period	Deletion during the period	Total upto 31.03.22	As at 31.03.22	As at 31.03.21
Software										
<b>Sub-total</b>	<b>15.54</b>	<b>328.28</b>	<b>330.92</b>	<b>12.90</b>	<b>-</b>			<b>-</b>	<b>12.90</b>	<b>15.54</b>
<b>Total</b>	<b>3,344.86</b>	<b>916.37</b>	<b>340.98</b>	<b>3,920.25</b>	<b>1,164.70</b>	<b>172.16</b>	<b>8.94</b>	<b>1,327.91</b>	<b>2,592.34</b>	<b>2,180.16</b>
<i>Previous Year</i>	3,258.04	92.91	6.09	3,344.86	999.85	169.66	4.82	1,164.70	2,180.16	

**Notes:**

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

**As of 31.03.2023**

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.22	Additions during the year	Deletions during the year	As at 31.03.23	Upto 01.04.22	During the year	Deletion during the year	Total upto 31.03.23	As at 31.03.23	As at 31.03.22
<b><u>Tangible Asset</u></b>										
Land	1,080.96	-	-	1,080.96	-	-	-	-	1,080.96	1,080.96
Building	1,445.70	6.01	-	1,451.71	487.40	91.90	-	579.31	872.40	958.30
Plant and Equipment	952.53	905.08	-	1,857.61	590.85	108.47	-	699.33	1,158.27	361.67
Furniture and Fixtures	79.47	20.15	-	99.62	59.70	6.72	-	66.43	33.19	19.77
RWH	3.98		-	3.98	2.33	0.16	-	2.50	1.48	1.65
Vehicles	75.60	118.86	-	194.46	53.60	21.13	-	74.74	119.72	22.00
Office equipment	30.74	4.29	-	35.03	24.91	3.60	-	28.51	6.53	5.83
Computers	47.07	13.94	-	61.01	41.75	7.02	-	48.77	12.23	5.31
Solar Power Generation System	110.19		-	110.19	7.12	14.34	-	21.46	88.73	103.07
Electric Installation	81.11	30.08	-	111.19	60.24	6.47	-	66.71	44.48	20.87
<b>Sub-total</b>	<b>3,907.35</b>	<b>1,098.41</b>	<b>-</b>	<b>5,005.76</b>	<b>1,327.91</b>	<b>259.81</b>	<b>-</b>	<b>1,587.76</b>	<b>3,418.00</b>	<b>2,579.44</b>
<b><u>(ii) Intangible Asset</u></b>										
Computer Software		18.10	-	18.10	-	5.57	-	5.57	12.53	-
<b>Sub-total</b>							-			
<b><u>(iii) WIP</u></b>										
Capital WIP - Building	-		-	-	-		-	-	-	-
Capital WIP - P&M	-	-	-	-	-		-	-	-	-
Capital WIP - Electric Installation	-	-	-	-	-	-	-	-	-	-
Capital WIP - ERP	12.90	-	12.90	-	-	-	-	-	-	12.90

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.22	Additions during the year	Deletions during the year	As at 31.03.23	Upto 01.04.22	During the year	Deletion during the year	Total upto 31.03.23	As at 31.03.23	As at 31.03.22
Software										
<b>Sub-total</b>	<b>12.90</b>	<b>-</b>	<b>12.90</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12.90</b>
<b>Total</b>	<b>3,920.25</b>	<b>1,116.51</b>	<b>12.90</b>	<b>5,023.86</b>	<b>1,327.91</b>	<b>265.38</b>	<b>-</b>	<b>1,593.33</b>	<b>3,430.53</b>	<b>2,592.34</b>
<i>Previous Year</i>	3,344.86	916.37	340.98	3,920.25	1,164.70	172.16	8.94	1,327.91	2,592.34	2,180.16

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company

**NOTE – I**  
**RESTATED STATEMENT OF NON-CURRENT INVESTMENT**

(Rs. in Lakhs)

Particulars	As at		
	31-03-2023	31-03-2022	31-03-2021
<b>(I) Non-Trade Investments</b>			
(a) Other Non current Investment	-	-	25.40
<b>Total Non-Trade Investments</b>	-	-	<b>25.40</b>
<b>Total</b>	-	-	<b>25.40</b>

**NOTE – J**  
**RESTATED STATEMENT OF OTHER NON-CURRENT ASSET**

(Rs. in Lakhs)

Particulars	As at		
	31-03-2023	31-03-2022	31-03-2021
Deposits			
Security Deposits	19.67	7.18	7.18
Deposit for Machinery	205.24	276.03	276.03
Deposit for Factory	58.00	-	-
<b>Total</b>	<b>282.91</b>	<b>283.21</b>	<b>283.21</b>

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

**NOTE – K**  
**RESTATED STATEMENT OF TRADE RECEIVABLES**

(Rs. in Lakhs)

Particulars	As at		
	31-03-2023	31-03-2022	31-03-2021
<b>Trade Receivables</b>			
<b>Unsecured Considered good</b>			
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	37.11	16.36	9.61
Dues From Directors, Related parties/Common Group Company, etc	-	-	-
Others	2,258.45	1730.36	1457.12
<b>Total</b>	<b>2,295.57</b>	<b>1,746.73</b>	<b>1,466.73</b>

**Trade Receivables ageing schedule AS AT 31.03.2023**

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables- considered good	2,258.45	37.11	-	-	-	2,295.57
Undisputed Trade Receivables- considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>2,258.45</b>	<b>37.11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,295.57</b>

**Trade Receivables ageing schedule AS AT 31.03.2022**

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables-considered good	1,730.36	1.10	2.53	9.90	0.15	1,744.04
Undisputed Trade Receivables-considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	2.68	2.68
<b>Total</b>	<b>1,730.36</b>	<b>1.10</b>	<b>2.53</b>	<b>9.90</b>	<b>2.83</b>	<b>1,746.73</b>

**Trade Receivables ageing schedule AS AT 31.03.2021**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables-considered good	1,457.12	5.65	0.20	1.06	0.02	1,464.05
Undisputed Trade Receivables-considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-

Disputed Trade Receivables considered doubtful	-	-	-	-	2.68	2.68
<b>Total</b>	<b>1,457.12</b>	<b>5.65</b>	<b>0.20</b>	<b>1.06</b>	<b>2.70</b>	<b>1,466.73</b>

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

**NOTE – L**  
**RESTATED STATEMENT OF CASH & CASH EQUIVALENTS**

(Rs. in Lakhs)

Particulars	As at		
	31-03-2023	31-03-2022	31-03-2021
a. Balances with Banks in Current Accounts	91.53	1.84	156.08
b. Cash on Hand	0.09	0.39	0.95
c. Fixed Deposits	224.07	128.05	119.51
<b>Total</b>	<b>315.70</b>	<b>130.27</b>	<b>276.54</b>

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

**NOTE – M**  
**RESTATED STATEMENT OF INVENTORIES**

(Rs. in Lakhs)

Particulars	As at		
	31-03-2023	31-03-2022	31-03-2021
<b>Stock of Raw Material and Stock in Trade</b>			
Raw Material and Components*	2,027.22	1,190.39	971.31
WIP/Finished Goods	339.82	146.01	85.91
<b>Total</b>	<b>2,367.03</b>	<b>1,336.40</b>	<b>1,057.22</b>

\* Includes Goods in Transit Rs. 50.91 Lakhs

**NOTE – N**  
**RESTATED STATEMENT OF SHORT-TERM LOANS AND ADVANCES**

(Rs. in Lakhs)

Particulars	As at					
	31-03-2023		31-03-2022		31-03-2021	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
<b>Loan and advance to Others (Unsecured and considered good)</b>						
Advance payment to Suppliers	-	79.98	-	80.74	-	119.11
Advance payment to Employees	-	-	-	0.15	-	-
Advance for Capital Goods	-	-	-	-	-	-
<b>Other Loans and Advance</b>						
Advance Tax and TDS	-	338.66	-	258.56	-	107.03
GST Recovery from Non filers	-	6.15	-	3.34	-	0.00
GST Receivable	-	67.25	-	27.05	-	29.38
Pre-Deposit of Excise Appeal	-	-	-	8.24	-	8.24
<b>Total</b>	<b>-</b>	<b>492.04</b>	<b>-</b>	<b>378.09</b>	<b>-</b>	<b>263.76</b>

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

**NOTE – O**  
**RESTATED STATEMENT OF OTHER CURRENT ASSETS**

(Rs. in Lakhs)

Particulars	As at		
	31-03-2023	31-03-2022	31-03-2021
Prepaid Expenses	17.47	24.10	17.59
Interest Receivable	0.36	0.52	0.41

Deposits For Machinery	70.79	-	-
Employee Benefit	51.83	30.25	20.48
<b>Total</b>	<b>140.45</b>	<b>54.88</b>	<b>38.47</b>

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

**NOTE – P**  
**RESTATED STATEMENT OF REVENUE FROM OPERATIONS**

(Rs. in Lakhs)

Particulars	For the Year ended		
	31-03-2023	31-03-2022	31-03-2021
(i) Sale of Goods (Traded/manufactured)	-	-	-
-Manufactured Goods	11364.52	8,703.05	5,369.94
-Traded Goods	758.96	379.97	547.13
(ii) Sale of Services- Job Work	35.27	31.47	36.28
(iii) Other Operating Revenue	-	-	-
Scrap Sale	47.06	43.30	24.04
<b>Total (A+B)</b>	<b>12,205.82</b>	<b>9,157.78</b>	<b>5,977.39</b>

**NOTE – Q**  
**RESTATED STATEMENT OF OTHER INCOME**

(Rs. in Lakhs)

Particulars	For the Year ended		
	31-03-2023	31-03-2022	31-03-2021
Discount Income	-	0.05	-
Duty Drawback	-	0.09	0.78
Dividend Received	-	-	0.82
Interest from Fixed Deposits	10.15	8.47	9.86
Interest on MSEB Deposit	0.19	0.13	0.14
Profit on Sale of Assets	-	2.82	1.23
Excess Provision of earlier year	-	-	31.96
Sundry Creditors Balance w/back	4.02	-	-
<b>Total</b>	<b>14.36</b>	<b>11.56</b>	<b>44.79</b>

1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.

**NOTE – R**  
**RESTATED STATEMENT OF COST OF MATERIAL CONSUMED**

(Rs. in Lakhs)

Particulars	For the Year ended		
	31-03-2023	31-03-2022	31-03-2021
Opening Stock	1,190.39	971.31	768.40
Purchase of Raw Materials & Components	8,229.41	5,935.55	3,808.01
Closing Stock	2,027.22	1,190.39	971.31
<b>Total</b>	<b>7,392.58</b>	<b>5,716.48</b>	<b>3,605.10</b>

**NOTE – S**  
**RESTATED STATEMENT OF CHANGE IN INVENTORIES OF WORK IN PROGRESS AND FINISHED GOODS**

(Rs. in Lakhs)

Particulars	For the Year ended		
	31-03-2023	31-03-2022	31-03-2021
Opening Balance of WIP/Finished Goods	146.01	85.91	4.53

Less Closing Balance of WIP/Finished Goods	339.82	146.01	85.91
<b>Increase/(Decrease) in Stock</b>	<b>(193.81)</b>	<b>(60.10)</b>	<b>(81.38)</b>

**NOTE – T**  
**RESTATED STATEMENT OF EMPLOYEE BENEFITS EXPENSE**

(Rs. in Lakhs)

Particulars	For the Year ended		
	31-03-2023	31-03-2022	31-03-2021
Salaries and wages			-
-Directors remuneration	208.51	106.87	123.96
-Employees Salary Expenses	1,035.31	773.52	595.46
Contribution to provident and other funds			
-ESIC	1.93	2.07	1.68
-Providend fund	18.57	17.95	11.30
-Maharashtra Labour Welfare Fund (MLWF)	0.06	0.06	0.05
-Others	0.61	0.25	0.21
-Gratuity Provision	37.31	1.82	4.02
-Superannuation Fund	1.64	3.49	0.38
Staff welfare expenses			
-Staff Welfare Expenses	19.65	16.77	14.76
<b>Total</b>	<b>1,323.58</b>	<b>922.80</b>	<b>751.81</b>

**NOTE – U**  
**RESTATED STATEMENT OF FINANCE COST**

(Rs. in Lakhs)

Particulars	For the Year ended		
	31-03-2023	31-03-2022	31-03-2021
<b>Interest expense</b>			
-Interest on Cash Credit	26.24	36.27	38.58
-Interest on Term Loan from Bank	92.68	88.80	94.97
-Interest on Vehicle Loan	4.96	1.54	-
<b>Bank Charges</b>	22.02	4.54	14.83
<b>Total</b>	<b>145.91</b>	<b>131.16</b>	<b>148.37</b>

**NOTE – V**  
**RESTATED STATEMENT OF DEPRECIATION & AMORTISATION**

(Rs. in Lakhs)

Particulars	For the Year ended		
	31-03-2023	31-03-2022	31-03-2021
Depreciation and Amortisation Expenses	265.38	172.16	169.66
<b>Total</b>	<b>265.38</b>	<b>172.16</b>	<b>169.66</b>

**NOTE – W**  
**RESTATED STATEMENT OF OTHER EXPENSES**

(Rs. in Lakhs)

Particulars	For the Year ended		
	31-03-2023	31-03-2022	31-03-2021
<b>Direct Expenses</b>			
Generator Diesel Exp	23.54	9.67	5.85
MNGL Gas	27.17	17.37	8.09
Inspection & Testing Charges	7.89	3.00	2.92
Calibration Charges	1.90	1.41	1.45

Particulars	For the Year ended		
	31-03-2023	31-03-2022	31-03-2021
Freight Inward	19.75	13.48	15.34
Machine Lease Rental	257.26	263.92	267.95
Power and fuel	43.90	41.91	60.43
<b>Indirect Expenses</b>			
Audit Fees	3.00	1.50	1.50
Rent			
-Rent	85.08	1.06	0.83
Repairs to buildings			
-Repair and Maintainance - Building	17.24	10.73	5.41
Repairs to machinery			
-Repair & Maintainance - P&M	28.40	29.25	15.59
<b>Repairs others</b>			
-Repair & Manitance -other	37.63	19.06	5.55
<b>Insurance</b>			
-Insurance Charges	16.34	10.60	8.69
<b>Other Business Administrative Expenses</b>			
-Courier charges	0.49	0.52	0.45
-Corporation Tax for Building	30.89	25.25	13.09
-Cleaning Exp	1.34	1.06	1.40
-Certification Charges	6.49	1.36	1.89
-Computer Servicing	0.17	2.04	1.77
-CSR expenditure	15.68	8.73	7.67
-Balance W/off	-	-	1.05
-Fire Extinguisher Refiling	0.63	0.57	0.58
-Festival /Function Exp	1.71	1.64	2.03
-Freight outward Charges	36.85	19.42	13.92
-Forex Export Loss	29.55	20.77	11.35
- Interest on VAT/GST/TDS	2.24	7.82	1.07
-License fees	2.30	9.31	4.32
-Office expenses	27.23	19.12	18.07
-Printing & stationery	3.03	6.27	5.24
-Professional& Consultancy Charges	73.61	46.55	48.67
-Registration Fees	0.17	0.23	0.23
-Security Services Charges	47.63	34.54	33.87
-Telephone Expenses	3.30	2.64	2.37
-Travelling / Transport Exp.	13.57	3.61	4.88
-Water Supply & Services	2.17	2.43	1.54
-seminar/Training Expenses	2.28	0.30	0.32
-Professional Tax -Company	0.03	0.03	-
-VAT / GST Paid	0.74	5.04	3.43
-Miscellaneous exp	17.82	11.95	1.77
<b>Total</b>	<b>889.01</b>	<b>654.15</b>	<b>580.57</b>

**NOTE – X**  
**RESTATED SUMMARY STATEMENT OF CONTINGENT LIABILITIES**

(Rs. in Lakhs)

Particulars	As at		
	31-03-2023	31-03-2022	31-03-2021
<b>Contingent liabilities in respect of:</b>			
Claims against the company not acknowledged as debts	-	11.26	11.26
Guarantees given on Behalf of the Company	-	-	-
Bank Guarantee Given to Wabtec India Industrial Pvt. Ltd.	500.00	500.00	500.00

Export obligation under EPCG Scheme.	81.94	-	-
Other commitments	-	-	-
<b>Total</b>	<b>581.94</b>	<b>511.26</b>	<b>511.26</b>

**NOTE – Y**  
**RESTATED STATEMENT OF RELATED PARTY TRANSACTIONS**

**AA RELATED PARTY DISCLOSURE**

**(a) List of Related parties**

Names of the related parties with whom transactions were carried out during the years and description of relationship:

Sr. No.	Name of the Person / Entity	Relation
1	Late Vijay Laxman Latkar	Director (ceased w.e.f. 04.08.2021)
2	Aniket Vijay Latkar	Managing Director
3	Chitra Vijay Latkar	Non Executive Director
4	Mayuri Aniket Latkar	Whole time director (wef 24.03.2023) and CFO (wef 08.06.2023)
5	VLL Subcon Pvt. Ltd.	Enterprises where KMP (Key Managerial Personnel) are interested

