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Draft Red Herring Prospectus

Dated: March 11, 2024

Please read section 26 and 32 of the Companies Act, 2013

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



100% Book Built Issue



KATARIA INDUSTRIES LIMITED

CIN: U27300MP2004PLC029530

Incorporated on May 11, 2004 at Maharashtra

REGISTER OFFICE		CONTACT PERSON	
34-38 and 44, Industrial Area, Ratlam, Madhya Pradesh-457001 India.		Priyanka Bakhtyarpuri Company Secretary and Compliance Officer	
EMAIL	TELEPHONE NO.	WEBSITE	
info@katarigroup.co.in	Tel No.: 07412 299407, 07412 261012	www.katariaindustries.co.in	
OUR PROMOTERS OF THE COMPANY			
Sunil Kataria, Arun Kataria, Anoop Kataria			
Type	Fresh Issue Size (₹ in Lakhs)	Eligibility 229(1) / 229(2) & Share Reservation among NII & RII	
Fresh Issue	Upto 91,50,000 Equity Shares Aggregating to ₹ [●] Lakhs	The Issue is being made pursuant to Regulation 229(2) and 253(1) of SEBI (ICDR) Regulations. As the Company's post issue paid up capital is more than ₹ 10.00 Crores and up to ₹ 25.00 Crore	
RISKS IN RELATION TO THE FIRST ISSUE			
This being the first public issue of our company, there has been no formal market for the securities of our company. The face value of the shares is ₹10.00 per equity. The floor price (is determined by our company in consultation with the lead manager) as stated in the chapter titled on "Basis for Issue Price" beginning on page no. 70 of this Draft Red Herring Prospectus should not be taken to be indicative of the market price of the equity shares after the equity shares are listed. No assurance can be given regarding an active and/or sustained trading in the equity shares of our company nor regarding the price at which the equity shares will be traded after listing.			
GENERAL RISKS			
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page no.19 of this Draft Red Herring Prospectus.			
ISSUER'S ABSOLUTE RESPONSIBILITY			
The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft 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 Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.			
LISTING			
The Equity Shares offered through the Draft Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge"). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In Principal Approval Letter dated [●] from National Stock Exchange of India Limited (NSE) for using its name in this offer document for listing of our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, the designated Stock Exchange will be the National Stock Exchange of India Limited ("NSE").			
BOOK RUNNING LEAD MANAGER TO THE OFFER		REGISTRAR TO THE ISSUE	
	INTERACTIVE FINANCIAL SERVICES LIMITED Address: Office No. 508, Fifth Floor, Priviera, Nehru Nagar, Ahmedabad - 380 015, Gujarat, India Tel No.: 079 4908 8019 (M) +91-9898055647 Website: www.ifinservices.in Email: mbd@ifinservices.in Investor Grievance Email: info@ifinservices.in Contact Person: Pradip Sandhir SEBI Reg. No.: INM000012856		BIGSHARE SERVICES PRIVATE LIMITED Address: Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai - 400093 Tel No.: 022-62638200 Fax: 022-62638299 Website: www.bigshareonline.com E-Mail: ipo@bigshareonline.com Investor Grievance Email: investor@bigshareonline.com Contact Person: Vinayak Morbale SEBI Reg. No.: INR000001385
OFFER PROGRAMME			
ANCHOR PORTION ISSUE OPENS/CLOSES ON*: [●]	BID/ OFFER OPENS ON: [●]	BID/ OFFER CLOSE ON**: [●]	

*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.



KATARIA INDUSTRIES LIMITED
CIN: U27300MP2004PLC029530

Our Company was originally incorporated as 'Kataria Industries Private Limited' as Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated May 11, 2004 bearing Corporate Identification Number U27300MH2004PTC146201 issued by the Registrar of Companies, Maharashtra. On October 23, 2012 registered office of company is shifted from Maharashtra to state of Madhya Pradesh. Further, our Company was converted in to a public limited Company pursuant to a special resolution passed by our shareholders at the EGM held on December 11, 2023 and consequently the name of our Company was changed to 'Kataria Industries Limited' and a fresh certificate of incorporation was issued by the Registrar of Companies, Gwalior dated December 20, 2023. The CIN of the Company is U27300MP2004PLC029530.

Registered office: 34-38 and 44, Industrial Area, Ratlam, Madhya Pradesh-457001 India.
Tel No.: 07412 299407, 07412 261012; **Website:** www.katariaindustries.co.in; **E-Mail:** info@katariaigroup.co.in
Contact Person: Priyanka Bakhtyarpuri, Company Secretary and Compliance Officer

PROMOTER OF THE COMPANY: SUNIL KATARIA, ARUN KATARIA, ANOOP KATARIA

THE ISSUE

INITIAL PUBLIC ISSUE OF UPTO 91,50,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH OF KATARIA INDUSTRIES LIMITED ("KIL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹ [●] ("THE ISSUE"), OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.e., NET ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹10/- EACH AT A PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING TO [●] LACS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) 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 EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("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 as applicable.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI (ICDR) Regulations, as amended, wherein [●] (not more than 50 % of the Net Issue) shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Managers, may 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 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 RBIs 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 230 of this Draft Red Herring Prospectus.

All potential investors shall participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page 230 of this Draft Red Herring Prospectus. A copy of Red Herring Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 32 of the Companies Act, 2013

ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled "Issue Procedure" beginning on page 230 of this Draft Red Herring Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of our company, there has been no formal market for the securities of our company. The face value of the shares is ₹10.00 per equity shares. The floor price (is determined by our company in consultation with the lead manager) as stated in the chapter titled on "Basis for Issue Price" beginning on page no. 70 of this Draft Red Herring Prospectus should not be taken to be indicative of the market price of the equity shares after the equity shares are listed. No assurance can be given regarding an active and/or sustained trading in the equity shares of our company nor regarding the price at which the equity shares will be traded after listing.

The face value of the Equity Shares is ₹10.00 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 "Basis for Issue Price" on page 70 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 investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page no.19 of this Draft Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft 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 Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares offered through the Draft Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge"). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In Principal Approval Letter dated [●] from National Stock Exchange of India Limited (NSE) for using its name in this offer document for listing of our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, the designated Stock Exchange will be the National Stock Exchange of India Limited ("NSE").

BOOK RUNNING LEAD MANAGER TO THE OFFER



INTERACTIVE FINANCIAL SERVICES LIMITED
Address: Office No. 508, Fifth Floor, Priviera, Nehru Nagar, Ahmedabad - 380 015, Gujarat, India
Tel No.: 079 4908 8019
(M) +91-9898055647
Website: www.ifinservices.in
Email: mbd@ifinservices.in
Investor Grievance Email: info@ifinservices.in

REGISTRAR TO THE ISSUE



BIGSHARE SERVICES PRIVATE LIMITED
Address: Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai - 400093
Tel No.: 022-62638200
Fax: 022-62638299
Website: www.bigshareonline.com
E-Mail: ipo@bigshareonline.com
Investor Grievance Email: investor@bigshareonline.com

Contact Person: Pradip Sandhir
SEBI Reg. No.: INM000012856

Contact Person: Vinayak Morbale
SEBI Reg. No.: INR000001385

OFFER PROGRAMME

ANCHOR PORTION ISSUE OPENS/CLOSES ON*: [●]

BID/ OFFER OPENS ON: [●]

BID/ OFFER CLOSE ON: [●]**

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

The words and expressions used in this Draft Red Herring Prospectus, but not defined herein shall have the meaning ascribed to such terms under SEBI ICDR Regulations, 2018 the Companies Act, 2013, the Securities Contracts Regulation Act, 1956, the Depositories Act, 1996 and the rules and regulations made there under.

Notwithstanding the foregoing, the terms not defined but used in the chapters titled “Statement of Tax Benefits”, “Restated Financial Statements”, “Outstanding Litigation and Material Developments” and section titled “Main Provisions of Articles of Association” beginning on page nos. 75, 142, 190 and 268, respectively, shall have the meanings ascribed to such terms in the respective sections.

GENERAL TERMS

Term	Description
“KIL”, “Kataria Industries”, “our Company”, “we”, “us”, “our”, “the Company”, “the Issuer Company” or “the Issuer”	Kataria Industries Limited, incorporated under the Companies Act, 1956 and having Registered Office at 34-38 and 44, Industrial Area, Ratlam, Ratlam, Madhya Pradesh, India, 457001
Promoters	Sunil Kataria, Arun Kataria and Anoop Kataria
Promoter Group	Companies, individuals and entities (other than companies) as defined under Regulation 2 sub-regulation (pp) of the SEBI ICDR Regulations, 2018.
“you”, “your” or “yours”	Prospective Investors in this Issue

COMPANY RELATED TERMS

Term	Description
Articles / Articles of Association/AOA	Articles of Association of our Company as amended from time to time
Auditors of the Company	The Statutory auditors of our Company, being M/S. P.D.NAGAR & CO., Chartered Accountants.
Audit Committee	Audit Committee of our Company constituted in accordance Section 177 of the Companies Act, 2013 and as described in the chapter titled “Our Management” beginning on page 126 of this Draft Red Herring Prospectus.
Associate Companies	A body corporate in which our company has a significant influence and includes a joint venture company.
Board of Directors / Board	The Board of Directors of our Company or a committee constituted thereof
Company Secretary and Compliance Officer	The Company Secretary of our Company, being Priyanka Bakhtyarpuri.
Chief Financial Officer/CFO	The Chief Financial Officer of our Company, being Anoop Kataria.
Act or Companies Act	The Companies Act, 1956 and/ or the Companies Act, 2013, as amended from time to time.
CIN	Corporate Identification Number
CMD	Chairman and Managing Director
Depositories Act	The Depositories Act, 1996 as amended from time to time
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).
Director(s)	Director(s) of Kataria Industries Limited unless otherwise specified
DP/ Depository Participant	A depository participant as defined under the Depositories Act.
DP ID	Depository's Participant's Identity Number
Equity Shares	Equity Shares of our Company having Face Value of ₹ 10 each unless otherwise specified in the context thereof
Equity Shareholders / Shareholders	Persons /entities holding Equity Shares of our Company
ED	Executive Director
Fresh Issue	The fresh issue of upto 9150000 Equity Shares of Face Value of Rs. 10 each at Rs. [●] (including premium of Rs. [●]) per Equity Share aggregating to Rs. [●] Lakhs to be issued by our Company as part of the Offer, in terms of the Draft Red Herring Prospectus.
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)
Group Companies	Companies (other than our Corporate Promoters and Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and as disclosed in "Financial Information of Our Group Companies" on page 200 of this Draft Red Herring Prospectus
Independent Director	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer to chapter titled "Our Management" beginning on page 126 of this Draft Red Herring Prospectus
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	International Securities Identification Number is INE0SVY01018
Key Managerial Personnel / Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled "Our Management" on page 126 of this Draft Red Herring Prospectus
MD	Managing Director
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on December 26, 2023 in accordance with the requirements of the SEBI (ICDR) Regulations, 2018 as amended from time to time
MOA/ Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time
Nomination & Remuneration Committee	The Nomination and Remuneration Committee of our Board described in the chapter titled "Our Management" on page 126 of this Draft Red Herring Prospectus.
Non-Executive Director	A Director not being an Executive Director.
Registered Office	The Registered Office of Our Company, Located At 34-38 And 44, Industrial Area, Ratlam, Ratlam, Madhya Pradesh, India, 457001.
ROC/Registrar of Companies	Registrar of Companies, Gwalior.
Restated Financial Statements	The restated audited financial statements of our Company for the Financial Years ended on December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 which comprises of the restated audited balance sheet, restated audited statement of profit and loss and the restated audited cash flow statement, together with the annexures and notes thereto disclosed in chapter titled "Restated Financial Statements" on page 142 of this Draft Red Herring Prospectus
Peer Review Auditor	Independent Auditor having a valid Peer Review certificate in our case being M/s M/S. KARMA & CO.LLP, Chartered Accountants
PLC	Public Limited Company
PTC	Private Limited Company

Stakeholder's Relationship Committee	The Stakeholders Relationship Committee of the Board of Directors constituted as the Company's Stakeholder's Relationship Committee in accordance with Section 178(5) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and described in the chapter titled "Our Management" on page 126 of this Draft Red Herring Prospectus.
WTD	Whole Time Director

ISSUE RELATED TERMS

Terms	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form
Applicant	Any prospective investor who makes an application for Equity Shares in terms of the Draft Red Herring Prospectus
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorising a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
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.
Allottee(s)	The successful applicant to whom the Equity Shares are being / have been issued
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in the section "Issue Procedure - Basis of allotment" on page no. 260 of this Draft Red Herring Prospectus
Bankers to our Company	HDFC Bank Limited and ICICI BANK LIMITED
Bankers to the Issue	[●]
BID	An indication to make an offer during the Bid/ Offer Period by a Bidder pursuant to submission of the ASBA Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the 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 Offer.
Bid Lot	[●] equity shares and in multiples of [●] equity shares thereafter
Bid/ Offer Closing Date	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 [●], all editions of Hindi national newspaper [●] and Pune Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Offer 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/ Offer Opening Date	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 [●], all editions of Hindi national newspaper [●] and

	Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Offer Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations
Bid/ Offer Period	The period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date or the QIB Bid/ Offer 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/ Offer 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 Draft Red Herring Prospectus and the Bid-Cum-Application Form and unless otherwise stated or implied, which includes an ASBA Bidder
Bidding	The process of making a Bid.
Bidding/ Collection Centers	Centers at which the Designated intermediaries shall accept the ASBA Forms, i.e. Designated SCSB Branches for SCSBs, specified locations for syndicates, broker centers 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 Offer is being made
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Offer in this case being Interactive Financial Services Limited, SEBI Registered Category I Merchant Banker.
CAN /Confirmation of Allocation Note	A note or advice or intimation sent to Investors, who have been allotted the Equity Shares, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the price band above which the Offer Price will not be finalized and above which no Bids (or a revision thereof) will be accepted
Cut Off Price	The Offer Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Bidders are entitled to Bid at the Cut off Price. QIBs and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
Draft Red Herring Prospectus	Draft Red Herring Prospectus dated March 11, 2024 issued in accordance with Section 26 of the Companies Act, 2013
UPI	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's bank a/c.
Eligible NRI	NRIs from 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 subscribe to the Equity Shares Allotted herein.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Offer Price will be finalised and below which no Bids will be accepted
ISIN	International Securities Identification Number. In this case being INE0SVY01018
IPO	Initial Public Offering
Issue / Issue Size / Public Issue	The Public Issue of upto 91,50,0000 Equity Shares of Face Value of ₹ 10 each at ₹ [●] (including premium of ₹ [●] per Equity Share aggregating to ₹ [●] Lacs by Kataria Industries Limited.
Listing Agreement	Unless the context specifies otherwise, this means the SME Equity Listing Agreement to be signed between our company and the SME Platform of NSE Emerge.
NBFC	Non- Banking Financial Companies
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] Equity Shares of ₹ 10 each at [●] per Equity Share aggregating to ₹ [●] Lacs by Kataria Industries Limited.

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 offer Price.
Prospectus	The Prospectus issued in accordance with Section 32 of the Companies Act filed with the National Stock exchange of India Limited under SEBI (ICDR) Regulations 2018.
Public Issue Account	An Account of the Company under Section 40 of the Companies Act, 2013 where the funds shall be transferred by the SCSBs from bank accounts of the ASBA Investors.
Qualified Institutional Buyers / QIBs	Qualified Institutional Buyers as defined under Regulation 2(1)(ss) of SEBI ICDR Regulations
Red Herring Prospectus/RHP	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue including any addenda or corrigenda thereto. 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.
Refund Account	Account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made.
Registrar / Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs 2,00,000.
R & D	Research and Development
SCSB	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html Intermediaries.
SME Platform of NSE	The SME platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares issued under Chapter IX of the SEBI ICDR Regulations.
Sponsor Bank	A Banker to the Offer which is registered with SEBI and is eligible to act as a Sponsor Bank in a public issue in terms of applicable SEBI requirements and has been appointed by the Company, in consultation with the BRLM to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of RIIs as per the UPI Mechanism, in this case being [●].
Sub Syndicate Member	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Syndicate Agreement	The agreement dated [●] entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue.
Syndicate Member(s)	Syndicate members as defined under Regulation 2(1) (hhh) of the SEBI ICDR Regulations, namely [●].
Underwriter	Underwriter to the issue is Interactive Financial Services Limited.
Underwriting Agreement	The Agreement entered into between the Underwriter and our Company dated [●].
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working

	<p>days means, all days on which commercial banks in the city as specified in the Red Herring Prospectus are open for business.</p> <p>1. However, in respect of announcement of price band and Bid/ Offer period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Prospectus are open for business.</p> <p>2. In respect to the time period between the Bid/ Offer closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the stock exchange, excluding Sundays and bank holidays in accordance with circular issued by SEBI.</p>
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TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
LRPC	Low Relaxation Pre-stressed Concrete
PC	Pre-stressed Concrete
SWC	Single Wall Corrugated
DCLD	Dubai Central Laboratory Department
PT	Post Tensioning
SWC	Single Wall Corrugated
AC	Anchor Cone
AH	Anchor Head
SC	Sheathing Ducts
HT	High Tensile
HDPE	High-Density Polyethylene
LNG	Liquefied Natural Gas
MT	Metric Tons
PPWA	Power Purchase and Wheeling Agreement
NHRCL	National High Speed Railway Co. Ltd
CMRCL	Chennai Metro Rail Corporation Limited
MMRDA	Mumbai Metropolitan Region Development Authority
MMRCL	Maharashtra Metro Rail Corporation Ltd
GMRCCL	Gujarat Metro Rail Corporation Ltd.
WDFC	Western Dedicated Freight Corridor
NHAI	National Highway Authority of India
UPEIDA	The Uttar Pradesh Expressways Industrial Development Authority
NABL	National Accreditation Board for Testing and Calibration Laboratories

CONVENTIONAL AND GENERAL TERMS/ ABBREVIATIONS

Term	Description
A/c	Account
AGM	Annual General Meeting
ASBA	Application Supported by Blocked Amount
AS	Accounting Standards issued by the Institute of Chartered Accountants of India.
AY	Assessment Year
Bn	Billion
BG	Bank Guarantee
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number

Depositories	NSDL and CDSL
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996, as amended from time to time
DCA	Department of corporate affairs
DIN	Director's Identification Number
DP/ Depository Participant	A Depository Participant as defined under the Depository Participant Act, 1996
DP ID	Depository Participant's Identification Number
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings Per Share i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year
FDI	Foreign Direct Investment
Financial Year/ Fiscal Year/ FY	The period of twelve months ended March 31 of that particular year
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder and as amended from time to time
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended.
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
Fis	Financial Institutions
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
Gov/Government/GOI	Government of India
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standard
ICSI	Institute of Company Secretaries of India
ICAI	Institute of Chartered Accountants of India
I.T. Act	Income Tax Act, 1961, as amended from time to time
INR/ Rs./ Rupees / ₹	Indian Rupees, the legal currency of the Republic of India
Ltd.	Limited
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended.
MOF	Minister of Finance, Government of India
MOU	Memorandum of Understanding
MSMEs	Micro, Small & Medium Enterprises
NA	Not Applicable
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NIFTY	National Stock Exchange Sensitive Index
NOC	No Objection Certificate
NR/ Non-Residents	Non-Resident
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations

NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	Per annum
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SAT	Security Appellate Tribunal
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to Time
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI ICDR Regulations /ICDR Regulations/SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI Rules and Regulations	SEBI ICDR Regulations, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time.
Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small And Medium Enterprises
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a State of India
Stock Exchanges	Unless the context requires otherwise, refers to, the National Stock Exchange of India Limited
STT	Securities Transaction Tax
TDS	Tax Deducted at Source
TIN	Tax payer Identification Number
UIN	Unique Identification Number
U.S. GAAP	Generally accepted accounting principles in the United States of America.
VCFs	Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations. In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound

	up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.
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PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references to “India” contained in this Draft Red Herring Prospectus are the Republic of India.

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

Financial Data

Unless stated otherwise, the financial data in this Draft Red Herring Prospectus is derived from our audited financial statements for the period ended December 31, 2023 and for the year ended on March 31, 2023, 2022 and 2021 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP which are included in this Draft Red Herring Prospectus, and set out in the section titled ‘Restated Financial Information’ beginning on page no. 142 of this Draft Red Herring Prospectus. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year are to the twelve-month period ended March 31 of that year. In this Draft Red Herring Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Draft Red Herring Prospectus should accordingly be limited.

Any percentage amounts, as set forth in the sections / chapters titled ‘Risk Factors’, ‘Business Overview’ and ‘Management's Discussion and Analysis of Financial Condition and Results of Operations’ beginning on page nos.19, 89 and 176 respectively of this Draft Red Herring Prospectus and elsewhere in this Draft Red Herring Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP.

Industry and Market Data

Unless stated otherwise, industry data used throughout this Draft Red Herring Prospectus has been obtained or derived from industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified.

Further, the extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

Currency and units of presentation

In this Draft Red Herring Prospectus, unless the context otherwise requires, all references to;

- ‘Rupees’ or ‘₹’ or ‘Rs.’ or ‘INR’ are to Indian rupees, the official currency of the Republic of India.
- ‘US Dollars’ or ‘US\$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America, EURO or “€” are Euro currency,

All references to the word ‘Lakh’ or ‘Lac’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten lacs’ and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One thousand Million’.

FORWARD LOOKING STATEMENTS

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

All statements contained in this Draft Red Herring Prospectus that are not statements of historical facts constitute ‘forward-looking statements. All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in this Draft Red Herring Prospectus regarding matters that are not historical facts. These forward-looking statements and any other projections contained in this Draft Red Herring Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

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. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- ❖ General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- ❖ Competition from existing and new entities may adversely affect our revenues and profitability;
- ❖ Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business may get affected to some extent.
- ❖ Our business and profitability may be negatively affected if we are not able to anticipate rapid changes in technology, or innovate and diversify our service offerings in response to market challenges;
- ❖ The performance of our business may be adversely affected by changes in, or regulatory policies of, the Indian national, state and local Governments;
- ❖ Any downgrading of India’s debt rating by a domestic or international rating agency could have a negative impact on our business and investment returns;
- ❖ Changes in Government Policies and political situation in India may have an adverse impact on the business and operations of our Company;
- ❖ The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections “Risk Factors”, “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages nos. 19, 89 and 176 of this Draft Red Herring Prospectus, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although our Company believes 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. None of our Company, the Directors, the BRLM, or 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. Our Company and the Directors will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

SUMMARY OF ISSUE DOCUMENT

SUMMARY OF BUSINESS

We are engaged in the manufacturing and supply of Low Relaxation Pre-Stressed Concrete (LRPC) Strands and Steel Wires, Post-tensioning (PT) Anchorage System (Anchor Cone, Anchor Head and Wedges), HDPE Single Wall Corrugated (SWC) Sheathing Ducts, Couplers and Aluminium Conductors. Our wide variety of products are utilized in various sectors including Infrastructure, Roads – Bridges & Flyovers, Metros, Railways, High Rise Buildings, Atomic Reactors, LNG Tanks, Power Transmission & Distribution Lines etc. Our products are certified by ISO 9001:2015 for quality management systems.

We have two manufacturing plants, both are situated at Ratlam, Madhya Pradesh. Our plants are well equipped with essential machinery, infrastructure, and an in-house testing facility, which ensures that our product conforms to the requisite standards.

For further details, please refer to chapter titled “Our Business” beginning on Page No. 89 of this Draft Red Herring Prospectus.

SUMMARY OF INDUSTRY

India’s high growth imperative in 2023 and beyond will significantly be driven by major strides in key sectors with infrastructure development being a critical force aiding the progress.

Infrastructure is a key enabler in helping India become a US \$26 trillion economy. Investments in building and upgrading physical infrastructure, especially in synergy with the ease of doing business initiatives, remain pivotal to increase efficiency and costs. Prime Minister Mr. Narendra Modi also recently reiterated that infrastructure is a crucial pillar to ensure good governance across sectors.

Power is among the most critical components of infrastructure, crucial for the economic growth and welfare of nations. The existence and development of adequate power infrastructure is essential for sustained growth of the Indian economy. The fundamental principle of India’s power industry has been to provide universal access to affordable power in a sustainable way. The Ministry of Power has made significant efforts over the past few years to turn the country from one with a power shortage to one with a surplus by establishing a single national grid, fortifying the distribution network, and achieving universal household electrification.

India’s power sector is one of the most diversified in the world. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power, to viable non-conventional sources such as wind, solar, agricultural and domestic waste. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required.

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.

The engineering sector is the largest of the industrial sectors in India. It accounts for 27% of the total factories in the industrial sector and represents 63% of the overall foreign collaborations. Demand for engineering sector services is being driven by capacity expansion in industries like infrastructure, electricity, mining, oil and gas, refinery, steel, automobiles, and consumer durables. India has a competitive advantage in terms of manufacturing costs, market knowledge, technology, and innovation in various engineering sub-sectors. India’s engineering sector has witnessed a remarkable growth over the last few years, driven by increased investment in infrastructure and industrial production. The engineering sector, being closely associated with the manufacturing and infrastructure sectors, is of huge strategic importance to India’s economy.

For further details, please refer to the chapter titled “Industry Overview” beginning on Page No. 77 of this Draft Red Herring Prospectus.

PROMOTERS

The Promoters of our Company are Sunil Kataria, Arun Kataria and Anoop Kataria.

For detailed information please refer chapter titled, “Our Promoters and Promoter Group” on page 137 of this Draft Red Herring Prospectus.

ISSUE SIZE

Initial Public Issue of upto 91,50,000 equity shares of face value of ₹10/- each of Kataria Industries Limited (“KIL” or the “Company” or the “Issuer”) for cash at a price of ₹ [●] per equity share including a share premium of ₹ [●] per equity share (the “issue price”) aggregating to ₹ [●] (“the issue”), of which [●] equity shares of face value of ₹10/- each for cash at a price of ₹ [●] per equity share including a share premium of ₹ [●] per equity share aggregating to ₹ [●] will be reserved for subscription by market maker to the issue (the “market maker reservation portion”). The issue less the market maker reservation portion i.e., net issue of [●] equity shares of face value of ₹10/- each at a price of ₹ [●] per equity share aggregating to [●] lacs is herein after referred to as the “net issue”. The issue and the net issue will constitute [●] % and [●] % respectively of the post issue paid up equity share capital of our company.

OBJECTS OF THE ISSUE

Our Company proposes to utilize the Net Proceeds from the issue towards the following objects (“Objects of the Issue”)

Net Proceeds

The details of the proceeds of the issue are summarized in the table below:

Sr. No.	Particulars	Estimated Amount (₹ In lakhs)
1.	Gross proceeds from the issue	[●]
2.	Less: Issue related expenses	[●]
	Net proceeds of the issue	[●]

Requirement of funds and utilization of Net Proceeds

Sr. No.	Particulars	Estimated Amount (₹ In lakhs)
1.	Capital Expenditure for plant and machineries	175.00
2.	Repayment of Debt	4800.00
3.	General corporate purposes	[●]
	Total utilization of net proceeds	[●]

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

Sr. No	Name of share holder	Pre-issue		Post Issue	
		No of equity shares	As a % of Issued Capital	No of equity shares	As a % of Issued Capital
(i) Promoters					
1.	Arun Kataria	28,00,000	17.67	28,00,000	[●]
2.	Sunil Kataria	17,50,000	11.04	17,50,000	[●]
3.	Anoop Kataria	18,09,774	11.42	18,09,774	[●]
	TOTAL (A)	63,59,774	40.13	63,59,774	
(ii) Promoter Group					
4.	Anokhilal Kataria	12,12,146	7.65	12,12,146	[●]
5.	Smt. Nagina Devi Kataria	11,97,654	7.56	11,97,654	[●]
6.	Smt. Rakhi Kataria	1505257	9.50	1505257	[●]
7.	Smt. Chanda Devi Kataria	1505257	9.50	1505257	[●]

8.	Madanlal Kataria	13,90,104	8.77	13,90,104	[●]
9.	Pankaj Kataria	15,15,156	9.56	15,15,156	[●]
10.	Smt. Sushila Devi Kataria	10,95,486	6.91	10,95,486	[●]
11.	Yash Kataria	66,000	0.42	66,000	[●]
	TOTAL (B)	94,87,060	59.87	94,87,060	[●]
	IPO	-	-	Up to 91,50,000	[●]
	TOTAL (C)	-		[●]	[●]
	TOTAL (A+B+C)	1,58,46,834	100.00	[●]	100.00

SUMMARY OF FINANCIAL INFORMATION

(Rs. in Lacs)

Particulars	31st December, 2023	31st March, 2023	31st March, 2022	31st March, 2021
Share Capital (₹ in Lakhs)	1,584.68	264.11	264.11	264.11
Net worth (₹ in Lakhs)	4,333.99	3,584.16	2,806.33	2,067.99
Revenue from Operation (₹ in Lakhs)	26,149.78	33,182.94	24,963.10	15,867.10
Other Income (₹ in Lakhs)	154.26	210.15	85.81	260.94
Profit after Tax (₹ in Lakhs)	783.72	777.83	738.34	500.58
Earnings per share (Basic & diluted) (₹)	4.95	4.91	4.66	3.16
Net asset value per share (A/C) (Face Value of Rs. 10 Each) (Based on Actual Number of Shares)	27.35	135.71	106.25	78.30
Net asset value per share (A/D) (Face Value of Rs. 10 Each) (Based on Weighted Average Number of Shares)	27.35	22.62	17.71	13.05
Total borrowings (₹ in Lakhs)	8,018.80	10,696.20	9,142.29	7,938.32

QUALIFICATIONS OF AUDITORS

The Restated Financial Statements do not contain any qualification requiring adjustments by the Statutory Auditors.

SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPMENTS

A summary of pending legal proceedings and other material litigations involving our Company is provided below:

Particular	Nature of cases	No of outstanding cases	Amount involved (₹ in lacs)
Litigation against Company	Criminal Litigation	Nil	Nil
	Civil Litigation	Nil	Nil
	Direct Tax	1	0.25
	Indirect Tax	5	868.83
Litigations filed by our Company	Criminal Litigation	3	97.65
	Civil Litigation	Nil	Nil
Litigation against the Director/Promoter of our Company	Criminal Litigation	Nil	Nil
	Civil Litigation	1	-
	Direct Tax	2	2.32

Litigation filed by the promoter and directors of our Company	Criminal Litigation	Nil	Nil
	Civil Litigation	Nil	Nil
Litigation against Group Companies	Criminal Litigation	Nil	Nil
	Civil Litigation	Nil	Nil
	Direct Tax	2	-
	Indirect Tax	2	1,145.73
Litigation filed by Group Companies	Criminal Litigation	Nil	Nil
	Civil Litigation	Nil	Nil

*The said amount does not include the interest and penalties plead by the complainant.

** The amount is not finalised yet.

For further details, please refer chapter titled “Outstanding Litigations & Material Developments” beginning on page 190 of this Draft Red Herring Prospectus.

RISK FACTORS

For details relating to risk factors, please refer section titled “Risk Factors” on page 19 of this Draft Red Herring Prospectus.

SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

Particulars	As at			
	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Contingent liabilities in respect of:				
Claims against the company not acknowledged as debts (TDS Defaults) *	0.71	0.52	0.44	0.42
Guarantees given on Behalf of the Company	-	-	-	-
Guarantees given on Behalf of the Subsidiary Company	-	-	-	-
Other moneys for which the company is contingently liable	-	-	-	-
Commitments (to the extent not provided for)	-	-	-	-
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-	-
Uncalled liability on shares and other investments partly paid	-	-	-	-
Other commitments	-	-	-	-
Total	0.71	0.52	0.44	0.42

* As of 31.12.2023, Balance of Claims against the company not acknowledged as debts (TDS Defaults) is Rs. 70,610. This balance has increased as a result of an increase in outstanding demand of Rs. 18,720 during the FY 23–24 till 31.12.2023.

SUMMARY OF RELATED PARTY TRANSACTIONS

a) Name of Related Party & Nature of Relationship:

Sr. No.	Name of the Person / Entity	Relation
1	Mr Madanlal Kataria	Key Managerial Person
2	Mr Arun Kataria	Key Managerial Person
3	Mr Yash Kataria	Relative of Key Managerial Person
4	Kataria Wires Pvt. Ltd.	Entity in which KMP are interested
5	Utkarsh Land Developers Ltd	Entity in which KMP are interested
6	Kataria steel and Alloys Pvt. Ltd.	Entity in which KMP are interested
7	Ratlam Wires Pvt.Ltd.	Entity in which KMP are interested

8	Sonic Fiscal Services Pvt.Ltd.	Entity in which KMP are interested
9	Shree Jalaram Metal Pvt Ltd	Entity in which KMP are interested
10	D.P.Industries	Entity in which KMP are interested

b)Transaction with related Parties :-

(Rs. In Lakhs)

Sr. No.	Particulars	For the financial year/period ended			
		31.12.2023	31.03.2023	31.03.2022	31.03.2021
1	Remuneration Paid to Directors				
i)	Mr. Madanlal Kataria	13.50	18.00	18.00	18.00
ii)	Mr .Arun Kataria	13.50	18.00	24.00	24.00
2	Salary				
i)	Mr Yash Kataria	7.65	9.10	-	-
3	Capital Transaction				
i)	Kataria Wires Pvt Ltd	-	-	150.68	-
ii)	DP Industries	-	84.37	-	-
4	Sales				
i)	Kataria Wires Pvt. Ltd	-	763.58	382.76	-
ii)	Ratlam Wires Pvt.Ltd.	-	371.70	2.62	-
5	Purchase of Goods				
i)	Kataria Wires Pvt. Ltd	-	-	180.78	513.55
ii)	Ratlam Wires Pvt.Ltd.	213.58	16.52	1,593.48	708.56
6	Job Work Charges Received				
i)	Kataria Wires Pvt. Ltd	-	-	14.95	-
ii)	Ratlam Wires Pvt.Ltd.	168.47	80.25	0.55	-
7	Interest Received				
i)	Ratlam Wires Pvt.Ltd.	-	1.79	-	-
8	Interest Paid				
i)	Kataria Wires Pvt. Ltd	-	90.19	42.05	65.63
ii)	Utkarsh Land Devlopers Ltd	2.12	8.06	3.42	8.56
iii)	Kataria steel and Alloys Pvt. Ltd.	-	6.14	0.23	-
iv)	Shree Jalaram Metal Pvt. Ltd	4.65	17.74	16.83	15.95
v)	Ratlam Wires Pvt.Ltd.	27.76	-	1.70	3.45
vi)	Sonic Fiscal Services Pvt.Ltd	-	0.19	5.23	5.96
9	Loan Taken by the Company				
i)	Kataria Wires Pvt. Ltd.	-	2,565.02	3,320.52	1,857.59
ii)	Utkarsh Land Devlopers Ltd	-	-	131.00	-
iii)	Kataria steel and Alloys Pvt. Ltd.	-	11.50	98.20	-
iv)	Ratlam Wires Pvt.Ltd.	4,763.67	2,313.45	1,102.79	1,230.00
v)	Sonic Fiscal Services Pvt.Ltd.	-	-	-	-
vi)	Shree Jalaram Metal Pvt. Ltd	-	-	-	-
10	Loan Paid back by the Company				
i)	Kataria Wires Pvt. Ltd.	4,798.80	3,475.59	3,257.46	1,693.99
ii)	Utkarsh Land Devlopers Ltd	144.07	-	130.00	-
iii)	Kataria steel and Alloys Pvt. Ltd.	-	0.87	-	-
iv)	Ratlam Wires Pvt.Ltd.	-	2,486.08	954.24	1,218.27
v)	Sonic Fiscal Services Pvt.Ltd.	-	5.55	90.00	-
vi)	Shree Jalaram Metal Pvt. Ltd	317.17	-	-	-
11	Balance Outstanding(Liability)				
i)	Kataria Wires Pvt. Ltd.	-	155.62	985.02	884.12
ii)	Utkarsh Land Devlopers Ltd	-	141.52	134.27	130.20
iii)	Kataria steel and Alloys Pvt. Ltd.	-	114.56	98.40	-

iv)	Ratlam Wires Pvt.Ltd.	335.06	-	174.24	24.17
v)	Sonic Fiscal Services Pvt.Ltd.	-	-	5.38	90.67
vi)	Shree Jalaram Metal Pvt Ltd	-	311.58	295.62	280.47

For detailed information on the related party transaction executed by our Company, please refer chapter titled “Restated Financial Statement” beginning on page 142 of this Draft Red Herring Prospectus.

FINANCING ARRANGEMENTS

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

WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES WERE ACQUIRED BY EACH OF OUR PROMOTERS IN THE ONE YEAR PRECEDING THE DATE OF THIS DRAFT RED HERRING PROSPECTUS

The promoter have not acquired any Equity Shares in the last one (1) year preceding the date of this Draft Red Herring Prospectus other than stated below:

Sr. No.	Name of Promoters	No. of Equity Shares held	Weighted Average Cost of Acquisition in ₹
1.	Arun Kataria	25,54,433	Nil
2.	Sunil Kataria	16,28,907	Nil
3.	Anoop Kataria	15,57,248	Nil

AVERAGE COST OF ACQUISITION

The average cost of acquisition of or subscription to Equity Shares by our Promoters are set forth in the table below:

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition in ₹
1.	Arun Kataria	28,00,000	8.19
2.	Sunil Kataria	17,50,000	9.34
3.	Anoop Kataria	18,09,774	0.96

DETAILS OF PRE-ISSUE PLACEMENT

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

ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR

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

Date of Allotment	No. of Shares Allotted	Face Value	Issue Price	Name of Allottees	Promoter / Promoter Group	Type of Issue	Reason for Allotment
December 06, 2023	1,32,05,695	10	Not Applicable	Arun Kataria	Promoter	Bonus Issue	Capitalization of Profit
				Sunil Kataria			
				Anoop Kataria			
				Smt. Nagina Devi Kataria	Promoter Group		
				Smt. Rakhi Kataria			
				Madanlal Kataria			

				Smt. Sushila Devi Kataria			
				Smt. Chanda Devi Kataria			
				Anokhilal Kataria			
				Yash Kataria			
				Pankaj Kataria			
	1,32,05,695						

SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not undertaken a split or consolidation of the Equity Shares in last one year.

SECTION II – RISK FACTORS

Investment in the Equity Shares involves a high degree of risk. You should carefully consider all of the information in this Draft Red Hearing Prospectus, including the risks and uncertainties described below and the Financial Statements incorporated in this Draft Red Hearing Prospectus, before making an investment in the Equity Shares of our Company. Any potential investor in, and subscribers of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment which in some material respects may be different from that which prevails in other countries. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the risks involved. If any or some combination of the following risks occur or if any of the risks that are currently not known or deemed to be not relevant or material now, actually occur, our business, prospects, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment. For further details, please refer to chapters titled “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 89 and 176, respectively of this Draft Red Hearing Prospectus, as well as the other financial and statistical information contained in this Draft Red Hearing Prospectus. If our business, results of operations or financial condition suffers, the price of the Equity Shares and the value of your investments therein could decline.

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

- *Some risks may not be material at present but may have a material impact in the near future.*
- *Some risks may not be material individually but may be found material when considered collectively*
- *Some risks may have material impact qualitatively and not quantitatively and vice-versa*

We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Additional risks and uncertainties, including those we are not aware of, or deem immaterial or irrelevant, may also result in decreased revenues, increased expenses or other events that could result in a decline in the value of the Equity Shares and may also have an adverse effect on our business. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any of the risks described in this section. 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 the Equity Shares.

This Draft Red Hearing Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Hearing Prospectus. For further details, please refer to chapter titled “Forward-Looking Statements” beginning on page 11 of this Draft Red Hearing Prospectus.

Unless otherwise indicated, all financial information included herein are based on our Financial Statements. Please refer to the section titled “Restated Financial Statements” beginning on page 142 of this Draft Red Hearing Prospectus.

INTERNAL RISK FACTORS:

1. ***One of the focal points of concern pertains to capital expenditure earmarked for the acquisition of machinery and equipment. Currently, orders for the intended purchase of these assets have not been initiated. Any potential delays in placing orders or unforeseen challenges in the vendors' ability to supply the equipment and machinery promptly, or at all, could lead to both time and cost overruns***

We plan to allocate a portion of the Net Proceeds to fund our capital expenditure needs for the acquisition of equipment and machineries, vital for supporting our expanding operations. While we have obtained quotations from vendors related to the anticipated capital expenditure, firm orders for these assets have not yet been placed.. For details in respect of the foregoing, please see “**Objects of the Issue**” on page 64

It's essential to note that the quotations we have received are time-sensitive and subject to potential revisions, as well as influenced by various commercial and technical factors. We cannot guarantee that the capital expenditure will align precisely with the costs indicated in the quotations, and there may be unforeseen cost

escalations beyond the contingencies intended to be funded from the Net Proceeds. Further, the actual amount and timing of our future capital requirements may differ from our estimates as a result of, among other things, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, engineering design changes and technological changes. In the event of any delay in placing the orders, or an escalation in the cost of acquisition of the equipment or in the event the vendors are not able to provide the equipment and services in a timely manner, or at all, we may encounter time and cost overruns. Further, if we are unable to procure equipment and ancillary items or avail services from the vendors from whom we have procured quotations, we cannot assure you that we may be able to identify alternative vendors to provide us with the similar kind of plant and machinery, equipment and ancillary items and services, which satisfy our requirements at acceptable prices. Our inability to procure the machinery and equipment and services at acceptable prices or in a timely manner, may result in an increase in capital expenditure, extension or variation in the proposed schedule of implementation and deployment of the Net Proceeds, thereby resulting in an adverse effect on our business, prospects and results of operations.

We intend to invest in latest equipment and technology to support our expanding operations. Accordingly, we propose to utilize ₹175.00 lakhs out of the Net Proceeds towards such purchasing capital equipment/machineries. There can be no assurance that we will be able to complete the aforementioned expansion and additions in accordance with the proposed schedule of implementation and any delay could have an adverse impact on our growth, prospects, cash flows and financial condition. For further details, please see “*Objects of the Issue*” on page 64 of the Draft Red Herring Prospectus.

2. Any shortages, delay or disruption in the supply of the raw materials we use in our manufacturing process may have a material adverse effect on our business, financial condition, results of operations and cash flows.

The principal raw materials used by us for manufacturing steel wires and plastic sheets are steel billets and polythelene propylene granules respectively. Though the price of these raw materials has been almost constant which is evident from the cost of materials consumed to revenue ratio of 81.73%, 84.49%, 80.68% and 79.19% of our net revenue from manufacturing operations for the period ended on December 31, 2023 and Fiscal Years 2022-23, 2021-22 & 2020-2021, respectively. However, the fluctuation of price in future is not ruled out. The price and availability of these raw materials depend on several factors beyond our control, including overall economic conditions, production levels, market demand and competition for such materials, production and transportation cost, duties and taxes and trade restrictions. We usually do not enter into long term supply contracts with any of our raw material suppliers and typically place orders with them after firm-orders are received by us. The absence of long term contracts at fixed prices exposes us to volatility in the prices of raw materials that we require. If we are unable to compensate for or pass on our increased costs to end-customer, such price increases could have an adverse impact on our result of operations, financial condition and cash flows. We also face a risk that one or more of our existing suppliers may discontinue their supplies to us. Any inability on our part to procure raw materials from alternate suppliers in a timely fashion, or on terms acceptable us, may adversely affect our operations.

3. We may have certain contingent liabilities and our financial condition and profitability may be adversely affected if any of these contingent liabilities materialize.

The company had not accepted the TDS default as liability and the same is Contingent Liability of the Company. The details of contingent liabilities for the past three (3) financial years are mentioned below:

(Rs. In Lacs.)

Contingent liabilities in respect of:	December 31, 2023	FY 2022-23	FY 2021-22	FY 2020-21
Claims against the company not acknowledged as debts (TDS Defaults)	0.71	0.52	0.44	0.42

In the event any such contingent liabilities mentioned above were to materialise or, our business, financial condition and result of operations could be adversely affected. For further details, see “*Note 25 - Contingent Liabilities - Restated Consolidated Financial Statement*” on page 142 of this Draft Red Hearing Prospectus.

4. There is a discrepancy in creation of charge in favor of the HDFC Bank and ICICI Bank Limited. This inconsistency poses a potential risk to the Company's financial and legal standing.

The Company has been granted a working capital facility, encompassing both fund-based and non-fund-based limits, totaling Rs. 5947.50 Lakhs from HDFC Bank Limited, with ICICI Bank Limited sharing equal ranking. A deed of hypothecation was executed on June 4, 2022, pledging movable properties, inclusive of current assets, both present and future, as collateral for the specified amount.

However, a modification to the charge was undertaken on September 6, 2022, aiming to establish an equitable charge on the Company's immovable properties for the revised amount of Rs. 5848.00 Lakhs. Notably, there exists a discrepancy as the modification was executed for a lesser amount of Rs. 99.50 Lakhs than originally intended, as per the sanctioned letter terms and conditions. It is imperative for the company to rectify this inconsistency promptly and adjust the modification for the charge to align precisely with the stipulated terms and conditions outlined in the sanction letter. The identified inconsistency in the creation of the charge, particularly the modification executed for a lesser amount than originally intended, poses a notable risk to the company's financial and legal standing. It is imperative to promptly address and rectify this situation to ensure strict compliance with the agreed-upon terms and conditions specified in the sanctioned letter. In the event of a failure to resolve this matter or if the bank does not reach a satisfactory solution, the company may face potential financial and legal implications.

5. *Our Company, its Promoters, its Directors and its Group Companies are involved in litigation proceedings that may have a material adverse outcome.*

There are outstanding legal proceedings involving our Company, its Promoters, its Directors and its Group Companies. These proceedings are pending at different levels of adjudication before various courts.

A summary of outstanding litigation proceedings involving our Company, its Promoters, its Directors and its Group Companies as on the date of this Red Herring Prospectus is provided below:

Particular	Nature of cases	No of outstanding cases	Amount involved (₹ in lacs)
Litigation against Company	Criminal Litigation	Nil	Nil
	Civil Litigation	Nil	Nil
	Direct Tax	1	0.25
	Indirect Tax	5	868.83
Litigations filed by our Company	Criminal Litigation	3	97.65
	Civil Litigation	Nil	Nil
Litigation against the Director/Promoter of our Company	Criminal Litigation	Nil	Nil
	Civil Litigation	1	-
	Direct Tax	2	2.32
Litigation filed by the Director/Promoter of our Company	Criminal Litigation	Nil	Nil
	Civil Litigation	Nil	Nil
Litigation against Group Companies	Criminal Litigation	Nil	Nil
	Civil Litigation	Nil	Nil
	Direct Tax	2	-
	Indirect Tax	2	1,145.73
Litigation filed by Group Companies	Criminal Litigation	Nil	Nil
	Civil Litigation	Nil	Nil

We may be required to devote management and financial resources in the defense or prosecution of such legal proceedings. Should any new developments arise, including a change in Indian laws or rulings against us by the appellate courts or tribunals, we may face losses and we may have to make further provisions in our financial

statements, which could increase our expenses and our liabilities. Decisions in such proceedings, adverse to our interests, may have a material adverse effect on our business, cash flows, financial condition, and results of operations. Failure to successfully defend these or other claims, or if our current provisions prove to be inadequate, our business and results of operations could be adversely affected. Even if we are successful in defending such cases, we will be subject to legal and other costs relating to defending such litigation, and such costs could be substantial. In addition, we cannot assure you that similar proceedings will not be initiated in the future. Any adverse order or direction in these cases by the concerned authorities, even though not quantifiable, may have an adverse effect on our reputation, brand, business, results of operations and financial condition. For further details, please refer to the section “**Outstanding Litigation and Material Developments**” beginning on page 190.

6. ***Our Promoters have issued personal guarantees and/or mortgaged their property in relation to debt facilities availed by us, which if revoked, may require alternative guarantees, repayment of amounts due or termination of the facilities.***

Our Promoters and relatives of the promoters have provided their personal guarantees and/or mortgaged their property in relation to our secured debt facilities availed from our bankers. In the event of revocation of any of these guarantees the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facilities. While we have not faced any revocation of such guarantees in the past, if any of these guarantees are revoked, our lenders may require alternative guarantees or collateral or cancellation of such facilities, entailing repayment of amounts outstanding under such facilities. Further we may not be successful in procuring alternative 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 may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition. For further details, see “**Financial Indebtedness**” on page 183

7. ***We have been recently converted into public limited company and any non-compliance with the provisions of Companies Act, 2013 may attract penalties against our Company which could impact our financial and operational performance and reputation.***

Our Company has been incorporated as a private limited company pursuant to the provisions of Companies Act, 1956 and recently converted into a public limited company pursuant to special resolution passed at the Extra Ordinary General Meeting held on December 11, 2023. Prior to conversion, the provisions pertaining to public limited companies of the Companies Act, 1956/2013 were not applicable to us. However, consequent to the aforesaid conversion, our Company is required to observe compliance with various provisions pertaining to public limited companies of the Companies Act 1956/2013. Though our Company will take due care to comply with the provisions of the Companies Act and other applicable laws and regulations. In case of our inability to timely comply with the requirements or in case of any delay, we may be subject to penal action from the concerned authorities which may have an adverse effect on our financial and operational performance and reputation.

8. ***The requirements of being a public listed company may strain our resources and impose additional requirements.***

Our Company has no experience as a public listed company or with the increased scrutiny of its affairs by shareholders, regulators and the public at large that is associated with being a public listed company. As a public company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted public company. Our Company will also be subject to the provisions of the listing related compliances which require us to file unaudited financial results on a half yearly basis. In order to meet our Company’s financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management’s attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner.

9. ***We are required to obtain, renew or maintain statutory and regulatory permits, licenses and approvals to operate our business and our manufacturing facility, and any delay or inability in obtaining, renewing or***

maintaining such permits, licenses and approvals could result in an adverse effect on our results of operations.

Although, we have obtained all material approvals required to carry on our business activities as on the date of this Draft Red Herring Prospectus, most of these approvals are granted for a fixed period of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our operations, thereby having a material effect on our business, results of operations and financial condition. There can be no assurance that the relevant authorities will issue any or all such permits or approvals in the time-frame anticipated by us or at all. We have made or are in the process of making applications to the relevant authorities to reflect the change in our name from 'Kataria Industries *Private Limited*'; to 'Kataria Industries *Limited*'. For details, see "***Government and Other Approvals***" on **Error! Bookmark not defined.**

Further, certain permits, licenses and approvals obtained by our Company are conditional in nature. While the Company endeavors to meet such conditions, we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals.

Any failure by us to apply in time, renew, maintain or obtain the required permits, licenses or approvals, or revocation, cancellation or suspension of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. There can be no assurance that the relevant authorities will issue such approvals in the time limit anticipated by us. Non-receipt of the aforesaid license would result in payment of fines under the respective laws. We have received consent from Madhya Pradesh Pollution Control Board for our manufacturing unit Plot No. 34-38, Industrial Area, Ratlam Tehsil & Dist – Ratlam. We have also manufacturing unit at plot No 44 Industrial Area, Ratlam Tehsil & Dist – Ratlam. The said plot is not included in the Permission of Madhya Pradesh Pollution Control Board. We have made an application for amendment in the permission for inclusion of plot no 44 on which manufacturing activity is accrued on by the Company.

We are also required to make certain payments to various statutory authorities from time to time, including but not limited to payments pertaining to employee provident fund, employee state insurance, income tax and excise duty. Any failure or delay in payment of such statutory dues may expose us to statutory and regulatory action, as well as significant penalties, and may adversely impact our business, results of operations and financial condition.

10. *Our Manufacturing Units are subject to inspection under the Madhya Pradesh Pollution Control Board.*

We have received consents from Madhya Pradesh Pollution Control Board for our manufacturing unit Plot No. 34-38, Industrial Area, Ratlam Tehsil & Dist – Ratlam, having validity up to February 28, 2028, subject to certain terms and conditions as mentioned in the concerned orders. Inspection proceedings are undertaken by the MP PCB for our manufacturing plant at regular intervals for inspection in respect of the Discharge of Trade Effluent & Emission. If any lapse or default is found during inspection by MP PCB, actions will be taken by GPCB against our company including closure of manufacturing units. If any such action taken by MP PCB against our Company which will adversely affect our operations, financials positions and reputation of our Company.


11. *We are dependent on third party transportation service providers for delivery of raw material to us from our suppliers and delivery of our products to our customers.*


We are significantly dependent on third party transportation service providers for the delivery of raw material to us from our suppliers and delivery of our finished products to the customers. Uncertainties and risks such as transportation strikes, failure to book parcel/vehicle or delay in supply of raw materials due to non-availability of transport services or vehicle breakdown could have an adverse effect on our supplies and deliveries to and from our customers and suppliers. Additionally, raw material may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. Any failure to procure or transport the raw material or to deliver the finished products to our customers in a timely, efficient and reliable manner could adversely affect our business, results of operations, financial condition and operation.

Further, we have not entered into any agreements or contracts with our transporters and the costs of transportation are generally based on mutual terms and the prevailing market price. In the absence of such agreements, we cannot assure that the transporters services will be always timely available at reasonable rates, non-availability transport services at reasonable rate and in timely manner may adversely affect our business, results of operations and financial condition.

12. *Our international sales and operations are subject to many uncertainties and we are exposed to foreign currency exchange rate fluctuations.*

We are always subject to risks inherently associated with international operations, including risks associated with foreign currency exchange rate fluctuations, which may cause volatility in our reported income, and risks associated with the application and imposition of protective legislation and regulations relating to import or export or otherwise resulting from foreign policy or the variability of foreign economic conditions. Any fluctuations in foreign currency exchange rates may have direct impact on our profits, results of operations and cash flows and consequently on our business condition and profitability. We have not entered into any hedging arrangements to account for any adverse changes to the foreign currency exchange rate.

13. *The brand name “” has been applied for registration under the name of our Company but yet not registered. Any failure to protect our intellectual property could have a material adverse effect on our business.*

As on date of the Draft Red Hearing Prospectus, the brand name  has been applied for registration under Class 6 of the Trade Mark Act, 1999 on January 07, 2022. The logo is not yet registered with the Trade Marks and Patents Authority. We are carrying out our business using above referred logo and our customers are well versed with our logo with our Company and its operations. In absence of our Registered Logo or Trademark our Company may not be able to successfully enforce or protect our intellectual property rights and obtain statutory protections available under the Trademarks Act, 1999, as otherwise available for registered trademarks in future against its misuse, in such situation, there are chances of getting damage to our business prospects, reputation and goodwill and misuse of our designs by the competitors also.

14. *Our insurance coverage may not be adequate to protect us against certain operating risks and this may have an adverse effect on the results of our business.*

We are insured for a risk associated with our Manufacturing and trading business through various policies of National Insurance Company Limited. Our insurance policy includes various risks such as Voyage Insurance to cover the risk associated with transportation of materials within India, we have Marine Cargo Policy to cover the risk associated with export of products through Sea route, Export policy to cover the risk associated with the export business, policy covering the risk associated with Wind mill etc. We believe that we have got our assets and stock and other risks associated with our business, adequately insured, however our policy of covering these risks through insurance may not always be effective or adequate, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time, to cover all material losses. To the extent that we suffer any loss or damage that is not covered/reimbursed by insurance or exceeds our insurance coverage, our business and results of operations could be adversely affected. For details on insurance policies taken by our Company please page no. 89 in chapter titled “Business Overview” of Draft Red Hearing Prospectus.

We may be exposed to various risks which we may not be able to foresee or may not have adequate insurance coverage. Our insurance coverage may not be adequate to cover such loss or damage to life and property, and any consequential losses arising due to such events will affect our operations and financial condition. Further, in addition to the above, any such fatal accident or incident causing damage or loss to life and property, even if we are fully insured or held not to be liable, could negatively affect our reputation, thereby making it more difficult for us to conduct our business operations effectively, and could significantly affect our business, availability of insurance coverage in the future and our results of operations. The occurrence of any one of the above events may result in us being named as a defendant in lawsuits asserting claims for substantial damages, including for personal injury and property damage and fines and/or penalties.

While we believe that the insurance coverage that we maintain is in accordance with industry standards, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all material losses. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, that is not covered by insurance or exceeds our insurance coverage, the loss would have to be borne by us and our cash flows, results of operations and financial performance could be adversely affected. If our Company files a claim under the applicable insurance policy, there is no assurance that we will be able to recover all, or part of the losses incurred.

- 15. *The costs of the raw materials that we use in our manufacturing process are subject to volatility due to factors beyond our control. Increases or fluctuations in raw material prices may have a material adverse effect on our business, financial condition, results of operations and cash flows.***

Our manufacturing operations are dependent upon the price and timely availability of the raw materials that we use in our production of our HT Strands and quality steel wire. Our primary raw materials include Steel wired rod, HDPE, LDPE, steel plate, Grese, Chemicals and Aluminium wired Rod is the major raw materials used in our manufacturing process. We have in the past experienced cost fluctuations for these raw materials due to volatility in the commodity markets. In case of increase in raw material prices, there can be no assurance that we will be able to pass such cost increases to our customers. Any increase in the cost of inputs to our production could lead to higher costs for our products. If we increase the prices of our products to offset the impact of higher costs, this may cause certain of our customers to cancel orders or refrain from purchasing our products, which may materially and adversely reduce the demand for our products, and thus, negatively impact our operating results. If we are unable to pass on cost increases to our customers or are unsuccessful in managing the effects of raw material price fluctuations, our business, financial condition, results of operations and cash flows could be materially and adversely affected for detailed of Cost of Raw material please refer chapter Management and Discussion and Analysis on page 176 of Draft Red Herring Prospectus.

- 16. *Any disruption, breakdown or shutdown of our manufacturing facilities or our original equipment manufacturer suppliers may have a material adverse effect on our business, financial condition, results of operations and cash flows.***

We are having manufacturing facilities at Ratlam which is spread over an area of nearly a million 5.69 lacs sq. feet. Our hundred percentage production and success depend on the efficient working of manufacturing unit. The temporary closure of any of our manufacturing facilities reduced our production outputs, delayed our production schedule and will negatively impact our revenue and results of operations. Our customers rely significantly on the timely delivery of our products and our ability to provide an uninterrupted supply of our products to our customers is the essence of our business. While we seek to ensure a continuous supply of our products to our customers, our customer relationships, business and financial results may be adversely affected by any disruption of operations in our product lines and the services of our original equipment manufacturers or due to any of the factors.

Further, we have not experienced any instance of disruption at manufacturing unit in the past on account. Inability to effectively respond to such events and rectify any disruption, in a timely manner and at an acceptable cost, could lead to slowdown or shut-down of our operations or the under-utilization of our unit, which in turn may have an adverse effect on our business, results of operations and financial condition.