**(b) Transaction with related Parties :-**

(Rs. In Lakhs)

SI No.	Particulars	As at 31 March		
		2023	2022	2021
	<b><u>Remuneration Paid to Directors</u></b>			
	Late Vijay Laxman Latkar		27.60	82.80
	Aniket Vijay Latkar	122.79	74.87	38.76
	Chitra Vijay Latkar	85.72	4.40	2.40
	<b><u>Employee Remuneration</u></b>			
	Mayuri Aniket Latkar	88.65	39.25	20.16
	<b><u>Investment Made</u></b>			
	VLL Subcon Pvt. Ltd.	5.00	-	-
	<b><u>Investment Sold</u></b>			
	VLL Subcon Pvt. Ltd.	5.00	-	-
	<b><u>Loans Received</u></b>			
	Chitra Vijay Latkar	-	4.10	-
	VLL Subcon Pvt. Ltd.	5.00	-	-
	<b><u>Loans Repaid/ Given</u></b>			
	Aniket Vijay Latkar	14.84	11.28	19.31
	Late Vijay Laxman Latkar	-	1.60	-
	VLL Subcon Pvt. Ltd.	5.00	-	-
	<b><u>Balances at the end of year (LOAN)</u></b>			
	<b><u>Payables/ (Receivables)</u></b>			
	Chitra Vijay Latkar	4.10	4.10	0.05
	Aniket Vijay Latkar	29.37	45.17	55.90
	Late Vijay Laxman Latkar		-	2.10

**NOTE – Z**  
**RESTATED STATEMENT OF TAX SHELTER**

(Rs. In Lakhs)

Particulars	As at March 31,		
	2023	2022	2021
Restated profit before tax as per books (A)	1,656.30	1,264.66	314.91
Tax Rates			
Income Tax Rate (%)	22.00%	22.00%	22.00%
Minimum Alternative Tax Rate (%)	0.00%	0.00%	0.00%
Adjustments :			
Income Considered Separately	10.34	11.42	12.05
a. Interest from MSEB and Bank	10.34	8.60	10.00
b. Interest on Refund	-	-	-
c. Dividend	-	-	0.82
d. Profit on sale of asset	-	2.82	1.23
<b>Disallowed</b>	<b>52.77</b>	<b>3.97</b>	<b>52.91</b>
<b>Disallowance in CY</b>			
a. Bonus	43.02	33.13	42.23
b. Leave salary	23.54	6.86	14.59
c. Employer's contr. Ex gratia	17.29	19.06	26.14
d. Gratuity	12.29	27.95	25.88
e. Sec. 40 (a) (ia) default in TDS		0.62	0.80
f. Sec. 36-disallowance of expenditure	15.68	0.11	
<b>Disallowance of PY paid in CY</b>			
a. Bonus	(33.13)	(42.23)	(26.78)
b. Leave salary	(6.86)	(14.59)	(8.61)
c. Employer's contr. Ex gratia	(19.06)	(26.14)	(20.19)
d. Sec. 40 (a) (ia) default in TDS		(0.80)	(1.15)
<b>Expenses/losses considered in other heads</b>	<b>0.00</b>	<b>8.73</b>	<b>7.67</b>
<b>Exempt income included in net profit</b>	<b>0.00</b>	<b>-2.82</b>	<b>(1.23)</b>
Timing Difference ©			
Book Depreciation	265.38	172.16	169.66
Income Tax Depreciation allowed	286.52	176.35	134.44
Total Timing Difference	(21.14)	(4.19)	35.23
Net Adjustment D= (B+C)	21.29	(5.74)	82.53
Tax Expenses	424.82	326.75	95.58
Income from Capital Gains (E)	-	-	-
Income from Other Sources	10.34	11.42	12.05
Deduction under chapter VI (H)	-	-	-
Taxable Income/(Loss) (A+D+E+G+H)	1,687.93	1,270.34	409.49
Income Tax on Above	371.35	279.47	90.09
SC 10%	37.13	27.95	9.01
Health & ED cess 4%	16.34	12.30	3.96
<b>Tax Payable</b>	<b>424.82</b>	<b>319.72</b>	<b>103.06</b>
MAT on Book Profit	-	-	-
Tax paid as per normal or MAT	Normal	Normal	Normal
Interest Payable	6.82	7.81	0.43
Total Provision for Tax	-	-	-

**Notes:**

1. Opted for 115BAA hence MAT is not applicable.

**NOTE – ZA**  
**CAPITALISATION STATEMENT**

(Amt. Rs. in Lakhs)

Particulars	Pre Issue	Post Issue
<b>Borrowings</b>		
Short term debt (A)	1285.12	*
Long Term Debt (B)	722.33	*
<b>Total debts (C)</b>	<b>2007.45</b>	
<b>Shareholders' funds</b>		
Equity share capital	260.00	*
Reserve and surplus - as restated	3,964.07	*
<b>Total shareholders' funds</b>	<b>4,224.07</b>	
<b>Long term debt / shareholders funds</b>	<b>0.17</b>	*
<b>Total debt / shareholders funds</b>	<b>0.48</b>	*

(\*) The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

**Notes:**

1. Short term Debts represent which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.
2. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.03.2023

**NOTE – ZB**  
**RESTATED STATEMENT OF MANDATORY ACCOUNTING RATIOS**

(Rs. in Lakhs except Per Share Data)

Particulars	As At		
	31-03-2023	31-03-2022	31-03-2021
Net Worth (A)	4,224.07	2,985.77	2,048.17
Adjusted Profit after Tax (B)	1,238.30	937.59	220.08
Number of Equity Share outstanding as on the End of Year ( c)	26,00,000	26,00,000	26,00,000
Weighted average no. of Equity shares at the time of end of the year (D)	1,30,00,000	1,30,00,000	1,30,00,000
Face Value per Share	10.00	10.00	10.00
Restated Basic and Diluted Earning Per Share (Rs.) (B/D)	9.53	7.21	1.69
Return on Net worth (%) (B/A)	29.32%	31.40%	10.75%
Net asset value per share (A/C) (Face Value of Rs. 10 Each) (Based on Actual Number of Shares)	162.46	114.84	78.78
Net asset value per share (A/C) (Face Value of Rs. 10 Each) (Based on Weighted Average Number of Shares)	32.49	22.97	15.76
<b>EBITDA</b>	<b>2,031.20</b>	<b>1,551.87</b>	<b>573.33</b>

**Note:**

- 1) \*Pursuant to sub division of shares vide special resolution dated March 23, 2023 the face value of equity shares changed from Rs. 100/- per share to Rs. 10/- per share and accordingly the number of shares at the end of the year or period is taken after giving effect of subdivision
- 2) The ratios have been computed as below:
  - (a) Basic earnings per share (Rs.) :- Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year.
  - (b) Diluted earnings per share (Rs.) :- Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS.
  - (c) Return on net worth (%) :- Net profit after tax (as restated) / Net worth at the end of the period or year.
  - (d) Net assets value per share :- Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year.

- 3) While computing weighted average number of equity shares for the stub period and three financial years, the bonus issue of 1,04,00,000 equity shares allotted in the ratio of 4:1 to the shareholders, through Board Meeting dated May 05, 2023 has been considered.
- 4) Net worth = Equity share capital + Reserves and surplus
- 5) The figures disclosed above are based on the restated summary statements of the Company.
- 6) EBITDA has been calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

### Analytical Ratios for Financial Year 2022-23 and 2021-22

Particulars	Numerator/Denominator	31 March 23	31 March 22	Variations	Reasons
(a) Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	1.37	1.32	4.1%	
(b) Debt-Equity Ratio	$\frac{\text{Total Debts}}{\text{Equity}}$	0.48	0.55	-13.3%	
(c) Debt Service Coverage Ratio	$\frac{\text{Earning available for Debt Service}}{\text{Interest + Installments}}$	3.86	3.76	2.8%	
(d) Return on Equity Ratio	$\frac{\text{Profit after Tax}}{\text{Average Shareholder's Equity}}$	34.35%	37.25%	-7.8%	
(e) Inventory turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Inventories}}$	6.59	7.65	-13.9%	
(f) Trade receivables turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Account Receivable}}$	6.04	5.70	6.0%	
(g) Trade payables turnover ratio	$\frac{\text{Total Purchases}}{\text{Average Account Payable}}$	4.83	4.84	-0.2%	
(h) Net capital turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Working Capital}}$	10.19	14.07	-27.6%	During the CY 2022-23, increase in turnover by Rs. 31 Crs. as compared to PY 2021-22 and working capital increased by Rs. 7 Crs.
(i) Net profit ratio	$\frac{\text{Net Profit}}{\text{Total Turnover}}$	0.10	0.10	-0.9%	-
(j) Return on Capital employed	$\frac{\text{EBIT}}{\text{Capital Employed}}$	0.29	0.30	-5.1%	-

**Analytical Ratios for Financial Year 2021-22 and 2020-21**

Particulars	Numerator/Denominator	31 March 22	31 March 21	Variations	Reasons
(a) Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	1.32	1.16	13.6%	
(b) Debt-Equity Ratio	$\frac{\text{Total Debts}}{\text{Equity}}$	0.55	1.07	-49.0%	Due to higher repayment of debts during the year 21-22 resulting in decrease in debt equity ratio
(c) Debt Service Coverage Ratio	$\frac{\text{Earning available for Debt Service}}{\text{Interest + Installments}}$	3.76	2.18	72.3%	Due to increase in EBITDA and higher repayment of debts in 21-22, there has been increase in debt service coverage ratio
(d) Return on Equity Ratio	$\frac{\text{Profit after Tax}}{\text{Average Shareholder's Equity}}$	37.25%	11.36%	228.1%	As Compared to 2020-21, the Profit has been increased in post Pandemic which results in increase in return on equity ratio.
(e) Inventory turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Inventories}}$	7.65	6.53	17.1%	
(f) Trade receivables turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Account Receivable}}$	5.70	4.76	19.7%	
(g) Trade payables turnover ratio	$\frac{\text{Total Purchases}}{\text{Average Account Payable}}$	4.84	4.13	17.0%	
(h) Net capital turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Working Capital}}$	14.07	22.57	-37.7%	Due to increase in turnover in 2021-22, working capital also increased and resulting change in net capital turnover ratio.
(i) Net profit ratio	$\frac{\text{Net Profit}}{\text{Total Turnover}}$	0.10	0.04	178.1%	As Compared to 2020-21, turnover and the Profit has been increased in post Pandemic which result in increase in net profit ratio.
(j) Return on Capital employed	$\frac{\text{EBIT}}{\text{Capital Employed}}$	0.30	0.11	185.1%	As Compare to 2020-21, turnover and the Profit has been increased in post Pandemic which result in increase in ROCE ratio.

**Additional Information to The financial statements:-**

**NOTE- ZC**

**Restated Statement of Other Disclosures as per Schedule-III of the Companies Act, 2013**

**ZC1 Value of imports calculated on C.I.F basis by the company during the financial year in respect of**

**(Rs. In Lakhs)**

Particulars	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
(a) Raw materials	1,501.92	1,013.72	725.84
(b) Plant & Machinery/Equipments	701.61	-	-

**ZC2 Expenditure in foreign currency during the financial year on account of royalty, know-how, professional and consultation fees, interest, and other matters;**

Particulars	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
(a) Professional and Consultation Fees	-	-	-
(b) Other Matters	-	-	-
(c) Other	-	-	-
(d) Advertisement	-	-	-
<b>Total</b>	-	-	-

**ZC3 Total value of all imported and Indigenous raw materials, spare parts and components purchased during the financial year and the total value of all raw materials, spare parts and components similarly purchased and the percentage of each to the total consumption;**

Details of Purchases of Raw Material *	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
(i) Imported Raw materials	1,501.92	1,013.72	725.84
(ii) Indigenous Raw materials	6,727.49	4921.84	3082.17

(\*) **Note 1:** The stores and spares consumed are 100% indigenous.

**ZC4 Earnings in foreign exchange**

Particulars	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
(a) Export of goods calculated on FOB basis	313.95	92.22	47.86

**ZC5 Amounts remitted in foreign currency during the year on account of dividend**

Particulars	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
(a) Amount of dividend remitted in foreign currency	Nil	Nil	Nil

**ZC6 Auditors' Remuneration**

Particulars	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Payments to auditor as	3.00	1.50	1.50
- Auditor	-	-	-
<b>Total</b>	3.00	1.50	1.50

**NOTE NO. ZD**  
**Restated Statement of Other Disclosures**

**ZD1 Leases**

(Rs. In Lakhs)

Particulars	As at 31 Mar. 2023	As at 31 March 2022	As at 31 March 2021
Furture minimum rentals payable under non-cancellable operating Lease	-	-	-
- Not later than one Year	383.11	254.82	263.85
- Later than one Year and not later than five years	582.74	478.60	733.41
Lease payments recognised in the Statement of profit and loss for the period, with separate amount	-	-	-

**ZD2 Foreign Exchange exposure as on year end are as under:**

Particulars	As at 31 Mar. 2023	As at 31 March 2022	As at 31 March 2021
(a)Amount Receivable	162.18	39.60	30.29
(b)Advance received for supply of goods	NIL	NIL	NIL

**ZD3 Corporate Social Responsibility (CSR)**

As per section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The areas for CSR activities are promoting education, art and culture, healthcare, destitute care and rehabilitation and rural development projects as specified in Schedule VII of the Companies Act, 2013. The details of amount required to be spent and actual expenses spent during the year is as under:

(a) Gross amount required to be spent by the company for the period ended :(31st March, 2023 Rs.15.68 Lakhs), (31st March, 2022 Rs. 8.73 Lakhs), (31st March,2021 Rs.7.66 Lac)

(b) Amount spent are as under:

SN	Particulars	As at 31 Mar. 2023	As at 31 March 2022	As at 31 March 2021
<b>1</b>	<b>Construction / Acquisition of Assets</b>			
	- In cash	-	-	-
	- Yet to be paid in cash	-	-	-
<b>2</b>	<b>On purpose other than (i) above</b>			
	- In cash	15.68	8.73	7.66
	- Yet to be paid	-	-	-

**ZD4 Accounting Ratios**

SN	Particulars	2022-23	2021-22	2020-21
1	Current Ratio	1.37	1.32	1.16
2	Debt-Equity Ratio	0.48	0.55	1.07
3	Debt Service Coverage Ratio	3.86	3.76	2.18
4	Return on average Equity Ratio	34.35%	37.25%	11.36%
5	Trade Receivables turnover ratio (in times)	6.04	5.70	4.76
6	Net capital turnover ratio (in times)	10.19	14.07	22.57
7	Net profit ratio	10.15%	10.24%	3.68%
8	Inventory Turnover Ratio	6.59	7.65	6.53
9	Return on Capital employed	28.57%	30.10%	10.56%

### **OTHER FINANCIAL INFORMATION**

The audited financial statements of our Company for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 and their respective Audit reports thereon (Audited Financial Statements) are available at [www.smtpl.co](http://www.smtpl.co). Our Company is providing a link to this website solely to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Audited Financial Statements do not constitute, (i) a part of the Draft Red Herring Prospectus; (ii) Red Herring Prospectus or (ii) Prospectus, a statement in lieu of a prospectus, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, or any other applicable law in India or elsewhere in the world. 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. Neither our Company, nor BRLM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI (ICDR) Regulations are given below:

<b>(Rs. In Lakhs)</b>			
<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Profit After Tax (Rs. In Lakhs)	1,238.30	937.59	220.08
Basic & Diluted Earnings per Share	9.53	7.21	1.69
Return on Net Worth (%)	29.32%	31.40%	10.75%
NAV (Based on no. of share outstanding at the end of year)	162.46	114.84	78.78
NAV per Equity Shares (Based on Weighted Average Number of Shares)	32.49	22.97	15.76
Earnings before interest, tax, depreciation and amortization (EBITDA)	2,031.20	1,551.87	573.33

**STATEMENT OF FINANCIAL INDEBTEDNESS**

To,

**The Board of Directors,  
M/s Saakshi Medtech and Panels Ltd.  
(Formerly known as Saakshi Machine & Tools Pvt. Ltd.)**  
EL-23, J Block,  
M.I.D.C. Industrial Area,  
Bhosari, Pune 411026,  
Maharashtra

Dear Sirs,

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of Saakshi Medtech and Panels Limited and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details as on 31st March, 2023 are mentioned below.

**A. SECURED LOANS**

**STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY**

Name of Lender	Purpose	Loan/ Agreement A/c No./Ref. No.	Sanctioned Amount (Rs In Lacs)	Rate of interest	Primary & Collateral Security	Re-Payment Schedule	Moratorium	Outstanding amount as on 31.03.2023
								(In Lakhs)
Deutsche Bank	Term Loan	3000284567737	145.90	9.25%	Flat no. 401, 4th floor, tower no. 1, SKY One, Shivaji nagar, Pune:- 411016	EMI : 1.59 Lacs Term : 180 months	N.A.	36.68
Deutsche Bank	GECL Loan	320028456770019	52.99	9.25%	(i) Extension of secondary charge over existing Current Assets and collateral securities including mortgages / liens / hypothecations which may have been created in favour of the Bank; (ii) Creation of charge/hypothecation over the Current assets acquired through this loan;	EMI : 1.66 Lacs Term : 48 months	N.A.	6.64
Deutsche Bank	Term Loan	300028456770046	200.00	9.14%	Flat no. 401, 4th floor, tower no. 1,	EMI : 1.91	N.A.	146.71

he Bank					SKY One, CTS no. 1062, Final plot no. 444, Shivaji nagar (Bhamburda), Pune:- 411016	Lacs Term : 180months		
Yes Bank Limite d	Vehicle Loan	ALN00080005037 37	16.98	9.30%	Vehicle	EMI : 0.35 Lacs Term : 60 months	N.A.	6.28
Yes Bank Limite d	Vehicle Loan	ALN00080073741 2	8.59	8.19%	Vehicle	EMI : 0.17 Lacs Term : 60 months	N.A.	5.14
Yes Bank Limite d	Term Loan	YBL/MUM/EBB/F L/0452/2015-16	918.00	8.80%	1.Exclusive charge by way of hypothecation on Current Assets of both present & future 2.Equitable/ registered mortgage of property located at (i) EL-23, J Block, MIDC, Bhosari, Sector 7, Pune 411026 (ii) T-174,pimpri Industrial Area MIDC, Bhosari, Pune - 411026	EMI : 11.73 Lacs Term : 76 months	N.A.	373.01
Yes Bank Limite d	ECLGS Loan	648LA4020175000 2	197.50	8.80%	1.100% guarantee by National Credit Guarantee Trustee Co. Ltd. (NCGTCL) 2. Charge on assets created out of term loan	EMI : 5.49 Lacs Term : 48 months	N.A.	82.29
Yes Bank Limite d	Term Loan	YBL/Pun/BB/FL/0 080/2021-22	344.30	8.80%	1.Exclusive charge by way of hypothecation on Current Assets of both present & future 2.Equitable/ registered mortgage of property located at (i) EL-23, J Block, MIDC, Bhosari, Sector 7, Pune 411026 (ii) T-174,pimpri Industrial Area MIDC, Bhosari, Pune – 411026	EMI : 4.32 Lacs Term : 60 months	N.A.	191.33
Yes Bank Limite d	Term Loan	YBL/SEB/WS/FL/ 2022-2023/6557	187.50	8.80%	1.Exclusive charge by way of hypothecation on Current Assets of both present & future 2.Equitable/ registered mortgage of property located at (i) EL-23, J Block, MIDC, Bhosari, Sector 7, Pune 411026 (ii) T-174,pimpri Industrial Area MIDC, Bhosari,	EMI : 2.08 Lacs Term : 60 months	N.A.	93.77

					Pune – 411026			
KOTA K MAHI NDRA PRIM E LTD.	Vehicle Loan	CF-20796979	112.00	8.07%	Vehicle	EMI : 2.27 Lacs Term : 60 months	N.A.	102.30
Yes Bank Limite d	Cash Credit for Working Capital	064884600000290	610.00	8.20%	1.Exclusive charge by way of hypothecation on Current Assets of both present & future 2.Equitable/ registered mortgage of property located at (i) EL-23, J Block, MIDC, Bhosari, Sector 7, Pune 411026 (ii) T-174,pimpri Industrial Area MIDC, Bhosari, Pune – 411026	Repayable on Demand	N.A.	578.28
Yes Bank Limite d	SBLC (Standby Letter of Credit)	001SLG822349000 2	3.70 Lacs Euro	4.27%	1.Exclusive charge by way of hypothecation on Current Assets of both present & future 2.Equitable/ registered mortgage of property located at (i) EL-23, J Block, MIDC, Bhosari, Sector 7, Pune 411026 (ii) T-174,pimpri Industrial Area MIDC, Bhosari, Pune – 411026	Payable by Dec. 2023	N.A.	331.55
<b>Total (Fund Based)</b>								<b>1,973.98</b>
<b>Total (Non-fund Based)</b>								<b>500.00</b>
<b>GRAND Total (Fund and non-fund based)</b>								<b>2473.98</b>

## **Note 1**

### **Yes Bank Term Loan:**

#### **Co-borrower**

- a. **Smt. Chitra Latkar**
- b. **Mr. Aniket Latkar**

#### **Principal terms and conditions for facilities availed from Yes Bank Limited:**

1. Borrower to furnish us on a regular basis Statement of stocks and book debts, on a monthly basis for Drawing power linked facilities, to be submitted latest by the 25th of subsequent month. Any delay in submission of the stock statement will attract late payment charges of Rs. 5,000/- p.m.

2. **Insurance :-**

The Borrower shall endorse/assign the Insurance policy in Bank's favor, covering the full value of assets, hypothecated / mortgaged / assigned to the Bank. Any delay in submission of the insurance policy is liable to late payment charges for the period of non-compliance as specified in master facility agreement/loan agreement, as the case may be. In case, the property assets are found to be not insured/ inadequately insured or the evidence to this effect is not made available to the Bank, in order to protect its interest, the Bank reserves the right to take adequate insurance cover for such property /assets. Any costs and risks arising out of this shall be borne by the Borrower and YBL reserves the right to debit the Borrower's account towards the insurance premium charged by the insurance company. By accepting this Facility Letter, you are authorizing the bank to recover the amount of premium by debiting your bank account maintained with the Bank.

3. **Unit visit:-**

The Bank will have the right to examine/inspect the Borrower's books of accounts and its offices/ sites/ factory(ies)/ stocking points inspected from time to time by officer(s) of the Bank and / or qualified auditors/statutory auditors and / or technical experts and / or management consultants of the Bank's choice. Cost of such inspection shall be borne by the Borrower.

4. **Audited financial statements:**

The Borrower shall forward to the Bank audited accounts within 6 months from the year-end.

5. The Facility shall be strictly used for intended business purpose only. The proceeds of the Facility will not be used for any Real Estate business, Capital Markets and any other activities which are speculative in nature or which are prohibited under any law for the time being in force and as amended from time to time.

6. **Base Rate/ MCLR Rate:** - The Borrower shall be liable to pay to the Bank interest on the amounts due under the Facility (ies) at Applicable Rate of Interest prevailing on the date of drawdown or such other rate as may be stipulated by the Bank in its absolute discretion from time to time and advised to the Borrower. The interest shall be paid by the Borrower on the Interest Payment Dates.

7. **Security:-** The Borrower agrees to create security interest in favor of the Bank/ security trustee/security agent in a form and manner satisfactory to the Bank. Further, the Bank as a matter of policy does not accept laminated title/ security documents. The Borrower is therefore advised to up front inform the Bank, as to whether the title/ security documents are laminated or not. The Bank further reserves its right to accept or reject any title/security documents, with or without assigning any reasons. The decision of the Bank shall be final and binding on the Borrower in this regard.

8. **Consequences of events of defaults:** - The bank reserve the right to discontinue the facility and to withhold/ stop any disbursement without giving any notice in case of non - compliance / breach of any terms and conditions stipulated herein and from time to time as also in the relevant documents or any information / particulars furnished to us is found to be incorrect or in , case of any development or situations due to which in the opinion of the Bank, its interest will be / is likely to be prejudicially affected by such continuation or disbursement.

The Borrower to arrange registration of Bank's charge including ROC charge and Intimation to Mortgage with Sub Registrar Office on the assets secured against the facilities sanctioned, within the stipulated time.

**Deutsche Bank Term Loan**  
**Co-borrower**

- a. Smt. Chitra Latkar
- b. Mr. Aniket Latkar
- c. Mrs. Mayuri Latkar

**Principal terms and conditions for facilities availed from Deutsche Bank -**

1. **End Use-** The Borrower shall provide to the bank within a period of 60 days, valid proof of utilisation of funds disbursed. The funds should only be used towards the purpose declared while applying for the loan. Any usage of the facility towards capital market investment, speculative purpose etc., is strictly prohibited and will entitle the bank to call back the facility immediately.
2. **Charge over assets :-** The charge over assets of the company in respect of the limits sanctioned herein should be registered with the registrar of companies (wherever applicable) within 30 days from the date of execution of documents and evidence should be produced to the bank within 15 days thereon. The charges towards creation of such charge shall be borne by the borrower(s).
3. **Insurance:-** It is mandatory to keep the property insured and such insurance policy obtained has to be assigned in favour of Deutsche Bank, as the loss payee, within 15 days of disbursal. In case the policy/renewed policy is not submitted on time, then the Bank reserve the right to recover related charges and taxes are charged by the insurance company through any mode/ debit the borrower's account towards such insurance premium.
4. **Property Related:-** The borrower shall not initiate any alterations to the structure/floor plan or demolish/ reconstruct the property or charge the user of the property without the prior permission of the bank in writing.

**B. UNSECURED LOANS**

Name	Purpose	Rate of Interest	Repayment	Outstanding Amount in Lacs as on 31-03- 2023
<b>Unsecured Loan – From Directors</b>				
Aniket Latkar	Business	0.00	On Demand	<b>29.37</b>
Chitra Latkar	Business	0.00	On Demand	<b>4.10</b>
<b>TOTAL UNSECURED LOANS</b>				<b>33.47</b>

**For Kishor Gujar & Associates**  
**Chartered Accountants**  
**Firm Registration no: 116747W**

**Sd/-**

**CA Javedkhan Saudagar (Partner)**  
**Membership No: 139006**  
**Place: Pimpri, Pune-18**  
**Date: September 16, 2023**  
**CERT No.: 212 /2023-24**  
**UDIN: 23139006BGVVCC4883**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS**

*You should read the following discussion in conjunction with our restated financial statements attached in the chapter titled “Financial Information of the Company” beginning on page 153. You should also read the section titled “Risk Factors” on page 24 and the section titled “Forward Looking Statements” on page 19 of this Red Herring Prospectus, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. The following discussion relates to us, and, unless otherwise stated or the context requires otherwise, is based on our Restated financial Statements. Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditor dated June 14, 2023 which is included in this Red Herring Prospectus under “Financial Statements”. The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.*

### **Business Overview**

We are a diversified company engaged in manufacturing of: i) Electrical Control Panels and Cabinets used in elevators, air compressors, renewal energy industry, oil & gas exploration industry, electrical vehicle charging stations etc, ii) Medical X Ray System used in healthcare industry iii) Fabrication works for locomotives and (iv) wire harness division for our captive consumption in electrical control panels and for supply to air compressor industry. Our in-house engineering and design capabilities help us offer diversified products and solutions to our customers in each of the product categories in which we operate. Our comprehensive solutions include design, process engineering and manufacturing including fabrication, assembly and testing facilities. The hardware components are imported or sourced from local suppliers which are then programmed and assembled at our manufacturing facilities.

We design, program and assemble Electrical Control Panels and Cabinets comprising of micro controller, programmable logic controllers and SCADA system. These Electrical control panels are essential for industrial automation. They provide higher-level monitoring and control various functions of machines to define, organize, and meet production objectives. The end users for our products in this category include OEMs producing elevators, wind turbines, air compressors, oil & gas exploration equipment, electrical vehicle charging stations or diesel generators. These panels direct input and output of equipment in which they are installed like: monitoring directional movement of wind turbines, bi-lateral movement of elevators, set automatic load and unload of pressure in air compressors used in CNG petrol pumps, metal industry, forging industry, chemical industry, aviation industry and allied industries, vibration and temperature monitoring in oil and gas exploration equipment, for charging of EV batteries and alarming of DG sets. Our major clientele in this product category include: Atlas Copco (India) Ltd and Ge India Industrial Pvt Ltd, OTIS Elevator Company (India) Ltd, GE Oil & Gas India Pvt Ltd, Kirloskar Oil Engines Ltd, Kirloskar Pneumatic Co.Ltd. Our company has entered into a long-term supply agreement with OTIS Elevator Company (India) Ltd for supply of electrical control panels for controlling of lift movement valid upto June 30, 2024.

Medical X Ray System manufactured and assembled by us comprises of X Ray machine, Imaging system, Generator and mechanics. Our company is certified manufacturer of medical diagnostic X-Ray equipment by AERB since 2018. With our research and development initiatives our company has recently received Licence to Manufacture Medical Devices for the purpose of Testing from The Central Drugs Standard Control Organisation (CDSCO). We have recently also got our testing lab certified by NABL for testing of medical diagnostic x-ray equipment. Our major clientele in this product category include: Wipro GE Healthcare Pvt. Ltd, Philips India limited and BPL Medical Technologies Private Limited.

Furthermore, we are also involved in Fabrication of High level Assembly (HLA) to be installed in locomotives which include manufacturing and assembly of sensor box, battery boxes, sand boxes, dynamic brake weldments, resistor boxes, oil tank assemblies, snow plow etc. We mainly supply these HLA to Wabtec group of companies namely, Wabtec India Industrial Private Limited, Wabtec Transportation Systems LLC, Wabtec Locomotive Private Limited. We have entered into a long term supply agreement with Wabtec India Industrial Private Limited, valid upto the year 2027. Our fabrication activities were first started in the year 2019 when we initiated backward integration for mechanical assembly and sheet metal fabrication for Medical X-Ray System and Electrical Control Panels and Cabinets. Recently our company has initiated to expand its operations for fabrication works in aerospace industry. For the said purposes we have been successfully certified for Quality Management System under Aviation Standard - AS 9100D and ISO 9001:2015.

Our company also has a wire harness division where wiring assembly or cable assembly is undertaken for transmission of signals or electrical power in the electrical cables or wires. Majority of our harnessed wire is used for captive consumption in manufacturing activities of Medical X-Ray system or Electrical Control Panels and Cabinets.

The following table sets forth certain key performance indicators for the years indicated:

(Rs. In Lakhs except percentages and ratios)

Key Financial Performance	FY 2022-23	FY 2021-22	FY 2020-21
Revenue from operations <sup>(1)</sup>	12,205.82	9,157.78	5,977.39
EBITDA <sup>(2)</sup>	2,031.20	1,551.87	573.33
EBITDA Margin <sup>(3)</sup>	16.64%	16.95%	9.59%
PAT	1,238.30	937.59	220.08
PAT Margin <sup>(4)</sup>	10.15%	10.24%	3.68%
Net Worth <sup>(5)</sup>	4,224.07	2,985.77	2,048.17
Return on Net Worth <sup>(6)</sup>	29.32%	31.40%	10.75%
RoCE (%) <sup>(7)</sup>	28.57%	30.10%	10.56%

**Notes:**

<sup>(1)</sup> Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements

<sup>(2)</sup> EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

<sup>(3)</sup> 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup> 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

<sup>(5)</sup> Net worth means the aggregate value of the paid-up share capital and reserves and surplus of the company.

<sup>(6)</sup> Return on Net Worth is ratio of Profit after Tax and Net Worth.

<sup>(7)</sup> Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}.

**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

For details in respect of “*Statement of Significant Accounting Policies*”, please refer to *Annexure IV of Restated Financial Statements* beginning on page 160 of this Red Herring Prospectus.

**Factors Affecting our Results of Operations**

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Inability to promptly identify and respond to changing customer preferences or evolving trends
3. Our ability to effectively manage the operations of and costs associated with our manufacturing facilities
4. We may not be able to sustain our historical growth rates, and our historical performance may not be indicative of our future growth or financial results.
5. Failure to successfully upgrade our product portfolio, from time to time;
6. Any change in government policies resulting in increases in taxes payable by us;
7. Our ability to retain our key managements persons and other employees;
8. Changes in laws and regulations that apply to the industries in which we operate.
9. Our ability to grow our business;
10. General economic, political and other risks that are out of our control;
11. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
12. Company's ability to successfully implement its growth strategy and expansion plans ;
13. failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
14. inability to successfully obtain registrations in a timely manner or at all;
15. occurrence of Environmental Problems & Uninsured Losses;
16. conflicts of interest with affiliated companies, the promoter group and other related parties;
17. any adverse outcome in the legal proceedings in which we are involved; and
18. Concentration of ownership among our Promoters.

## Discussion on Result of Operations

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the financial years ended on March 31, 2023, 2022 and 2021.