- 17. *We could be exposed to risks arising from misconduct, fraud and trading errors by our employees and logistics agencies.***

Frauds or other delinquencies by employees could include indulging in transactions that exceed authorized limits or present unacceptable risks to us; hiding unauthorized or unsuccessful trading activities from us; or the improper use of confidential information are likely to take place in our business. Our employee in quality control department adopts unethical practice, such misconduct could result in unexpected business risks, losses, invite regulatory sanctions and seriously harm to our reputation and could even lead to litigation. We are taking necessary precautions to prevent and detect these types of activities but it may not always be cent percent effective. Even any fraud or misconduct by logistics agency or its employees may also affect our business, reputation adversely. Any delinquencies or trading errors on the part of our employees or logistic agency could materially affect our business operations, financial position and/or reputation.

- 18. *Any negligence on the part of our workers associated with manufacturing process and other related services***

may lead to severe or fatal accident.

We are having manufacturing unit at Ratlam. Many workers are working in our manufacturing units. Majority workers are of unskilled labours, any of their negligence or mistake may lead to severe accident, resulting in to accident which may lead severe injury to the workers, including to the loss of life. In addition to this heavy loss to machinery and production may also take place. Though, we are providing necessary training to the operators and labourers for use of machine and about the other operational activities, we cannot give any assurance that such incident will be stopped hundred percent.

19. *The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.*

The occurrence of natural disasters, including floods, earthquakes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our production which will adversely affect our results of operations and financial condition. The spread of pandemic diseases, or the occurrence of natural disasters, in India or the international markets from which our client purchases, could restrict the level of economic activities generally or slow down or disrupt our business activities, which could in turn adversely affect our business, financial condition and results of operations.

20. *Any failure of our information technology systems could adversely affect our business and our operations.*

We have information technology systems that support our business processes, including product formulas, product development, sales, order processing, production, procurement, inventory management, quality control, product costing, human resources, distribution and finance. These systems may be susceptible to outages due to fire, floods, power loss, telecommunications failures, natural disasters, break-ins and similar events. Effective response to such disruptions will require effort and diligence on the part of our third-party vendors and employees to avoid any adverse effect to our information technology systems. In addition, our systems and proprietary data stored electronically may be vulnerable to computer viruses, cybercrime, computer hacking and similar disruptions from unauthorized tampering. If such unauthorized use of our systems were to occur, data related to our product formulas, product development and other proprietary information could be compromised. The occurrence of any such events could adversely affect our business, interrupt our operations, subject us to increased operating costs and expose us to litigation.

21. *Any failure in our quality control and procurement process and manufactured products may adversely affect our business, results of operations and financial condition.*

Our clients are big industrial houses and Government and semi government body carrying out the work of infrastructure project, where the quality of product is of prime importance. It is a practice of our Company to purchase the standard quality required raw materials for our manufacturing process, since it has a direct impact on the quality of finished products. We have our in-house Testing facility, and have implemented quality checks for raw material that we procure, on the basis of internal and international quality standards. In case of poor quality, our customers may lose faith in the quality of our products and could in turn refuse to further deal in our products, which could have a severe impact on our revenue and business operations. We may face the risk of legal proceedings and product liability claims being brought against us by our customers for low quality products sold. Though, we have set quality control standards, we cannot assure you that we will not experience any material product liability losses in the future or that we will not incur significant costs to defend any such claims.

22. *Heavy reliance on the top 10 suppliers introduces a potential risk for significant purchases.*

Our most of the purchases are domestic. In the year 2021-22 our purchases worth Rs.19966.14 Lakhs constituting 96.37% in the year 2022-23 our purchases worth Rs. 27357.14 lakhs constituting 93.42% and in the stub period for the period ended on December 31, 2023 our purchases worth Rs.18087.96 Lakhs constituting 91.68 %of the total purchases were made from top 10 suppliers. Though, they are very much regular in supply, and we have not faced any problem in past from any of the supplier. However, we cannot assure that they will continue to supply regularly in future at the same rate in future. Any disruption in the supply of material by any one or more will adversely affect the business of the Company and adversely affect the profitability and financial position of the Company.

23. *Our Company has not entered into any written agreements or contracts with our customers for sale of our products.*

We sale our major production to the customers spread over the different states of our country as well as other foreign countries. Generally, we do not sale our products to retailers. Though, we are directly dealing with the wholesalers and end users, we have not entered in to any type of long/short agreement with any of the buyer. Though, we are getting order on regular basis from our customers, we cannot assure you that in future we will be getting the orders from all the customers on regular basis. In absence of any type of written agreement with our customers, we are always at the risk of losing customers in this competitive market. Loss of any of the significant customer will lead our company in to loss of business, revenue and financial conditions.

24. *We are dependent upon the experience and skill of our promoter, management team and key managerial personnel and senior management personnel. Loss of our Promoter or our inability to attract or retain such qualified personnel, this could adversely affect our business, results of operations and financial condition.*

We believe that our Promoters have played a key role in the development of our business and we benefit from their industry knowledge and expertise, vision and leadership. Our Promoters have strong operational knowledge, good relationships with our clients and a successful track record of executing growth plans. In addition to our Promoter, our key management and senior management team includes qualified, experienced and skilled professionals who possess requisite experience across various division of our business. We believe the stability of our management team and the industry experience brought on by our individual Promoters enables us to continue to take advantage of future market opportunities. We believe that our senior management team is well qualified to leverage our market position with their collective experience and knowledge in the infrastructure construction industry, to execute our business strategies and drive our future growth.

Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and retain experienced, talented and skilled professionals. The loss of the services of our key personnel or our inability to recruit or train sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our financial results and business prospects.

If we are unable to hire additional qualified personnel or retain them, our ability to expand our business may be impacted. Our Company's profitability, financial condition and results of operations may also be impacted due to lack of experienced and talented workforce. As we intend to continue to expand our operations and develop new projects, we will be required to continue to attract and retain experienced personnel. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting suitable employees. There can be no assurance that our competitors will not offer better compensation incentives and other perquisites to such skilled personnel.

25. *We may not be able to successfully manage the growth of our operations and execute our growth strategies which may have an adverse effect on our business, financial condition, results of operations and future prospects.*

As we continue to grow, we must continue to improve our managerial, technical and operational knowledge and allocation of resources, and implement an effective management information system. In order to fund our ongoing operations and future growth, we need to have sufficient internal sources of liquidity or access to additional financing from external sources, including debt or equity. For further details on our strategies, see "***Our Business –Strategies***" on page 89. Further, we will be required to manage relationships with a number of clients, suppliers, contractors, service providers, lenders and other third parties. We will need to further strengthen our internal control and compliance functions to ensure that we will be able to comply with our legal and contractual obligations and minimize our operational and compliance risks. There can be no assurance that we will not suffer from capital constraints, operational difficulties or difficulties in expanding existing business and operations and training an increasing number of personnel to manage and operate the expanded business. There can be no assurance that we will be able to successfully manage our growth, strategies or that our expansion plans will not adversely affect our existing operations and thereby have an adverse effect on our business, financial condition, results of operations and prospects.

Further, we could also encounter difficulties and delays in executing our growth strategies due to a number of factors, including, unavailability of human and capital resources, inability to develop adequate systems,

infrastructure and technologies, delayed payments or non-payments by clients, failure to implement bidding strategy, failure to correctly identify market trends, increase in cost of raw material, fuel, labour etc., or any other risk that we may or may not have foreseen and such difficulties may result in delay in the execution of our projects. There can be no assurance that we will be able to execute our growth strategy on time and within the estimated costs, or that we will meet the expectations of our clients.

26. *We operate in a competitive business environment. Competition from existing players and new entrants and consequent pricing pressures may adversely affect our business, financial condition and results of operations.*

We face significant competition in our business from other manufacturers and suppliers of cables and wires products. We operate in a highly competitive business environment. Growing competition in the domestic market from domestic organized and unorganized players and/or the international players, we are subject to pricing pressures and require us to reduce the prices of our products in order to retain the existing customers and/or attract new customers, which may have a material adverse effect on our revenues and margins. Some of our competitors may be increasing their capacities and targeting the same products in which we are dealing at a lower price. There can be no assurance that we can continue to compete effectively with our competitors in the future, any failure to compete effectively may have an adverse effect on our business, financial condition and results of operations. In addition to this, as a result of the intense competition and accelerated innovation in the fast-moving electrical good industry, our ability to achieve and maintain profitability depends on a number of factors, including our investment in research and development, expanding manufacturing capacities at necessary levels, the public perception of our products and the pricing levels of our competitors, some of which is beyond our control. If we fail to compete effectively in the future, our business and prospects could be materially and adversely affected.

27. *Ours is a labour-intensive industry and are subject to stringent labor laws & regulations and any strike, work stoppage or increased wage demand by our employees or any other kind of disputes with our employees could adversely affect our business, financial condition, results of operations and cash flows.*

Our manufacturing processes heavily depend on labor, and during festive and marriage seasons, substantial portions of our labor force tend to take extended leaves. Managing these leave vacancies or negotiating with labor and their subcontractors poses challenges, and failure to do so may lead to work stoppages or increased operating costs due to escalated wages and benefits. The potential for strikes or work stoppages in the future cannot be guaranteed.

While we have not encountered any strikes, work stoppages, or increased wage demands from our employees, nor have we experienced disputes with our workforce in the past, there is no assurance that similar challenges may not arise in the future. Work stoppages or slowdowns encountered by our customers or key suppliers may lead to disruptions or closures in our facilities where our products are integrated into end products. Any work stoppage, whether initiated by us, our customers, or key suppliers, could significantly impact our business, financial health, cash flows, and operational results.

During periods of labor shortages, the manufacturing of our products may be impeded, affecting our ability to adhere to predetermined time frames and estimated product costs, or potentially halting production altogether. Such disruptions could adversely impact our business, operational outcomes, cash flows, and overall reputation.

Moreover, our operations are subject to stringent labor laws that safeguard workers' interests, outlining detailed procedures for dispute resolution, employee removal, and imposing financial obligations on employers in cases of retrenchment. The potential for increased stringency in labor laws may complicate the maintenance of flexible human resource policies, employee discharge, or downsizing, all of which could have a material adverse effect on our business, financial condition, operational results, cash flows, and future prospects.

28. *Continuous availability of power and fuel is the essence for the smooth functioning of our manufacturing and business activities.*

We require substantial power and fuel for our manufacturing facilities, and our energy costs represent a significant portion of the production costs for our operations. The *power* cost for the period ended on December 31, 2023 and for the FY 2023, 2022 and 2021 were ₹ 885.1t lakhs, 1000.63 lakhs, 785.57 lakhs and 539.06 lakhs respectively. If electricity costs rise, or if electricity supplies or supply arrangements were disrupted, it will have direct adverse effect on our profitability. We get our electricity requirements for our manufacturing

facilities from local power suppliers or state electricity boards. If our electricity suppliers increase the price for electricity, our cost of production and profitability would be materially adversely affected. If for any reason electricity is not available, we shall be compelled to shut down our plants until an adequate supply of electricity is restored. Interruptions of electricity supply can also result in loss of production, increased costs associated with restarting production and the loss of production in progress. Although we have not encountered any such material interruptions in the past, we cannot assure you that we will not experience such interruptions in the future.

- 29. *There are certain discrepancies noticed in some of the provisions of Companies Act, 1956 and 2013. 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.***

Our company has missed to comply with certain statutory provisions in the past including but not limited to the details as mentioned in this risk factor. The Company has filed certain ROC forms without proper attachments, incorrect details in Annual Returns, MSME note disclosure in Balance sheet for March 31, 2020 as maybe applicable.

Further, our company has made certain errors in complying with the provisions of Companies Act, 2013 such as submission of incorrect/unsigned attachments in ROC Forms. 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.

Also, in the past, there have been some instances of delay in statutory filings like GST, PF/ESIC returns and there is no assurance that such delay may not happen in future. 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 or delay in future by any regulatory authority could affect our financial conditions to that extent.

- 30. *We regularly work with hazardous materials and activities in our operation which can be dangerous and could cause injuries to people or property***

Our business requires individuals to work under potentially dangerous circumstances or with flammable materials such as HDPE, LDPE, Grese, Chemicals. For example, if improperly handling of chemical used in production of wires and other products and moving machineries such as stranding machines can seriously hurt or even fatal to the employees or other persons, and cause damage to our properties and the properties of others. Despite of our best compliance with requisite safety requirements and standards, our operations are subject to significant hazards, including explosions, fires, mechanical failures and other operational problems, discharges or releases of hazardous substances, chemicals or gases and other environmental risks.

These hazards can cause personal injury and loss of life or destruction of property and equipment as well as environmental damage. In addition, the loss or shutting down of our facilities resulting from any accident in our operations could disrupt our business operations and adversely affect our results of operations, financial condition and reputation. We could also face claims and litigation filed on behalf of persons alleging injury predominantly due to occupational exposure to hazards at our facilities. If these claims and lawsuits, individually or in the aggregate, are resolved against us, our business, financial condition, results of operations and cash flows could be adversely affected.

- 31. *Our business is working capital intensive involving relatively long implementation periods. We require substantial financing for our business operations. Our indebtedness and the conditions and restrictions imposed on by our financing arrangements could adversely affect our ability to conduct our business.***

As on the date of this Red Herring Prospectus, we meet our working capital requirements in the ordinary course of its business from capital, internal accruals, unsecured loans, working capital loans, from the Banks etc. This requires us to obtain financing through various means. As on December 31,2023, our total borrowings stood at • [●] lakhs. We may incur additional indebtedness in the future. Additional debt financing could increase our interest costs and require us to comply with additional restrictive covenants in our financing agreements. Additional equity financing could dilute our earnings per Equity Share and investors interest in the Company and could adversely impact our Equity Share price.

Furthermore, the objects of the Issue includes full or part repayment and/or prepayment of certain outstanding secured borrowings availed by our company and also funding working capital requirements of our Company. For more information in relation to such management estimates and assumptions, please see “*Objects of the Issue*” on page 64. Our working capital requirements may be affected due to factors beyond our control including force majeure conditions, delay or default of payment by our clients, non-availability of funding from banks or financial institutions. Accordingly, such working capital requirements may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

In the last three (3) financial years, our Company has been able to raise funding from bank as and when the need has arisen and has never delayed and defaulted its financial commitments. However, any failure to service our indebtedness, perform any condition or covenant or comply with the restrictive covenants could lead to a termination of one or more of our credits which may adversely affect our ability to conduct our business and have a material adverse effect on our financial condition and results of operations. We cannot assure you that we will be able to raise additional financing on acceptable terms in a timely manner or at all. Our failure to renew arrangements for existing funding or to obtain additional financing on acceptable terms and in a timely manner could adversely impact our planned capital expenditure, our business, results of operations and financial condition.

The working capital requirement for the FY 2021, 2022 and 2023 and for nine months ending December 31, 2023. The working capital gap (WCG) has been met with an increase in the bank borrowing and capital and Internal cash Accruals of the Company.

(₹ in Lacs)				
Particulars	31.03.2021	31.03.2022	31.03.2023	31.12.2023
	Audited	Audited	Audited	Audited
Raw Material	789.12	1425.22	3137.67	1078.79
Work in progress	142.81	165.69	94.55	131.08
Finished Goods	216.81	298.03	429.45	1062.87
Other Stocks	878.85	1453.53	97.42	210.64
Trade Receivables	4739.02	4456.74	5393.53	4686.58
Cash and Bank Balances	272.61	284.46	510.2	411.31
Loans and advances	440.14	666.58	935.81	573.35
Other Current Assets	428.21	479.18	603.31	732.88
Total	7907.57	9229.43	11201.94	8887.5
Less :				
Trade Payables	420.05	326.79	304.17	413.7
other Current Liabilities	137.27	114.1	161.57	228.2
Provisions	150.6	165.68	176.25	310.08
Total Liabilities	707.92	606.57	641.99	896.32
Net Working Capital	7199.65	8622.86	10559.95	7991.18
Less : Bank Borrowings	4101.67	4731.11	5989.14	4832.65
Less :unsecured loan and Inter Corporate Deposit	1465.4	799.42	1002.11	341.37
Balance	1632.58	3092.33	3568.7	2817.16
Financed through Capital Internal Cash Accruals	1632.58	3092.33	3568.7	2817.16

32. The average cost of acquisition of Equity Shares held by our Promoters is lower than the Issue Price.

Our Promoters’ average cost of acquisition of Equity Shares in our Company is Rs. 8.19 (Arun Kataria), Rs.9.34 (Sunil Kataria) and Rs. 0.96 (Anoop Kataria), lower than the Issue Price which is proposed to be determined on a Book Building price basis. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the chapter titled “Capital Structure” on page 52 of this Draft Red Hearing Prospectus.

33. Our Promoter holds interest in one of the Promoter Group entities which is authorised to undertake business activities which are similar to the business conducted by our Company.

Our Promoter Group Entity, namely Ratlam Wires Private Limited is authorised to undertake business activities which are similar to the business conducted by our Company. We have not entered into any non-compete agreement with the Promoter Group entity. We cannot assure you that there will be no conflict of interest in allocating business opportunities between us and the Promoter Group entity or that we will be able to suitably resolve any such conflict without an adverse effect on our business and financial performance. For details, see, “*Our Promoter and Promoter Group - Entities forming part of our Promoter Group*” at page 137.

34. *There have been instances of delay in filing of Goods and Service Tax (GST) returns and in payment of Tax Deduct at Source (TDS).*

There have been rare instances of delay in filing of GST returns in the past 3 years along with sturb period, which were due to initial technological issue with GST portal or any administrative reasons. A wrong filing of GST return can lead to huge penalties and interest. Therefore, reconciliation and checking of returns before submitting them is necessary as there is no opportunity to make any changes afterward. Hence, there were delays in filing of GST returns in order to include correct inputs from all stakeholders involved and make them error free.

There were frequent delays in payment of TDS due to administrative reasons or primarily due to technical glitches on the portal. Although, we have undertaken certain steps to avoid future delays, there can be no assurance that such delays may not arise in future. There is a possibility of financial penalties being imposed on us by the relevant Government authorities, which may have a material adverse impact on our cash flows and financial condition.

35. *Our Promoters, Directors and Key Managerial Personnel may have interest in our Company, other than reimbursement of expenses incurred or remuneration.*

Our Promoters and Directors and key Managerial Personnel may be deemed to be interested to the extent of the Equity Shares held by them and benefits deriving from their shareholding in our Company. Our Promoters are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Entities. For further details, please refer to the chapters titled “Business Overview” and “Our Promoters and Promoter Group”, beginning on page 89 and 137 respectively and the chapter titled “Note X - Related Party Transactions” on page 170 under chapter titled “Restated Financial Statements” beginning on page 142 of this Draft Red Hearing Prospectus

36. *Our company has availed various credit facilities from the HDFC Bank and ICIC bank Limited, as per sanction terms and conditions, there are certain restrictive covenants imposed on the issuer company.*

We have been sanctioned various credit facilities from the HDFC Bank and ICICI Bank Limited, totalling to Rs. 5947.50 Lakhs. As a part of the conditions, during currency of the Bank’s credit facilities, the unit(borrower) shall not transfer, lease any of the Assets, without bank’s permission, Guarantors not to issue any Personal Guarantee for any other loans without prior written permission of HDFC Bank except for Car Loans, Personal loans, home loans, Education loans to be obtained for self and family members. No dividend can be declared without the Bank’s prior approval, No CAPEX should be made without prior approval of the Bank, the promoters to bring required capital if the company incurs losses in future, all Forex exposures to be hedged as per Bank’s extant instructions, no change to be made in the management without the prior approval of the Bank, undertaking regarding non withdrawal of unsecured loan from the promoters during the currency of the Bank Loan, Prime/ Collateral securities shall be comprehensively insured with usual Bank clause, with beneficiary clause in favour of our Bank from Bank’s Corporate Tie up. Personal guarantee of Directors is to be provided. These covenants may have an adverse effect on the functioning of our Company.

37. *We have unsecured loans from promoters, directors and their relatives, which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our liquidity and business operations.*

As per our restated financial statements, as on December 31, 2023, we have unsecured loan of ₹2365.46 lakhs from erstwhile promoters, directors, relatives of directors and Companies in which directors are interested or relatives of the directors are interested which is repayable on demand. Any demand from them for repayment of such unsecured loans, may adversely affect our liquidity and business operations. For further details of these

unsecured loans, please refer to Chapter titled “Restated Financial Statements” beginning on [●] of this Draft Red Hearing Prospectus.

38. *We have entered into certain transactions with related parties. These transactions or any future transactions with our related parties could potentially involve conflicts of interest.*

We have entered into certain transactions with related parties which are in compliance with Company Law and other applicable laws with our Promoter, Promoter Group, Directors and may continue to do so in future. Our Company has entered into such transactions due to easy proximity and quick execution. However, there is no assurance that we could have obtained better and more favorable terms than from transaction with related parties. Additionally, our company belief that all our related party transactions have been conducted on an arm’s length basis, but we cannot provide assurance that we could have achieved more favorable terms had such transactions been entered with third parties. Our Company may enter into such transactions in future also and we cannot assure that in such events there would be no adverse effect on results of our operations, although going forward, all related party transactions that we may enter will be subject to board or shareholder approval, as under the Companies Act, 2013 and the Listing Regulations. For details of transactions, please refer to “*Note X*” *Related Party Transactions*” on page 170 of Restated Financial Information.

39. *There is no monitoring agency appointed by Our Company and the deployment of funds are at the discretion of our Management and our Board of Directors, though it shall be monitored by our Audit Committee.*

In terms of Regulation 41 of SEBI (ICDR) (Amendment) Regulations, 2022, as amended, appointment of monitoring agency is required only for Issue size above Rs. 100 cr. 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 Listing Agreement. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the NSE.

40. *We have not identified any alternate source of financing the ‘Objects of the Issue’. If we fail to mobilize resources as per our plans, our growth plans may be affected.*

We have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue which may delay in the implementation schedule and could adversely affect our growth plans. For further details of object of Issue and schedule of implementation please refer to the chapter titled “*Objects of the Issue*” on page 64 of this *Draft Red Hearing Prospectus*.

41. *Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.*

Our future ability to pay dividends will depend on our earnings, financial condition and capital requirements. There can be no assurance that we will generate sufficient income to cover the operating expenses and pay dividends to the shareholders. Our ability to pay dividends will also depend on our expansion plans. We may be unable to pay dividends in the near or medium term, and the future dividend policy will depend on the capital requirements and financing arrangements for the business plans, financial condition and results of operations.

42. *Our Promoter and members of the Promoter Group will continue jointly to retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.*

Post this Issue, our Promoter and Promoter Group will collectively own [●] % of our equity share capital. As a result, our Promoter, together with the members of the Promoter Group, will continue to exercise a significant degree of influence over Company and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act, 2013 and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoter will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or other shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

43. *Delay in raising funds from the IPO could adversely impact the implementation schedule.*

The proposed fund requirement, for funding our working capital requirements, primarily, as detailed in the chapter titled “Objects of the Issue” beginning on page 64 is to be funded from the proceeds of this IPO. 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 estimated time frame.

44. *We have not independently verified certain data in this Draft Red Hearing Prospectus.*

We have not independently verified data from the industry and related data contained in this Draft Red Hearing Prospectus and although we believe the sources mentioned in the report to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regards to other countries. Therefore, discussions of matters relating to India, its economy or the industries in which we operate that is included herein are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete, inaccurate or unreliable. Due to incorrect or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

45. *Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on various factors, some of which are beyond our control.*

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions and have not been appraised by any bank or financial institution or another independent agency. Furthermore, in the absence of such independent appraisal, our funding requirements may be changed subject to the approval of shareholders by passing special resolution pursuant to section 27 of Companies Act, 2013 through postal ballot or subject to an authority given by the Company in general meeting by way of special resolution and based on various factors which are beyond our control. For further details, please see the section titled “Objects of the Issue” beginning on page no. 64 of this Draft Red Hearing Prospectus.

46. *Any future issuance of Equity Shares may dilute the shareholding of the Investor or any sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.*

Any future issuance of Equity Shares by our Company could dilute the shareholding of the investor. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. While the entire post-Issue paid-up share capital, held by our Promoters or other shareholders will be locked-in for a period of 1 (one) year and minimum promoter contribution subject to a minimum of 20% of our post-Issue paid-up capital will be locked-in for a period of 3 (three) years from the date of allotment of Equity Shares in the Issue, upon listing of our Equity Shares on the Stock Exchanges. For further information relating to such Equity Shares that will be locked-in, please refer to the section titled “Capital Structure” beginning on page 52 of the Draft Red Hearing Prospectus. Any future issuance or sale of the equity shares of our Company by our Promoter or by other significant shareholder(s) or any perception or belief that such sales of Equity Shares might occur may significantly affect the trading price of our Equity Shares.

47. *The issue price of the Equity Shares may not be indicative of market price of our equity shares after the issue and the market price of our Equity shares may decline below the issue price.*

The issue price of our Equity shares is decided on the basis of both qualitative and quantitative factors. The Company had made good progress in establishing its name in the readymade garment segment. All such points have been considered in deciding the issue price of the Equity Shares. Please refer chapter titled “Basis for

Issue Price “beginning on the page no 70 of the Draft Red Hearing prospectus. The market price of our equity shares could be subject to change after the issue and may decline the below the issue price.

48. *Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.*

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 and will depend on factors that our Board 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 shareholder’s 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, please refer the section titled ‘Dividend Policy’ beginning on page 141 of this Draft Red Hearing Prospectus.

49. *Sale of shares by our promoters or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.*

The sale of shares by the promoters or other significant shareholder(s) may significantly affect the trading price of our Equity shares. Further the market price generally may be adversely affected on account of the news about the sale of shares by the promoters. However, the closing of trading windows during the period of financial results may restrict the promoters from selling the shares in the open market.

50. *Our future funds requirements, in the form of fresh issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.*

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

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

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

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

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is proposed to be determined through a Book building price process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

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

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

54. ***Any future issuance of Equity Shares may dilute the shareholding of the Investor or any sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.***

Any future issuance of Equity Shares by our Company could dilute the shareholding of the investor. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. While the entire post-Issue paid-up share capital, held by our Promoters or other shareholders will be locked-in for a period of 1 (one) year and minimum promoter contribution subject to a minimum of 20% of our post-Issue paid-up capital will be locked-in for a period of 3 (three) years from the date of allotment of Equity Shares in the Issue, upon listing of our Equity Shares on the Stock Exchanges. For further information relating to such Equity Shares that will be locked-in, please refer to the section titled "Capital Structure" beginning on page 52 of this Draft Red Hearing Prospectus. Any future issuance or sale of the equity shares of our Company by our Promoter or by other significant shareholder(s) or any perception or belief that such sales of Equity Shares might occur may significantly affect the trading price of our Equity Shares.

EXTERNAL RISK FACTORS

After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.

The price of the Equity Shares on the stock exchange may fluctuate as a result of the factors, including:

- Volatility in the India and global capital market;
- Company's results of operations and financial performance;
- Performance of Company's competitors;
- Adverse media reports on Company;
- Changes in our estimates of performance or recommendations by financial analysts;
- Significant developments in India's economic and fiscal policies; and
- Significant developments in India's environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

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

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, change in regulatory framework, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide

military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism.

2. *Any changes in the regulatory framework could adversely affect our operations and growth prospects*

Our Company is subject to various regulations and policies. For details see section titled “*Key Industry Regulations and Policies*” beginning on page 108 of this Draft Red Hearing Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse effect on our business, financial condition and results of operations.

3. *Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse affects on our operations and financial performance*

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

4. *Our more than 90% Revenue is derived from business in India and a decrease in economic growth in India could materially affect and cause our business to suffer.*

We derive more than 90% of our revenue from our operations in India and, consequently, our performance and the quality and growth of our business are dependent on the health of the economy of India. However, the Indian economy may be adversely affected by factors such as adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities or interest rates changes, which may also affect the microfinance industry. Any such factor may contribute to a decrease in economic growth in India which could adversely impact our business and financial performance.

5. *The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.*

Prior to this Issue, there has been no public market for our Equity Shares. Our Company and the Lead Manager have appointed Beeline Broking Limited as Designated Market maker for the equity shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India’s fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnership, joint ventures, or capital commitments.

6. *Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse impact on our business, financial condition and results of operations.*

Taxes and other levies imposed by the Central or State Governments in India that impact our industry include income tax and GST and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. There can be no assurance that these tax rates/slab will continue in the future. Any changes in these tax rates/slabs could adversely affect our financial condition and results of operations.

**SECTION - III –INTRODUCTION
THE ISSUE**

The following table summarizes the Issue details:

Particulars	Details of Equity Shares
Issue of Equity Shares by our Company	Upto 91,50,000 Equity Shares of face value of ₹10.00/- each fully paid-up for cash at price of ₹[●] per Equity Share aggregating to ₹[●] Lakhs
Of Which	
Market Maker Reservation Portion	[●] Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹ [●] per Equity Share aggregating to ₹[●] Lakhs
Net Issue to the Public*	[●] Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹[●] per Equity Share aggregating to ₹[●] Lakhs
Of Which	
(A) QIB Portion	Not more than [●] Equity Shares (not more the 50%) aggregating up to ₹ [●] lakhs
Of which	
(a) Anchor Investor Portion	[●] Equity Shares aggregating up to ₹ [●] lakhs
(b) Net QIB Portion (assuming the anchor is fully subscribed)	[●] Equity Shares aggregating up to ₹ [●] lakhs
Of which	
i) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares aggregating up to ₹ [●] lakhs
ii) Balance of QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares aggregating up to ₹ [●] lakhs
(B) Retail Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] lakhs
(C) Non – Institutional Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] lakhs
Pre-and Post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue	1,58,46,834 Equity Shares of face value of ₹10.00/- each
Equity Shares outstanding after the Issue	[●] Equity Shares of face value of ₹ 10.00/- each
Use of Issue Proceeds	For details, please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 64 of this Draft Red Herring Prospectus.