(Rs. in Lakhs)

Particulars	March 31, 2023	% of Total Income	March 31, 2022	% of Total Income	March 31, 2021	% of Total Income
Revenue from Operation	12,205.82	99.88%	9,157.78	99.87%	5,977.39	99.26%
Other Income	14.36	0.12%	11.56	0.13%	44.79	0.74%
<b>Total Income</b>	<b>12,220.18</b>	<b>100.00%</b>	<b>9,169.34</b>	<b>100.00%</b>	<b>6,022.18</b>	<b>100.00%</b>
<b>Expenditure</b>						
Cost of material Consumed	7,392.58	60.49%	5,716.48	62.34%	3,605.10	59.86%
Purchase of Stock in Trade	741.23	6.07%	368.05	4.01%	533.14	8.85%
Change in inventories of finished goods, work in progress and stock in trade	-193.81	-1.59%	-60.1	-0.66%	-81.38	-1.35%
Employee Benefit Expenses	1,323.58	10.83%	922.8	10.06%	751.81	12.48%
Finance Cost	145.91	1.19%	131.16	1.43%	148.37	2.46%
Depreciation and Amortisation Expenses	265.38	2.17%	172.16	1.88%	169.66	2.82%
Other Expenses	889.01	7.27%	654.15	7.13%	580.57	9.64%
<b>Total Expenditure</b>	<b>10,563.88</b>	<b>86.45%</b>	<b>7,904.70</b>	<b>86.21%</b>	<b>5,707.27</b>	<b>94.77%</b>
<b>Profit/(Loss) Before Tax</b>	<b>1,656.30</b>	<b>13.55%</b>	<b>1,264.64</b>	<b>13.79%</b>	<b>314.91</b>	<b>5.23%</b>
<b>Tax Expense</b>						
Tax Expense for Current Year	424.82	3.48%	326.75	3.56%	95.58	1.59%
Short/(Excess) Provision of Earlier Year	-3.35	-0.03%	12.17	0.13%	13.9	0.23%
Deferred Tax	-3.47	-0.03%	-11.85	-0.13%	-14.65	-0.24%
<b>Net Current Tax Expenses</b>	<b>418</b>	<b>3.42%</b>	<b>327.07</b>	<b>3.57%</b>	<b>94.83</b>	<b>1.57%</b>
<b>Profit/(loss) after tax</b>	<b>1,238.30</b>	<b>10.13%</b>	<b>937.57</b>	<b>10.23%</b>	<b>220.08</b>	<b>3.65%</b>

**Revenue from operations:**

Revenue from operations mainly consists of revenue from sale of manufactured goods, traded goods, sale of service of Job Work and Scrap.

**Other Income:**

Other income primarily comprises of Discount Income, Duty Drawback, Dividend Received, Interest from Fixed Deposits, Interest on MSEB Deposit, Profit on Sale of Assets, Interest on Income Tax Refund, and Excess Provision of earlier year.

**Total Expenses:**

Total expenses consist of operating cost like Cost of Material consumed, Purchase of stock in trade, Change in inventories of finished goods, work in progress and stock in trade, Employee benefits expense, Finance costs, Depreciation and amortization expenses and other expenses.

**Cost of Material consumed**

Cost of Material consumed expenses primarily comprises of Purchase of raw material, and change in stock of raw material.

**Change in inventories of finished goods, work in progress and stock in trade**

Change in inventories of finished goods, work in progress and stock in trade comprises of increase/ (decrease) in stock of finished goods.

**Employee benefits expense:**

Employee benefits expense primarily comprises of Salaries, wages & bonus expenses, Remuneration to directors, Staff welfare expenses, labour welfare fund and Employers Contribution to ESI and PF and Gratuity.

**Finance Costs:**

Our finance cost includes Interest expenses and Bank charges.

**Depreciation and Amortization Expenses:**

Depreciation includes depreciation on Plant & Machinery, Furniture and Fixtures, Office Equipment, Computer, Factory Building, Vehicle and computer software.

**Other Expenses:**

Other Expenses consists of Manufacturing Expenses like: Inspection & Testing Charges, Calibration Charges Freight Inward, Machine Lease Rental, Power and fuel, Audit Fees, Rent, Repair and Maintenance, Insurance, Other Business Administrative Expenses, CSR expenditure, Freight outward Charges, Forex Export Loss, Miscellaneous Charges, office expenses, Profession & Consultancy Charges, Rates & Taxes, Travelling Expenses etc.

**FINANCIAL YEAR 2023 COMPARED TO FINANCIAL YEAR 2022****Total Income:**

Total income for the financial year 2022-23 stood at Rs. 12,220.18 Lakhs whereas in Financial Year 2021-22 the same stood at Rs. 9,169.34 Lakhs representing an increase of 33.27%. The main reason of increase was increase in the volume of business operations of the company.

**Revenue from Operations**

During the financial year 2022-23 the net revenue from operation of our Company increased to Rs. 12,205.82 Lakhs as against Rs. 9,157.78 Lakhs in the Financial Year 2021-22 representing an increase of 33.28%. The main reason of increase was due to increase in the sales of (i) Electrical Control Panel and Cabinets from Rs. 5,821.34 lakhs in the financial year 2020-21 to Rs. 8,513.71 lakhs in the Financial Year 2021-22 which amounts to increase of 46.25% (ii) Medical X-Ray System from Rs.

250.88 lakhs in the financial year 2021-22 to Rs. 322.17 lakhs in the Financial Year 2022-23 which amounts to increase of 28.42%, (iii) Wire Harness Division from Rs. 156.38 lakhs in the financial year 2021-22 to Rs. 191.16 lakhs in the Financial Year 2022-23 which amounts to increase of 22.24% and from (iv) Trading from Rs. 489.28 lakhs in the financial year 2021-22 to Rs. 758.96 lakhs in the Financial Year 2022-23 which amounts to increase of 55.12%.

#### **Other Income:**

During the financial year 2022-23 the other income of our Company increased to Rs. 14.36 Lakhs as against Rs.11.56 lakhs in the Financial Year 2021-22 representing a increase of 24.22%, which was due to writing back the balance of Sundry Creditors.

#### **Total Expenses**

The total expense for the financial year 2022-23 increased to Rs 10,563.88 Lakhs from Rs 7,904.70 lakhs in the Financial Year 2021-22 representing an increase of 33.64%. Such increase was due to increase in business operations of the Company.

#### **Cost of material consumed**

The Cost of material consumed for the financial year 2022-23 increased to Rs. 7392.58 lakhs from Rs. 5716.48 lakhs in the Financial Year 2021-22 representing an increase of 29.32%. Such increase was due to increase in business operations of the Company.

#### **Purchase of Stock in Trade**

The Purchase of stock in trade for the financial year 2022-23 increased to Rs. 741.23 lakhs from Rs. 368.05 lakhs in the Financial Year 2021-22.

#### **Change in inventories of finished goods and work in progress**

The closing inventories of finished goods and work in progress for the financial year 2022-23 was Rs. (193.81) lakhs as compared to Rs (60.10) lakhs in the Financial Year 2021-22 representing a increase in change in inventories of 222.48%.

#### **Employee benefits expense:**

Our Company has incurred Rs. 1323.58 Lakhs as Employee benefits expense during the financial year 2022-23 as compared to Rs. 922.80 Lakhs in the financial year 2021-22. The increase of 43.43% which was due to increase in Directors remuneration from Rs. 106.87 lakhs in financial year 2021-22 as compared to Rs. 208.51 Lakhs in financial year 2022-23 which amounted to 95.11%, Employees Salary Expenses from Rs. 773.52 lakhs in financial year 2021-22 as compared to Rs. 1035.31 lakhs in financial year 2022-23 which amounted to 33.84% and Contribution to Gratuity provision from Rs.1.82 lakhs in financial year 2021-22 as compared to Rs. 37.31 lakhs in financial year 2022-23 which amounted to increase of 1950.00% .

#### **Finance Cost**

Our Company has incurred Rs. 145.91 Lakhs as finance cost during the financial year 2022-23 as compared to Rs. 131.16 Lakhs in the financial year 2021-22. The increase of 11.25% was due to increase in Interest on Term Loan from Bank, Interest on Vehicle Loan and Increase in Bank charges.

#### **Depreciation and Amortization Expenses:**

Depreciation for the financial year 2022-23 stood at Rs. 265.38 Lakhs as against Rs. 172.16 Lakhs during the financial year 2021-22. The increase in depreciation was around 54.15% which was due to addition in Building, Plant & Machinery, Furniture & Fixtures, Vehicles, Office equipments, Computers, Electric Installation and Computer Software in Intangible assets etc.

#### **Other Expenses:**

Our Company has incurred Rs. 889.01 Lakhs during the Financial Year 2022-23 on other expenses as against Rs. 654.15 Lakhs during the financial year 2021-22. There was an increase of 35.90% mainly due (i) increase in Generator Diesel Exp by 143.43% from Rs. 9.67 lakhs in financial year 2021-22 to Rs. 23.54 lakhs in financial year 2022-23, (ii) increase in MNGL Gas by 56.46% from Rs. 17.37 lakhs in financial year 2021-22 to Rs. 27.17 lakhs in financial year 2022-23, (iii) increase in Freight Inward by 46.53 % from Rs. 13.48 lakhs in financial year 2021-22 to Rs. 19.75 lakhs in financial year 2022-23, (iv)

increase in Rent by 7926.42% from Rs. 1.06 lakhs in financial year 2021-22 to Rs. 85.08 lakhs in financial year 2022-23, (v) increase in repair and maintenance of Building, P&M and other by 155.19% from Rs. 59.04 lakhs in financial year 2021-22 to Rs 83.27 lakhs in financial year 2022-23, (vi) increase in Freight outward Charges by 89.75% from Rs. 19.42 lakhs in financial year 2021-22 to Rs. 36.85 lakhs in financial year 2022-23, (vii) increase in Forex Export Loss by 42.27% from Rs. 20.77 lakhs in financial year 2021-22 to Rs. 29.55 lakhs in financial year 2022-23, (viii) increase in office expenses by 42.39% from Rs. 19.12 lakhs in financial year 2021-22 to Rs. 27.23 lakhs in financial year 2022-23, (ix) increase in security service charges by 37.88% from Rs. 34.54 lakhs in financial year 2021-22 to Rs. 47.63 lakhs in financial year 2022-23, (x) increase in Miscellaneous Expenses by 49.12% from Rs. 11.95 lakhs in financial year 2021-22 to Rs. 17.82 lakhs in financial year 2022-23, etc.

#### **Restated profit before tax:**

Net profit before tax for the financial year 2022-23 increased to Rs. 1,656.30 Lakhs as compared to Rs. 1264.64 Lakhs in the financial year 2021-22. The increase of 30.97% was majorly due to factors as mentioned above.

#### **Restated profit for the year:**

As a result of the foregoing factors, our profit after tax for the year increase by 32.08% from net profit of Rs. 937.57 Lakhs in financial year 2021-22 to net profit Rs. 1238.30 lakhs in financial year 2022-23. Consequently, our PAT Margin expanded to 10.15% in financial year 2022-23 from 10.24% in financial year 2021-22.

### **FINANCIAL YEAR 2022 COMPARED TO FINANCIAL YEAR 2021**

#### **Total Income:**

Total income for the financial year 2021-22 stood at Rs. 9,169.34 Lakhs whereas in Financial Year 2020-21 the same stood at Rs. 6,022.18 Lakhs representing an increase of 52.26%. The main reason of increase was increase in the volume of business operations of the company.

#### **Revenue from Operations**

During the financial year 2021-22 the net revenue from operation of our Company increased to Rs. 9,157.78 Lakhs as against Rs. 5977.39 Lakhs in the Financial Year 2020-21 representing an increase of 53.21%. The main reason of increase was due to increase in the sales of (i) Electrical Control Panel and Cabinets from Rs. 3,194.39 lakhs in the financial year 2020-21 to Rs. 5,821.34 lakhs in the Financial Year 2021-22 which amounts to increase of 82.24% and (ii) Fabrication Works which was Rs. 2,365.13 lakhs in financial year 2021-22 as compared to Rs. 1,540.59 lakhs in financial year 2020-21 which amount to increase of 53.52%.

#### **Other Income:**

During the financial year 2021-22 the other income of our Company decreased to Rs. 11.56 Lakhs as against Rs. 44.79 lakhs in the Financial Year 2020-21 representing a decrease of 74.19% which was due to impact of Excess Provision of earlier year amount to Rs. 31.96 lakhs.

#### **Total Expenses**

The total expense for the financial year 2021-22 increased to Rs. 7,904.70 Lakhs from Rs. 5,707.27 lakhs in the Financial Year 2020-21 representing an increase of 38.50%. Such increase was due to increase in business operations of the Company.

#### **Cost of material consumed**

The Cost of material consumed for the financial year 2021-22 increased to Rs. 5,716.48 lakhs from Rs. 3,605.10 lakhs in the Financial Year 2020-21 representing an increase of 58.57%. Such increase was due to increase in business operations of the Company.

#### **Purchase of Stock in Trade**

The Purchase of stock in trade for the financial year 2021-22 increased to Rs. 368.05 lakhs from Rs. 533.14 lakhs in the Financial Year 2020-21.

### **Change in inventories of finished goods and work in progress**

The closing inventories of finished goods and work in progress for the financial year 2021-22 was Rs 60.01 lakhs as compared to Rs 81.38 lakhs in the Financial Year 2020-21 representing a decrease in change in inventories of 26.15%.

### **Employee benefits expense:**

Our Company has incurred Rs. 922.80 Lakhs as Employee benefits expense during the financial year 2021-22 as compared to Rs. 751.81 Lakhs in the financial year 2020-21. The increase of 22.74% was due to increase in (i) Employees Salary Expenses from Rs. 595.46 lakhs to Rs. 773.52 lakhs which amount to 29.90% (ii) Contribution to provident and other funds from Rs. 17.64 lakhs in financial year 2020-21 as compared to Rs. 25.64 lakhs which amounts to increase of 45.35% .

### **Finance Cost**

Our Company has incurred Rs. 131.16 Lakhs as finance cost during the financial year 2021-22 as compared to Rs. 148.37 Lakhs in the financial year 2020-21. The decrease of 11.60% was due to repayment of borrowings and decrease in bank charges.

### **Depreciation and Amortization Expenses:**

Depreciation for the financial year 2021-22 stood at Rs. 172.16 Lakhs as against Rs. 169.66 Lakhs during the financial year 2020-21. The increase in depreciation was around 1.47% which was due to addition in Building, Plant & Machinery, Furniture & Fixtures, Solar Power Generation System etc.

### **Other Expenses:**

Our Company has incurred Rs. 654.15.83 Lakhs during the Financial Year 2021-22 on other expenses as against Rs. 580.57 Lakhs during the financial year 2020-21. There was an increase of 12.67% mainly due (i) increase in Generator Diesel Exp by 65.30% from Rs. 5.85 lakhs in financial year 2020-21 to Rs. 9.67 lakhs in financial year 2021-22, (ii) increase in MNGL Gas by 114.56% from Rs. 8.09 lakhs in financial year 2020-21 to Rs. 17.37 lakhs in financial year 2021-22, (iii) increase in repair and maintenance of Building, P&M and other by 122.31% from Rs. 26.56 lakhs in financial year 2020-21 to Rs. 59.04 lakhs in financial year 2021-22, (iv) increase in Interest on VAT/GST/TDS from Rs. 1.07 lakhs in financial year 2020-21 to Rs. 7.82 lakhs in financial year 2021-22 (v) increase in License fees by 115.75 % from Rs. 4.32 lakhs in financial year 2020-21 to Rs. 9.31 lakhs in financial year 2021-22 .

### **Restated profit before tax:**

Net profit before tax for the financial year 2021-22 increased to Rs. 1,264.64 Lakhs as compared to Rs. 314.91 Lakhs in the financial year 2020-21. The increase of 301.59% was majorly due to factors as mentioned above.

### **Restated profit for the year:**

As a result of the foregoing factors, our profit after tax for the year increase by 326.01% from net profit of Rs. 220.08 Lakhs in in financial year 2020-21 to net profit Rs. 937.57 lakhs in financial year 2021-22. Consequently, our PAT Margin expanded to 10.24% in financial year 2021-22 from 3.68% in financial year 2020-21.

### **Information required as per Item (II)(C)(iv) of Part A of Schedule VI to the SEBI Regulations:**

**An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:**

#### ***1. Unusual or infrequent events or transactions***

There has not been any unusual trend on account of our business activity. Except as disclosed in this Red Herring Prospectus, there are no unusual or infrequent events or transactions in our Company.

#### ***2. Significant economic changes that materially affected or are likely to affect income from continuing operations.***

There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section “**Risk Factors**” beginning on page 24 of the Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**4. Future changes in relationship between costs and revenues**

Other than as described in the sections “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 24, 103 and 194 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

**5. Segment Reporting**

As we operate in single segment, the same is not applicable on our Company.

**6. Status of any publicly announced New Products or Business Segment**

Except as disclosed in the Chapter “**Our Business**”, our Company has not announced any new product or service.

**7. Seasonality of business**

Our business is not subject to seasonality. For further information, see “**Industry Overview**” and “**Our Business**” on pages 87 and 103 respectively.

**8. Dependence on single or few customers**

For the FY 22-23, 21-22 and FY 20-21 our top 5 customers contributed to 93.08% , 90.45% and 90.57% of our revenue from operations. For further information, see “**Risk Factors**” on page 24 of this Red Herring Prospectus

**9. Competitive conditions**

Competitive conditions are as described under the Chapters “**Industry Overview**” and “**Our Business**” beginning on pages 87 and 103 respectively of this Red Herring Prospectus.

**10. Details of material developments after the date of last balance sheet i.e. March 31, 2023**

After the date of last Balance sheet i.e. March 31, 2023, the following material events have occurred after the last audited period–

1. The Authorized Share Capital of the Company was increased from Rs 2,60,00,000/- divided into 26,00,000 Equity Shares of Rs.10/- each to Rs. 18,00,00,000 divided into 1,80,00,000 vide Extra Ordinary General Meeting held on April 24, 2023.
2. A special resolution was passed by the shareholders at the Extra Ordinary General Meeting held on May 08, 2023 for change of name of the Company from “Saakshi Medtech and Panels Private Limited” to “Saakshi Medtech and Panels Limited” and a fresh certificate of incorporation was issued by the Registrar of Companies, Pune vide its letter dated June 06, 2023.
3. We have capitalized the profits of the company by issuing 1,04,00,000 equity shares of Face Value of Rs. 10/- in ratio of 4:1 (4 new equity shares for 1 Existing shares) approved in Extra Ordinary General Meeting held on May 05, 2023 and allotted on May 05, 2023.
4. We have passed a Resolution in the meeting of Board of Directors dated June 08, 2023 authorizing the Board of Directors to raise funds by making an Initial Public Offering.
5. We have passed a special resolution in the Extra-ordinary General meeting dated June 09, 2023 authorizing the Board of Directors to raise funds by making an Initial Public Offering.