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

- (1) *The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on December 26, 2023 and approved by the shareholders of our Company vide a special resolution at the Extra Ordinary General Meeting held on December 26, 2023 pursuant to section 62(1)(c) of the Companies Act. This Issue is being made in terms of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended. For further details, please refer to section titled “Issue Structure” beginning on page 226 of this Draft Red Herring Prospectus.*
- (2) *Our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. 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 Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portions 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. In the event the aggregate demand from Mutual Funds is less than as specified above, 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 details, see “Issue Procedure” on page 230.*

- (3) *Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable law.*

*As per the Regulation 253 of the SEBI (ICDR) Regulations, as amended, as present issue is a Book Building issue the allocation in the net offer to the public category shall be made as follows:

- a) not less than thirty-five per cent. to retail individual investors;
- b) not less than fifteen per cent. to non-institutional investors;
- c) not more than fifty per cent. to qualified institutional buyers, five per cent. of which shall be allocated to mutual funds;

SUMMARY OF OUR FINANCIAL INFORMATION

Annexure-I: Restated Statement of Assets & Liabilities

(Rs. in Lakhs)

PARTICULARS	NOTES	31-12-2023	31-03-2023	31-03-2022	31-03-2021
A] EQUITY AND LIABILITIES					
1. Shareholders' Funds					
(a) Share Capital	A	1584.68	264.11	264.11	264.11
(b) Reserves & Surplus	A	2783.19	3320.05	2542.21	1803.87
		4367.87	3584.16	2806.33	2067.99
2. Non-current liabilities					
(a) Long-Term Borrowings	B	2310.10	3223.45	3210.94	1927.46
(b) Deferred Tax Liabilities (Net)	C	170.13	136.38	232.00	76.09
(c) Long term Liabilities		-	-	-	-
		2480.22	3359.83	3442.94	2003.55
3. Current liabilities					
(a) Short-term borrowings	D	5707.98	7472.75	5931.35	6010.86
(b) Trade payables	E				
(A) Total outstanding dues of micro enterprises and small enterprises; and		65.36	119.89	1.82	0.58
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		348.35	184.28	324.97	419.47
(c) Other Current Liabilities	F	228.20	161.57	114.10	137.27
(d) Short Term Provisions	G	310.08	176.25	165.68	150.60
		6659.96	8114.74	6537.92	6718.77
TOTAL EQUITY AND LIABILITIES		13508.06	15058.73	12787.19	10790.31
B] ASSETS					
1. Non-current assets					
(a) Property, Plant and Equipments and Intangible Assets	H				
(I) Property, Plant and Equipments					
(i) Gross Block		7962.88	6400.35	5485.52	5538.62
(ii) Depreciation		3518.02	3182.63	2998.59	2726.33
(iii) Net Block		4444.87	3217.72	2486.93	2812.29
(II) Intangible assets		-	-	-	-
(III) Capital Work-in-Progress		-	508.49	953.80	-
(IV) Intangible assets under development		-	-	-	-
(b) Non-Current Investment		-	-	-	-
(c) Deferred tax Assets (Net)		-	-	-	-
(d) Long Term Loans and Advances		-	-	-	-
(e) Other Non Current Assets	I	175.70	130.57	117.03	70.45
		4620.56	3856.78	3557.77	2882.74
2. Current assets					
(a) Trade Receivables	J	4686.58	5393.53	4456.74	4739.02
(b) Cash and Cash Equivalents	K	411.31	510.20	284.46	272.61
(c) Inventories	L	2483.37	3759.10	3342.47	2027.59
(d) Short-Term Loans and Advances	M	573.35	935.81	666.58	440.14
(e) Other Current Assets	N	732.88	603.31	479.18	428.21
		8887.49	11201.95	9229.42	7907.57
TOTAL ASSETS		13508.06	15058.73	12787.19	10790.31

Annexure-II: Restated Statement of Profit and Loss

(Rs. in Lakh)

PARTICULARS	NOTES	31-12-2023	31-03-2023	31-03-2022	31-03-2021
1. Revenue from operations	O	26149.78	33182.94	24963.10	15867.10
2. Other income	P	154.26	210.15	85.81	260.94
Total Incomes [1+2]		26304.04	33393.09	25048.91	16128.03
3. Expenditure:					
(a) Cost of Material Consumed	Q	21220.90	28059.77	20118.80	12196.99
Cost of Traded Goods		1037.38	47.10	124.30	164.55
(b) Change in inventories of finished goods, work in progress and stock in trade	R	(759.89)	(70.28)	(104.10)	202.91
(c) Employee benefit expenses	S	571.12	551.26	495.07	302.99
(d) Finance cost	T	711.45	979.77	767.29	702.09
(e) Depreciation and amortization expenses	U	427.87	400.12	359.53	460.32
(f) Other expenses	V	2036.79	2597.36	2222.38	1440.35
4.Total Expenditure 3(a) to 3(f)		25245.62	32565.11	23983.26	15470.21
5.Profit/(Loss) Before Exceptional & extraordinary items & Prior period expenses & Tax (2-4)		1058.42	827.98	1065.65	657.52
6.Exceptional and Extra-ordinary items		-	-	-	-
7.Profit/(Loss) Before Tax (5-6)		1058.42	827.98	1065.65	657.52
8. Tax expenses:					
(a) Tax Expense for Current Year		(241.66)	(139.60)	(181.63)	(114.21)
(b) Short/(Excess) Provision of Earlier Year		0.70	(6.17)	10.23	-
(c) Deferred Tax		(33.74)	95.61	(155.91)	(42.73)
Net Current Tax Expenses		(274.70)	(50.15)	(327.31)	(156.94)
9. Profit/ (Loss) for the year [7-8]		783.72	777.83	738.34	500.58
10. Basic Earning Per Share (Not Annualised)		4.95	4.91	4.66	3.16
11. Adjusted Earning Per Share (Not Annualised)		4.95	4.91	4.66	3.16

Annexure-III: Restated Statement of Cashflow

(Rs. in Lakhs)

PARTICULARS	FOR THE YEAR/PERIOD ENDED			
	31-12-2023	31-03-2023	31-03-2022	31-03-2021
(A) Cash Flow from Operating Activities:				
Net Profit before Tax	1058.42	827.98	1065.65	657.52
Adjustment for :				
Depreciation and amortization	427.87	400.12	359.53	460.32
Interest Paid	711.45	979.77	767.29	702.09
Interest Income	(74.16)	(102.79)	(22.62)	(138.49)
(Profit)/Loss on sale of Car	(5.99)	(87.96)	(37.93)	(122.45)
(Profit)/Loss on sale of Shop	(13.96)	-	-	-
Operating Profit/(loss) before Working Capital Changes	2103.62	2017.13	2131.91	1558.99
Changes in Working Capital				
(Increase)/Decrease in Trade Receivables	754.74	(858.91)	286.80	(623.53)
(Increase)/Decrease in Inventory	1275.73	(416.63)	(1314.88)	(752.72)
(Increase)/Decrease in Short Term Loans &	362.45	(269.23)	(226.43)	(171.41)

Advances				
(Increase)/Decrease in Other Current Assets	(129.57)	(124.13)	(50.97)	63.69
Increase/(Decrease) in Trade Payables	109.53	(22.62)	(93.26)	223.69
Increase/(Decrease) in Other Current Liabilities	66.64	47.46	(23.16)	16.82
Increase/(Decrease) in Short Term Provisions, etc	133.83	10.56	15.08	27.45
Increase/(Decrease) in Long Term Liability	-	-	-	-
Cash generated from operations	4676.96	383.64	725.09	342.97
Direct Taxes Paid	(241)	(145.77)	(171.40)	(114.21)
Net cash flow from operating activities (A)	4436.01	237.87	553.69	228.76
(B) Cash Flow from Investing Activities:				
Purchase of Fixed Assets including of CWIP	(1179.72)	(1000.37)	(1204.91)	(542.17)
Investment Subsidy	-	299.09	207.42	242.11
Sale of Fixed Assets	53.15	103.64	47.45	193.32
(Purchase)/Sale of investments (Other non current Asset)	(45.13)	(13.54)	(46.58)	(70.45)
Interest Income	26.36	25	18	18
Net cash flow from investing activities (B)	(1145.33)	(586.27)	(978.53)	(159.54)
(C) Cash Flow from Financing Activities:				
Proceeds from Issue of Share Capital	-	-	-	-
Increase/(Decrease) in Short Term Borrowings	(1764.77)	1541.40	(79.51)	(90.73)
Increase/(Decrease) in Long Term Borrowings	(913.35)	12.51	1283.48	690.47
Interest Paid	(711.45)	(979.77)	(767.29)	(702.09)
Share Money Pending Allotment	-	-	-	-
Adjustment in reserve and surplus	-	-	-	-
Net cash flow from financing activities (C)	(3389.57)	574.14	436.69	(102.35)
Net Increase/(Decrease) In Cash & Cash Equivalents (A+B+C)	(98.89)	225.75	11.85	(33.13)
Cash equivalents at the beginning of the year	510.20	284.46	272.61	305.75
Cash equivalents at the end of the year	411.31	510.20	284.46	272.61

Notes: Reconciliation of Cash and Cash Equivalents

1.

PARTICULARS	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Component of Cash and Cash equivalents				
Cash on hand	6.20	2.82	5.29	6.12
Balance With banks	405.11	507.38	279.17	266.49
Total	411.31	510.20	284.46	272.61

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.

GENERAL INFORMATION

Our Company was originally incorporated as 'Kataria Industries Private Limited' as Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated May 11, 2004 bearing Corporate Identification Number U27300MH2004PTC146201 issued by the Registrar of Companies, Maharashtra. On October 23, 2012 registered office of company is shifted from State of Maharashtra to state of Madhya Pradesh. Further, our Company was converted in to a public limited Company pursuant to a special resolution passed by our shareholders at the EGM held on December 11, 2023 and consequently the name of our Company was changed to 'Kataria Industries Limited' and a fresh certificate of incorporation was issued by the Registrar of Companies, Gwalior dated December 20, 2023.

The Corporate Identification Number of our Company is U27300MP2004PLC029530.

Registered office of our Company

KATARIA INDUSTRIES LIMITED

Address: 34-38 and 44, Industrial Area, Ratlam, Madhya Pradesh-457001 India,

Tel No: 07412 299407, 07412 261012

Website: www.katariaindustries.co.in

E-mail: info@katariaigroup.co.in

ADDRESS OF REGISTRAR OF COMPANIES

Registrar of Companies

Our Company is registered with the Registrar of Companies, Gwalior

located at: 3rd Floor, 'A' Block, Sanjay Complex, Jayendra Ganj, Gwalior-474009, Madhya Pradesh

Email Id: roc.gwalior@mca.gov.in

Website: www.mca.gov.in

Board of Directors of our Company

Our Board of Directors comprises of the following directors as on the date of filing of this Draft Red Herring Prospectus.

Sr No	Name	Designation	DIN	Address
1.	Arun Kataria	Managing Director	00088999	Makan No. 10-12, Ward No. 37, Ghas Bazar, Ratlam, Madhya Pradesh -457001, India.
2.	Anoop Kataria	Whole time Director & Chief Financial Officer	06527758	11 Ghas Bazar, Ratlam Mandhya Pradesh-457001, India
3.	Sunil Kataria	Director	00092681	Makan No.44, Ghas Bazar, Ratlam Madhya Pradesh- 457001, India
4.	Apurva Lunavat	Independent Director	09575780	45, Rajendra Marg, Near Chowk Bazar, Mehidpur, Ujjain,456443, Madhya Pradesh, India
5.	Mukesh Kumar Jain	Independent Director	00653837	33 Bank Colony, Do Batti, Ratlam,457001, Madhya Pradesh, India

For further details of our directors, please refer chapter titled "Our Management" beginning on page 126 of this Draft Red Herring Prospectus.

Company Secretary and Compliance Officer

Priyanka Bakhtyarpuri

Kataria Industries Limited

Address: 34-38 and 44, Industrial Area, Ratlam, Ratlam, Madhya Pradesh, India, 457001

Tel No: 07412 299407, 07412 261012

Website: www.katariaindustries.co.in

E-mail: cs@katariagroup.co.in

Note: Investors can contact our Company Secretary and Compliance Officer, the Book Running Lead Manager or the Registrar to the Issue, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode etc.

ALL GRIEVANCES RELATING TO THE ASBA PROCESS AND UPI PAYMENT MECHANISM MAY BE ADDRESSED TO THE REGISTRAR TO THE ISSUE, WITH A COPY TO THE RELEVANT DESIGNATED INTERMEDIARY WITH WHOM THE ASBA FORM WAS SUBMITTED. THE APPLICANT SHOULD GIVE FULL DETAILS SUCH AS NAME OF THE SOLE OR FIRST APPLICANT, ASBA FORM NUMBER, APPLICANT DP ID, CLIENT ID, UPI ID (IF APPLICABLE), PAN, DATE OF THE ASBA FORM, ADDRESS OF THE APPLICANT, NUMBER OF EQUITY SHARES APPLIED FOR AND THE NAME AND ADDRESS OF THE DESIGNATED INTERMEDIARY WHERE THE ASBA FORM WAS SUBMITTED BY THE ASBA APPLICANT.

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

<p>Book Running Lead Manager to the Issue</p> <p>Interactive Financial Services Limited Address: Office No. 508, Fifth Floor, Priviera, Nehru Nagar, Ahmedabad - 380 015, Gujarat, India Tel No.: +91 079- 49088019 (M): +91-9898055647 Website: www.ifinservices.in Email: mbd@ifinservices.in Investor Grievance Email: info@ifinservices.in Contact Person: Pradip Sandhir SEBI Registration No: INM000012856</p>	<p>Registrar to the Issue</p> <p>Bigshare Services Private Limited Address: Office No. S-2, 6th Floor, Pinnacle Business Park, Next to Ahura Center, Mahakali Caves Road, Andheri (East), Mumbai-400093 Tel No: +91 22-62638200 Website: www.bigshareonline.com E-Mail: ipo@bigshareonline.com Contact Person: Mr. Vinayak Morbale SEBI Reg. No.: INR000001385</p>
<p>Legal Advisor to the Issuer</p> <p>Mindspright Legal Address: 712-714, C-Wing, Trade World, Kamla City, Senapati Bapat Marg, Lower Parel (West), Mumbai-400013, Maharashtra, India. Tel No.: +91-22-40020665, Fax: +91-22-40020664 Email: ipo@mindspright.co.in Contact Person: Ms. Richa Bhansali Website: www.mindspright.co.in</p>	<p>Statutory And Peer Reviewed Auditor**</p> <p>P.D. Nagar & Co. Chartered Accountants Address: 403, City Plaza,564, M.G Road Indore-452001(M.P) Tel: (0)254736-37-38 Email: nagarpd@rediffmai.com Contact Person: C.A P.D. Nagar Firm Registration: 01231C Membership Number:008627 Peer Review Registration Number: 013898</p>
<p>Bankers to the Company</p> <p>HDFC BANK LIMITED Address: 90, Station Road, Ratlam, Mandhya Pradesh Email: Yashwant.rajora@hdfcbank.com Website: www.hdfcbank.com Contact Person: Yashwant Rajora Designation: Relationship Manager</p> <p>ICICI BANK LIMITED Address: Malav Parisar, 4 Choti Khajrani, AB Road, Indore, Mandhya Pradesh. Tel: 7024124970 Email: pradeep.jn@icicibank.com Website: www.icicibank.com Contact Person: Pradeep Jain Designation: Regional Head (Business banking)</p>	<p>Peer Reviewed Auditor for the Restated Financials for this Issue</p> <p>KARMA & Co. LLP Chartered Accountants Address: 503, Patron, Opp Kensville Golf Academy Rajpath Rangoli Rd, nr. S. K Farm , PRL colony, Bodakdev, Ahmedabad-380054, Gujarat Tel: 9979997107 Email: Jignesh@karmallp.in Contact Person: CA Jignesh Dhaduk Firm Registration: 127544W/W100376 Membership Number: 129149 Peer Review Registration Number: 0103252</p>

Bankers to the Issue and Refund Banker and Sponsor Bank



***As Peer Reviewed Certificate of M/S P.D. Nagar & Co. Statutory Auditor is expired on December 12, 2024. Restated Financial Statements of Our Company for the issue is certified by M/S KARMA & Co. LLP, a Peer Reviewed auditor.**

SYNDICATE MEMBER(s)

No Syndicate Member have been appointed as on the date of this Draft Red Herring Prospectus.

DESIGNATED INTERMEDIARIES

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided 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 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.

Self-Certified Syndicate Banks eligible as Sponsor Banks for UPI

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41>

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 (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>) 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

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicant can submit Application form through stock broker network of the Stock Exchange i.e Registered Broker at the Broker center.

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail 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 to the Issue and Share Transfer Agents

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI (www.sebi.gov.in), and updated

from time to time. For details on RTA, please refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10>.

Brokers to the issue

Collecting Depository Participants

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Inter-Se Allocation of Responsibilities

Interactive Financial Services Limited being the sole Book Running Lead Manager to this issue shall be undertaking all activities in relation to this issue. Hence, the statement of inter-se allocation of responsibilities among Book Running Lead Manager is not required.

Credit Rating

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

IPO Grading

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

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 Lakhs. Since the Issue size is only of below ₹10,000 lakhs, 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.

APPRAISING ENTITY

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

Expert Opinion

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

Our Company has received a written consent from our Peer Review Auditor, M/s. KARMA & CO. LLP, with respect to their report on the Restated Consolidated Financial Statements and Restated Standalone Financial Statements dated 22 February, 2024 and written consent from the statutory Auditor, M/s. P.D. Nagar & Co. for the Statement of Tax Benefits dated February 22, 2024, to include their name in this Draft Red Herring Prospectus, as required under Companies Act read with SEBI ICDR Regulations as “Expert”, defined in section 2(38) of the Companies Act and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “Expert” shall not be construed to mean an “Expert” as defined under the U.S. Securities Act.

Debenture Trustee

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

Changes in Auditors During the Last Three Years

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

Filing of Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus with the SEBI/ ROC.

- a) The Draft Red Herring Prospectus and Prospectus shall be filed with SME Platform of National Stock Exchange of India Limited (“NSE Emerge”) situated at Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex Bandra (E), Mumbai - 400 051, India.
- b) A soft copy of Draft Red Herring Prospectus shall be submitted to SEBI. However, SEBI will not issue any observation on the offer document in term of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Further, a soft copy of the Draft Red Herring Prospectus and Prospectus along with relevant documents shall be filed with SEBI pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.
- c) A copy of the Prospectus along with the material contracts and documents referred elsewhere in the Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar of Companies, 3rd-Floor, 'A' Block, Sanjay Complex, Jayendra Ganj, Gwalior-474009, Madhya Pradesh.

Underwriter

Our Company and the BRLM to the Issue hereby confirm that the Issue is 100% Underwritten. The Underwriting agreement is dated [●] Pursuant to the terms of the Underwriting Agreement; the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriter have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Name and Address of the Underwriter	Indicative Number of Equity Shares Underwritten*	Amount Underwritten (₹in Lakhs)	% Of the Net Issue size Underwritten
[●]	[●]	[●]	100%
Total	[●]	[●]	100%

*Includes [●] Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker on its own account in order to comply with the requirements of Regulation 261 of SEBI (ICDR) Regulations 2018.

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

BOOK BUILDING PROCESS:

Book Building, with reference to the Offer, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process, and advertised in all editions of an English national newspaper [●], a Hindi national newspaper [●], a Gujarati daily newspaper [●] (being the regional language of Gujarat, where our Registered Office is located), at least two working days prior to the Bid/ Offer Opening date. The Offer 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/ Offer Closing Date. Principal parties involved in the Book Building Process are: -

- Our Company;
- The Book Running Lead Manager in this case being Interactive Financial Services Limited
- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with National Stock Exchange of India Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the 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. 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, 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.

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 (Offer of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Bidders applying in public Offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention are invited to the chapter titled “Issue Procedure” beginning on page 230 of the Draft Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled “Issue Procedure” on page 230 of this Draft Red Herring Prospectus.

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. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20.00 to ₹24.00 per share, Issue size of [●] 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	Amount (₹)	Cumulative Quantity	Subscription
500	24.00	500	16.67 %
1000	23.00	1500	50.00 %
1500	22.00	3000	100.00 %

2000	21.00	5000	166.67 %
2500	20.00	7500	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.

STEPS TO BE TAKEN BY THE BIDDERS FOR BIDDING:

- Check eligibility for making a Bid (see section titled “Issue Procedure” on page 230 of this Draft Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event, our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) day of receipt of such notification. Our Company shall also promptly inform Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals from Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Prospectus.

Market Maker

Our Company and the Book Running Lead Manager have entered into an agreement dated [●] with the following Market Maker, duly registered with NSE to fulfill the obligations of Market Making:

[●]

[●] is registered with NSE Emerge as a Market Maker and has agreed to receive or deliver the Equity Shares in the market making process for a period of three (3) years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI ICDR Regulations.

The Market Maker shall fulfill 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:

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the trading hours 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).
2. 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 SME Platform of National Stock Exchange of India Limited and SEBI from time to time. The Market Maker spread (i.e., the difference between the buy and the sell quote) shall not be more than 10% in compliance with the Market Maker spread requirements or as specified by SME Platform of National Stock Exchange of India Limited and/or SEBI from time to time.
3. The minimum depth of the quote shall be ₹ 1,00,000/-. However, the investors with holdings of value less than ₹ 1,00,000/- shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. The minimum lot size in the IPO is [●] Equity Shares, thus, the minimum depth of the quote shall be such an amount that the minimum lot of [●] Equity Shares is met, until the same is revised by NSE Emerge.
4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform (in this case currently the minimum trading lot size is [●] equity shares; however, the same may be changed by the SME Platform of stock exchange from time to time).
5. 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 (including the [●] Equity Shares to be allotted under this Issue to the Market Maker). Any Equity Shares allotted to Market Maker under this Issue over and above 5% of Issue Size would not be taken into 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.
6. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, the stock exchange 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.
7. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, the stock exchange 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.
8. There would not be more than five (5) Market Makers for a scrip of the company at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
9. The Market Maker shall start providing quotes from the day of the listing / the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the Exchange.
10. The Equity Shares of the Issuer will be traded in continuous trading session from the time and day the Issuer gets listed on NSE Emerge and Market Maker will remain present as per the guidelines mentioned under National Stock Exchange of India Limited and SEBI circulars or amended from time to time.
11. The Market Maker shall not buy the Equity Shares from the Promoter or Promoter Group of the Issuer or any person who has acquired Equity Shares from such Promoter or Promoter Group, during the Compulsory Market Making Period.
12. The Promoters' holding of the Issuer which is locked-in shall not be eligible for offering to Market Maker during the Compulsory Market Making period. However, the Promoters' holding of the Issuer which is not

locked in as per SEBI ICDR Regulations can be traded with prior permission of the NSE Emerge, in the manner specified by SEBI from time to time.

13. The BRLM, if required, has a right to appoint a nominee director on the Board of the Issuer any time during the Compulsory Market Making period provided it meets requirements of the SEBI ICDR Regulations.
14. The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Issuer at any particular level and is purely supposed to facilitate liquidity on the counter of the Issuer via its 2-way quotes. The price shall be determined and be subject to market forces.
15. 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 withdrawal on account of force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
16. The Market Maker(s) shall have the right to terminate said arrangement by giving a (1) one month 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.
17. In case of termination of the abovementioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager 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 SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the Book Running Lead Manager 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 particular point of time. The Market Making Agreement is available for inspection at our office from 11.00 a.m. to 5.00 p.m. on working days.
18. **Risk containment measures and monitoring for Market Makers:** NSE Emerge Exchange will have all margins, which are applicable on the 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.
19. **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 Equity Shares of the Company 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.

20. Price Band and Spreads SEBI Circular bearing reference no: CIR/MRD/DP/02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 Crores, the applicable price bands for the first day shall be
 - i. 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.
 - ii. 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.
21. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the NSE Emerge.

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

22. After completion of the first three months of market making, in terms of SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; the Market Maker shall be exempt from providing buy quote on attaining the prescribed threshold limits (including the mandatory allotment of 5% of Equity Shares of the Offer). Further, the Market Maker can offer buy quotes only after the Market Maker complies with prescribed re-entry threshold limits. Only those Equity Shares which have been acquired by the Market Maker on the platform of the SME Exchange during market making process shall be counted towards the Market Maker's threshold. The Market Maker shall be required to provide two-way quotes during the first three months of the market making irrespective of the level of holding.
23. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time. The call auction is not applicable of those companies, which are listed at SME platform.
24. All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.
25. Further, the following shall apply to Market Maker while managing its inventory during the process of market making:
- The exemption from threshold as per table below shall not be applicable for the first three (3) months of the Compulsory Market Making Period and the Market Maker shall be required to provide two-way quotes during this period irrespective of the level of holding.
 - Threshold for market making as per table below will be inclusive of mandatory inventory of 5% of Issue Size at the time of Allotment in the Issue.
 - Any initial holdings over and above such 5% of Issue size would not be counted towards the inventory levels prescribed
 - Apart from the above mandatory inventory, only those Equity Shares which have been acquired on the platform of the Exchange during market making process shall be counted towards the Market Maker's threshold.
 - Threshold limit will be taken into consideration, the inventory level across market makers.
 - The Market Maker shall give two-way quotes till it reaches the upper limit threshold, thereafter it has the option to give only sell quotes.
 - Two-way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.
 - In view of the market making obligation, there shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process on the platform of the Exchange, the Exchange may intimate the same to SEBI after due verification.

Issue Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of Issue size)	Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of Issue size)
Upto ₹ 2,000 Lakhs	25 %	24 %
₹. 2,000 Lakhs to ₹. 5,000 Lakhs	20 %	19 %
₹. 5,000 Lakhs to ₹. 8,000 Lakhs	15 %	14 %
Above ₹.8,000 Lakhs	12 %	11 %

26. The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI/ NSE from time to time.

All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

CAPITAL STRUCTURE

Our Equity Share Capital before the issue and after giving effect to the issue, as on the date of filing of this Draft Red Hearing Prospectus, is set forth below:

Amount (₹ in Lacs except share data)

Sr. No.	Particulars	Aggregate nominal value	Aggregate value at Issue Price
	AUTHORISED SHARE CAPITAL		
	2,20,00,000 Equity Shares of face value of ₹10 each	2,200.00	
	ISSUED, SUBSCRIBED & PAID-UP SHARE CAPITAL BEFORE THE ISSUE		
	1,58,46,834 fully paid Equity Shares of face value of Rs. 10 each	1584.68	
	PRESENT ISSUE IN TERMS OF THIS DRAFT RED HEARING PROSPECTUS#		
	Issue of [●] Equity Shares of face value of ₹10 each at a premium of ₹[●] per share	[●]	[●]
	Which Comprises:		
(I)	Reservation for Market Maker [●] Equity Shares of face value of ₹10 each at a premium of Rs. ₹[●] will be available for allocation to Market Maker	[●]	[●]
(II)	Net Issue to the Public [●] Equity Shares of face value of ₹10 each at a premium of ₹[●] per share	[●]	[●]
	Of Net Issue to the Public	[●]	[●]
(I)	[●] Equity Shares of face value of ₹10 each at a premium of ₹[●] per share shall be available for allocation for Investors applying for a value of upto ₹2 Lakh	[●]	[●]
(II)	[●] Equity Shares of face value of ₹10 each at a premium of ₹[●] per share shall be available for allocation for Investors applying for a value above ₹2 Lakh	[●]	[●]
	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE PRESENT ISSUE		
	[●] Equity Shares of ₹10 each	[●]	
E.	SHARE PREMIUM ACCOUNT		
	Share Premium account before the Issue	-	
	Share Premium account after the Issue	[●]	

Details of Changes in Authorized Share Capital:

Since Incorporation of our Company, the Authorized share capital has been altered in the manner set forth below:

Sr. No.	Date of Change	AGM/ EGM	Changes in authorized Capital
1.	On Incorporation (May 11, 2004)	-	The authorized capital of our company on incorporation comprised of ₹ 1,00,00,000/- consisting of 10,00,000 Equity shares of ₹ 10 each.
2.	December 15, 2004	EGM	The authorized share capital of ₹ 1,00,00,000/- consisting of 10,00,000 Equity shares of ₹10 each was increased to ₹3,00,00,000/- consisting of 30,00,000 Equity shares of ₹10/- each.
3.	March 25,		The authorized share capital of ₹3,00,00,000/- consisting of 30,00,000

	2008	EGM	Equity shares of ₹10/- each was increased to ₹4,50,00,000/-consisting of 45,00,000 Equity shares of ₹10/- each.
4.	April 17, 2009	EGM	The authorized share capital of ₹4,50,00,000/- consisting of 45,00,000 Equity shares of ₹10/- each was increased to ₹5,50,00,000/-consisting of 55,00,000 Equity shares of ₹10/- each.
5.	November 02, 2023	EGM	The authorized share capital of ₹5,50,00,000/- consisting of 55,00,000 Equity shares of ₹10/- each was increased to ₹22,00,00,000/-consisting of 2,20,00,000 Equity shares of ₹10/- each.

Note:

The present issue of [●] equity shares in terms of this Draft Red Herring Prospectus has been authorized by a resolution of our Board dated December 26, 2023 and by a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the EGM by the shareholders of our Company held on December 26, 2023.

The company has one class of share capital i.e. Equity Shares of Face value of Rs.10/- each only. All equity shares issued are fully paid-up. Our Company has no outstanding Convertible Instruments as on date of this Draft Red Hearing Prospectus.