6. Our Company has approved the Draft Red Herring Prospectus vide resolution in the Board Meeting dated June 30, 2023
7. Our Company has approved the Red Herring Prospectus vide resolution in the Board Meeting dated September 16, 2023
8. Our company has approved the audited financial statements for the financial year ending March 31, 2023 in the Board meeting dated August 17, 2023.

### **CAPITALISATION STATEMENT**

(Amt. Rs. in Lakhs)

<b>Particulars</b>	<b>Pre Issue</b>	<b>Post Issue</b>
<b>Borrowings</b>		
Short term debt (A)	1285.12	*
Long Term Debt (B)	722.33	*
<b>Total debts (C)</b>	<b>2007.45</b>	
<b>Shareholders' funds</b>		
Equity share capital	260.00	*
Reserve and surplus - as restated	3,964.07	*
<b>Total shareholders' funds</b>	<b>4,224.07</b>	
<b>Long term debt / shareholders funds</b>	<b>0.17</b>	*
<b>Total debt / shareholders funds</b>	<b>0.48</b>	*

(\*) The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.
2. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.03.2023

## **SECTION VII – LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

*Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoter in the last five financial years, including outstanding action; or (v) Material Litigation (as defined below); involving our Company, its Directors and Promoters.*

*Our Board, in its meeting held on June 22, 2023 determined that outstanding legal proceedings involving the Company, its Directors and Promoter will be considered as material litigation (“Material Litigation”) if the aggregate amount involved in such individual litigation exceeds 1% of profit after tax of the Company, as per the last audited financial statements of the Company or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.*

*The Company has a policy for identification of Material Outstanding Dues to Creditors in terms of the SEBI (ICDR) Regulations, 2018 as amended for creditors where outstanding due to any one of them exceeds 5.00% of the Company’s trade payables as per the last restated financial statements.*

#### **A. LITIGATION INVOLVING THE COMPANY**

##### **(a) Criminal proceedings against the Company**

As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Company.

##### **(b) Criminal proceedings filed by the Company**

- **2817/2018**

The Criminal case was filed bearing no. 2817/2018 on 27.11.2018 before 5- Jt. Civil Judge J.D and J.M.F.C., Pimpri against Spitzen Energy Solutions Pvt Ltd. and its director under section 138 of the Negotiable Instruments Act, 1881 on account of dishonour of cheque bearing no. 096548 dated 01.09.2018 for an amount of INR 1,45,000/- (Rupees One lakh Forty-Five Thousand only). The said amount was payable against the purchase order placed by Spitzen Energy Solutions (India) Pvt Ltd. The Bailable Warrant has been issued by court on 10.04.2023 and the next date of the matter is November 23, 2023.

- **2818/2018**

The Criminal case was filed bearing no. 2818/2018 on 27.11.2018 before 5- Jt. Civil Judge J.D and J.M.F.C., Pimpri against Spitzen Energy Solutions Pvt Ltd. and its director under section 138 of the Negotiable Instruments Act, 1881 on account of dishonour of cheque bearing no. 096549 dated 30.09.2018 for an amount of INR 1,45,000/- (Rupees One lakh Forty-Five Thousand only). The said amount was payable against the purchase order placed by Spitzen Energy Solutions (India) Pvt Ltd. The Bailable Warrant has been issued by court on 10.04.2023 and the next date of the matter is November 23, 2023.

##### **(c) Other pending material litigations against the Company**

As on the date of this Red Herring Prospectus, there are no outstanding litigations initiated against the Company, which have been considered material by the Company in accordance with the Materiality Policy.

##### **(d) Other pending material litigations filed by the Company**

As on the date of this Red Herring Prospectus, there are no outstanding litigations initiated by the company, which have been considered material by the Company in accordance with the Materiality Policy.

##### **(e) Actions by statutory and regulatory authorities against the Company**

As on the date of this Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.

## B. LITIGATIONS INVOLVING THE PROMOTERS & DIRECTORS OF THE COMPANY

### (a) Criminal proceedings against the Promoters & Directors of the company

As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Promoters & Directors of the company.

### (b) Criminal proceedings filed by the Promoters & Directors of the company

Please refer to Section A (b) of chapter titled *“Outstanding Litigation and Material Developments”* of this Red Herring Prospectus at page 210

### (c) Other pending material litigations against the Promoters & Directors of the company

As on the date of this Red Herring Prospectus, there are no outstanding litigations initiated against the Promoters & Directors, which have been considered material by the Company in accordance with the Materiality Policy.

### (d) Other pending material litigations filed by the Promoters & Directors of the company

As on the date of this Red Herring Prospectus, there are no outstanding litigations initiated by the Promoters & Directors, which have been considered material by the Company in accordance with the Materiality Policy.

### (e) Actions by statutory and regulatory authorities against the Promoters & Directors of the company

As on the date of this Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Promoters & Directors.

## C. TAX PROCEEDINGS

Nature of Proceedings	Number of cases	Amount involved* (Rs. in lakhs)
<b>Of the company</b>		
Direct Tax (Income Tax)	Nil	Nil
<b>Of the Promoters and Directors</b>	Nil	Nil

## D. AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS:

The Board of Directors of our Company considers dues exceeding 5% of our Company's total Trade payables as per Restated financial statements, to small scale undertakings and other creditors as material dues for our Company. Our Board of Directors considers dues owed by our Company to the creditors exceeding 5% of the Company's trade payables as per the last restated financial statements as material dues for the Company. The trade payables for the financial year ended on March 31, 2023 were Rs. 2,032.76 lakhs. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds Rs. 101.63 lakhs. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on June 22, 2023. Based on these criteria, details of outstanding dues owed as on March 31, 2023 by our Company are set out below:

(₹ in lakhs)		
Types of creditors	Number of creditors	Amount involved
Micro, small and medium enterprises	35	127.48
Material Creditors	300	1,905.25
Other Creditors	11	0.03
<b>Total</b>	<b>346</b>	<b>2,032.76</b>

The details pertaining to net outstanding dues towards our material creditors as on March 31, 2023 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at [www.smtpl.co](http://www.smtpl.co). It is clarified that such details available on our website do not form a part of this Red Herring Prospectus.

## MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE:

Except as disclosed in Chapter titled *“Management's Discussion & Analysis of Financial Conditions & Results of Operations”* beginning on page 194 of this Red Herring Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date.

## **GOVERNMENT AND OTHER APPROVALS**

*Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/ regulatory authorities/certification bodies required to undertake the issue or continue our business activities and except as mentioned below, no further approvals are required for carrying on our present or proposed business activities.*

*In view of the approvals listed below, we can undertake this issue and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Red Herring Prospectus.*

*The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.*

*The Company has got following licenses/ registrations/ approvals/ consents/ permissions from the Government and various other Government agencies required for its present business.*

### **I. Approvals for the Issue:**

The following approvals have been obtained or will be obtained in connection with the Issue:

#### **Corporate Approvals:**

- a. Our Board, pursuant to its resolution dated June 08, 2023 authorized the Issue subject to approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 and such other authorities as may be necessary;
- b. The shareholders of our Company have, pursuant to their resolution passed at the Extraordinary General Meeting of our Company held on June 09, 2023 under Section 62(1)(c) of the Companies Act, 2013, authorized the Issue;
- c. Our Board approved the Draft Red Herring Prospectus pursuant to its resolution dated June 30, 2023
- d. Our Board approved this Red Herring Prospectus pursuant to its resolution dated September 16, 2023

#### **Approval from the Stock Exchange:**

- e. In-principle approval dated September 15, 2023 from the NSE Emerge for using the name of the Exchange in the issue documents for listing of the Equity Shares issued by our Company pursuant to the issue.

#### **Agreements with NSDL and CDSL:**

- f. Agreement dated May 11, 2023 between CDSL, the Company and the Registrar to the Issue;
- g. Agreement dated May 11, 2023 between NSDL, the Company and the Registrar to the Issue;
- h. The Company's International Securities Identification Number ("ISIN") is INE0PSK01027

### **II. Incorporation related Approvals obtained by our Company:**

Sr. No	Nature of Registration/ License	CIN	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Certificate of Incorporation	U51909PN2009PTC133690	Companies Act, 1956	Registrar of Companies, Maharashtra, Pune	March 25, 2009	Valid till cancelled
2.	Fresh Certificate of Incorporation consequent to change	U51909PN2009PTC133690	Companies Act, 2013	Registrar of Companies, Pune	March 16, 2023	Valid till cancelled

	in name from Saakshi Machine and Tools Private Limited to Saakshi Medtech and Panels Private Limited					
3.	Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company	U51909PN2009PLC133690	Companies Act, 2013	Registrar of Companies, Maharashtra, Pune	June 06, 2023	Valid till Cancelled

### III. Corporate/General Authorizations:

Sr. No.	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)	AAMCS9520N	Income Tax Act, 1961	Commissioner of Income Tax	June 06, 2011	Valid until cancelled
2.	Tax Deduction Account Number (TAN)	PNES30286E	Income Tax Act, 1961	Income Tax Department	Nov 29, 2010	Valid until cancelled
3.	Certification of registration of Goods and Service tax	27AAMCS9520N1ZM	Maharashtra Goods and Services Tax Act, 2017	Government of India	Aug 21, 2018	Valid until cancelled
4.	Certificate of Importer-Exporter Code (IEC)	3111008703	The Foreign Trade (Development and Regulation) Act, 1992	Directorate General of Foreign Trade	July 13, 2011	Valid until cancelled
5.	Professional Tax Registration	99921680913P	Maharashtra State Tax on Professionals, Trades, Callings and Employments Act, 1975	Professional Tax Officer, Pune	February 23, 2011	Valid until cancelled
6.	Udyam Registration	UDYAM-MH-26-0012068	Micro, Small and Medium Enterprises Development Act, 2006	Ministry of Micro, Small and Medium Enterprise	August 31, 2020	Valid until cancelled
7.	EPCG license	3131001904	Foreign Trade Policy	Office of the Joint Director General of Foreign Trade, Pune	December 21, 2022	Import Validity- December 21, 2024; Export Obligation- December 21, 2028

### IV. Approvals obtained in relation to business operations of our Company:

Our Company requires various approvals and/or licenses to carry on our business. 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.

**Registered Office and Factory Unit I:** Plot No. EL-23, J Block, MIDC Industrial Area, Bhosari, Pune- 411026, Maharashtra, India

Sr. No.	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	License For Commercial Production of Medical Diagnostic X-Ray Equipment	23-LICPRODEQP-911241	Atomic Energy Act, 1962, Atomic Energy (Radiation Protection) Rules, 2004	Atomic Energy Regulatory Board (AERB), Government of India	March 08, 2023	March 08, 2028
2.	License For Type Approval For Radiography (Fixed) Equipment Model HF 400	23-TA-945236	Atomic Energy Act, 1962	Atomic Energy Regulatory Board (AERB), Government of India	May 26, 2023	May 26, 2026
3.	Consent to Operate from MPCB	MPCB/SRO-PIMPRI-CHINCHWAD/CONSSENT/1801001246	Water (Prevention and Control of Pollution) Act, 1974 & Air (Prevention & Control of Pollution) Act, 1981 & HW (M&TM) Rules	Sub Regional Officer, Pimpri-Chinchwad, Maharashtra Pollution Control Board	January 31, 2018	December 31, 2023
4.	Factory License	1221027104000S	Factory Act 1948 and Rules made therein	Director of Industrial Safety and Health	April 11, 2020	December 31, 2030
5.	Fire NOC	TF2023-24/B-125	Maharashtra Fire Prevention and Life Safety Measures Act, 2006	Triangle Fire Safety & Security Engineers	July 17, 2023	December 31, 2023*
6.	License to Manufacture Medical Devices for Testing	MFG/TL/MD/2023/000195	Medical Devices Rules, 2017	Central Drugs Standard Control Organisation, Ministry of Health, Government of India	April 03, 2023	April 02, 2026

\* As per Circular No: MFS/2015/10/1600 dated October 16, 2015 from Government of Maharashtra – “Six monthly certificate is to be given in every January and July by the owner or the occupier for compliance of the Fire Prevention and Life Safety Measures.” The Municipal and Planning Authority and the Chief Fire Officer and Nominated Officer shall inform the License Agencies in their respective area to issue form B strictly as envisaged by the aforesaid provisions of the Fire Act and the Fire Rules. Accordingly, company receives Form B - renewed certificate in every six months. Accordingly, the Fire NOC is issued in usual course of operations.

**Factory Unit II:** T 174, T Block, MIDC, Bhosari, Haveli, Pune- 411026, Maharashtra, India

Sr. No.	Nature of Registration/ License	Registration/L icense No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	Consent to Operate	MPCB-CONSENT-0000149212	Section 26 of the Water (Prevention and Control of Pollution) Act, 1974 & under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Authorisation and renewal of Authorisation under Rule 6 of the Hazardous Wastes (Management Transboundary Movement) Rules, 2016	Joint Director (Air Pollution Control), Maharashtra Pollution Control Board	January 13, 2023	October 31, 2023

2.	Factory License	22102592000000	Factory Act 1948 and Rules made therein	Assistant Director Industrial Safety & health Maharashtra State Pune 2	February 03, 2021	December 31, 2025
3.	Fire NOC	TF2023-24/B-127	Maharashtra Fire Prevention and Life Safety Measures Act, 2006	Triangle Fire Safety & Security Engineers	July 17, 2023	December 31, 2023*

\* As per Circular No: MFS/2015/10/1600 dated October 16, 2015 from Government of Maharashtra – “Six monthly certificate is to be given in every January and July by the owner or the occupier for compliance of the Fire Prevention and Life Safety Measures.” The Municipal and Planning Authority and the Chief Fire Officer and Nominated Officer shall inform the License Agencies in their respective area to issue form B strictly as envisaged by the aforesaid provisions of the Fire Act and the Fire Rules. Accordingly, company receives Form B - renewed certificate in every six months. Accordingly, the Fire NOC is issued in usual course of operations.

**Factory Unit III:**T-75 T Block,Pimpri Chinchwad, MIDC Bhosari, Tal- Haveli, Dist-Pune

Sr. No.	Nature of Registration/ License	Registration/Li cense No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	Consent to Establish	No.MPCB- CONSENT_000 0153324	Consent to Establish under Section 25 of the Water (Prevention & Control of Pollution) Act, 1974 & under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Authorization under Rule 6 of the Hazardous & Other Wastes (Management & Transboundary Movement) Rules 2016	Regional officer, Pune, Maharashtra Pollution Control Board	January 5, 2023	for a period up to commissioning of the unit or up to 5 year whichever is earlier.
2.	TF2023-24/B-03	Maharashtra Fire Prevention and Life Safety Measures Act, 2006	Triangle Fire Safety & Security Engineers	July 17, 2023	December 31, 2023*	TF2023-24/B-125

\* As per Circular No: MFS/2015/10/1600 dated October 16, 2015 from Government of Maharashtra – “Six monthly certificate is to be given in every January and July by the owner or the occupier for compliance of the Fire Prevention and Life Safety Measures.” The Municipal and Planning Authority and the Chief Fire Officer and Nominated Officer shall inform the License Agencies in their respective area to issue form B strictly as envisaged by the aforesaid provisions of the Fire Act and the Fire Rules. Accordingly, company receives Form B - renewed certificate in every six months. Accordingly, the Fire NOC is issued in usual course of operations.

*Note: As on date of this Red Herring Prospectus, the company has submitted undertaking to Maharashtra Pollution Control Board being towards establishment & operation of our industry falling under 'white' category as per C.P.C Board's modification directions dtd. 07/03/2016 for categorization of industries under Red/Orange/Green & White category.*

#### V. Labour related Approvals obtained by our Company:

- i. **Registered Office and Factory Unit I-** Plot No. EL-23, J Block, MIDC Industrial Area, Bhosari, Pune- 411026, Maharashtra, India

Sr. No.	Nature of Registration/ License	Registration/License No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	Registration under ESIC	33000115800000699	Employees State Insurance Act, 1948	Sub-Regional Office, Pune	-	Valid until cancelled

2.	Registration under Employees' Provident Funds	PUPUN0120852000	Employees (Provident Fund and Miscellaneous Provisions) Act, 1952	Sub-Regional Office, Pune	-	Valid until cancelled
3.	Registration under Contract Labour (Regulation and Abolition) Act	2231000710023083	Contract Labour (Regulation and Abolition) Act, 1970	DY. Commissioner of Labour	November 30, 2022	December 31, 2023

**ii. Factory Unit II:** T 174, T Block, MIDC, Bhosari, Haveli, Pune- 411026, Maharashtra, India

Sr. No.	Nature of Registration/License	Registration/License No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	Registration under Contract Labour (Regulation and Abolition) Act	2231000710023087	Contract Labour (Regulation and Abolition) Act, 1970	DY. Commissioner of Labour	November 30, 2022	December 31, 2024

**iii. Factory Unit III:** T-75 T Block, Pimpri Chinchwad, MIDC Bhosari, Tal- Haveli, Dist-Pune

Sr. No.	Nature of Registration/License	Registration/License No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	Registration under Contract Labour (Regulation and Abolition) Act	2231000710025009	Contract Labour (Regulation and Abolition) Act, 1970	DY. Commissioner of Labour	July 26, 2023	May 31, 2024

**VI. Quality Certifications Approvals obtained by our Company:**

**i. Registered Office and Factory Unit I-** Plot No. EL-23, J Block, MIDC Industrial Area, Bhosari, Pune- 411026, Maharashtra, India

Sr. No.	Description	Registration/License No.	Nature of Registration	Issuing Authority	Date of Issue	Date of Expiry
1	Certificate of Compliance	ECIC/LVD-34/22	Control panel, Starter Panel, Isolation Switch	EC International Certifications	July 20, 2022	July 19, 2025
2	ISO 9001:2015	IN84168A	Quality Management System for following scope of activities: Manufacturing and Supply of Electrical Control Panels, X-ray Equipment, Fabricated Parts & Accessories, Powder coating & painting.	Director of LMS Certification Limited, England	November 30, 2018	November 29, 2024
3	ISO 45001:2018	21IIOHA44	Occupational, health and Safety Management System for following scope of activities: Manufacturing And Supply Of X-Ray Equipment, Electrical control Panel, Fabricated Parts,	Director of AQC Middle East LLC, UAE	August 11, 2021	August 10, 2024


			Powder Coating & Accessories .			
4	ISO 14001:2015	IN90632B	Environmental Management System for following scope of activities: Manufacturing And Supply Of X-Ray Equipment, Electrical Control Panel, Fabricated Parts, Powder Coating & Accessories	Director of LMS Certification Limited, England	November 21, 2020	November 20, 2023
5	ISO 13485:2016	BN21429/20679	Medical Devices-Quality Management System for the following scope of activities: Design, Manufacture and Supply of X-Ray Machine	Managing Director of BSCIC, Faridabad, Haryana	January 07, 2023	January 06, 2026
6.	As per ISO/IEC 17025:2017	TC-11147	Certificate of Accreditation-General Requirements for the competence of Testing & Calibration Laboratories	Chief Executive officer of NABL	November 11, 2022	November 10, 2024

**ii. Factory Unit II:** T 174, T Block, MIDC, Bhosari, Haveli, Pune- 411026, Maharashtra, India

Sr. No.	Description	Registration /License No.	Nature of Registration	Issuing Authority	Date of Issue	Date of Expiry
1.	ISO 9001:2015	IN84168A	Quality Management System for following scope of activities: Manufacturing and Supply of Electrical Control Panels, X-ray Equipment, Fabricated Parts & Accessories, Powder coating & painting.	Director of LMS Certification Limited, England	November 30, 2018	November 29, 2024
2.	ISO 45001:2018	21IOHA44	Occupational, health and Safety Management System for following scope of activities: Manufacturing And Supply Of X-Ray Equipment, Electricalcontrol Panel, Fabricated Parts, Powder Coating & Accessories .	Director of AQC middle East LLC, UAE	August 11, 2021	August 10, 2024
3.	ISO 14001:2015	IN90632B	Environmental Management System for following scope of activities: Manufacturing And Supply Of X-Ray Equipment, Electrical Control Panel, Fabricated Parts, Powder	Director of LMS Certification Limited, England	November 21, 2020	November 20, 2023

			Coating & Accessories			
4.	DIN EN ISO 3834-2 Comprehensive quality requirements	07/204/1326/HS/5055/21	Verified and recognized as welding workshop for the following scope of activities: Manufacture of base frame, battery box, snowplow, plow, air filter carrier, duct assembly used in railway application	Certification body of TUV Nord System GmbH & Co., Germany	May 03, 2021	March 2024
5.	AS 9100D and ISO 9001: 2015	951 22 5569	Quality management System includes Manufacturing and sales of Mechanical Fabricated Assemblies	Director Business Assurance America, TUV SUD America Inc.	October 12, 2022	October 11, 2025
6.	EN 15085-2	TÜVNORD/15085/CL2/4 34/0/23	Verified and recognized as Welding of railway vehicles and components according to EN 15085-2 for the following scope of activities: New build of parts for railway vehicles, without design	Certification body of TUV Nord System GmbH & Co., Germany	April 30, 2021	March 31, 2024

## VII. APPLICATIONS MADE PENDING APPROVAL

- Factory License for Unit III – Application for permission to construct a new factory, to extend factory or take into use any building as a factory / Application for Registration and Notice of occupation specified in sections 6 and 7 and for Grant of licence /Renewal of licence of a factory dated June 22, 2023.
- Application for Registration of company's logo  under the Trade Marks Act, 1999.

## **OUR GROUP COMPANY**

As per the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Company, our Company has considered those company as our Group Company with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years and stub period (if any) and other as considered material by our Board. Further, pursuant to a resolution of our Board dated June 22, 2023 for the purpose of disclosure in relation to Group Company in connection with the Issue, a company shall be considered material and disclosed as Group Company if such company fulfills both the below mentioned conditions:-

- a. the companies with which there were related party transactions (in accordance with AS-18), as disclosed in the Restated Financial Statements (“Restated Financial Statements”); or
- b. if such company fulfils both the below mentioned conditions: -
  - i. Such company that forms part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations; and
  - ii. Our Company has entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10% of total revenue of the company as per Restated Financial Statements.

Except as stated, there are no companies/entities falling under definition of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 which are to be identified as group company/entity.

1. VLL Subcon Private Limited

### **Details of our Group Company:**

1. VLL Subcon Private Limited (“VLL”)

VLL Subcon Private Limited was incorporated on July 07, 2022 with the name as VLL Subcon Private Limited under the Companies Act, 2013 pursuant to a certificate of incorporation dated July 09, 2022 issued by the Registrar of Companies, Central Registration Centre

<b>CIN</b>	U28999PN2022PTC212888
<b>PAN</b>	AAICV8564F
<b>Registered Office</b>	Plot No. EL 23, J Block, MIDC Bhosari, Pune, Maharashtra- 411026 India

### **Financial Information**

In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, basis/diluted earnings per share and Net Asset Value, derived from the latest audited financial statements of our group company are available on the website of our company at <https://www.smtpl.co/>

It is clarified that such details available on our group company’s websites do not form a part of this Red Herring Prospectus. Anyone placing reliance on any other source of information, including our Group Company website, as mentioned above, would be doing so at their own risk.

### **Other Confirmations:**

- a) None of our Group Company is listed on any stock exchange nor any of the Group Company has made any public and/or rights issue of securities in the preceding three years.
- b) None of the above-mentioned Group Company is in defaults in meeting any Statutory/bank/institutional dues and no proceedings have been initiated for economic offences against any of the Group Company.
- c) None of the above-mentioned Group Company is a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 or is under winding up/insolvency proceedings.
- d) Our Group Company has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

### **Common pursuits**

There are no common pursuits among our Group Company and our Company.

### **Nature and extent of interest of our Group Company**

#### **a) Interest in the promotion of our Company**

None of our Group Company has any interest in the promotion of our Company.

#### **b) Interest in the property acquired or proposed to be acquired by the Company**

None of our Group Company is interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

#### **c) Interest in transactions for acquisition of land, construction of building, or supply of machinery**

None of our Group Company is interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

### **Related business transactions and their significance on the financial performance of our Company**

Other than the transactions disclosed in the section *“Financial Information –Related Party Transactions”* on page 186 there is no related business transactions between the Group Companies and our Company.

### **Business interest of our Group Companies in our Company**

Except as disclosed in the section *“Financial Information –Related Party Transactions”* on page 186, our Group Company has no business interests in our Company.

### **Litigations**

Except as disclosed in the section *“Outstanding litigations and material developments”* on page 210 of this Red Herring Prospectus.

### **Undertaking / Confirmations by our Group Company**

None of our Promoters or Promoter Group or Group Company or person in control of our Company has been

- i. Prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority; or
- ii. Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoters, person in control of our Company have ever been a Promoter, Director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the relatives of our individual Promoters (as defined under the Companies Act) nor our Group companies/Promoter Group entities have been declared as a willful defaulter or economic offender by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

The information as required by the SEBI ICDR Regulations with regards to the Group companies, are also available on the website of our company i.e. <https://www.smtpl.co/>

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue:**

#### **Corporate Approvals:**

The Board of Directors, pursuant to a resolution passed at their meeting held on June 08, 2023 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013, and such other authorities as may be necessary. The shareholders of our Company have, pursuant to a special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extraordinary General Meeting held on June 09, 2023 authorized the Issue.

#### **In-principle Approval:**

Our Company has obtained in-principle approval from the NSE Emerge (SME Platform) for using its name in the Offer Documents pursuant to an approval letter dated September 15, 2023 NSE is the Designated Stock Exchange.

#### **Prohibition by SEBI or other Governmental Authorities:**

We confirm that there is no prohibition on our Company, our Promoters, our Promoter Group, our Directors, or the person(s) in control of our Company from accessing or operating in the Capital Markets or debarment from buying, selling or dealing in securities under any order or direction passed by the Board (SEBI) or any securities market regulator in any other jurisdiction or any other authority/ court.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

Neither of our Promoters, Promoter Group, Directors or the person(s) in control of our Company, has ever been part of Promoters, Promoter Group, Directors or the person(s) in control of any other Company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other regulatory or governmental authority.

There has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter *“Outstanding Litigations and Material Development”* beginning on page 210 of this Red Herring Prospectus.

#### **Association with Securities Market:**

None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors in the past 5 years.

#### **Prohibition by RBI:**

Neither our Company, our Promoters, our Directors, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as a wilful defaulter or a fugitive economic offender or a fraudulent borrower and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter *“Outstanding Litigations and Material Development”* beginning on page 210 of this Red Herring Prospectus.

#### **Prohibition with respect to wilful defaulters or a fraudulent borrower:**

Neither our Company, our Promoters, our Directors, Group companies, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as wilful defaulters or a fraudulent borrower as defined by the SEBI ICDR Regulations, 2018.

#### **Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018:**

Under the SBO Rules certain persons who are ‘significant beneficial owners’, are required to intimate their beneficial holdings to our Company in Form no. BEN-1. As on date of Red Herring Prospectus, there are no such significant beneficial owners in our Company.

### **Eligibility for the Issue:**

Our Company has complied with the conditions of Regulation 230 of SEBI (ICDR) Regulations, 2018 for this Issue.

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital is more than 10 crore rupees and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the “NSE Emerge”).

### **We confirm that:**

- a) In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue will be 100% underwritten and that the BRLM to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled ***“General Information – Underwriting”*** beginning on page 57 of this Red Herring Prospectus.
- b) In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working 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 eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.
- c) In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our BRLM submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Prospectus.
- d) In accordance with Regulation 261(1) of the SEBI (ICDR) Regulations, we hereby confirm that we shall enter into an agreement with the BRLM and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the NSE Emerge. For further details of the arrangement of market making please refer to section titled ***“General Information – Details of the Market Making Arrangements for this Issue”*** beginning on page 58 of this Red Herring Prospectus.
- e) In accordance with Regulation 228(c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoters or directors is a wilful defaulter or a fraudulent borrower.
- f) In accordance with Regulation 228(d) of the SEBI (ICDR) Regulations, None of the Issuer’s promoters or directors is a fugitive economic offender.
- g) In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to NSE Emerge and National Stock Exchange of India Limited is the Designated Stock Exchange.
- h) In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, the Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued.
- i) In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital fully Paid-up.
- j) In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialised form.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue 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.

1. Our Company shall mandatorily facilitate trading in Demat securities for which we have entered into an agreement with the Central Depository Services Limited (CDSL) dated May 11, 2023 and National Securities Depository Limited dated

May 11, 2023 for establishing connectivity.

2. Our Company has a website i.e. [www.smtpl.co](http://www.smtpl.co)
3. There has been no change in the promoters of the Company in the preceding one year from date of filing application to NSE for listing on SME segment.

We confirm that we comply with all the below requirements/ conditions so as to be eligible to be listed on the NSE Emerge:-

1. Our Company was originally incorporated as a Private Limited Company under the name “Saakshi Machine and Tools Private Limited” on March 25, 2009 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Pune, Maharashtra. Later, on January 27, 2012, our Company took over the business of proprietorship concern, namely Supreme Industry. Thereafter the name of the Company was changed from “Saakshi Machine and Tools Private Limited” to “Saakshi Medtech and Panels Private Limited” pursuant to special resolution passed by the shareholders at the Extra Ordinary General Meeting held on February 06, 2023 and consequent to name change a fresh Certificate of Incorporation was granted to our Company on March 16, 2023 by the Registrar of Companies, Pune. Subsequently, our Company was converted into a Public Limited Company vide Special Resolution passed by the Shareholders at the Extraordinary General Meeting, held on May 8, 2023 and consequently the name of our Company was changed from “Saakshi Medtech and Panels Private Limited” to “Saakshi Medtech and Panels Limited” vide a fresh certificate of incorporation dated June 06, 2023, issued by the Registrar of Companies, Pune, Maharashtra bearing CIN U51909PN2009PLC133690
2. The post issue paid up capital of the company will be 1,76,56,000 equity shares of face value of Rs.10/- aggregating up to Rs. [●] which is less than Rs. 25 Crores.
3. The Company has a track record of at least 3 years as on the date of filling Red Herring Prospectus.
4. The company/entity has 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.

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Net Worth	4,224.07	2,985.77	2,048.17
Operating profit (earnings before interest, depreciation and tax)	2,031.20	1,551.87	573.33

5. Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, group companies, companies promoted by the promoter of the Company.
6. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
7. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
8. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
9. The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT 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 ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, HEM SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE**

INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER, HEM SECURITIES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JUNE 30, 2023.

THE FILING OF THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 34, SECTION 35, SECTION 36 AND SECTION 38 (1) OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/ OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BRLM ANY IRREGULARITIES OR LAPSES IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Pune in terms of sections 26, 32 and 33 of the Companies Act, 2013.

**Statement on Price Information of Past Issues handled by Hem Securities Limited:**

Sr. No.	Issue name	Issue size (₹ in Cr.)	Issue Price (₹)	Listing date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1.	Earthstahl & Alloys Limited	12.96	40.00	February 08, 2023	55.00	22.50% [1.41%]	45.83% [1.81%]	54.18% [8.72%]
2.	Macfos Limited	23.75	102.00	March 01, 2023	184.00	69.61% [0.71%]	174.41% [5.99%]	264.71% [9.40%]
3.	Systango Technologies Limited	34.82	90.00	March 15, 2023	98.00	110.56% [5.00%]	132.56% [10.28%]	206.22% [17.82%]
4.	Labelkraft Technologies Limited	4.75	55.00	March 23, 2023	56.00	0.27% [3.68%]	24.55% [9.66%]	N.A.
5.	Vasa Denticity Limited	54.06	128.00	June 02, 2023	211.00	156.13% [3.53%]	295.12% [3.88%]	N.A.
6.	Hemant Surgical Industries Limited	24.84	90.00	June 05, 2023	171.00	34.30% [4.23%]	40.41% [4.52%]	N.A.
7.	Greenchef Appliances Limited	53.62	87.00	July 06, 2023	104.00	28.91% [0.51%]	N.A.	N.A.
8.	Kaka Industries Limited	21.23	58.00	July 19, 2023	110.20	170.78% [-3.20%]	N.A.	N.A.
9.	Asarfi Hospital Limited	26.94	52.00	July 26, 2023	98.80	154.04% [-2.73%]	N.A.	N.A.
10.	Kahan Packaging Limited	5.76	80.00	September 15, 2023	152.00	N.A.	N.A.	N.A.

Source: Price Information [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com), Issue Information from respective Prospectus.

1. The scrip of Labelkraft Technologies Limited, Vasa Denticity Limited and Hemant Surgical Industries Limited has not completed its 180<sup>th</sup> days from the date of listing; Greenchef Appliances Limited, Kaka Industries Limited and Asarfi Hospital Limited has not completed its 90<sup>th</sup> day from the date of listing.