NOTES TO THE CAPITAL STRUCTURE:

Share Capital History:

Our existing Share Capital has been subscribed and allotted as under: Date of Allotment	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reason / Nature of Allotment	Cumulative No. of Equity Shares
On Incorporation (May 11, 2004)	10,000	10	10	Cash	Subscription to MoA ¹	10,000
June 16, 2005	12,50,000	10	10	Cash	Preferential Issue ^{2A}	12,60,000
	7,00,000	10	40	Cash	Preferential Issue ^{2B}	19,60,000
February 14, 2006	9,59,620	10	50	Cash	Preferential Issue ³	29,19,620
March 31, 2008	8,40,000	10	80	Cash	Preferential Issue ⁴	37,59,620
December 31, 2010	93,500	10	40	Cash	Preferential Issue ⁵	38,53,120
October 01, 2013	-16,18,310	10	-	-	Reduction in Capital As per HC Order ⁶	22,34,810
February 06, 2016	4,06,329	10	25	Cash	Right Issue ⁷	26,41,139
December 06, 2023	1,32,05,695	10	-	-	Bonus Issue ⁸	1,58,46,834

¹Initial Subscribers to Memorandum of Association subscribed 10,000 Equity Shares of face value of Rs.10/- each fully paid at par as per the details given below:

Sr. No	Name of the Person	No of Shares Subscribed
1	Sunil Kataria	5,000
2	Arun Kataria	5,000
Total		10,000

^{2A}Allotment of 12,50,000 Equity Shares on June 16,2005 on Preferential basis having face value of Rs. 10 each fully paid up at par, the details are given below:

Sr. No	Name of the Person	No of Shares Subscribed
1.	Sugnbai Kataria	12,600
2.	Anokhilal Pannalal HUF	1,96,600
3.	Manoharlal Pannalal HUF	1,38,600
4.	Kantilal Pannalal HUF	3,52,800
5.	Madanlal Pannalal HUF	2,77,200
6.	Ashok Kumar Pannalal HUF	2,72,200
Total		12,50,000

^{2B}Allotment of 7,00,000 Equity Shares on June 16,2005 on Preferential basis having face value of Rs.10 each fully paid up at a premium of Rs.30 per share, the details are given below:

Sr. No	Name of the Person	No of Shares Subscribed
1.	Mohammad Ali Chakrawala	37,500
2.	Hakimuddin	37,500
3.	Monalisa Infotech Limited	62,500
4.	Vax Housing Finance Corporation Ltd.	1,12,500
5.	Sheetal Securities Finance Ltd.	1,12,500
6.	Dhanvidhya Impex Pvt. Ltd.	25,000
7.	Siddhi Vinayak Fincap Ltd.	1,12,500
8.	Ani Anu Developers Pvt. Ltd.	1,00,000
9.	Samarpan Textiles Pvt. Ltd.	1,00,000
Total		7,00,000

³Allotment of 9,59,620 Equity Shares on February 14,2006 on Preferential basis having face value of Rs. 10 each fully paid up at a premium of Rs.40 per share, the details are given below:

Sr. No	Name of the Person	No of Shares Subscribed
1.	M/s. Sonic Biochem Extraction Pvt. Ltd.	9,59,620
Total		9,59,620

⁴Allotment of 8,40,000 Equity Shares on March 31, 2008 on Preferential basis having face value of Rs. 10 each fully paid up at a premium of Rs.70 per share, the details are given below:

Sr. No	Name of the Person	No of Shares Subscribed
1.	M/s. Sonic Biochem Extraction Pvt. Ltd.	8,40,000
Total		8,40,000

⁵Allotment of 93,500 Equity Shares on December 31, 2010 on Preferential basis having face value of Rs. 10 each fully paid up at a premium of Rs.30 per share, the details are given below:

Sr. No	Name of the Person	No of Shares Subscribed
1.	M/s. Sonic Biochem Extraction Pvt. Ltd.	93,500
Total		93,500

⁶Reduction in Issued and Paid Share Capital from Rs.3,85,31,200 to Rs.2,23,48,100 (i.e. Reduction of Paid up Share Capital by Rs.1,61,83,100 i.e. 16,18,310 Shares of Rs.10 each) as per the Demerger Order of Hon'ble High Court of Madhya Pradesh, Indore Bench, vide order dated September 25, 2014. The appointed/effective date of order is October 01, 2013. The details of shareholder wise reduction of share capital are given below:

Sr. No	Name of the Person	No of Shares Subscribed
1.	Madanlal Kataria	17,556
2.	Ashok Kataria	41,811

3.	Ashok Kumar Pannalalji HUF	1,14,324
4.	Anokhilal Pannalalji HUF	1,00,212
5.	Madanlal Pannalalji HUF	1,16,424
6.	Manoharlal Pannalalji HUF	58,212
7.	Arun Kataria	2,100
8.	Sunil Kataria	79,355
9.	Anoop Kataria	1,46,418
10.	Smt. Nagina Devi Kataria	26,399
11.	Smt. Sushila Devi Kataria	2,804
12.	Smt. Chanda Devi Kataria	2,804
13.	Smt. Rakhi Kataria	1,22,163
14.	Sonic Biochem Extractions Ltd.	39,270
15.	Mansarowar Developers Pvt. Ltd.	3,04,500
16.	Smt. Suman Devi Kataria	1,529
17.	Anil Kataria	81,988
18.	Kantilal Pannalalji Huf	1,48,176
19.	Preveen Kataria	69,565
20.	Arvind Kataria	69,565
21.	Asha Devi Kataria	73,135
Total		16,18,310

⁷Allotment of 4,06,329 Equity Shares on February 06, 2016 on Right basis having face value of Rs.10 each fully paid up at a premium of Rs.15 per share, the details are given below:

Sr. No	Name of the Person	No of Shares Subscribed
1.	Madan Lal Kataria	1,00,000
2.	Ashok Kataria	70,000
3.	Arun Kataria	74,000
4.	Anokhilal Kataria	1,12,000
5.	Charushila Kataria	50,329
Total		4,06,329

⁸Issue of 1,32,05,695 Equity shares as Bonus Shares (5:1) on December 06, 2023 having face value of ₹ 10 each fully paid up, the details are given below:

Sr. No	Name of the Person	No of Shares Subscribed
1.	Arun Kataria	12,27,835
2.	Sunil Kataria	11,66,515
3.	Madanlal Kataria	18,96,100
4.	Smt. Nagina Devi Kataria	9,98,045
5.	Smt. Rakhi Kataria	15,54,555
6.	Anoop Kataria	12,62,630
7.	Smt. Sushila Devi Kataria	9,12,905
8.	Smt. Chanda Devi Kataria	20,59,705
9.	Anokhilal Kataria	13,01,940
10.	Yash Kataria	55,000
11.	Pankaj Kataria	7,70,465
Total		1,32,05,695

Equity Share Issued for consideration other than cash:

Except following, Our Company has not issued any Equity Shares for consideration other than cash:

Issue of 1,32,05,695 Equity shares as Bonus Shares (5:1) on December 06, 2023 having face value of ₹ 10 each fully paid up, the details are given below:

Sr. No	Name of the Person	No of Shares Subscribed
1.	Arun Kataria	12,27,835
2.	Sunil Kataria	11,66,515
3.	Madanlal Kataria	18,96,100
4.	Smt. Nagina Devi Kataria	9,98,045
5.	Smt. Rakhi Kataria	15,54,555
6.	Anoop Kataria	12,62,630
7.	Smt. Sushila Devi Kataria	9,12,905
8.	Smt. Chanda Devi Kataria	20,59,705
9.	Anokhilal Kataria	13,01,940
10.	Yash Kataria	55,000
11.	Pankaj Kataria	7,70,465
Total		1,32,05,695

Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

Our Company has not allotted any Equity Shares pursuant to any scheme approved under section 230-234 of the Companies Act, 2013. Further, our Company has done Reduction in Issued and Paid Share Capital from Rs.3,85,31,200 to Rs.2,23,48,100 (i.e. Reduction of Paid up Share Capital by Rs.1,61,83,100 i.e. 16,18,310 Shares of Rs.10 each) as per the Demerger Order of Hon'ble High Court of Madhya Pradesh, Indore Bench, vide order dated September 25, 2014. The appointed/effective date of order is October 01, 2013. For further details please refer chapter title "History & Certain Corporate Matters" on page no 121 of this Draft Red Hearing Prospectus.

Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme 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.

Except as set out below, Our Company has not issued any Equity Shares during a period of one year preceding the date of the Draft Red Hearing Prospectus at a price lower than the Issue price to our Promoter & Promoter Group.

Date of Allotment	No. of Shares Allotted	Face Value	Issue Price	Name of Allottees	Promoter / Promoter Group	Type of Issue	Reason for Allotment
December 06, 2023	1,32,05,695	10	Not Applicable	Arun Kataria	Promoter	Bonus Issue	Capitalization of Profit
				Sunil Kataria			
				Anoop Kataria			
				Smt. Nagina Devi Kataria	Promoter Group		
				Smt. Rakhi Kataria			
				Madanlal Kataria			
				Smt. Sushila Devi Kataria			
				Smt. Chanda Devi Kataria			
				Anokhilal Kataria			
				Yash Kataria			
				Pankaj Kataria			
1,32,05,695							

Our Shareholding Pattern:

The shareholding pattern of our company in accordance with Regulation 31 of SEBI(LODR) Regulations, 2015, as on March 08, 2024:

i. Summary of Shareholding Pattern:

Category (I)	Category of shareholder (II)	Nos of shareholders (III)	No of fully paid-up equity shares held (IV)	No of Partly paid-up equity shares held (V)	No of shares underlying Depositor Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)		No of shares Underlying Outstanding securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								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)	
(A)	Promoter & Promoter Group	11	15846834	0	0	15846834	100.00	15846834	100.00	0	0			0	100	15846834
(B)	Public															
(C)	Non Promoter-Non Public	0	0	0	0	0	0	0	0	0	0	0	0	N.A	N.A	-
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	N.A	N.A	-
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	N.A	N.A	-
	TOTAL	11	1,58,46,834	0	0	1,58,46,834	100	1,58,46,834	100.00	0	0			N.A	100	15846834

Note: Our Company will file shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity Shares. The Shareholding pattern will be uploaded on the website of NSE before commencement of trading of such equity shares.

The shareholding pattern before and after the Issue:

Sr. No	Name of share holder	Pre-issue		Post Issue	
		No of equity shares	As a % of Issued Capital	No of equity shares	As a % of Issued Capital
(i) Promoters					
1.	Arun Kataria	28,00,000	17.67	28,00,000	[●]
2.	Sunil Kataria	17,50,000	11.04	17,50,000	[●]
3.	Anoop Kataria	18,09,774	11.42	18,09,774	[●]
	TOTAL (A)	63,59,774	40.13	63,59,774	
(ii) Promoter Group					
4.	Anokhilal Kataria	12,12,146	7.65	12,12,146	[●]
5.	Smt. Nagina Devi Kataria	11,97,654	7.56	11,97,654	[●]
6.	Smt. Rakhi Kataria	1505257	9.50	1505257	[●]
7.	Smt. Chanda Devi Kataria	1505257	9.50	1505257	[●]
8.	Madanlal Kataria	13,90,104	8.77	13,90,104	[●]
9.	Pankaj Kataria	15,15,156	9.56	15,15,156	[●]
10.	Smt. Sushila Devi Kataria	10,95,486	6.91	10,95,486	[●]
11.	Yash Kataria	66,000	0.42	66,000	[●]
	TOTAL (B)	94,87,060	59.87	94,87,060	[●]
	IPO	-	-	Up to 91,50,000	[●]
	TOTAL (C)	-		[●]	[●]
	TOTAL (A+B+C)	1,58,46,834	100.00	[●]	100.00

Details of Major Shareholders

List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date of the Draft Red Hearing Prospectus:

Sr. No.	Name of shareholder	No. of Shares	% of Shares Capital
1.	Anokhilal Kataria	12,12,146	7.65
2.	Arun Kataria	28,00,000	17.67
3.	Madanlal Kataria	13,90,104	8.77
4.	Sunil Kataria	17,50,000	11.04
5.	Smt. Nagina Devi Kataria	11,97,654	7.56
6.	Smt. Rakhi Kataria	15,05,257	9.50
7.	Smt. Chanda Devi Kataria	15,05,257	9.50
8.	Anoop Kataria	18,09,774	11.42
9.	Pankaj Kataria	15,15,156	9.56
10.	Smt. Sushila Devi Kataria	10,95,486	6.91
TOTAL		1,57,80,834	99.58

List of Shareholder holding 1.00% or more of the paid-up capital of the company ten days prior to the date of the Draft Red Hearing Prospectus:

Sr. No.	Name of shareholder	No. of Shares	% of Shares Capital
1.	Anokhilal Kataria	12,12,146	7.65
2.	Arun Kataria	28,00,000	17.67
3.	Madanlal Kataria	13,90,104	8.77
4.	Sunil Kataria	17,50,000	11.04
5.	Smt. Nagina Devi Kataria	11,97,654	7.56

6.	Smt. Rakhi Kataria	15,05,257	9.50
7.	Smt. Chanda Devi Kataria	15,05,257	9.50
8.	Anoop Kataria	18,09,774	11.42
9.	Pankaj Kataria	15,15,156	9.56
10.	Smt. Sushila Devi Kataria	10,95,486	6.91
TOTAL		1,57,80,834	99.58

List of Shareholder holding 1.00% or more of the paid-up capital of the company one years prior to the date of the Draft Red Hearing Prospectus i.e. March 31, 2023:

Sr. No.	Name of shareholder	No. of Shares	% of Shares Capital
1.	Shri Arun Kataria	91,370	3.46
2.	Shri Sunil Kataria	1,21,093	4.58
3.	Shri Madanlal Kataria	3,79,220	14.36
4.	Mansarowar Developers Pvt. Ltd.	4,20,500	15.92
5.	Smt. Nagina Devi Kataria	1,99,609	7.56
6.	Smt. Rakhi Kataria	3,10,911	11.77
7.	Shri Anoop Kataria	2,52,526	9.56
8.	Smt. Sushila Devi Kataria	1,82,581	6.91
9.	Smt. Chanda Devi Kataria	4,11,941	15.60
10.	Anokhilal Kataria	2,60,388	9.86
11.	Yash Kataria	11,000	0.42
TOTAL		26,41,139	100.00

List of Shareholder holding 1.00% or more of the paid-up capital of the company two years prior to the date of the Draft Red Hearing Prospectus i.e. March 31, 2022:

Sr. No.	Name of shareholder	No. of Shares	% of Shares Capital
1.	Shri Arun Kataria	91370	3.46
2.	Shri Sunil Kataria	121093	4.58
3.	Shri Madanlal Kataria	124244	4.70
4.	Mansarowar Developers Pvt. Ltd.	420500	15.92
5.	Smt. Nagina Devi Kataria	199609	7.56
6.	Smt. Rakhi Kataria	310911	11.77
7.	Shri Anoop Kataria	252526	9.56
8.	Smt. Sushila Devi Kataria	182581	6.91
9.	Smt. Chanda Devi Kataria	153641	5.82
10.	Anokhilal Kataria	112000	4.24
11.	Yash Kataria	11000	0.42
12.	Madanlal Kataria HUF	160776	6.09
13.	Ahokkumar HUF	157876	5.98
14.	Anokhila HUF	138388	5.24
15.	Kantilal Pannalalji HUF	204624	7.75
TOTAL		26,41,139	100.00

As on date of this Draft Red Hearing Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.

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 Draft Red Herring Prospectus until the Equity Shares have been listed. Further, our Company presently does not have any intention or proposal to alter our capital structure within a period of six months from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether

preferential or otherwise except that if we enter into acquisition(s) or joint ventures, we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.

Share Capital Build-up of our Promoter & Lock-in

Our Promoter had been allotted Equity Shares from time to time. The following is the Equity share capital build-up of our Promoters.

Date of Allotment / Transfer	Nature of Issue/ Allotment (Bonus, Rights etc)	Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	Face Value (Rs.)	Issue/ Transfer Price	% of total Issued Capital		Lock In
							Pre-Issue	Post-Issue	
Arun Kataria									
May 11, 2004	Subscriber to MOA	Cash	5,000	5,000	10	10	0.03	[●]	[●]
October 01, 2013	Reduction as per HC Order	-	-2,100	2,900	10	-	-0.01	[●]	[●]
February 06, 2016	Right Issue	Cash	74,000	76,900	10	25	0.47	[●]	[●]
May 18, 2017	Transfer	Cash	14,470	91,370	10	36	0.09	[●]	[●]
October 04, 2023	Transfer	Cash	1,54,197	2,45,567	10	133	0.97	[●]	[●]
December 06, 2023	Bonus Issue	-	12,27,835	14,73,402	10	-	7.75	[●]	[●]
March 01, 2024	Transfer	Gift	3,60,209	18,33,611	10	-	2.27	[●]	[●]
March 04, 2024	Transfer	Gift	9,66,389	28,00,000	10	-	6.10	[●]	[●]
	TOTAL (B)		28,00,000				17.67		
Sunil Kataria									
May 11, 2004	Subscriber to MOA	Cash	5,000	5,000	10	10	0.03	[●]	[●]
May 10, 2009	Transfer	Cash	18,400	23,400	10	8	0.12	[●]	[●]
May 28, 2009	Transfer	Cash	12,000	35,400	10	4	0.08	[●]	[●]
September, 14, 2009	Transfer	Cash	1,53,540	1,88,940	10	5	0.97	[●]	[●]
October 01, 2013	Reduction as per HC Order	-	-79,355	1,09,585	10	0	-0.50	[●]	[●]
May, 18 2017	Transfer	Cash	11,508	1,21,093	10	36	0.07	[●]	[●]
October 04, 2023	Transfer	Cash	1,12,210	2,33,303	10	133	0.71	[●]	[●]
December 06, 2023	Bonus Issue	-	11,66,515	13,99,818	10	0	7.36	[●]	[●]
March 01, 2024	Transfer	Gift	3,50,182	17,50,000	10	0	2.21	[●]	[●]
	TOTAL		17,50,000				11.04		
Anoop Kataria									
October 12,	Transfer	Cash	3,48,615	3,48,615	10	5	2.20	[●]	[●]

Date of Allotment / Transfer	Nature of Issue/ Allotment (Bonus, Rights etc)	Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	Face Value (Rs.)	Issue/ Transfer Price	% of total Issued Capital		Lock In
							Pre-Issue	Post-Issue	
2009									
October 01, 2013	Reduction as per HC Order	-	-1,46,418	2,02,197	10	-	-0.92	[●]	[●]
March 01, 2019	Transfer	Gift	50,329	2,52,526	10	-	0.32	[●]	[●]
December 06, 2023	Bonus Issue	-	12,62,630	15,15,156	10	-	7.97	[●]	[●]
February 28, 2024	Transfer	Gift	2,94,618	18,09,774	10	-	1.86	[●]	[●]
	TOTAL		18,09,774				11.42		

Note: All the Equity Shares allotted and held by our Promoters were fully paid at the time of allotment and none of the Equity Shares held by our Promoters are pledged.

None of our Promoters, Promoters Group, Directors and their relatives have purchased or sold the equity share of our company during the past six months immediately preceding the date of filing Draft Red Hearing Prospectus except as stated here under:

Date Of transaction	Name of the Promoter/Director/ Promoter Group	Purchased /sold	No of shares
February 28, 2024	Pankaj Kataria	Acquire/Gift	5,90,598
February 28, 2024	Anoop Kataria	Acquire/Gift	2,94,618
March 01, 2024	Sunil Kataria	Acquire/Gift	3,50,182
March 01, 2024	Arun Kataria	Acquire/Gift	3,60,209
March 04,2024	Arun Kataria	Acquire/Gift	9,66,389
October 04, 2023	Sunil Kataria	Acquire	1,12,210
October 04, 2023	Pankaj Kataria	Acquire	1,54,093
October 04, 2023	Arun Kataria	Acquire	1,54,197

The average cost of acquisition of or subscription to Equity Shares by our Promoters are set forth in the table below:

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition in ₹
1.	Arun Kataria	28,00,000	8.19
2.	Sunil Kataria	17,50,000	9.34
3.	Anoop Kataria	18,09,774	0.96

The members of the Promoter Group, our directors or the relatives of our directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months preceding the date of filing of the Draft Red Herring Prospectus.

Lock in of Promoters:

As per clause (a) Regulation 238 of the SEBI (ICDR) Regulations and in terms of the aforesaid table, an aggregate of 20.00 % of the post-Issue Equity Share Capital of our Company i.e. [●] equity shares shall be locked in by our Promoter for three years. The lock-in shall commence from the date of allotment in the proposed public issue and the last date of lock-in shall be reckoned as three years from the date of commencement of commercial production or the date of allotment in the public issue whichever is later. ("Minimum Promoters' contribution").

The Promoters' contribution has been brought in to the extent of not less than the specified minimum amount and has been contributed by the persons defined as Promoter under the SEBI ICDR Regulations. Our Company has obtained written consents from our Promoter for the lock-in of [●] Equity Shares for three years. The Equity Shares that are being locked in are not ineligible for minimum promoter's contribution in terms of Regulation 237 of the SEBI (ICDR) Regulations, 2018. In connection, we confirm the following.

The equity shares offered for minimum 20% promoters contribution have not been acquired in the preceding three years before the date of draft red herring prospectus for consideration other than cash and revaluation of assets or capitalisation of intangible assets is involved in such transaction nor resulted from a bonus issue by utilisation of revaluation reserves or unrealized profits of the issuer or from bonus issue against equity shares which are ineligible for minimum promoters' contribution;

The minimum promoters Contribution does not include Equity Shares acquired by our Promoters during the preceding one (1) year, at a price lower than the price at which Equity Shares are being offered to the public in the Issue;

The minimum promoters Contribution does not include Equity shares pledged with any creditor.

Equity Shares of Promoter locked-in for one year

In addition to 20.00% ([●]) of the post-Issue shareholding of our Company shall be locked-in for three years as the minimum Promoters' contribution, the balance Pre-Issue Paid-up Equity Share Capital i.e. [●] the Equity Shares, would be locked-in for a period of one year from the date of Allotment in the proposed Initial Public Offering as provided in clause (b) of Regulations 238 of SEBI (ICDR) Regulations, 2018.

Lock-in of securities held by persons other than the promoters:

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue capital held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer. Accordingly, [●] Equity shares held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer.

Transferability of Lock-in securities:

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 238 of the SEBI (ICDR) Regulations, 2018, may be transferred to another Promoters or any person of the promoter group or a new promoter or a person in control of the issuer company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable.

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018, 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, 2018 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.

Other requirements in respect of 'lock-in'

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018 the locked-in Equity Shares held by our Promoter can be pledged only with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the following:

If the specified securities are locked-in in terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, the loan has been granted by such bank or institution for the purpose of financing one or more of the objects of the issue and the pledge of specified securities is one of the terms of sanction of the loan;

If the specified securities are locked-in in terms of clause (b) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, and the pledge of specified securities is one of the terms of sanction of the loan.

In terms of regulations 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms the securities issued in dematerialized form then the lock-in is recorded by the depository.

Our Company, our Directors and the Book Running Lead Manager to this Issue have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares issued by our Company.

All the Equity Shares of our Company are fully paid up equity shares as on the date of the Draft Red Herring Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.

Neither the Book Running Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of the Draft Red Herring Prospectus.

Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme 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.

Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the LM and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

As per RBI regulations, OCBs are not allowed to participate in this Issue.

Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.

Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.

An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.

No payment, direct or indirect in the nature of discount, commission, allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.

Our Promoter and the members of our Promoter Group will not participate in this Issue.

As on date of this Draft Red Herring Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.

Our Company shall ensure that transactions in the Equity Shares by the Promoter Group between the date of registering Prospectus with the Registrar of Companies and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.

None of our Key Managerial Personnel holds any Equity Shares in our Company except stated in the Our Management on page no. 126 of the Draft Red Hearing Prospectus.

As on date of this Draft Red Herring Prospectus, our Company has 11 Shareholders.

SECTION IV - PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The present Public Issue up to 91,50,000 Equity Shares at an issue price of ₹[●] per Equity Share.

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

1. Capital Expenditure for purchase of machineries.
2. Repayment of Debt
3. General Corporate Purpose,
4. Meeting Public Issue Expenses.

(Collectively referred to as “Objects”)

The main objects clause and the objects ancillary to the main objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company through the Fresh Issue.

Net Proceeds

The details of the proceeds of the issue are summarized in the table below:

Sr. No.	Particulars	Estimated Amount (₹ In lakhs)
1.	Gross proceeds from the issue	[●]
2.	Less: Issue related expenses	[●]
Net proceeds of the issue		[●]

Requirement of funds and utilization of Net Proceeds

Sr. No.	Particulars	Estimated Amount (₹ In lakhs)
1.	Capital Expenditure for plant and machineries	175.00
2.	Repayment of Debt	4800.00
3.	General corporate purposes	[●]
Total utilization of net proceeds		[●]

The fund requirements mentioned above are based on internal management estimates of our Company and have not been verified by the Book running lead manager or appraised by any bank or financial institution or any other external agency. Given the dynamic nature of our business and our Company, we may have to revise the estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In addition, the estimated dates of completion of various plans as described herein are based on management’s current expectations and are subject to change due to various factors, some of which may not be in our control.

In the event of shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilizing our internal accruals or seeking debt financing.

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please see the section titled “Risk Factors” beginning on page. 19 of this Draft Red Hearing Prospectus.

Schedule of implementation and Deployment of Net Proceeds

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

(₹ In lakhs)

Sr. No.	Particulars	Total Estimated Cost	Amount already deployed	Estimated utilization of net proceeds in FY 2024-2025
1.	Capital Expenditure for plant and machineries	175.00	[●]	175.00
2.	Repayment of Loan	4800.00	[●]	4800.00
3.	General corporate purposes ¹	[●]	[●]	[●]
	Total	[●]	[●]	[●]

¹The amount utilized for general corporate purposes shall not exceed 25.00% of the gross proceeds of the issue.

As indicated above, our Company proposes to deploy the entire Net Proceeds towards the objects as described in the Financial Year 2024-25. In the event that the estimated utilization of the Net Proceeds in a Financial Year 2024-25 is not completely met, the same shall be utilized, in part or full, in the next Financial Year or a subsequent period towards the Objects.

Means of Finance

In the event of a shortfall in raising the requisite capital from the Net Proceeds, towards meeting the objects of the Issue, the extent of the shortfall will be met by internal accruals or debt. In case of any surplus of monies received in relation to the Fresh Issue, we may use such surplus towards general corporate purposes.

We confirm that there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations 2018 and Clause 9(C) of Part A of Schedule VI of the SEBI ICDR Regulations, 2018 through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the issue.

DETAILS OF THE OBJECTS OF THE ISSUE

1) Funding capital expenditure requirements for the purchase of equipment/machineries

The business of our Company is growing and we achieved a growth rate of 32.93 % in Financial Year 2023 as compared to Financial Year 2022 and growth of 57.33 % in Financial Year 2022 as compared to Financial Year 2021. As on December 31, 2023, the aggregate gross block value of our Company's property, plant and equipment was ₹ 7962.88 lakhs. Our Company had spent ₹ 1,986.32 lacs in the period ended on December 31, 2023, ₹ 1954.18 lacs in Financial Year 2023, ₹ 1204.91 lakhs in Financial Year 2022 and ₹ 643.97 lakhs in Financial Year 2021 for acquiring the plant and machineries. The capital expenditure towards equipment is of recurring nature and on an ongoing basis, we invest in the procurement of capital equipment, which is utilized by us in carrying out our business, we intend to enhance our execution capacity and therefore propose to utilize ₹ 175.00 lakhs towards purchasing capital equipment, based on our current estimates. The specific number and nature of such equipment to be purchased by our Company will depend on our business requirements and the details of our capital equipment to be purchased from the Net Proceeds which will be suitably updated at the time of filing of the Draft Red Herring Prospectus with the RoC.

An indicative list of such construction equipment that we intend to purchase, along with details of the quotations we have received in this respect is set forth below. The orders for the machinery have not been placed and all the machines are new one. The validity quotations range from two weeks to one month. The promoters are confident to get the machines at the quotation price.

Sr. No.	Particulars of Machinery	Name of Supplier	Quantity	Price	Date of Quotation
1.	(a)Threading Machine Model No. ROHITA-1.5	ROHITA INDUSTRIES, Ludhiana	1	3.25	January 30, 2024
2.	Heavy Duty Lathe Machine Model -4	Bhavya, Ahmedabad	1	13.41	February 14, 2024
3.	Double column all Geared	Bhavya,	1	12.52	February 14, 2024

	Radial Drill Machine	Ahmedabad			
4	Radial Drill Machine-IR -MM	Banka, Rajkot	1	12.39	February 13,204
5	4W Automatic Blasting Machine with roller Conveyor System	Surface Preparation solutions and Technologies Private Limited, Pithampur	1	47.79	January 21,2024
6	Mac power CNC Vertical Turret Lathe Machine Model VTX1000	Macpower CNC Machines Private Limited	1	85.43	February 16,2024
	Total			174.79	
	Say			175.00	

2) REPAYMENT OF DEBT

Our Company has entered into various financing arrangements to avail terms loans and working capital loans. For details, see section entitled “*Financial Statements*” on page 142.

As on December 31, 2023, the amount outstanding under our secured loan facilities was ₹5652.36 lakhs. We propose to utilise an estimated amount of 4800.00 lakhs from the Net Proceeds towards re-payment or pre-payment of borrowings availed by our Company in full or in part. The repayment/ prepayment, will help reduce our outstanding indebtedness, assist us in maintaining a favorable debt-equity ratio and enable utilization of some additional amount from our internal accruals for further investment in business growth and expansion. In addition, we believe that since our debt-equity ratio will improve significantly, it will enable us to raise further resources at competitive rates and additional funds or capital in the future to fund potential business development opportunities and plans to grow and expand our business in the future. Given the nature of these borrowings and the terms of repayment/prepayment, the aggregate outstanding borrowing amounts may vary from time to time. However, the aggregate amount to be utilised from the Net Proceeds towards repayment/ prepayment of certain borrowings, in part or in full, would not exceed ₹4800.00 lakhs.