**Summary statement of Disclosure:**

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Cr.)	No. of IPOs trading at discount- 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at Premium- 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount- 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at Premium- 180 <sup>th</sup> calendar days from listing		
			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 %
2021-22	6 <sup>(1)</sup>	130.40	-	-	-	4	-	2	-	-	-	6	-	-
2022-23	15 <sup>(2)</sup>	220.57	-	-	-	6	5	3	-	-	-	11	-	3
2023-24	6 <sup>(3)</sup>	186.45	-	-	-	3	2	-	-	-	-	-	-	-

- 1) The scrip of EKI Energy Services Limited, DU Digital Technologies Limited, Prevest Denpro Limited, Jainam Ferro Alloys (I) Limited, Shri Venkatesh Refineries Ltd. and KN Agri Resources Limited was listed on April 7, 2021, August 26, 2021, September 27, 2021, October 08, 2021, October 11, 2021 and March 28, 2022 respectively;
- 2) The scrip of Krishna Defence and Allied Industries Limited was listed on April 6, 2022; Eighty Jewellers Limited was listed on April 13, 2022; Kesar India Limited was listed on July 12, 2022; Silicon Rental Solutions Limited was listed on October 10, 2022; Cargosol Logistics Limited was listed on October 10, 2022; Cargotrans Maritime Limited was listed on October 10, 2022; Concord Control Systems Limited was listed on October 10, 2022; Lloyds Luxuries Limited was listed on October 11, 2022; Vedant Asset Limited was listed on October 12, 2022; Baheti Recycling Industries Limited was listed on December 08, 2022; Chaman Metallics Limited was listed on January 16, 2023; Earthstahl & Alloys Limited was listed on February 08, 2023; Macfos Limited was listed on March 01, 2023; Systango Technologies Limited was listed on March 15, 2023 and Labelkraft Technologies Limited was listed on March 23, 2023;
- 3) The scrip of Vasa Denticity Limited was listed on June 02, 2023; Hemant Surgical Industries Limited was listed on June 05, 2023; Greenchef Appliances Limited was listed on July 06, 2023; Kaka Industries Limited was listed on July 19, 2023; Asarfi Hospital Limited was listed on July 26, 2023 and Kahan Packaging Limited was listed on September 15, 2023.

**Note:**

- a) Based on date of listing.
- b) BSE SENSEX and CNX NIFTY have been considered as the benchmark index.
- c) Prices on BSE/NSE are considered for all of the above calculations.
- d) In case 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
- e) In case 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> day, scrips are not traded then last trading price has been considered.
- f) N.A. – Period not completed.
- g) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings) managed by the Book Running Lead Manager. Hence, disclosures pertaining to recent 10 issues handled by Book Running Lead Manager are provided.

**Track Record of past issues handled by Hem Securities Limited:**

For details regarding track record of BRLM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the BRLM at: [www.hemsecurities.com](http://www.hemsecurities.com)

**Disclaimer from our Company and the Book Running Lead Manager:**

Our Company, its Directors and the BRLM accept no responsibility for statements made otherwise than those contained in this 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 his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the agreement entered between the BRLM (Hem securities Limited) and our Company on June 13, 2023 and the Underwriting Agreement dated September 13, 2023 entered into between the Underwriters and our Company and the Market Making Agreement dated September 13, 2023 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the BRLM 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 BRLM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, 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, and our affiliates or associates, for which they have received and may in future receive compensation.

**Note:**

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares 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 Underwriters 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 the Equity Shares in the Issue.

**Disclaimer in Respect of Jurisdiction:**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹2,500.00 Lakhs and pension funds with a minimum corpus of ₹2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Pune, Maharashtra only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this 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 this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**Disclaimer Clause of the NSE Emerge of NSE:**

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref: NSE/LIST/2490 dated September 15, 2023 permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant

that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its Promoter, its management or any scheme or project of this Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

#### **Disclaimer Clause under Rule 144A of the U.S. Securities Act:**

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 Regulation S under 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 outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares 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**

The Red Herring Prospectus is being filed with NSE, 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 Offer Document 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 / Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus along with the material contracts and documents required to be filed under Section 32 of the Companies Act, 2013 would be filed with the RoC at its office through the electronic portal at <http://www.mca.gov.in> and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be filed with the RoC at its office and through the electronic portal at <http://www.mca.gov.in>

#### **Listing:**

The Equity Shares of our Company are proposed to be listed on NSE Emerge. Our Company has obtained in-principle approval from NSE by way of its letter Ref.: NSE/LIST/2490 dated September 15, 2023 for listing of equity shares on NSE Emerge.

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the NSE Emerge is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Red Herring Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE Emerge mentioned above are taken within Six (6) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Offer within Six (6) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period Subject to applicable law.

#### **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-

- 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 to action under section 447 of the Companies, Act 2013.

**Consents:**

Consents in writing of (a) Our Directors, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Banker to the Company; (b) Book Running Lead Manager, Syndicate Member\*, Registrar to the Issue, Banker to the Issue (Sponsor Bank)\*, Legal Advisor to the Issue, Underwriter to the Issue\* and Market Maker to the Issue\* to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of filing of the Prospectus with the RoC.

*\*The aforesaid will be appointed prior to filing of Red Herring Prospectus with RoC and their consents as above would be obtained prior to the filing of the Red Herring Prospectus with RoC.*

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s. Kishor Gujar & Associates, Chartered Accountants, Statutory Auditor of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and Restated Financial Statements as included in this Red Herring Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Red Herring Prospectus.

**Expert Opinion:**

Except for the reports mentioned in the section titled ***“Financial Information of the Company”*** and ***“Statement of Special Tax Benefits”*** on page 153 and page 186 our company has not obtained any expert opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act, 1933.

**Fees, Brokerage and Selling Commission payable:**

The total fees payable to the Book Running Lead Manager will be as per the (i) Issue Agreement dated June 13, 2023 with the Book Running Lead Manager, Hem Securities Limited, (ii) the Underwriting Agreement dated September 13, 2023 with Underwriter and (iii) the Market Making Agreement dated September 13, 2023 with Market Maker, a copy of which is available for inspection at our Registered Office from 10.00 AM to 5.00 PM on Working Days from the date of the Prospectus until the Issue Closing Date.

**Fees Payable to the Registrar to the Issue:**

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company and the Registrar to the Issue dated June 28, 2023 a copy of which is available for inspection at our Company’s registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/ speed post.

**Particulars regarding Public or Rights Issues during the last five (5) years:**

Our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Red Herring Prospectus.

**Previous issues of Equity Shares otherwise than for cash:**

For detailed description please refer to section titled *“Capital Structure”* beginning on page 61 of this Red Herring Prospectus.

**Underwriting Commission, brokerage and selling commission on Previous Issues:**

Since this is the initial public offering of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares in last five (5) years.

**Performance vis-a-vis objects – Public/ Right issue of our Company:**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

**Option to Subscribe:**

- a) Investors will get the allotment of specified securities in dematerialization form only.
- b) The equity shares, on allotment, shall be traded on stock exchange in Demat segment only.

**Outstanding Debentures or Bond Issues or Redeemable Preference Shares:**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Red Herring Prospectus.

**Partly Paid-Up Shares**

As on the date of this Prospectus, there are no partly paid-up Equity Shares of our Company.

**Outstanding Convertible Instruments:**

Our Company does not have any outstanding convertible instruments as on the date of filing this Red Herring Prospectus.

**Stock Market Data of the Equity Shares:**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

**Mechanism for Redressal of Investor Grievances:**

The agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there are no investor complaints received during the three years preceding the filing of this Red Herring Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Red Herring Prospectus.

Investors may contact the BRLM for any complaint pertaining to the Issue. All grievances, may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary, where the Application Form was submitted, quoting the full name of the sole or first Applicant, Application Form number, Applicants’ DP ID, Client ID, PAN, address of the Applicant, number of Equity Shares applied for, date of Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Applicant shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. Our Company, BRLM and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

**Disposal of Investor Grievances by our Company:**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Shweta Pursnani, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

Shweta Pursnani  
**Company Secretary & Compliance Officer**  
**Saakshi Medtech & Panels Limited**  
**Address:** Plot No. EL-23, J Block, MIDC Industrial Area,  
Bhosari, Pune- 411026, Maharashtra, India  
**Tel. No.:** +91-02039854400  
**Email:** cs@smtpl.in  
**Website:** www.smtpl.co

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system “**SCORES**”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

Our Board by a resolution on June 23, 2023 constituted a Stakeholders Relationship Committee. For further details, please refer to section titled “**Our Management**” beginning on page 134 of this Red Herring Prospectus.

#### **Status of Investor Complaints:**

We confirm that we have not received any investor complaint during the three years preceding the date of this Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Red Herring Prospectus.

#### **Disposal of investor grievances by listed companies under the same management as our Company:**

We do not have any listed company under the same management.

#### **Tax Implications:**

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled “**Statement of Special Tax Benefits**” beginning on page 84 of this Red Herring Prospectus.

#### **Purchase of Property:**

Other than as disclosed in Section “**Our Business**” beginning on page 103 there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Red Herring Prospectus.

Except as stated elsewhere in this Red Herring Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made there under.

#### **Capitalization of Reserves or Profits:**

Except as disclosed under section titled “**Capital Structure**” beginning on page 61 of this Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time during the last five (5) years.

#### **Revaluation of Assets:**

Our Company has not revalued its assets in five (5) years preceding the date of this Red Herring Prospectus.

**Servicing Behaviour:**

Except as stated in this Red Herring Prospectus, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

**Payment or benefit to officers of our Company:**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed in chapter titled ***“Our Management”*** beginning on page 134 and chapter titled ***“Financial Information”*** beginning on page 153 none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

**Exemption from complying with any provisions of securities laws, if any:**

As on date of the Red Herring Prospectus, our Company has not availed any exemption from complying with any provisions of securities laws granted by SEBI.

## **SECTION VIII: ISSUE RELATED INFORMATION**

### **TERMS OF THE ISSUE**

*The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note (“CAN”), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/ or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/ or any other authorities while granting its approval for the Issue.*

*Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, SEBI through 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, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and any subsequent circulars issued by SEBI in this regard, SEBI 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 RIIs 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, with respect to Application by retail individual investors 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 Applicants with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by retail individual investors (“UPI Phase III”), as may be prescribed by SEBI.*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.*

#### **Authority for the Issue**

The present Public Issue of up to 46,56,000 Equity Shares has been authorized by a resolution of the Board of Directors of our Company at their meeting held on June 08, 2023 and was approved by the Shareholders of the Company by passing Special Resolution at the Extraordinary General Meeting held on June 09, 2023 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our MOA and AOA and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled, **“Main Provisions of Article of Association”**, beginning on page 272 of this 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 Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation 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 and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further

details, please refer to section titled **“Dividend Policy”** and **“Main Provisions of Article of Association”** beginning on page 152 and 272 respectively of this Red Herring Prospectus.

### **Face Value and Issue Price**

The face value of each Equity Share is ₹ 10.00 and the Issue 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 Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company in consultation with the BRLM, and will be advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of Business Standard, an English national daily newspaper and all editions of Business Standard, a Hindi national daily newspaper and Pune edition of Rashtra Sanchar, a Marathi daily newspaper (Marathi being the regional language of Pune), where our Registered Office is located each with wide circulation and shall be made available to the Stock Exchange for the purpose of uploading on its website. 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 Issue Price shall be determined by our Company and in consultation with the BRLM, after the Bid/ Issue 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 the Equity Shares of our Company, subject to applicable laws.

### **ICDR Regulations, 2018**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Compliance with Disclosure and Accounting Norms**

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- a) Right to receive dividend, if declared;
- b) Right to receive Annual Reports and notices to members;
- c) Right to attend general meetings and exercise voting rights, unless prohibited by law;
- d) Right to vote on a poll either in person or by proxy;
- e) Right to receive offer for rights shares and be allotted bonus shares, if announced;
- f) Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- g) Right of free transferability of the Equity Shares; and
- h) 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 Regulations, MOA and AOA of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to section titled **“Main Provisions of the Articles of Association”** beginning on page 272 of this Red Herring Prospectus.

### **Allotment only in Dematerialized Form**

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must 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. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated May 11, 2023 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated May 11, 2023 between CDSL, our Company and Registrar to the Issue.

### **Minimum Application Value, Market Lot and Trading Lot**

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the NSE Emerge (SME platform of NSE) from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

### **Minimum Number of Allottees**

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within four (4) working days of closure of Issue.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Pune, Maharashtra, India.

**The Equity Shares have not been and will not be registered under the U.S Securities Act, 1933 or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the U.S. Securities Act, 1933 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.**

### **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.

### **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 Corporate Office of our Company or to the Registrar and Transfer Agents 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:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, 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 Issue 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.

#### Period of Subscription List of Public Issue

Event	Indicative Dates
Bid/ Issue Opening Date	Monday, September 25, 2023 <sup>1</sup>
Bid/ Issue Closing Date	Wednesday, September 27, 2023 <sup>2</sup>
Finalization of Basis of Allotment with the Designated Stock Exchange	Wednesday, October, 04, 2023
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI Id Linked Bank Account*	On or about Thursday, October 05, 2023
Credit of Equity Shares to Demat Accounts of Allottees	On or about Friday, October 06, 2023
Commencement of Trading of The Equity Shares on the Stock Exchange	On or about Monday, October, 09, 2023

*Note <sup>1</sup>Our Company 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/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations*

*<sup>2</sup>Our Company in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*

**\*\*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. 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 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/ Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue 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 Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Issue 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 Bidders on Bid/ Issue Closing Date maybe extended in consultation with the BRLM, RTA and NSE Emerge taking into account the total number of applications received up to the closure of timings.

On the Bid/ Issue Closing Date, the Bids shall be uploaded until:

- (i) 4.00 P.M. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- (ii) until 5.00 P.M. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/ Issue 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 BRLM to the Stock Exchange.

The Registrar to the Issue 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/ Issue Opening Date till the Bid/ Issue 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 BRLM 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 the limitation of time available for uploading the Bid-Cum-Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid-Cum- Application Forms are received on the Bid/ Issue Closing Date, as is typically experienced in public Issue, some Bid-Cum- Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum- Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid-Cum- Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid-Cum- Application Forms prior to the Bid/ Issue Closing Date. Allocation to Retail Individual Bidders, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum-Application Form, for a particular Bidder, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid-Cum- Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period. 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/ Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/ Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, 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, 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 BRLM 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 and Underwriting**

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight 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.

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 be allotted will not be less than 50 (Fifty).

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled **“General Information - Underwriting”** on page 57 of this Red Herring Prospectus.

Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

## **Migration to Main Board**

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

If the Paid-up Capital of the company is likely to increase above Rs. 25.00 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 favour 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), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board. Or

If the Paid-up Capital of the company is more than Rs. 10 crores but below Rs. 25 crores and if the company fulfills the eligibility criteria for listing laid down by the main board, we 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 favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

## **Market Making**

The shares offered through this Issue are proposed to be listed on the NSE Emerge (SME platform of NSE), wherein the BRLM to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of NSE.

For further details of the agreement entered into between the Company the BRLM and the Market Maker please refer to section titled *“General Information - Details of the Market Making Arrangements for this Issue”* on page 58 of this 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 SME platform of NSE.

## **As per the extent Guideline of the Government of India, OCBs cannot participate in this Issue:**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

## **Allotment of Equity Shares in Dematerialized Form**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Issue shall be allotted only in dematerialized form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange.

## **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Issue.

## **Application by Eligible NRI's, FPI's, VCF's, AIF's 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.

#### **Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting**

Except for lock-in of the Pre- Issue Equity Shares and Promoters minimum contribution in the Issue as detailed under section titled “**Capital Structure**” beginning on page 61 of this Red Herring Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled “**Main Provisions of the Articles of Association**” beginning on page 272 of this Red Herring Prospectus.

#### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after filing the Red Herring Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

#### **Withdrawal of the Issue**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the issue after the Bid/ Issue Opening date but before the Allotment. In such an event, our Company would issue a public notice in the newspaper in which the pre-issue advertisements were published, within two days of the Bid/ Issue Closing date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the issue. The BRLM through, the Registrar of the issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one working day from the date of receipt of such notification. Our Company shall also inform the same to the stock exchange on which equity shares are proposed to be listed.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the BRLM are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.*

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer, whose post issue face value capital is more than ten crore rupees and upto twenty five crore rupees shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“**SME Exchange**”, in this case being the NSE Emerge (SME platform of NSE)). For further details regarding the salient features and terms of such an issue please refer chapter titled “**Terms of the Issue**” and “**Issue Procedure**” on page 232 and 242 of this Red Herring Prospectus.

### **Issue Structure:**

Initial Public Issue of upto 46,56,000 Equity Shares of ₹10 each (*the “Equity Shares”*) for cash at a price of ₹ [●] per Equity Share (including a Share Premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] Lakhs (*“the Issue”*) by the issuer Company (*the “Company”*).

The Issue comprises a reservation of upto 2,35,200 Equity Shares of ₹ 10 each for subscription by the designated Market Maker (*“the Market Maker Reservation Portion”*) and Net Issue to Public of upto 44,20,800 Equity Shares of ₹ 10 each (*“the Net Issue”*). The Issue and the Net Issue will constitute 26.37% and 25.04 %, respectively of the post Issue paid up equity share capital of the Company. The Issue is being made through the Book Building Process.