The following table provides details of certain borrowings availed by our Company, which are outstanding as on December 31, 2023, which are currently proposed to be re-paid or pre-paid, in full or in part, to the extent of ₹4800.00 lakhs from the Net Proceeds:

Sr. No.	Name of the Lender	Nature of Borrowings	Sanctioned Amount	Outstanding as on December 31, 2023	Purpose for which the loan has been used	Rate of Interest	Repayment Terms
1.	HDFC Bank	Working Capital Term loan	667.50	9.36	Working Capital	10.85	12 Months
2.	HDFC Bank	Working Capital Term loan	230.00	153.20	Working Capital	10.30	60 Months
3.	HDFC Bank	Working Capital Term loan	700.00	394.49	Working Capital	10.23	60 Months
4.	ICICI Bank	ECLGS	123.50	123.27	Working capital	As on date the I-EBLR is 9.10% and Spread is 0.10%.	5 Years including Moratorium period of 2 Years
5.	ICICI Bank	Working capital Term loan	246.54	75.51	Working capital	As on date the I-EBLR is 7.70%	After moratorium period of 12 months the

						and Spread is 0.55%.	repayment will be in 36 monthly installment.
6.	HDFC Bank	Cash Credit	1750.00	1244.88	Working capital	9.00%	Repayable on demand
7.	HDFC Bank	Letter of Credit	2100.00	1457.10	Working capital		Repayable on demand
8.	ICICI Bank	Cash Credit	1165.00	924.30	Working capital	As on date the Repo Rate is 5.40 and Spread is 3.60%.	Repayable on demand
9.	ICICI Bank	Letter of Credit	1700.00	1206.37	Working capital		Repayable on demand
10.	ICICI Bank	Term Loan	511.00	63.88	For Purchase of Plant & Machinery	As on the repo rate is 4.0% and spread is 5.0%	Maximum tenor of each tranche shall be 90 days; minimum tenor of each tranche 7 days. Repayment: Principal amount of each tranche is to be repaid (in full) as bullet payment on the maturity date.
	Total			5652.36			

3. General corporate purposes

In terms of the SEBI ICDR Regulations, the extent of the Net Proceeds proposed to be used for general corporate purposes is estimated not to exceed 25.00% of the proceeds of the issue.

Our management will have flexibility in applying [●] lakhs of the Net Proceeds towards general corporate purposes, including but not restricted to financing working capital requirements, capital expenditure, acquiring business premises, meeting exigencies etc or any other purpose as may be approved by our Board, subject to compliance with the necessary provisions of the Companies Act.

Our management in accordance with the policies of the Board will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company from time to time.

Issue Related Expenses

The total expenses of the Issue are estimated to be approximately [●] lakhs. The expenses of this include, among others, underwriting and Book Running lead manager fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated issue expenses are as follows:

Activity	Estimated expenses (₹ in lakhs)	As a % of total estimated issue related expenses	As a % of Gross Issue Size
Lead Manger Fees including Underwriting Commission.	[●]	[●]	[●]
Brokerage, selling commission and Marketing	[●]	[●]	[●]
Registrar to the Issue	[●]	[●]	[●]
Legal Advisors	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of issue stationary	[●]	[●]	[●]
Others (Market Making fees etc.)	[●]	[●]	[●]
Total estimated issue related expenses	[●]	[●]	[●]

Notes

- The fund deployment up to December 31, 2023 is Rs.11.50 lakhs towards the issue expenses wide certificate dated March 07, 2024 having UDIN: 24008627BKELTQ5394 received from Statutory auditor of the Company, M/s P.D.Nagar & Co., Chartered Accountants.
- Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs

ASBA applications procured directly from the applicant and Bided (excluding applications made using the UPI Mechanism, and in case the Offer is made as per Phase I of UPI Circular)	₹ 10 per application on wherein shares are allotted
Syndicate ASBA application procured directly and bided by the Syndicate members (for the forms directly procured by them)	₹ 10 per application on wherein shares are allotted
Processing fees / uploading fees on Syndicate ASBA application for SCSBs Bank	₹10 per application on wherein shares are allotted
Sponsor Bank shall be payable processing fees on UPI application processed by them	₹ 5 per application on wherein shares are allotted

- No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them
- The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.
- Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price

Interim use of Net Proceeds

Our Company in accordance with the policies established by the Board from time to time, will have flexibility to deploy the Net Proceeds. The Net Proceeds pending utilization for the purposes described above, in accordance with the SEBI ICDR Regulations, our Company shall deposit the funds only in one or more Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

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

Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus which are proposed to be repaid from the Net Proceeds.

Appraisal Report

None of the objects for which the Issue Proceeds will be utilized have been financially appraised by any financial institutions / banks.

Monitoring Utilization of Funds

As this is a Fresh Issue for less than ₹ 10,000 lakhs, we are not required to appoint a monitoring agency for the purpose of the Issue in terms of the SEBI ICDR Regulations.

Our Board and Audit committee shall monitor the utilization of the net proceeds of the Issue. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant financial years subsequent to the completion of the Issue.

Pursuant to SEBI Listing Regulations, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilized for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32 of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchange on a quarterly basis, a statement indicating (i) deviations, if any, in the utilization of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the utilization of the proceeds from the Issue from the Objects. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee of the Board of Directors.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the Objects without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

None of our suppliers / service providers for utilization of Issue proceeds for various Objects of the Issue are associated in any manner with our Company or any other related party directly or indirectly.

No part of the Net Proceeds of the Issue will be utilized by our Company as consideration to our Promoters, members of the Promoter Group, Directors, Group Companies or Key Managerial Employees. Our Company has not entered into or is not planning to enter into any arrangement / agreements with Promoters, Directors, key management personnel, associates or Group Companies in relation to the utilization of the Net Proceeds of the Issue.

Other Confirmation

No part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, the Directors, Associates, Key Management Personnel or Group Companies except in the normal course of business and in compliance with the applicable law.

BASIS FOR ISSUE PRICE

The Issue Price of ₹[●] per Equity Share is determined by our Company in consultation with the Book Running Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is ₹10.00/- per Equity Share and Issue Price is ₹[●] per Equity Share. The Issue Price is [●] times the face value.

Investors should refer sections / chapters titled “*Risk Factors*”, “*Restated Financial Statements*”, “*Management Discussion and Analysis of Financial Condition and Results of Operations*” and “*Business Overview*” beginning on page 19, 142, 176 and 89 respectively of this Draft Red Hearing Prospectus to get an informed view before making an investment decision.

The trading price of the Equity shares of our Company could decline due to risk factors and you may lose all or part of your investments.

Qualitative Factors

Some of the Qualitative Factors, which form the basis for computing the price

1. Approved supplier in major projects
2. Integrated manufacturing facility with stringent quality control mechanism
3. Offering comprehensive solutions for LRPC Installation with extensive product range
4. Long Standing Customer Base in domestic market as well as International Market
5. Experienced Promoter and strong management team
6. Expanding Product Range and Up-selling & Cross-selling

For further details, please refer to the paragraph titled “*Competitive Strengths*” in the chapter titled “*Business Overview*” beginning on page 89 of this Draft Red Hearing Prospectus.

Quantitative Factors

Information presented below relating to the Company is based on the Restated Financial Statements. Some of the quantitative factors which form the basis or computing the price, are as follows:

1) Basic and Diluted Earnings Per Share (EPS)

Year ended	Weights	Basic and Diluted EPS
March 31, 2021	1	3.16
March 31, 2022	2	4.66
March 31, 2023	3	4.91
Weightage Average EPS	6	4.54
December 31, 2023		4.95

*Not Annualized

Note. Basic and Diluted EPS = Net Profit (Loss) after tax as restated attributable to Equity Shareholders / weighted average no of equity shares outstanding during the year as per restated financials.

2) Price to Earnings (P/E) ratio in relation to Issue Price ₹[●] per Equity Share of ₹10/- each fully paid up

Particulars	P/E ratio
P/E ratio based on Basic and diluted EPS as at March 31, 2023	[●]
P/E ratio based on Weighted Average Basic and diluted EPS	[●]
P/E ratio based on Basic and diluted EPS as at December 31, 2023	[●]
P/E ratio based on Basic and diluted EPS as at December 31, 2023 (Annualized)	
**Industry	
Highest	45.19
Lowest	33.88

Average	39.54
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3) Return on Net worth (RoNW)

Return on Net Worth (RoNW) as per restated financial statements (Standalone)

Year Ended	RONW (%)	Weight
March 31, 2021	24.21	1
March 31, 2022	26.31	2
March 31, 2023	21.70	3
Weighted Average		23.66
December 31, 2023		18.08

Note: Return on Networth has been calculated as per the following formula:

- 1) Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated / Net worth as restated as at year end.
- 2) 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)

Particulars	₹ per share
Net Asset Value per Equity Share as of March 31, 2021	13.05
Net Asset Value per Equity Share as of March 31, 2022	17.71
Net Asset Value per Equity Share as of March 31, 2023	22.62
Net Asset Value per Equity Share as of December 31, 2023	27.35
Net Asset Value per Equity Share after IPO	[●]
Issue Price	[●]
NAV Post Issue	
- At Floor Price	[●]
- At Cap Price	[●]
- Issue Price	[●]

Note: Net Asset Value has been calculated as per the following formula:

$$\text{NAV} = \frac{\text{Net worth excluding revaluation reserve}}{\text{Outstanding number of Equity shares outstanding during the year}}$$

5) Comparison with industry peers

(₹ in Lakhs)

Companies	CMP*	EPS	PE Ratio	RONW (%)	NAV (Per Share)	Face Value	Revenue from Operation	Other Income	Total Income (₹ in Lakhs)
Kataria Industries Limited ##	[●]	4.91	[●]	21.70	22.62	10.00	26149.78	154.26	26304.04
Peer Group									
Kamdhenu Limited	605.55	15.23	39.76	24.44	61.88	10.00	73208.26	158.74	73367.00
Incredible Industries Limited	47.45	1.05	45.19	3.87	27.08	10.00	74060.70	41.13	74101.83
Bharat Wire Ropes Limited	328.00	9.68	33.88	12.85	73.50	10.00	58906.45	66.93	58973.38

*CMP as on February 23, 2024

** CMP of our company is considered as an Issue Price.

Amount taken as on March 31, 2023

Source: www.nseindia.com and www.bseindia.com

Notes:

- a) Considering the nature and size of the business of our Company the peers are not strictly comparable. However, above company is included for broad comparison.
- b) The figures for Kataria Industries Limited are based on the restated standalone financial statements for the year ended March 31, 2023.
- c) The figures are based on the Standalone financial statements for the year ended March 31, 2023 of Kamdhenu Limited, Incredible Industries Limited and Bharat Wire Ropes Limited from the Annual reports of the Companies available from the website of the Stock Exchange and website of the Companies. CMP of the peer group is as per the closing price as available on www.nseindia.com and www.bseindia.com
- d) P/E Ratio for the peer has been computed based on the closing market price of respective equity shares as on February 23, 2024 sourced from website of Stock Exchange as divided by the Basic/diluted EPS as applicable.

Key Performance Indicators (“KPIs”)

The KPIs disclosed below have been used historically by our Company to understand and analyses the business performance, which in result, help us in analysing the growth of various verticals.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the 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.

KPI	Explanations
Revenue from Operations (₹ lakhs)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables.
Debt To Equity Ratio	Debt-to-equity (D/E) ratio is used to evaluate a company’s financial leverage.
Return on Equity	This metric enables us to track how much profit a company generates with the money that the equity shareholders have invested.
Operating EBITDA (₹ lakhs)	Operating EBITDA provides information regarding the operational efficiency of the business.
Operating EBITDA Margin (%)	Operating EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit After Tax (₹ lakhs)	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.
Return on Capital Employed	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated February 28, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to the 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 since Incorporation to the date of filing of this Draft Red Hearing Prospectus. Further, the KPIs herein have been certified by statutory auditor.

Financial KPI of our Company

(₹ in Lakhs)

Sr No.	Metric	As of and for the Fiscal			
		December 31,	March 31,	March	March 31,

		2023	2023	31, 2022	2021
1	Total Income	26,304.04	33,393.09	25,048.91	16,128.03
2	Current Ratio	1.33	1.38	1.41	1.18
3	Debt Equity ratio	1.84	2.98	3.26	3.84
4	EBDITA	1732.70	1576.61	1824.78	1368.43
5	Operating EBDITA Margin (%)	6.59	4.72	7.28	8.48
6	PAT	783.72	777.83	738.34	500.58
7	Net profit Ratio (%)	3.00	2.34	2.96	3.15
8	Return on Equity ratio (%)	19.71	24.34	30.30	27.56
9	Return on Capital Employed (%)	21.19	9.31	12.23	11.29

Notes:

- As certified by the Peer Reviewed Auditor vide their certificate dated February 28, 2024 bearing UDIN:24129149BKEBER7353.
- Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities
- Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term-borrowings) by total equity (which includes issued capital and all other equity reserves).
- Return on equity (RoE) is equal to profit for the year divided by the total equity during that period and is expressed as a percentage.
- Operating EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from discontinued operations and exceptional items. Operating EBITDA excludes other income.
- Operating EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.
- Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our total revenue.
- RoCE (Return on Capital Employed) (%) is calculated as profit before tax plus finance costs divided by total equity plus Reserves & Surplus.

Comparison of key performance indicators with Peer Group Companies

(₹ in Lakhs)

Sr No	Key Performance Indicators	Kataria Industries Limited	Kamdhenu Limited	Incredible Industries Limited	Bharat Wire Ropes Limited
1	Total Income	33,393.09	73367.00	74101.83	58973.38
2	Current Ratio	1.38	4.86	2.75	3.82
3	Debt Equity Ratio	2.98	0.02	0.32	0.32
4	EBDITA	1,576.61	6155.04	1816.29	13948.6
5	Operating EBDITA Margin (%)	4.72	8.38	2.45	23.65
6	PAT	783.72	4073.18	490.43	6414.37
7	Net profit Ratio (%)	2.34	5.60	0.66	10.57
8	Return on Equity (%)	24.34	27.78	0.04	12.30
9	Return on Capital Employed (%)	9.31	33.12	7.50	16.02

*Key Performance Indicators are as on March 31, 2023.

Weighted average cost of acquisition (“WACA”), floor price and cap price

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

The details of the Equity during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more that 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options

granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Primary Issuance”) are as follows:

Date of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ lakhs)
December 06, 2023	1,32,05,695	10		Bonus Issue	other than cash	NIL

(b) The price per share of our Company based on secondary sale/ acquisitions of shares (equity / convertible securities

The price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on the secondary sale / acquisition of Equity Shares or convertible securities involving Promoter, Promoter Group during the 18 months preceding the date of filing of this Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company, in a single transaction or multiple transactions combined together over a span of rolling 30 days.

There have been no secondary sale/ acquisitions of Equity Shares or any convertible securities, where our Promoters, members of our 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 prospectus, 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 ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

For further details, please refer section titled “*Risk Factors*” beginning on page 19 of this Draft Red Hearing Prospectus and the financials of the Company including important profitability and return ratios, as set out in the section titled “*Financial Statements*” beginning on page 142 of this Draft Red Hearing Prospectus to have more informed view about the investment proposition. The Face Value is Rs.10.00/- per Equity Share and the Issue Price Rs. [●] has been determined by the Issuer in consultation with the Book Running Lead Manager on the basis of book building.

STATEMENT OF TAX BENEFITS

To,
**The Board of Directors,
Kataria Industries Limited
34-38 & 44 Industrial Area, Ratlam**

Dear Sir,

Sub: Statement of Possible Special Tax Benefits available to M/s. Kataria Industries Ltd., Ratlam and its shareholders prepared in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI Regulations”) and the Companies Act, 2013, as amended (the “Act”).

We report that regarding the special tax benefits available to Company and its shareholders under Income Tax Act 1961 read with Income Tax Rules, Circulars, Notifications as amended by the Finance Act, 2023, presently in force in India. Such benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. We hereby report that, based on the discussion with the management of the company, there is no possible special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 as specifically stated hereunder:-

A. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961

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

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961

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

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. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever-changing tax laws in India.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, 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.

We do not express any opinion or provide any assurance as to whether the Company or its shareholders will obtain any benefits in future; or the revenue authorities/court will concur with the views expressed herein.

We do not assume responsibility to update the views, consequence to such change. We shall not be liable to Company for 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 conducted our examination in accordance with the “Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)” (“Guidance Note”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

This report is intended for your information and for inclusion in the Draft Red Herring Prospectus / Prospectus in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our written consent.

For P. D. Nagar & Co.
Chartered Accountants
FRN: 001231C

SD/-
CS P. D. Nagar
(Proprietor)
Membership No: 008627
Place: Indore
Date:22/02/2024
UDIN: 24008627BKELTM7931

SECTION IV –ABOUT THE COMPANY INDUSTRYOVERVIEW

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we, the Book Running Lead Manager or any of our or their respective affiliates or advisors nor any other person connected with Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect.

Before deciding to invest in the Equity Shares, prospective investors should read this entire Draft Red Herring Prospectus, including the information in the sections "Risk Factors" and "Restated Financial Statements" on pages 19 and 142, respectively of the Draft Red Herring Prospectus. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section 'Risk Factors' on page 19 of the Draft Red Herring Prospectus. Accordingly, investment decisions should not be based on such information.

INFRASTRUCTURE

INTRODUCTION

India's high growth imperative in 2023 and beyond will significantly be driven by major strides in key sectors with infrastructure development being a critical force aiding the progress.

Infrastructure is a key enabler in helping India become a US \$26 trillion economy. Investments in building and upgrading physical infrastructure, especially in synergy with the ease of doing business initiatives, remain pivotal to increase efficiency and costs. Prime Minister Mr. Narendra Modi also recently reiterated that infrastructure is a crucial pillar to ensure good governance across sectors.



The government's focus on building infrastructure of the future has been evident given the slew of initiatives

launched recently. The US\$ 1.3 trillion national master plan for infrastructure, Gati Shakti, has been a forerunner to bring about systemic and effective reforms in the sector, and has already shown a significant headway.

Infrastructure support to nation's manufacturers also remains one of the top agendas as it will significantly transform goods and exports movement making freight delivery effective and economical.

The "Smart Cities Mission" and "Housing for All" programmes have benefited from these initiatives. Saudi Arabia seeks to spend up to US\$ 100 billion in India in energy, petrochemicals, refinery, infrastructure, agriculture, minerals, and mining.

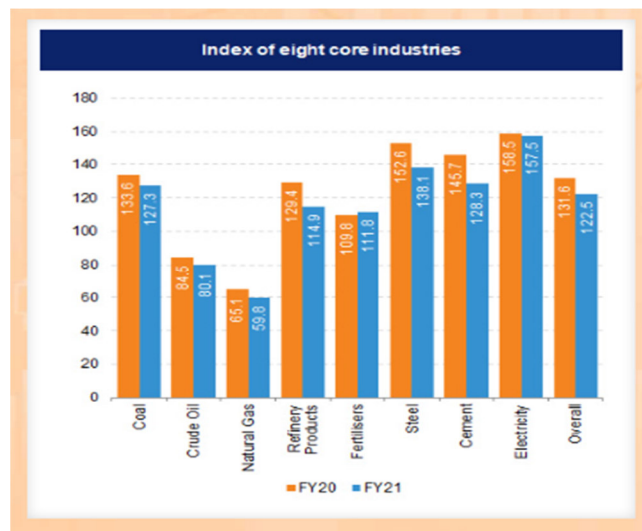
Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. Infrastructure sector includes power, bridges, dams, roads, and urban infrastructure development. In other words, the infrastructure sector acts as a catalyst for

India's economic growth as it drives the growth of the allied sectors like townships, housing, built-up infrastructure, and construction development projects.

To meet India's aim of reaching a US\$ 5 trillion economy by 2025, infrastructure development is the need of the hour. The government has launched the National Infrastructure Pipeline (NIP) combined with other initiatives such as 'Make in India' and the production-linked incentives (PLI) scheme to augment the growth of infrastructure sector. Historically, more than 80% of the country's infrastructure spending has gone toward funding for transportation, electricity, and water& irrigation. While these sectors still remain the key focus, the government has also started to focus on other sectors as India's environment and demographics are evolving. There is a compelling need for enhanced and improved delivery across the whole infrastructure spectrum, from housing provision to water and sanitation services to digital and transportation demands, which will assure economic growth, increase quality of life, and boost sectoral competitiveness.

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

MARKET SIZE



In Budget 2023-24, capital investment outlay for infrastructure is being increased by 33% to Rs.10 lakh crore (US\$ 122 billion), which would be 3.3 per cent of GDP. As per the Union Budget 2023-24, a capital outlay of Rs. 2.40 lakh crore (US\$ 29 billion) has been provided for the Railways, which is the highest ever outlay and about 9 times the outlay made in 2013-14.

Started with 6,835 projects, the NIP project count now stands at 9,142 covering 34 sub-sectors, as per news reports. Under the initiative, 2476 projects are under development phase with an estimated investment of US\$ 1.9 trillion. Nearly half of the under-development projects are in the transportation sector, and 3,906 in the roads and bridges sub-sector.

The Indian Railways expects to complete total revenue from traffic of Rs. 2,64,600 crore (US\$ 32.17 billion) for FY24.

India's logistics market is estimated to reach US\$ 410.75 billion in 2022 and is expected to reach US\$ 556.97 billion by 2027, growing at a CAGR of 6.28%. India intends to raise its ranking in the Logistics Performance Index to 25 and bring down the logistics cost from 14% to 8% of GDP, leading to a reduction of approximately 40%, within the next five years.

In December 2022, AAI and other Airport Developers have targeted capital outlay of approximately Rs. 98,000 crore (US\$ 11.8 billion) in airport sector in the next five years for expansion and modification of existing terminals, new terminals and strengthening of runways, among other activities.

India currently has the fifth-largest metro network in the world and will soon overtake advanced economies such as Japan and South Korea to become the third-largest network. Metro rail network reached 810 kms and is operational in 20 cities as of September 2022. At almost 20 kms, Mumbai monorail is the third largest route in the world after China with 98 kms and Japan with 28 kms.

India plans to spend US\$ 1.4 trillion on infrastructure through 'National Infrastructure Pipeline' in the next five years. In FY21, infrastructure activities accounted for 13% share of the total FDI inflows of US\$ 81.72 billion. India will need to construct 43,000 houses every day until 2022 to achieve the vision of Housing for All by 2022. As of August 22, 2022, 122.69 lakh houses have been sanctioned, 103.01 lakh houses have been grounded, and 62.21 lakh houses have been completed, under the Pradhan Mantri Awas Yojna scheme (PMAY-Urban).

Hundreds of new cities need to be developed over the next decade. Over the next 10 years, demand for urban freight is predicted to increase by 140%. Final-mile freight transit in Indian cities accounts for 50% of the total logistics expenditures in the country's increasing e-commerce supply chains. India is expected to become the third-largest construction market globally by 2022. Indian logistics market is estimated to touch US\$ 320 billion by 2025. The overall infrastructure capex is estimated to grow at a CAGR of 11.4% over 2021-26 driven by spending on water supply, transport, and urban infrastructure. Investment in infrastructure contributed around 5% of the GDP in the tenth five-year plan as against 9% in the eleventh five-year plan. Further, US\$ 1 trillion investment in infrastructure was proposed by the India's planning commission during the 12th five-year plan, with 40% of the funds coming from the private sector.

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

INCREASING INVESTMENTS

Finance minister Nirmala Sitharaman's Budget for 2023-24 underlines sustained focus on the northeast for "inclusive development" as one of the seven priorities, which act as the 'Saptarishi' guiding the government "through the Amrit Kaal".

Under Budget 2023-24, capital investment outlay for infrastructure is being increased by 33% to Rs.10 lakh crore (US\$ 122 billion), which would be 3.3 per cent of GDP and almost three times the outlay in 2019-20.

Under Budget 2023-24, Infrastructure Finance Secretariat is being established to enhance opportunities for private investment in infrastructure that will assist all stakeholders for more private investment in infrastructure, including railways, roads, urban infrastructure, and power.

GOVERNMENT INITIATIVES AND INVESTMENTS

Some of the recent government initiatives and investments in the Infrastructure sector are as follows:

Under Budget 2023-24:

- Capital investment outlay for infrastructure is being increased by 33% to Rs.10 lakh crore (US\$ 122 billion), which would be 3.3 per cent of GDP and almost three times the outlay in 2019-20.
- As per the Union Budget 2023-24, a capital outlay of Rs. 2.40 lakh crore (US\$ 29 billion) has been provided for the Railways, which is the highest ever outlay and about 9 times the outlay made in 2013-14.
- Infrastructure Finance Secretariat is being established to enhance opportunities for private investment in infrastructure that will assist all stakeholders for more private investment in infrastructure, including railways, roads, urban infrastructure, and power.
- The Government has decided to continue the 50-year interest free loan to state governments for one more year to spur investment in infrastructure and to incentivize them for complementary policy actions, with a significantly enhanced outlay of Rs. 1.3 lakh crore (US\$ 16 billion).
- 100 critical transport infrastructure projects, for last and first mile connectivity for ports, coal, steel, fertilizer, and food grains sectors have been identified and will be taken up on priority with investment of Rs. 75,000 crore (US\$ 9 billion), including Rs. 15,000 crore (US\$ 1.8 billion) from private sources.
- 50 additional airports, heliports, water aerodromes and advance landing grounds will be revived for improving regional air connectivity.
- An Urban Infrastructure Development Fund (UIDF) will be established through use of priority sector lending shortfall, which will be managed by the National Housing Bank, and will be used by public agencies to create urban infrastructure in Tier 2 and Tier 3 cities.
- States will be encouraged to leverage resources from the grants of the 15th Finance Commission, as well as existing schemes, to adopt appropriate user charges while accessing the UIDF.
- For realizing the vision of "Make A-I in India and Make A-I work for India", three centers of excellence for Artificial Intelligence will be set-up in top educational institutions.
- The Digital Public infrastructure for agriculture will be built as an open source, open standard and inter operable public good that will enable inclusive, farmer-centric solutions through relevant information services for crop planning and health, improved access to farm inputs, credit, and insurance, help for crop estimation, market intelligence, and support for growth of agri-tech industry and start-ups.
- 157 new nursing colleges will be established in co-location with the existing 157 medical colleges established since 2014.

- National Digital Library for Children and Adolescents will be set-up for facilitating availability of quality books across geographies, languages, genres and levels, and device agnostic accessibility. States will be encouraged to set up physical libraries for them at panchayat and ward levels and provide infrastructure for accessing the National Digital Library resources.
- Skill India International Centres to be set up across different States to skill youth for international opportunities.
- Central Processing Centre to be setup for faster response to companies through centralized handling of various forms filed with field offices under the Companies Act.
- District Institutes of Education and Training to be developed as vibrant institutes of excellence for Teachers' Training.
- States will be encouraged to set up a Unity Mall in their state capital or most prominent tourism centre or the financial capital for promotion and sale of their own ODOPs (one district, one product), GI products and other handicraft products, and for providing space for such products of all other States.
- Since 2016-17, the budget for the Pradhan Mantri Awas Yojana, the flagship housing scheme of the government, has increased 280% from Rs. 20,936 crore (US\$ 2.5 billion) in the revised estimates of 2016-17 to Rs. 79,590 crore (US\$ 9.6 billion) in the latest 2023-24 budget.
- The Awas Yojana budget estimate for 2023-'24 constitutes an allocation of Rs. 25,103 crore (US\$ 3 billion) to Pradhan Mantri Awas Yojana-Urban and Rs. 54,487 crore (US\$ 6.5 billion) to Pradhan Mantri Awas Yojana-Gramin.

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

ATTRACTIVE OPPORTUNITIES

Development of infrastructure has a multiplier effect on demand and efficiency of transport and increases commercial and entrepreneurship opportunities.

In June 2022, the Minister of Road Transport and Highways, opened 15 national highway projects worth Rs. 13,585 crores (US\$1.7 billion) in Patna and Hajipur, Bihar.

In October 2021, the Dubai government and India signed a contract in October 2021 to build infrastructure in Jammu and Kashmir, including industrial parks, IT towers, multipurpose towers, logistics centres, medical colleges, and specialized hospitals.

ROBUST DEMAND

India has to enhance its infrastructure to reach its 2025 economic growth target of US\$ 5 trillion.

India's population growth and economic development require improved transport infrastructure, including investments in roads, railways, and aviation, shipping and inland waterways.

INVESTMENTS

The Government of India has designed various policies for the growth of MSMEs in the country.