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors	Retail Individual Investors
<b>Number of Equity Shares available for allocation</b>	Upto 2,35,200 Equity Shares	Not more than 22,09,200 Equity Shares	Not less than 6,63,600 Equity Shares	Not less than 15,48,000 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	5.05% of the Issue Size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue
<b>Basis of Allotment<sup>(3)</sup></b>	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion): (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 to all QIBs, including Mutual Funds receiving allocation as per (a) above.  Up to 60% of the QIB Portion (of up to [●] Equity shares may be allocated on a proportionate basis to basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor	Proportionate basis subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares	Proportionate basis subject to minimum allotment of [●] Equity Shares

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors	Retail Individual Investors
		Investor Allocation Price		
Mode of Allotment	Compulsorily in dematerialized form.			
Minimum Bid Size	[●] 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 and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	[●] Equity Shares
Maximum Bid Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue (excluding the QIB portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000
Trading Lot	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids <sup>(4)</sup>			
Mode of Bid	Only through the ASBA process.	Only through the ASBA process. (Except for Anchor investors)	Only through the ASBA process	Through ASBA Process Through Banks or by using UPI ID for payment

*This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.*

<sup>(1)</sup> 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. 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 price Anchor Investor Allocation Price.

<sup>(2)</sup> In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.

<sup>(3)</sup> Subject to valid Bids being received at or above the Issue 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 Managers and the Designated Stock Exchange, subject to applicable laws.

<sup>(4)</sup> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

The Bids by FPIs with certain structures as described under **“Issue Procedure - Bids by FPIs”** on pages 251 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

If the Bid is submitted in joint names, 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 depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the

joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

### Withdrawal of the Issue

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/ Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, 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 issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If our Company withdraws the Issue after the Bid/ Issue 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 Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the filing of Draft Red Herring Prospectus/ Red Herring Prospectus with RoC.

### Issue Program

Event	Indicative Dates
Bid/ Issue Opening Date	Monday, September 25, 2023 <sup>1</sup>
Bid/ Issue Closing Date	Wednesday, September 27, 2023 <sup>2</sup>
Finalization of Basis of Allotment with the Designated Stock Exchange	Wednesday, October, 04, 2023
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or about Thursday, October 05, 2023
Credit of Equity Shares to Demat accounts of Allottees	On or about Friday, October 06, 2023
Commencement of trading of the Equity Shares on the Stock Exchange	On or about Monday, October, 09, 2023

*Note <sup>1</sup>Our Company 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/ Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date in accordance with the SEBI ICDR Regulations.*

*<sup>2</sup>Our Company in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*

Applications 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 Issue Period at the Application Centers mentioned in the Bid-Cum- Application Form.

Standardization of cut-off time for uploading of applications on the Bid/ Issue Closing Date:

- A standard cut-off time of 3.00 P.M. for acceptance of applications.
- A standard cut-off time of 4.00 P.M. for uploading of applications received from other than retail individual applicants.
- A standard cut-off time of 5.00 P.M. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by BRLM to NSE within half an hour of such closure.

It is clarified that Bids not uploaded 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-Cum- Application 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 bank holidays).

## **ISSUE PROCEDURE**

*All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL1/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI (“General Information Document”) and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section “PART B – 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, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the Book Running Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.*

*All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.*

*Additionally, all Bidders may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Bidders eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for Bidders applying through ASBA process and Retail Individual Investors applying through the Unified Payments Interface channel; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (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 Applications in cases of individual, multiple Applications and instances when an Application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious Applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.*

*With effect from July 1, 2019, with respect to Applications by RIIs 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 Applications with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), Further pursuant to SEBI Circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 UPI Phase II was extended till March 31, 2020. Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by SEBI*

*Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus and the Red Herring Prospectus.*

*This section applies to all the Bidders, please note that all the Bidders are required to make payment of the Full Application Amount along with the Bid Cum Application Form.*

### ***Phased implementation of Unified Payments Interface***

*SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 (collectively the “UPI Circulars”) in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in*

addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through 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 Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase has become applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of the 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 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers 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 Retail Individual Applicants into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

## **PART A**

### **Book Building Procedure**

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

***Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN***

*and UPI ID, as applicable, 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.*

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE, at least one day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue 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, RTAs or 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 BRLM. 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.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour*
Anchor Investor**	White
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

\*Excluding Electronic Bid cum Application Form

\*\* Bid cum application for for Anchor Investor shall be made available at the Office of the BRLM.

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’)
4.	A depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.*

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.*

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by Investors to SCSB</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs</b>	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment</b>	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository’s records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

#### **Availability of Red Herring Prospectus and Bid Cum Application Forms**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the

Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/Issue Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

### **Who can Bid?**

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the RHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: -Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Kartal. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

### **Applications not to be made by:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

## **MAXIMUM AND MINIMUM APPLICATION SIZE**

### **1. For Retail Individual Bidders**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed Rs. 2,00,000.

### **2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs. 2,00,000 and in multiples of [●] Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

## **METHOD OF BIDDING PROCESS**

Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Pune Edition of Rashtra Sanchar, a Marathi daily newspaper (Marathi being the regional language of Pune), where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid/ Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid/ Issue Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be published in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Pune Edition of Regional newspaper Rashtra Sanchar, a Marathi daily newspaper (Marathi being the regional language of Pune), where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- b) During the Bid/ Issue Period, Retail Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.

- c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- d) The Bidder/ Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- e) Except in relation to the Bids received from the Anchor Investors, the BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form
- f) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. one working day prior to the Bid/ Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “**Escrow Mechanism - Terms of payment and payment into the Escrow Accounts**” in the section “**Issue Procedure**” beginning on page 242 of this Red Herring Prospectus
- h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form prior to uploading such Bids with the Stock Exchange.
- i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

## **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue 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 Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.

- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d. Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- e. The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

#### **Participation by Associates /Affiliates of BRLM and the Syndicate Members**

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category 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.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

#### **Option to Subscribe in the Issue**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **Information for the Bidders**

- 1. Our Company and the Book Running Lead Manager shall declare the Bid/ Issue Opening Date and Bid/ Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
- 2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Bid/ Issue Opening Date.
- 3. Copies of the Bid Cum Application Form along with Abridged Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
- 4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
- 5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
- 6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.

7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

#### **BIDS BY ANCHOR INVESTORS:**

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹ 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 200.00 lakhs
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
- 5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to ₹200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than ₹200.00 Lakhs but upto ₹2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than ₹2500.00 Lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto ₹2500.00 Lakhs; and (ii) an additional 10 Anchor

Investors for every additional allocation of ₹2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor.

- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue 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 BRLM before the Bid/Issue Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
- 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
- 10) 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.
- 11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
- 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- 13) Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

#### **BIDS BY ELIGIBLE NRI'S:**

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and 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") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB 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 bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

#### **BIDS BY FPI INCLUDING FII'S:**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the 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. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI 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.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue 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 an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

#### **BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S:**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

#### **BIDS BY HUFs:**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

### **BIDS BY MUTUAL FUNDS:**

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

### **BIDS BY SYSTEMATICALLY IMPORTANT NON BANKING FINANCIAL COMPANIES:**

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

### **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 reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

### **BIDS BY INSURANCE COMPANIES:**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- 2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

### **BIDS UNDER POWER OF ATTORNEY:**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, 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 must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
- d) With respect to 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
- e) Our Company in consultation with the BRLM in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

#### **BIDS BY PROVIDENT FUNDS / PENSION FUNDS:**

In case of Bids made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

#### **BIDS BY BANKING COMPANY:**

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 reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, 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 banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

#### **BIDS BY SCSB'S:**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum 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 Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

## **ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

### **Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

### **Terms of payment**

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, 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 Escrow Account should be drawn in favour of:

- a. In case of resident Anchor Investors: “SAAKSHI MEDTECH AND PANELS LIMITED - ANCHOR R ACCOUNT”
- b. In case of Non-Resident Anchor Investors: “SAAKSHI MEDTECH AND PANELS LIMITED - ANCHOR NR ACCOUNT”

Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 5.00 p.m. of the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - a) the applications accepted by them,
  - b) the applications uploaded by them
  - c) the applications accepted but not uploaded by them or
  - d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) The applications accepted by any Designated Intermediaries
  - (ii) The applications uploaded by any Designated Intermediaries or
  - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into the on-line system:
  - Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 5.00 p.m. on the Bid/Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **Build of the Book**

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/ Issue Period.

### **Withdrawal of Bids**

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

### **Price Discovery and Allocation**

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalise the Issue Price and the Anchor Investor Issue Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

**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 Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue 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 Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

### **Signing of Underwriting Agreement and Filing of Red Herring Prospectus/ Prospectus with RoC**

- a) Our company has entered into an Underwriting Agreement dated September 13, 2023
- b) A copy of Red Herring Prospectus will be filed with the RoC and copy of Prospectus will be filed with RoC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Red Herring Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid/Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICRD Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

### **ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS:**

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

### **GENERAL INSTRUCTIONS:**

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid/Issue period and withdraw their Bids until Bid/issue Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

### **Do's:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their bid by using UPI mechanism for payment.
9. 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;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular 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;

14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
23. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
24. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
25. 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 via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceed Rs. 2,00,000/- (for Applications by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Applicant;
14. 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;
15. 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);
16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account

UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

### **Other instructions for the Bidders**

#### **Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

#### **Multiple Bids**

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid\ cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

#### **Investor Grievance**

In case of any pre-issue or post issue related problems regarding demat credit/ refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

#### **Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

#### **Submission of Bids**

- a) During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- b) In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- c) For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the RHP.

### **GROUND OF TECHNICAL REJECTIONS**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;

- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the RHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the RHP and as per the instructions in the RHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

#### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. No Retail Individual Investor will

be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

## **BASIS OF ALLOTMENT**

### **a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

### **b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

### **c. For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:
  - In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
  - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- b) In the second instance Allotment to all QIBs shall be determined as follows:
  - In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.

- Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
- Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

**d. ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:
  - i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;
  - ii) 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 price at which allocation is being done to other Anchor Investors; and
  - iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:
    - a maximum number of two Anchor Investors for allocation up to ₹ 2 crores;
    - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
    - in case of allocation above twenty five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty five crore rupees and an additional 10 such investors for every additional twenty five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.
- b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

**c) In the event that the Issue Price is higher than the Anchor Investor Allocation Price:**

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors

**d) In the event the Issue Price is lower than the Anchor Investor Allocation Price:**

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

**e) Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Issue:**

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE Emerge (SME platform of NSE) (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in

marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

- c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
- Each successful Bidder shall be allotted [●] equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this RHP.

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000/- .Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director/ Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

### **Designated Date:**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Bid/Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

### **Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect from January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com).

### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### **Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE Emerge (SME platform of NSE) where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. 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.

### **Right to Reject Applications**

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

### **Impersonation**

*Attention of the Bidders 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.”

### **Undertakings by Our Company**

We undertake as follows:

- 1) That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within six working days from Issue Closure date.
- 3) That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
- 4) Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 5) That our Promoter ‘s contribution in full has already been brought in;
- 6) That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;
- 7) That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;

- 8) If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 9) If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/ RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issue;
- 10) If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

#### **Utilization of Issue Proceeds**

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- 5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- 6) The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

#### **Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Tripartite Agreement dated May 11, 2023 between NSDL, the Company and the Registrar to the Issue;
- b) Tripartite Agreement dated May 11, 2023 between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. INE0PSK01027

## **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 Foreign Exchange Management Act, 1999 ("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 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 government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the "FDI Policy"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India 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.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the 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 Investors"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors 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. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Foreign Exchange Management (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will

be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

#### **Investment by FPIs under Portfolio Investment Scheme (PIS)**

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% 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 FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

#### **Investment by NRI or OCI on repatriation basis:**

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognized stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should 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 warrants; 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.

#### **Investment by NRI or OCI on non-repatriation basis**

As per current FDI Policy 2020, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Offer in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such Issue made under exemptions available under the Prospectus Directive, provided that no such Issue shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorized. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Red Herring Prospectus.

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 Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

## **SECTION IX - MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF OUR COMPANY**

*Pursuant to Schedule I of the Companies Act, and the SEBI (ICDR) Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.*

*The following regulations comprised in the Articles of Association were adopted pursuant to the member's special resolution passed at the Extra Ordinary General Meeting held on May 08, 2023 In substitution for, and to the entire exclusion of, the earlier regulation comprised in the extant Articles of Association of the Company*

### **INTERPRETATION**

- I 1. In these regulations-
  - b. "the Act" means the Companies Act, 2013,
  - c. "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**

- II. 1. 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.
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.
  - 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.
- iii. That fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed 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.
  - iv. That any amount paid up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits
- 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 installments.
- 15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 16. 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.

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.
  - iii. That a common form of transfer shall be used

20.
  - i. The Board may, subject to the right of appeal conferred by section 58 decline to register—
  - ii. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
  - iii. 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.

That registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Issuer on any account whatsoever

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.
  - iii. That a common form of transmission shall be used
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 installment 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 installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment 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-

- i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; and
- iv. 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.
- v. Permission for sub-division/ consolidation of share certificates

36. Where shares are converted into stock,—

- 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.
- 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.
- 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-

- its share capital;
- any capital redemption reserve account; or
- any share premium account.

### **CAPITALISATION OF PROFITS**

38. The company in general meeting may, upon the recommendation of the Board, resolve-

- i. 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
- ii. 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.
- iii. 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);
- iv. 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;

v. 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
  - b. allotments and issues of fully paid shares if any; and
  - c. 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,
  - i. on a show of hands, every member present in person shall have one vote;
  - ii. and 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.
  - iii. That option or right to call of shares shall not be given to any person except with the sanction of the Issuer in general meetings
- 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 maybe 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 following are the First Directors of the Company: 1. Nitin Jayantilal Kothari 2. Neha Nitin Kothari 3. Atul Jaynatilal Kothari 4. Jyotsna Atul Kothari.

59. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

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-

- in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- 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. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

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 72 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. That there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.
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.

## **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 the Company or entered into more than two years before the date of the Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Prospectus, delivered to the Registrar of Companies, for filing. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the registered office between 10 A.M. and 5 P.M. on all Working Days from the date of this Red Herring Prospectus until the Issue Closing Date.

#### **Material Contracts**

1. Agreement dated June 13, 2023 between our Company and the Book Running Lead Manager to the Issue.
2. Agreement dated June 28, 2023 executed between our Company and the Registrar to the Issue.
3. Banker to the Issue Agreement dated September 13, 2023 among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
4. Market Making Agreement dated September 13, 2023 between our Company, Book Running Lead Manager and Market Maker.
5. Underwriting Agreement dated September 13, 2023 between our Company, Book Running Lead Manager and Underwriter.
6. Syndicate Agreement dated September 13, 2023 between our Company, Book Running Lead Manager and Registrar to the Issue and Syndicate Members.
7. Tripartite Agreement dated May 11, 2023 among CDSL, the Company and the Registrar to the Issue.
8. Tripartite Agreement dated May 11, 2023 among NSDL, the Company and the Registrar to the Issue.

#### **Material Documents**

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated March 25, 2009 issued by the Registrar of Companies Pune, Maharashtra.
3. Fresh Certificate of Incorporation Consequent upon Change of Name dated March 16, 2023 issued by the Registrar of Companies, Pune
4. Fresh Certificate of Incorporation dated June 06, 2023 issued by the Registrar of Companies, Pune consequent upon Conversion of the Company to Public Company.
5. Copy of the Board Resolution dated June 08, 2023 authorizing the Issue and other related matters.
6. Copy of Shareholder's Resolution dated June 09, 2023 authorizing the Issue and other related matters.
7. Copies of Audited Financial Statements of our Company for the financial year ended on March 31 2023, March 31, 2022 and March 31, 2021.
8. Statutory Auditors Report dated September 16, 2023 on the Restated Financial Statements for the financial years ended March 31 2023, March 31, 2022 and March 31, 2021.
9. Copy of the Statement of Tax Benefits dated September 16, 2023 from the Statutory Auditor.
10. Certificate on KPI's issued by Statutory Auditor dated September 16, 2023.
11. Consents of the Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriter, Syndicate Member, Banker to the Issue/ Sponsor Bank, Statutory Auditor of the Company, Bankers to our Company, Promoters, Directors, Company Secretary and Compliance Officer and Chief Financial Officer, as referred to, in their respective capacities.
12. Board Resolution dated June 30, 2023 for approval of Draft Red Herring Prospectus, dated September 16, 2023 for approval of Red Herring Prospectus and dated [●] for approval of Prospectus.
13. Due Diligence Certificate from Book Running Lead Manager dated June 30, 2023
14. Approval from NSE vide letter dated September 15, 2023 to use the name of NSE in the Prospectus for listing of Equity Shares on the NSE Emerge (SME Platform) of the NSE

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Aniket Vijay Latkar Chairman & Managing Director DIN: 03312108	Sd/-

Date: September 16, 2023

Place: Pune, Maharashtra

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Mayuri Aniket Latkar Whole Time Director & Chief Financial Officer DIN: 03312077	Sd/-

Date: September 16, 2023

Place: Pune, Maharashtra

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Chitra Vijay Latkar Non- Executive Director DIN: 03291988	Sd/-

Date: September 16, 2023

Place: Pune, Maharashtra

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Amit Yashavant Ghaisas Independent Director DIN: 00876472	Sd/-

Date: September 16, 2023

Place: Pune, Maharashtra

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Vishvas Vinayak Palande Independent Director DIN: 10210024	Sd/-

Date: September 16, 2023

Place: Pune, Maharashtra

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

#### **SIGNED BY THE COMPANY SECRETARY OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Shweta Pursnani Company Secretary & Compliance Officer M. No.: A50127	Sd/-

Date: September 16, 2023  
Place: Pune, Maharashtra