- FDI in construction development (townships, housing, built-up infrastructure, and construction development projects) and construction (infrastructure) activity sectors stood at US\$ 26.23 billion and US\$ 28.95 billion, respectively, between April 2000-September 2022.
- In January 2023, the Construction arm of Larsen & Toubro has secured orders for its power transmission & distribution and buildings & factories businesses to establish a 112.5MW Solar Power Plant in West Bengal and to construct a 600-bed super specialty hospital at Mumbai, respectively.
- In December 2022, BHEL formed a consortium with Titagarh Wagons and is among five entities which have bid for the mega Rs. 58,000 crore (US\$ 7 billion) contract to manufacture 200 Vande Bharat trains and maintaining them for the next 35 years.
- In December 2022, Mr. Nitin Gadkari, Minister of Road Transport and Highways inaugurated and laid foundation stone of 8 National Highway projects of 226 km length worth Rs. 1800 crore (US\$ 217.4 million) at Igatpuri, Nashik, Maharashtra.
- In December 2022, Mr. Nitin Gadkari, Minister of Road Transport and Highways inaugurated 7 National Highway projects worth Rs. 2,444 crore (US\$ 295 million) with total length of 204 km in Rewa, Madhya Pradesh.
- In November 2022, Prime Ministry of India laid the foundation stone of various road projects worth over Rs. 2200 crore (US\$ 2.6 billion), namely Medak-Siddipet-Elkathurthy section of NH-765DG; Bodhan-Basar-Bhainsa section of NH-161BB; Sironcha to Mahadevpur Section of NH-353C in Telangana.

- In November 2022, Mr. Nitin Gadkari, Minister of Road Transport and Highways inaugurated the construction of 3.8 km long 4-lane elevated structure flyover at Ahmednagar, Maharashtra on National Highway-61 at a cost of Rs. 331.17 crore (US\$ 40 million).
- In October 2022, Prime Ministry of India laid the foundation of road and ropeway projects worth more than Rs. 3,400 crore (US\$ 410 million) in Mana, Uttarakhand.
- In October 2022, National Highways Infra Trust (NHAI InvIT), the infrastructure investment trust sponsored by National Highway Authority of India (NHAI) to support Government of India's National Monetization Pipeline, has raised a sum of Rs. 1,430 crore (US\$ 172.6 million) from domestic and international investors through placement of its units, for part funding its acquisition of three additional road projects from NHAI.
- As many as 52 critical infrastructure gap projects identified by MoPSW for connecting maritime ports and IWTs (Inland Waterway Terminals) to be taken up under PM Gati Shakti National Master Plan. Currently, DPR of total 56 projects (including 11 IWT projects) under this category with total of 1,215 km length are under bidding stage for the feasibility assessment of these projects, which is being carried out by NHAI.
- In Union Budget 2022-23:
 - For FY24, the budgetary allocation for the Ministry of Development of North-eastern Region stood at Rs. 5892 crore (US\$ 711 million).
 - Rs. 2,200 crore (US\$ 265.5 million) allocated for Prime Ministers Development Initiative for North-East (PMDevINE) Scheme.
 - Rs. 2491 crore (US\$ 300.6 million) was allocated to Northeast Special Infrastructure Development Scheme (NESIDS). 100 PM-GatiShakti Cargo Terminals for multimodal logistics facilities will be developed over next three years.
 - Focus was on the PM GatiShakti - National Master Plan for multimodal connectivity to economic zones. Everything, from roads to trains, from aviation to agriculture, as well as many ministries and departments, will be integrated under the PM GatiShakti National Master Plan.
- In September 2022, the government approved rail-cum-road bridge across Brahmaputra river near the existing Saraighat bridge at Guwahati at the cost of Rs. 996.75 crore (US\$ 122.27 million) which will be shared by NHAI & Ministry of Railways.
- The passenger revenue is estimated to be Rs. 70,000 crore (US\$ 8.51 billion), an increase of 9% over the previous year.
- In August 2022, Mr. Nitin Gadkari, Minister of Road Transport and Highways laid foundation stone of six NH projects worth Rs. 2,300 crore (US\$ 287.89 million) in Indore, Madhya Pradesh.
- In FY23, the combined index of eight core industries stood at 146.5 driven by the production of coal, refinery products, fertilizers, steel, electricity, and cement industries.
- In June 2022 Mr. Nitin Gadkari, Minister of Road Transport and Highways inaugurated 15 National Highway projects in Patna and Hajipur in Bihar worth Rs. 13,585 crore (US\$ 1.75 billion).
- FDI in construction development (townships, housing, built-up infrastructure, and construction development projects) and construction (infrastructure) activity sectors stood at US\$ 26.22 billion and US\$ 28.64 billion, respectively, between April 2000-June 2022.
- In March 2022, Mr. Nitin Gadkari, Minister of Road Transport and Highway inaugurated 19 National Highway projects in Haryana and Rajasthan totaling Rs. 1,407 crore (US\$ 183.9 million).
- The government expanded the 'National Infrastructure Pipeline (NIP)' to 9,335 projects. 217 projects worth Rs. 1.10 lakh crore (US\$ 15.09 billion) were completed as of 2020.
- In November 2021, the Asian Development Bank (ADB) has approved a US\$ 250-million loan to support development of the National Industrial Corridor Development Programme (NICDP). This is a part of the US\$ 500-million loan to build 11 industrial corridors bridging 17 states.
- In November 2021, India, the US, Israel and the UAE established a new quadrilateral economic forum to focus on infrastructure development projects in the region and strengthen bilateral co-operation.
- The initiative 'Infrastructure for Resilient Island States' (launched in November 2021) will give India a huge opportunity to contribute to the betterment of other vulnerable countries in the world.
- In October 2021, the Union Cabinet of India approved the PM GatiShakti National Master Plan—including implementation, monitoring and support mechanism—for providing multi-modal connectivity.
- In October 2021, the Dubai government and India, inked an agreement to develop infrastructure such as industrial parks, IT towers, multipurpose towers, logistics centres, a medical college, and a specialised hospital in Jammu & Kashmir.
- In FY22, government initiatives such the National Infrastructure Pipeline, National Monetisation Pipeline, Bharatmala Pariyojana, changes in the Hybrid Annuity Model (HAM) and fast pace of asset monetization to boost road construction.

- To encourage rooftop solar (RTS) throughout the country, notably in rural regions, the Ministry of New and Renewable Energy is undertaking Rooftop Solar Programme Phase II, which aims to install RTS capacity of 4,000 MW in the residential sector by 2022 with a provision of subsidy.
- In May 2021, Minister for Road Transport & Highways and Micro, Small and Medium Enterprises, Mr. Nitin Gadkari stated that the government is giving utmost priority to infrastructure development and has set a target of road construction of worth Rs.15 lakh crore (US\$ 206 billion) in the next two years.
- The Ministry of Railways plans to monetise assets including Eastern and Western Dedicated Freight Corridors after commissioning, induction of 150 modern rakes through PPP, station redevelopment through PPP, railway land parcels, multifunctional complexes (MFC), railway colonies, hill railways and stadiums.
- Mega Investment Textiles Parks (MITRA) scheme was launched to establish world-class infrastructure in the textile sector and establish seven textile parks over three years.
- The government announced Rs. 305,984 crore (US\$ 42 billion) over the next five years for a revamped, reforms-based, and result-linked new power distribution sector scheme.

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

ROAD AHEAD

India must enhance its infrastructure to reach its 2025 economic growth target of US\$ 5 trillion. India's population growth and economic development requires improved transport infrastructure, including through investments in roads, railways, and aviation, shipping and inland waterways.

The government has also suggested an investment of \$750 billion to strengthen railway infrastructure and envisioned the Maritime India Vision 2030 which estimates massive investments in world-class infrastructure development at Indian ports.

Global investment and partnerships in infrastructure, such as the India-Japan forum for development in the Northeast are also indicative of more investments. These initiatives come at a momentous juncture as the country aims for self-reliance in future-ready and sustainable critical infrastructure.

India, it is estimated, needs to invest \$840 billion over the next 15 years into urban infrastructure to meet the needs of its fast-growing population. This investment will only be rational as well as sustainable, if we additionally focus on long-term maintenance and strength of our buildings, bridges, ports and airports.

As a result of digitalisation and opportunities that tier II and III cities present for economic growth, the divide between metro and non-metros is blurring, moving to the new era of infrastructure growth. Commercial real estate properties have witnessed exponential growth in demand across Tier II & III cities as Information technology and Information technology enabled services and banking financial services and insurance focused organizations are increasingly decentralizing their operations to adapt to the new normal.

The residential sector has witnessed good sales, and launches have also shown signs of an uptick during 2022, total sales in the top-7 cities was projected to exceed 360,000 units in 2022.

Civil Aviation Ministry's "Vision 2040" report states that there will be 190-200 functioning airports in India by 2040. Delhi and Mumbai will have three international airports each, while top 31 Indian cities will have two operational airports each.

220 destinations (airports/heliports/water aerodromes) under UDAN are targeted to be completed by 2026 with 1000 routes to provide air connectivity to unconnected destinations in India.

102 critical projects under the Gati Shakti masterplan worth \$7.67 billion are to be completed by 2024, making 2023 a critical year for effective execution and celerity of completion.

India's Infrastructure forms an integral part of the country's economic ecosystem. There has been a significant shift in the industry that is leading to the development of world-class facilities across the country in the areas of roads, waterways, railways, airports, and ports, among others. The country-wide smart cities programmes have proven to be industry game-changers. Given its critical role in the growth of the nation, the infrastructure sector has experienced a tremendous boom because of India's necessity and desire for rapid development. The expansion has been aided by urbanisation and an increase in foreign investment in the sector.

The infrastructure sector has become the biggest focus area for the Government of India. India plans to spend US\$ 1.4 trillion on infrastructure during 2019-23 to have a sustainable development of the country. The

Government has suggested investment of Rs. 5,000,000 crore (US\$ 750 billion) for railways infrastructure from 2018-30. India's GDP is expected to grow by 8% over the next three fiscal years, one of the quickest rates among major, developing economies, according to S&P Global Ratings. India and Japan have joined hands for infrastructure development in India's Northeast states and are also setting up an India-Japan Coordination Forum for development of Northeast to undertake strategic infrastructure projects for the region.

India being a developing nation is set to take full advantage of the opportunity for the expansion of the infrastructure sector, and it is reasonable to conclude that India's infrastructure has a bright future ahead of it.

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

POWER

INTRODUCTION

Power is among the most critical components of infrastructure, crucial for the economic growth and welfare of nations. The existence and development of adequate power infrastructure is essential for sustained growth of the Indian economy. The fundamental principle of India's power industry has been to provide universal access to affordable power in a sustainable way. The Ministry of Power has made significant efforts over the past few years to turn the country from one with a power shortage to one with a surplus by establishing a single national grid, fortifying the distribution network, and achieving universal household electrification.



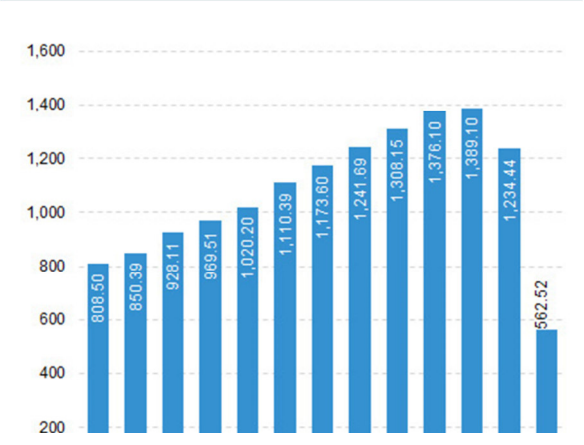
India's power sector is one of the most diversified in the world. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power, to viable non-conventional sources such as wind, solar, agricultural and domestic waste. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required.

India was ranked fourth in wind power capacity and solar power capacity and fourth in renewable power installed capacity, as of 2021. India is the only country among the G20 nations that is on track to achieve the targets under the Paris Agreement.

MARKET SIZE

India is the third-largest producer and consumer of electricity worldwide, with an installed power capacity of 426.13 GW as of November 30, 2023.

Total generation in India FY22 (including renewable sources) (BU)



As of November 30, 2023, India's installed renewable energy capacity (including hydro) stood at 179.57 GW, representing 42.1% of the overall installed power capacity. As of November 30, 2023, Solar energy contributed 72.31 GW, followed by 44.56 GW from wind power, 10.26 GW from biomass, 4.98 GW from small hydropower, 0.57 from waste to energy, and 46.88 GW from hydropower.

The non-hydro renewable energy capacity addition stood at 15.27 GW in FY23, up from 14.07 GW in FY22.

India's power generation witnessed its highest growth rate in over 30 years in FY23. Power generation in India increased by 8.87% to 1,624.15 billion kilowatt-hours (kWh) in FY23. According to data from the Ministry of Power, India's power consumption stood at 130.57 BU in April, 2023.

The peak power demand in the country stood at 243.27 GW in November 2023.

The coal plants registered a PLF of 73.7% for the first nine-months period in FY23 compared to 68.5% in FY22 for the same period.

Thermal power plant load is estimated to improve by 63% in FY24, fuelled by strong demand growth along with subdued capacity addition in the sector.

DEVELOPMENTS/INVESTMENTS

Total FDI inflows in the power sector reached US\$ 17.00 billion between April 2000-September 2023, accounting for 2.60% of the total FDI inflow in India.

Some major investments and developments in the Indian power sector are as follows:

- India ranked fourth in the list of countries to make significant investments in renewable energy by allotting US\$ 77.7 billion between 2015 and 2022.
- In FY24 (until November 2023), the power generation in India was 1,176.13 BU.
- India's electricity generation from renewable and non-renewable sources for FY21, FY22, and FY23 was 1,373.08 BU, 1,484.36 BU, and 1,617.72 BU, respectively.
- The power generation industry in India will require a total investment of Rs. 33 lakh crore (US\$ 400 billion) and 3.78 million power professionals by 2032 to meet the rising energy demands, as per the National Electricity Plan 2022-32.
- By 2031, the current installed nuclear power capacity is expected to rise from 7,480 MW to 22,480 MW because of the progressive completion of projects under construction and accorded sanction.
- As informed in August 2023, towards achieving carbon-neutral Ladakh, NTPC is setting up a hydrogen fuelling station, and solar plant and providing five fuel cell buses for operation on intracity routes of Leh.
- In August 2023, North Eastern Electric Power Corporation Limited (NEEPCO), a 100% subsidiary of NTPC, took a significant step towards sustainable energy development by signing a Memorandum of Agreement (MoA) with the Government of Arunachal Pradesh.
- In July 2023, NTPC's Group installed capacity touched 73,024 MW.
- In July 2023, PFC signed various MoUs worth Rs. 2.37 lakh crore (US\$ 29 billion) with 20 companies in the clean energy space.
- In August 2023, SJVN was conferred with "2nd Annual Greentech Quality & Innovation Award 2023" under the category of Quality Improvement.
- In June 2023, Tata Power, one of the leading players in the electric vehicle (EV) charging infrastructure space, collaborated with the Ayodhya Development Authority to set up EV charging points in public parking locations across the city.
- Tata Power Company has been recognised as the country's 'Most Attractive Employer Brand', according to the recently published Randstad Employer Brand Research (REBR) 2023 report by HR services provider Randstad India.
- In June 2023, a Memorandum of Understanding (MoU) was signed between NHPC Limited and the Government of Odisha through GRIDCO Limited for "Development of Pumped Storage Projects (PSPs) and Renewable Energy in the State of Odisha".
- India has the potential to attract an investment of over US\$ 20 billion in renewables in 2023.
- In May 2023, NTPC commenced its venture into hydrogen and energy storage solutions with the establishment of a hydrogen hub in Andhra Pradesh.
- In May 2023, TP Saurya Tata Power Trading Company Ltd. signed a power purchase agreement to set up a 200 MW solar project at Bikaner, Rajasthan.

- Adani Group is exploring a US\$ 3 billion investment in Vietnam's seaport ecosystem and wind and solar energy projects.
- In January 2023, the Union Cabinet (CCEA) approved investment of US\$ 315 million (Rs. 2,614 crores) for SJVN's 382 MW Sunni Dam Hydro Project.
- In January 2023, President of India laid foundation stone of SJVN's 1000 MW Bikaner Solar Power Project in Rajasthan.
- In January 2023, the President of India dedicated transmission system built by Powergrid for 8.9 GW of solar power in Rajasthan.
- Mumbai headquartered Essar Group has formed the Essar Energy Transition (EET) with the objective to invest a total of US\$ 3.6 billion in developing a range of low carbon energy transition projects over the next five years.

GROWING DEMAND

- India is the third-largest producer and consumer of electricity worldwide, with an installed power capacity of 426.13 GW as of November 30, 2023.
- Growing population along with increasing electrification and per-capita usage will provide further impetus. Power consumption in India in FY23 logged a 9.5% growth to 1,503.65 billion units (BU).

ATTRACTIVE OPPORTUNITIES

- In the Union Budget 2023-24, the government allocated US\$ 885 million (Rs. 7,327 crore) for the solar power sector including grid, off-grid, and PM-KUSUM projects.
- To meet India's 500 GW renewable energy target and tackle the annual issue of coal demand-supply mismatch, the Ministry of Power has identified 81 thermal units which will replace coal with renewable energy generation by 2026.

POLICY SUPPORT

- 100% FDI allowed in the power sector has boosted FDI inflow in this sector.
- Schemes such as Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY) and Integrated Power Development Scheme (IPDS) are expected to augment electrification across the country.

HIGHER INVESTMENTS

- As per the National Infrastructure Pipeline 2019-25, energy sector projects accounted for the highest share (24%) out of the total expected capital expenditure of US\$ 1.4 trillion (Rs. 111 lakh crore).
- Total FDI inflows in the power sector reached US\$ 17 billion between April 2000-September 2023.

ROAD AHEAD

In the current decade (2020-29), the Indian electricity sector is likely to witness a major transformation with respect to demand growth, energy mix and market operations. India wants to ensure that everyone has reliable access to sufficient electricity at all times, while also accelerating the clean energy transition by lowering its reliance on dirty fossil fuels and moving toward more environmentally friendly, renewable sources of energy. Future investments will benefit from strong demand fundamentals, policy support and increasing government focus on infrastructure.

The Government of India is preparing a 'rent a roof' policy for supporting its target of generating 40 GW of power through solar rooftop projects by 2022. It also plans to set up 21 new nuclear power reactors with a total installed capacity of 15,700 MW by 2031.

The Central Electricity Authority (CEA) estimates India's power requirement to grow to reach 817 GW by 2030. Also, by 2029-30, CEA estimates that the share of renewable energy generation would increase from 18% to 44%, while that of thermal energy is expected to reduce from 78% to 52%.

The government plans to establish renewable energy capacity of 500 GW by 2030.

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

ENGINEERING AND CAPITAL GOODS

INTRODUCTION

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.

The engineering sector is the largest of the industrial sectors in India. It accounts for 27% of the total factories in the industrial sector and represents 63% of the overall foreign collaborations. Demand for engineering sector services is being driven by capacity expansion in industries like infrastructure, electricity, mining, oil and gas, refinery, steel, automobiles, and consumer durables. India has a competitive advantage in terms of manufacturing costs, market knowledge, technology, and innovation in various engineering sub-sectors. India's engineering sector has witnessed a remarkable growth over the last few years, driven by increased investment in infrastructure and industrial production. The engineering sector, being closely associated with the manufacturing and infrastructure sectors, is of huge strategic importance to India's economy.



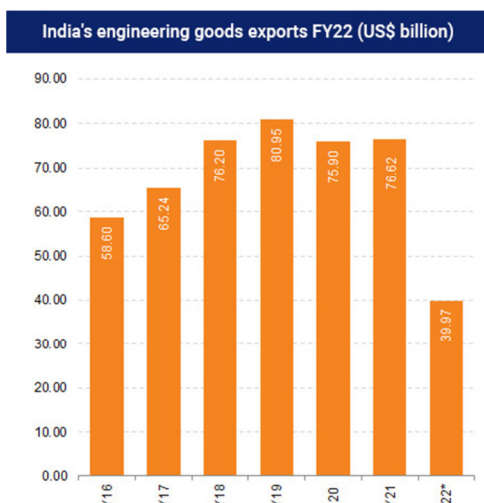
The development of the engineering sector of the economy is also significantly aided by the policies and initiatives of the Indian government. The engineering industry has been de-licensed and allows 100% foreign direct investment (FDI). Additionally, it has grown to be the biggest contributor to the nation's overall merchandise exports.

India became a permanent member of the Washington Accord (WA) in June 2014. It is now a part of an exclusive group of 17 countries who are permanent signatories of the WA, an elite international agreement on engineering studies and mobility of engineers.

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

MARKET SIZE

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.



Imports of Electrical Machinery in India increased to US\$ 16.1 billion in 2021. The Indian electrical equipment industry comprises of two broad segments, Generation equipment (boilers, turbines, generators) and Transmission & Distribution (T&D) and allied equipment like transformers, cables, transmission lines, etc. The sector contributes about 8% to the manufacturing sector in terms of value, and 1.5% to overall GDP. Incentives for capacity addition in power generation will further increase the demand for electrical machinery.

The electrical equipment market share in India is expected to increase by US\$ 33.74 billion from 2021 to 2025 at a CAGR of 9%. Domestic electrical equipment market is expected to grow at an annual rate of 12% to reach US\$ 72 billion by 2025. In FY21, India's heavy electrical equipment production stood at Rs. 168,949 crore (US\$ 21.15 billion). Production of generation equipment (boilers, turbines and generators) in India is estimated to be around US\$ 5.7 billion by 2022. The electrical machinery/equipment segment grew nearly 90% with shipments jumping to Rs. 13,606 crore (US\$ 1.6 billion) in the April-July 2022 from Rs. 7,202 crore (US\$ 869 million) in the year-ago period.

The Indian machine tools market size reached US\$ 1.4 Billion in 2022 and is expected to reach US\$ 2.5 billion by 2028, exhibiting a growth rate (CAGR) of 9.4% during 2023-28.

The Indian automated material handling (AMH) market was valued at US\$ 1,353.8 million in 2020 and is expected to go up to US\$ 2,739.34 million by 2026 at a CAGR of 12.7%.

In FY21, India's heavy electrical equipment production stood at Rs. 168,949 crore (US\$ 21.15 billion). The electrical equipment market is forecasted to grow at 12% CAGR to reach US\$ 72 billion by 2025 from US\$ 48-50 billion in 2021. The electrical equipment export market is forecasted to reach US\$ 13 billion by 2025, from US\$ 8.62 billion in 2021.

Indian machine tool production and consumption were estimated at Rs. 6,602 crore (US\$ 879.38 million) and Rs. 12,036 crore (US\$ 1.6 billion), respectively, in FY21, while exports stood at Rs. 531 crore (US\$ 66.48 million).

In FY22, India exported engineering goods worth US\$ 111.63 billion, a 45.51% increase YoY. India exports engineering goods mostly to US and Europe, which account for over 60% of the total exports.

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

INVESTMENTS

FDI inflow for miscellaneous mechanical and engineering industries stood at US\$ 4.10 billion between April 2000-September 2022.

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.

FDI inflow for miscellaneous mechanical and engineering industries stood at US\$ 4.14 billion between April 2000-June 2022 according to the data released by Department for Promotion of Industry and Internal Trade (DPIIT).

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) and Ministry of Skill Development and Entrepreneurship (MSDE) sign MoU to facilitate training in engineering trades to boost capital goods sector.

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.

ROAD AHEAD

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.

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 165,097 units by 2028.

The machine tools market is expected to reach US\$ 2.5 billion by 2028, exhibiting a growth rate (CAGR) of 9.4% during 2023-28.

India's expected export of medical devices will reach ~ US\$ 10 billion by 2025.

Export of engineering goods is expected to reach US\$ 200 billion by 2030.

The Ministry of Road Transport and Highways plans to construct around 28,391 km of highways in 25 months at a daily average of around 38 km, starting from March 2022 to the end of the financial year 2023-24.

The Indian automated material handling (AMH) market was valued at US\$ 1353.8 million in 2020 and is expected to go up to US\$ 2,739.34 million by 2026 at a CAGR of 12.7%.

Turnover of the capital goods industry was estimated at US\$ 92 billion in 2019 and is forecast to reach US\$ 115.17 billion by 2025. India's engineering R&D market will increase from US\$ 36 billion in FY19 to US\$ 63 billion by FY25. The export of engineering goods is expected to reach US\$ 200 billion by 2030.

India's earthmoving and construction equipment (ECE) industry has enjoyed strong growth over the last seven years due to rapid economic development, and it has become the third largest construction equipment market in the world. In FY22, the construction equipment industry sold 85,385 units, while the earthmoving sector continues to grow. With development of infrastructure, demand for construction equipment and other machinery is expected to rise significantly.

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

BUSINESS OVERVIEW

In this section, any reference to “we”, “us” or “our”, “Kataria” and “KIL” refers to Kataria Industries Limited. Unless stated otherwise, the financial data in this section is as per our restated financial statements prepared in accordance with Indian Accounting Policies set forth elsewhere in this Draft Red Herring Prospectus.

The following information should be read together with more detailed financial and other information included in Draft Red Herring Prospectus, including the information contained in the chapter titled “Risk Factors”, “Restated Financial Statement” and “Management Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page no. 19, 142 and 176 respectively.

Overview

We are engaged in the manufacturing and supply of Low Relaxation Pre-stressed Concrete (LRPC) Strands and Steel Wires, Post-tensioning (PT) Anchorage System (Anchor Cone, Anchor Head and Wedges), HDPE Single Wall Corrugated (SWC) Sheathing Ducts, Couplers and Aluminium Conductors. Our wide variety of products are utilized in various sectors including Infrastructure, Roads – Bridges & Flyovers, Metros, Railways, High Rise Buildings, Atomic Reactors, LNG Tanks, Power Transmission & Distribution Lines etc. Our products are certified by ISO 9001:2015 for quality management systems.

We have two manufacturing plants, both are situated at Ratlam, Madhya Pradesh. Our plants are well equipped with essential machinery, infrastructure, and an in-house testing facility, which ensures that our product conforms to the requisite standards.

In the F.Y. 2019-20, we expanded our wire division capacity to 19,830 MT from the existing capacity of 7,830 MT. Subsequently, in the F.Y. 2021-22, we had further expanded capacity to 38,000 MT. In the F.Y. 2021-22, we commenced production of Post-tensioning Anchorage and SWC Sheathing Duct & Coupler which are used along-with LRPC steel strands. Our annual combined capacity of both the plants is presented here below:

- Wire Division (LRPC strands and steel wires): 38,000 metric tons (MT)
- PTS Division:
 - Anchor Head, Wedges and Couplers: 7,92,000 units
 - HDPE SWC Duct Pipe: 9,00,000 metres (MTR)
- Conductor Division: 9,000 metric tons (MT)

During the last three F.Y. 2020-21 to F.Y. 2022-23 and the nine months' period from April 2023 to December 2023, we have sold our products in India and several other countries across the globe which includes Dubai, Qatar, Nepal, Iran, Oman, Bahrain and Brazil.

Our Company was incorporated in 2004 with an object to engage in the manufacturing and supply of all kinds of ingots, including those made of iron, steel, copper, bronze, aluminum and other ferrous and non-ferrous materials, as well as drawing of wires, pipes and tubes made from them, along with various plastic products. Initially, we also had two separate division, namely the Plastic Division and the Wind Mill Division. However, in order to focus on our core business competencies and explore strategic options to grow such business and to rationalize its management, business and finances, these divisions were transferred with effect from 01 October 2013 to Kataria Plastics Private Limited and Shree Hanuman Mining Corporation Private Limited pursuant to an Order passed on 11 September 2014 by the Hon'ble Madhya Pradesh High Court and in accordance with the Scheme of Arrangement and Demerger annexed to it.

In the year 2022-23, we have purchased a wind farm of 0.80 MW located at Karnawad (Village), Bagli (Tehsil), in Dewas, Madhya Pradesh for captive consumption of electricity at our manufacturing plant in Ratlam, Madhya Pradesh vide in terms of Supplementary Power Purchase and Wheeling Agreement (PPWA) executed on 18 October, 2022.

Our Promoter and Managing Director, Mr. Arun Kataria, holds a Bachelor of Commerce degree. He has been instrumental in overseeing manufacturing operations, procurement and strategically shaping the direction of the Company. Our Whole Time Director and CFO, Mr. Anoop Kataria, holds a Bachelor of Commerce (Finance)

degree and currently, he is involved in sales & marketing, development of new businesses and responsible for managing finances of the Company.

We are constantly improving and expanding our processes and technologies. Our top management always emphasises core strength and policies that focus on technology and excellent service delivery. With a passion for setting high standards of service, the management always takes measures to scale up as needed to deliver the best. We work diligently and have a wide range of equipment to meet every need and ensure client satisfaction.

The Company had Invested in the real estate to diversify our income streams. By investing in the real estate Company can generate a steady income through renting spaces. Company had acquired two commercial properties in April 2023 and January 2023 situated in Surat and Vadodara, Gujarat respectively.

Key performance indicators of our Company:

Rs. In lakhs

Key Indicators	April 2023 to December 2023	Financial Year 2022-23	Financial Year 2021-22	Financial Year 2020-21
Revenue from operations	26,149.78	33,182.94	24,963.10	15,867.10
EBITDA	1,732.70	1,576.61	1,824.78	1,368.43
EBITDA margin	6.63%	4.75%	7.31%	8.62%
PAT	783.72	777.83	738.34	500.58
PAT margin	3.00%	2.34%	2.96%	3.15%
RoE (%)	18.08%	21.70%	26.31%	24.21%

Notes:

1. EBITDA is calculated as [Profit before tax (+) Depreciation (+) Finance Cost (excluding other borrowing cost like bank charges, LC charges on purchase and bill discounting charges)]
2. 'EBITDA Margin' is calculated as [EBITDA divided by Revenue from Operations]
3. PAT is calculated as [Profit before tax (-) Tax Expenses]
4. 'PAT Margin' is calculated as [PAT for the period year divided by Revenue from Operations]
5. Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

The bifurcation of revenue is as below:

(Rs. in Lakhs)

Particulars	For the period 01-04-2023 to 31-12-2023	For the period 01-04-2022 to 31-03-2023	For the period 01-04-2021 to 31-03-2022	For the period 01-04-2020 to 31-03-2021
Manufactured goods	24,837.35	32,863.20	24,708.68	15,626.60
Job work receipts	168.47	68.01	13.13	11.81
Traded goods	1,086.24	50.52	133.14	173.06
Sale of scrap	14.45	201.21	108.15	55.63
Sales of power generated through wind mill	43.26	-	-	-
Total	26,149.78	33,182.94	24,963.10	15,867.10

The bifurcation of product-wise revenue is as under:

(Rs. in Lakhs)

Particulars	For the period 01-04-2023 to 31-12-2023	For the period 01-04-2022 to 31-03-2023	For the period 01-04-2021 to 31-03-2022	For the period 01-04-2020 to 31-03-2021
Wire Division	20,756.45	31,015.31	23,891.52	14,425.67
Cable/ Conductor Division	4,251.49	1,856.53	1,071.58	1,441.43
Accessories	1,141.85	311.11	0	0
Total	26,149.78	33,182.94	24,963.10	15,867.10

The % of top 10 Buyers and Suppliers of Our Company are as under:

(in ₹ Lacs)

Particulars	Purchase / Sales					
	December 31, 2023	%	2022-23	%	2021-22	%
Top 10 Buyers	1,29,46.26	49.51	2,04,49.97	61.63	1,56,60.86	62.74
Top 10 Suppliers	1,80,87.96	91.68	2,73,57.14	93.42	1,99,66.14	96.37

Competitive Strengths

1. Approved supplier in various Government projects and other commercial projects

We are an approved supplier for various Government projects and other commercial projects across sectors like Infrastructure, Roads – Bridges & Flyovers, Metro, Railways, High Rise Buildings, Atomic Reactors, LNG Tanks, Power Transmission & Distribution Line etc. Our efforts include continually improving product quality and delivering quality products that meet the stringent requirements of infrastructure development. We believe our Group's vast experience further underscores our credibility and positions us for future projects, thereby improving our competitive position.

List of and other commercial projects are as below:

Sr. No.	Project Name	Approving Authority
LRPC Strands		
Major Bullet train/Metro/Railways Projects		
1	Bullet Train and Chennai Metro	National High Speed Railway Co. Ltd. (NHRCL) & Chennai Metro Rail Corporation Limited (CMRCL)
2	Pune Metro	MMRCL
3	Mumbai Metro	MMRDA
4	Ahmedabad Metro	Gujarat Metro Rail Corporation Ltd. (GMRCL)
5	Bhopal & Indore Metro	Madhya Pradesh Metro Rail Corporation (MPRCL)
6	Surat Metro	GMRCL
7	CTP-13R	Western Dedicated Freight Corridor (WDFC)
Roads – Bridges & Flyovers		
1	Delhi Vadodara Expressway	National Highway Authority of India (NHAI)
2	Maharashtra Samruddhi Mahamarg	NHAI
3	Dwarka Expressway	NHAI
4	Bangalore-Nidagatta-Mysore	NHAI
5	Bundelkhand Expressway	The Uttar Pradesh Expressways Industrial Development Authority (UPEIDA)
6	Bihar New Ganga Bridge	Bihar State Road Development Corporation
7	Jabalpur Flyover Project	Central PWD - Madhya Pradesh
Others		
1	TCS – Shayadri Park	Commercial Project
2	L&T Innovation Campus	Commercial Project
PT Anchorage and HDPE Sheathing Ducts		
1	Garhmukteshwar Meerut Road Project	NHAI
2	Dwarka Expressway Project	NHAI
3	Bhopal Metro Project	MPMRCL
4	Tejajinagar – Balwara Section PKG-2	NHAI
5	Bangalore Chennai Expressway	NHAI
6	Raipur – Vishakhapatnam Expressway (RVOD-6)	NHAI
7	Ganga Expressway Pkg-2	UPEIDA
8	Dheka-Bhaisma Road Project	NHAI
9	Delhi -Vadodara Expressway PKG-28	NHAI

2. In-house manufacturing facility with stringent quality control mechanism

We have an in-house manufacturing facility through which we ensure seamless production from raw material to final product dispatch. Delivering Quality products is one of our core beliefs, and we allocate resources for quality assurance to ensure that quality standards are consistently met. Our manufacturing facility is ISO 9001:2015 certified for quality management systems. We conduct testing at each step of the manufacturing process, ensuring adherence to our quality standards at our in-house testing facility. We conduct following tests in wire division - breaking load test, proof load test, elongation test, Modulus of Elasticity test, relaxation load test, etc. and in PTS division – anchorage efficiency test, hardness test & dimension test, workability test, water loss test, tension load test, transverse load test, etc. and in conductor division breaking load test, resistance test, elongation test, lay ratio, diameter of wires etc. Apart from these, we send our products to third-party testing laboratories such which are approved by National Accreditation Board for Testing and Calibration Laboratories (NABL) accredited laboratories for testing on regular interval to ensure the quality of the product. Further, our manufacturing facility is located in central part of India having close proximity to major metros like Delhi and Mumbai and can cater to northern and southern markets.

3. We offer comprehensive range of products like PT anchorage and sheathing ducts along-with LRPC strands

We provide comprehensive range of products like PT anchorage and sheathing ducts along-with LRPC strands which includes anchor cone, anchor head & wedges, SWC sheathing ducts and couplers tailored to meet the specific requirements of our clients. For instance,

- LRPC strands are pre-stressed steel strands which gradually release their initially applied stress in a mathematically proportionate manner as they become embedded in concrete. They are majorly used in concrete slabs which are usually fitted on bridges, flyovers, and buildings.
- anchor cone helps transfer the force from the anchor head to the concrete segment and guides LRPC strands into the duct.
- anchor heads is positioned on the flat surface of anchor cone, providing a secure location for wedges and helps in ensuring the efficient and secured handling of tensioned strands.
- wedges consist of conical shaped components that are divided into three equal parts and secured around the strands using specialized wire circlips which ensures secure locking after undergoing stress
- SWC ducts helps in preventing corrosion, a significant threat to reinforced concrete structures.

4. Wide Geographical Reach

Our long-standing relationship with our major customers have played a pivotal role in our sustained growth over the years. Our commitments to quality and customer service practices has been instrumental in lasting customer relationship. Despite not having long-term supply agreements with customer, we have continually received repeat business from many of our customers. This trust has enabled us to cultivate diverse client base and secure orders across various industries. We are catering Domestic customers as well as International customers. Out of the total revenue for the period ended on December 31, 2023, FY 2022-23 and FY 2021-22, We have achieved export revenue of 3.61%, 2.63% and 5.68% respectively of the total revenue. We have exported goods in Dubai, Qatar, Nepal, Iran, Oman, Bahrain and Brazil.

5. Experienced Promoter and strong management team

Our Promoter and Managing Director, Mr. Arun Kataria, holds a Bachelor of Commerce degree. He has been instrumental in overseeing manufacturing operations, procurement and strategically shaping the direction of the company. Our Whole Time Director and CFO, Mr. Anoop Kataria, holds a Bachelor of Commerce (Finance) degree and currently, he is involved in sales & marketing, development of new businesses and responsible for managing finances of the Company.

We believe that our management team is well qualified with vast industry experience and is instrumental for the growth in our operations. We also believe that the experience and relationships of our management team has extended our operating capabilities, improved the quality of our services and facilitated access to our customers. We are also supported with adequate technical and commercial team having relevant experience of the industry which helps us to achieve the organizational goals.

For further details relating to our Key Managerial Personnel and Senior Management Personnel, see “***Our Management – Key Managerial Personnel and Senior Management Personnel***” on page 126

Key Strategies

1. Expanding domestic and international market presence and product portfolio

We seek to expand and enhance our presence in our existing business segments by identifying markets where we can penetrate and provide technically advanced products in a cost effective manner. Currently, we are exporting 3.61% of our total income as per December 31, 2023, our strategy for expansion of our business is also to focus on the increase in the exports. For expansion in the global market, on September 27, 2022, we received certificate of “CERTIFICATE OF PRODUCT CONFORMITY” - Low-Relaxation, Seven-Wire Steel Strand for Prestressed Concrete, by Dubai Central Laboratory Department (DCLD) of Dubai Municipality. The said certificate was valid till September 26, 2023. We can apply for the same as and when requirement in the international market.

We are consistently expanding our product range and are in the process of introducing a new line of products which will include Bridge Bearings, Expansion Joints, Drainage Spouts, Rebar Coupler and Sonic Tube.

2. Continue to Strengthen Customer Relationships and strengthening brand “Kataria Tenasyo”



Over the years, we have established long-term relationships with our customers, leading to recurrent business engagements with them. Some of our customers have been with us for the several years. We believe that our customer retention levels reflect our ability to provide high quality products. Going forward, we intend to continue strengthening and expanding our existing relationships with our current customers and acquiring more valued customers. We strive to clearly understand our customers’ business needs and provide products according to their specification.

Additionally, we have developed strong relationship with our clients, contributing to the recognition of “Kataria Tenasyo” as a reputable brand in steel wire. Looking ahead, we plan to invest further in developing and enhancing our brand image through dedicated brand-building efforts, communication strategies and promotional initiatives. This ongoing investment in brand development is expected to strengthen our brand image, ultimately driving increased sales and profitability.

3. Improving operational efficiency

We are committed to enhancing operational efficiency within the company to drive cost reductions and maintain a competitive edge in the market. Through continuous process improvements, rigorous quality checks and investment in technology, we aim to boost operational output while maintaining high standards of quality. Our efforts also includes empowering our employees, leveraging their technical expertise to enhance overall efficiency. Furthermore, we are continuously working towards achieving zero defects and zero rejection, demonstrating our unwavering dedication to excellence.

4. Focus on rationalizing our indebtedness.

Our Company focuses on rationalising our indebtedness. We have entered into various financing arrangements with banks and financial institutions for financial facilities. Our Company proposes to repay or prepay all or a portion of certain borrowings availed by our Company from the Issue Proceeds. For details see “*Objects of the Issue*” on page 64. The repayment or prepayment will help reduce our outstanding indebtedness, assist us in maintaining a more favourable debt equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion.

Our Manufacturing Facilities





Our Products and Manufacturing Process

Our product portfolio comprises:

LRPC Strands:

Low Relaxation Pre-stressed Concrete Steel Strands (LRPC) is the concept of pre-stress steel strands losing applied stress in mathematical proportion with the passage of time when embedded in concrete. The utmost important factor attributing to this loss in stress is the stress relaxation property of the steel itself. By treating the steel through a thermo-mechanical process known as ‘stabilising’, the propensity of the steel to “Relax” under a stressed condition is controlled to a great extent. Low relaxation ensures that no noticeable loss of tension will occur in time, therefore a long lasting compressive force on concrete.

The primary contributing factor to this stress reduction is the inherent property of steel known as stress relaxation. Through a thermo-mechanical process referred to as ‘stabilizing,’ steel’s tendency to “relax” under a stressed condition is effectively controlled. Low relaxation ensures that there will be no significant loss of tension over time, resulting in a sustained compressive force on the concrete.

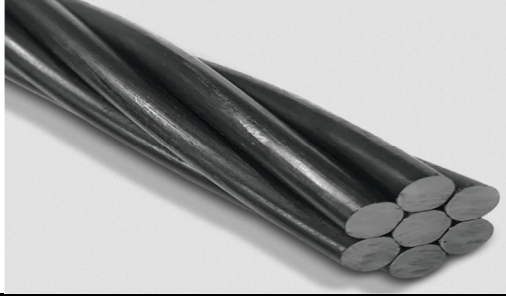
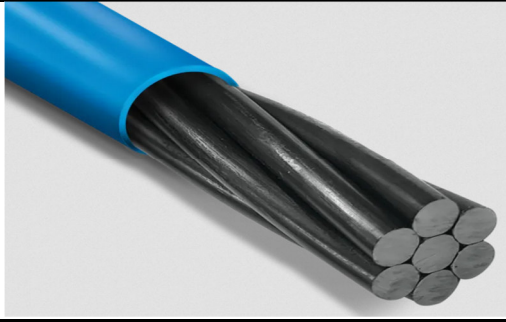

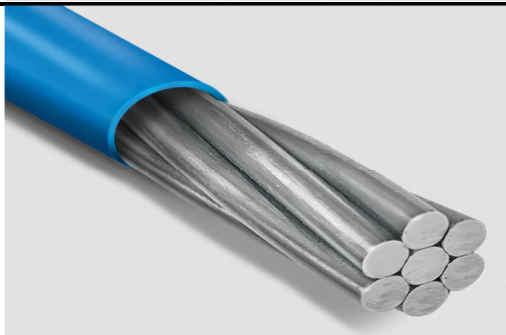
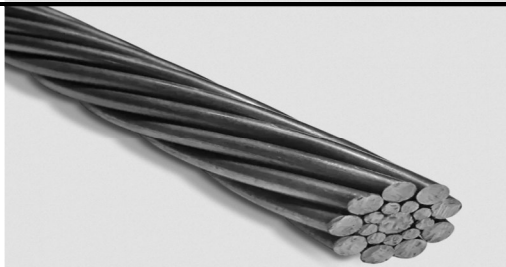
These strands are particularly cater to infrastructure segment requirements for building, bridges, dams and other large structures. These strands are highly dependable and engineered to take the load and function optimally in challenging situations and environments, across different sector. They adhere to Indian as well as international standards, for years and years of powerful performance.

Key features:

- Lesser quantity of steel used due to low relaxation properties.
- Upto 10% reduction in steel requirement.
- Low relaxation losses means higher effective force in tendons. This results in reduction in number of anchorages, ducts, sheaths, wedges, labour costs, etc.
- Low stress relaxation under ambient and elevated temperatures.
- Saving in concrete due to reduced size of the structural units which makes the structure light and saves the cost.
- Proportional stress-strain relationship with elevated breaking loads and proof stress loads.
- Higher fatigue and corrosion resistance.

We manufacture following types of

Sr.	Name of Product	Description
-----	-----------------	-------------

No.		
1.	<p>LRPC Strands:</p> <p>A uniform, smooth, thermoplastic polymer extruded sheathing on LRPC Strands provides protection against contaminants, cushioning and resistance from abrasion, increasing the durability of the LRPC strands. In this product bare strands are filled with Grease / Wax, followed by a polymer coating.</p>	
2.	<p>Polymer coated grease/wax filled LRPC Strands:</p> <p>A uniform, smooth, thermoplastic polymer extruded sheathing on LRPC Strands provides protection against contaminants, cushioning and resistance from abrasion, increasing the durability of the LRPC strands. In this product bare strands are filled with Grease / Wax, followed by a polymer coating.</p>	
3.	<p>Galvanised LRPC Strands:</p> <p>Galvanized LRPC strands are coated with zinc to provide resistance against corrosion which results in higher life of the structure. This product can be manufactured as per the customer's specific technical specification. The galvanization weight can be customized as per customer requirements varying from 190–340gms / sq.mtrs.</p>	
4.	<p>Galvanised PE Coated LRPC Strands:</p> <p>LRPC strands are coated with zinc and these galvanized strands are polymer coated. Grease / Wax can be applied as per customer's specific requirements.</p>	
5.	<p>Specialised LRPC Strands (19 Strands and Upto 23.00 mm):</p> <p>Our Company also develops products specific to a customer requirements through our in-house research and development team</p>	

Manufacturing Process:



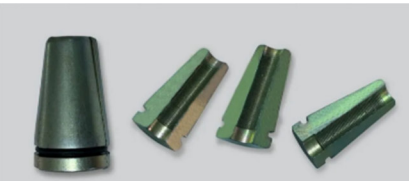


- Raw Material Selection:**
 Wire Rod is a rolled alloy or non-alloy product made from high carbon steel billets in a hot rolling process.
- Pickling:**
 Wire rods go through the pickling process, which includes descaling to remove the mill scale present on the steel surface through acid treatment. Then, the wire rod are coated with phosphate or borax for corrosion resistance and smooth drawing.
- Wire Drawing:**
 Wire drawing is a deformation process by which the diameter of a rod or a wire is reduced and its length is increased by pulling the wire through different drawing dies.
- Stranding and Stabilizing:**
 Stranding is the process of bundling multiple wires together with the aid of pre and post-forming processes. Thermo-mechanical treatment is applied using induction furnaces and capstans.
- Coiling (Layer Winder):**
 Reel-less cheese coils are produced.
- Oiling (Optional):**
 The final product can be supplied in both oiled and dry conditions, with oil serving as corrosion protection.

Post Tensioning (PT) Anchorages and SWC Sheathing Ducts:

A Post Tensioning Anchorages is a mechanical device, consisting of all components required to transfer the post-tensioning force from the pre-stressing steel to the structure.

Our products:

<p>Anchor Head</p> 	<p>Anchor Head gets located on the flat surface of the Anchor Cone & offers seating of wedges.</p>
<p>Manufacturing Process of Anchor Head:</p> 	
<p>Wedges:</p> 	<p>These are conical shaped components slitted in three equal parts and held together around the strand by means of special wire circlips. Thread on the concave portion of each slit holds the strand like a jaw and ensures proper locking after stressing.</p>

Manufacturing Process of Wedges:



HDPE SWC Sheathing Ducts

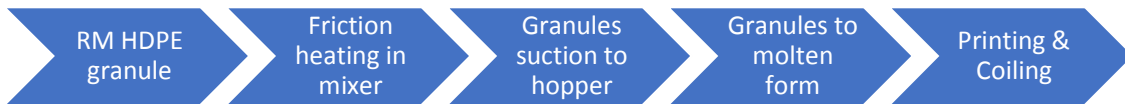


Single Wall Corrugated (SWC) Spiral pipes are extensively used as duct for bonded post tensioning tendons in prestressed concrete. SWC pipes resolve the issues of corrosion which is a great threat to the reinforced concrete structure.

Key features:

- Superior Corrosion Protection
- Provides solid bonding with concrete
- High stiffness - flexibility and Light weight
- Less prestressed losses i.e., friction and wobble
- Chemically inert
- Available in Various length options
- Speedy installation due to Fewer Joints

Manufacturing Process of HDPE SWC Sheathing Ducts:

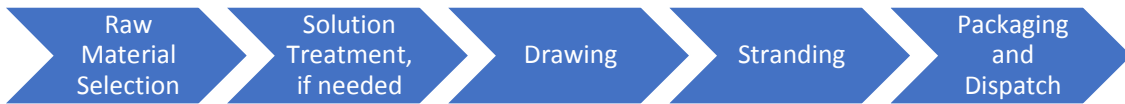


Aluminium Conductor:



Aluminium Conductors are used in Transmission and Distribution system to carry the generated electrical energy from generating station to end user. We manufacture below mentioned variety of Aluminium Conductors:

- AA Conductors
- AAA Conductors
- ACSR Conductor



Installed capacity and capacity utilization

Particulars	For the period 01-04-2023 to 31-12-2023	For the period 01-04-2022 to 31-03-2023	For the period 01-04-2021 to 31-03-2022	For the period 01-04-2020 to 31-03-2021
Wire Division				
Installed Capacity	33,750	45,000	38,000	23,000
Actual Production	28,604.33	41,478.69	32,943.035	22,364.378
Capacity Utilisation (in %)	84.75%	92.22%	86.69%	97.24%
PTS Division				

Bearing Plate			-	-
Installed Capacity	31,500	20,000	-	-
Actual Production	16,259	7,111	-	-
Capacity Utilisation (in %)	51.61%	35.56%	-	-
Wedges			-	-
Installed Capacity	5,25,000	3,00,000	-	-
Actual Production	3,48,366	93,554	-	-
Capacity Utilisation (in %)	66.35%	31.18	-	-
HDPE Duct Pipe			-	-
Installed Capacity	6,75,000	3,50,000	-	-
Actual Production	5,70,428	1,60,225	-	-
Capacity Utilisation (in %)	84.51%	45.78%	-	-
HDPE Coupler			-	-
Installed Capacity	37,500	30,000	-	-
Actual Production	14812	17,366	-	-
Capacity Utilisation (in %)	39.50%	57.89%	-	-
Conductor Division			-	-
Installed Capacity	6,750	9,000	9,000	9,000
Actual Production	1,707.549	812.835	530.206	818.09
Capacity Utilisation (in %)	25.30%	9.03%	5.89%	9.09%

Owned Major Machineries

Some of the major plant & machineries installed at our plant are as follows:

Major Machineries			
LRPC Division	PTS Division	Conductor Division	Other Machines
Straight Line Drawing Machine	Radial Drill Machine	RBD Drawing Machine	Weight Bridge / Scale & Measurement
Wire Drawing Machines	CNC/VMC Machine	7/19/37/61 Wire Stranding Machine	Crains
LRPC Line	Various Lathe Machine	Rewinding Machine	Testing Equipment
Layer Winder	Slitting Machine	Ageing Furnace	
Automatic Packing Machine	SWC Pipe Machine	Cold Pressure Butt Welding Machine	



LRPC Line



HDPE Sheathing Machine



CNC Machine



Straight Line Machine

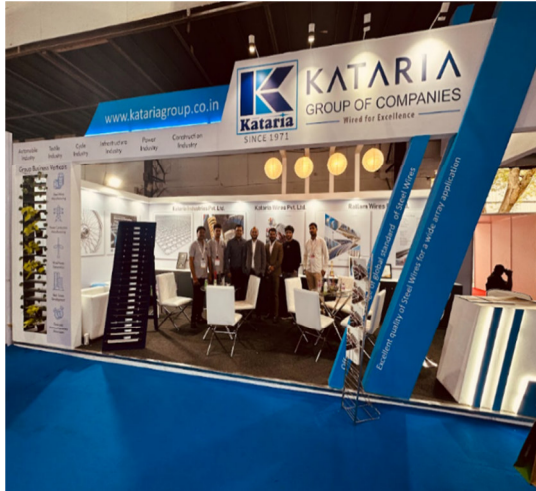
Sales and Marketing Initiatives

In the dynamic landscape of business, our company caters to a wide array of sector including Infrastructure, Roads – Bridges & Flyovers, Metro, Railways, High Rise Buildings, Atomic Reactors, LNG Tanks, Power Transmission & Distribution Line etc. With a diverse range of applications, our products serves as essential component in various projects across these industries.

We have a dedicated sales and marketing team, whose relentless efforts drive the expansion of our customer base on regular basis. They engage in strategic initiatives to reach out to potential clients, fostering meaningful relationships while ensuring the retention and satisfaction of existing customers. Through their proactive approach, they navigate market trends and customer preferences, positioning our products effectively in the competitive landscape.

Moreover, our promoter and senior management actively contribute to Sales and Marketing, strengthening client relationships and driving business growth. Their hands-on involvement includes targeted interactions, ensuring a solid understanding of client needs for lasting partnerships.

We have also participated in the 8th-International Exhibitions of Wires and Cable Industry in Mumbai to spread the awareness of our products in the domestic and international market.



Competition

Our major products includes LRPC strands, PT anchorages, Sheathing ducts and couplers finds its application in the Infrastructure, Roads – Bridges & Flyovers, Metro, Railways, High Rise Buildings, Atomic Reactors, LNG Tanks, Power Transmission & Distribution Line etc. The pre-stressed concrete wire industry is largely fragmented in local and international markets. One of the major application of such pre-stressed concrete wire is in the construction industry and with significant development are taking place in the Asia-Pacific region, the market has a huge potential. We face competition from domestic companies. We compete primarily on the basis of our product quality, technology, cost, delivery, services and our long standing relationship with clients.

Infrastructure and Utilities

Our Location

Registered Office and Manufacturing Unit	Plot No. 34 to 38 and 44 Industrial Area, Ratlam, 457001 Madhya Pradesh, India
Factory Area	Plot No. 54, Industrial Area, Ratlam, Madhya Pradesh – 457001
Commercial Property – Surat	Shop No. 01 and 03, Ground Floor, Mangal Deep Apartment, New R.S. No. 118/2 & 118/3, T.P. Scheme No. 32 (Adajan), F.P. No. 77 Paiki Part-B, Village Adajan, Taluka, Surat, Gujarat
Commercial Property – Vadodara	Office No. 234, Second Floor, Kanha Capital, R. C. Dutt Road, Vadodara, Gujarat

Raw Material

The essential raw materials used by our manufacturing facility are as follow:

Sr. No.	Wire Division	PTS Division	Cable Conductor Division
1	Steel Wire Rod	Steel Bar	Alluminum Wire Rod
2	HDPE	HDPE	G R Wire
3	LDPE	LDPE	
4	Chemical		
5	Grease		

We procure majority of the raw materials from the giant industries in the local area. As the raw materials are heavy and not easily transferable, we prefer to purchase the same from the nearest area to cut down the transportation charges. We have not entered into any agreement for the supply of any raw material with any of the party as the said raw material is easily available in the market. We procure the same as and when required and by looking into the price fluctuations.

Power

We have been sanctioned load of 1700 KVA for our manufacturing plot of wire division and 325 KVA for our Cable Conductor Division, from M. P. Paschim Kshetra Vidyut Vitaran Co. Ltd., Indore. The above said power supply is sufficient for both of our units.

We have also purchased wind farm of 0.80 MW located at Village – Karnawad Tehsil Bagli Distt. Dewas. We have PPWA (Power Purchase & Wheeling Agreement) executed on October 18, 2022 for the captive use in our factories.

Water

Our process house requires sizable quantity of water, which we met from pipeline supply and water tankers from local vendors in both our division.

Human Resources

Sourcing and managing human resources are an asset to any industry. We believe that our employees are the key to the success of our business. We focus on hiring and retaining employees and workers who have prior experience in the our Industry. We view this process as a necessary tool to maximize the performance of our employees.

As on December 31, 2023, we have the total strength of 71 permanent employees in various departments. The details of which is given below:

Sr. No.	Particulars	No. of Employees
1.	Accounts Staff	10
2.	Office Staff	5
3.	Sales and Marketing	3
4.	Chef	1
Total		19
5.	Worker	52
Total		71

Other than stated above we also take contractual labours for our Loading Unloading supervision work for our routine course of business. Our Contractual laborer are registered with the Government of Madhya Pradesh Labour Department. Detail of the same are stated below:

Sr. No.	License No.	Name of Contractor	No. of Labour Engaged by the Contractor	Validity
1.	RATL220217CC000128	Mahip Mishra	100	31/12/2024
2.	RATL220210CC000104	Anil Kumar Pandya	100	31/12/2024

We have not experienced any strikes, work stoppages, labour disputes or actions by or with our employees, and we have cordial relationship with our employees.

For maximum utilization of our installed capacity, our company runs 24hr. in a 3 shift. Other than our own workers we have contractual labours also to work in our organization. The Contract Labours includes skilled and unskilled both type of labours for the premises.

Along with the routine business in our organization, we also believes in the welfare of our labours and employees. For them, we periodically provide health check up and any fun activities like drawing competition, Independence Day celebration etc. for their healthy work atmosphere. Our promoters strongly believes that healthy employees are generally more productive. By addressing health concerns early on, you can reduce absenteeism and improve overall workforce efficiency. It also build the team work amongst the employees in the organization.

Sustainability

Our Company is committed to sustainability and recent investment by us in a windmill for captive electricity consumption is a testament to this commitment. By harnessing wind energy, we reduce our carbon footprint, enhance operational efficiency, and contribute to a greener future. This initiative aligns with global efforts to combat climate change and reinforces our position as a responsible corporate citizen. In future also, we'll continue exploring renewable energy options to further reduce our environmental impact and ensure a sustainable future for all.

Collaborations, any Performance guarantee or assistance in marketing by the Collaborators



Our Company has not entered into any collaboration, or Performance guarantee or assistance for marketing with any Company.

Export possibility and obligation

We do not have any export obligation as on date of the Draft Red Herring Prospectus other than stated in this chapter. Our Company is exporting mainly in till the date of the Draft Red Herring Prospectus. The Income Bifurcation for Exports and Domestic is as under:

Particulars	Amount (Rs in Lacs)							
	Till December 31, 2023		2022-23		2021-22		2020-21	
	Amount	%	Amount	%	Amount	%	Amount	%
Export T/o	943.67	3.61	872.99	2.63	1,418.51	5.68	Nil	0.00
Domestic T/o	25,206.12	96.39	32,309.95	97.37	23,544.59	94.32	15,867.10	100.00
Total T/o	26,149.78	100.00	33,182.94	100.00	24,963.10	100.00	15,867.10	100.00

Intellectual Property Rights

Sr No.	Name Applied	Nature	Application Date	Application Number	Class	Present Status
1.	KATARIA TENASYO	Word Mark	August 13, 2021	50,86,810	06	Registered
2.		Device Mark	January 07, 2022	52,76,468	06	Opposed
3.	KATARIA	Word Mark	January 07, 2022	52,76,467	06	Opposed
4.		Device Mark	August 13, 2021	50,86,809	06	Registered

Details of Immovable Property:

Company has following immovable properties:

Sr. No.	Details of the Property	Actual Use	Owned/Leased	Details of the Lease and Property
1.	Plot No. 34 to 38, Industrial Area, Ratlam, Madhya Pradesh - 457001 (Land Area of 2,17,800 square feet)	Registered Office/Factory/Manufacturing Unit	Leased	Lease deed Dated 19 November 2014 executed between Governor of Madhya Pradesh through General Manager, District Trade & Industries Centre, Ratlam (M.P.) (Lessor) and Kataria Industries Private Limited. (Lessee)

				<p>Upto 01 June 2035</p> <p>Lease Rent: Rs. 12,153/- (Rupees Twelve Thousand One Hundred and Fifty-Three Only)</p> <p>Maintenance Fee: Rs. 24,306/- (Rupees Twenty Four Thousand Three Hundred and Six Only)</p>
2.	Part of Plot No. 34 to Part of Plot No. 38, Industrial Area, Ratlam, Madhya Pradesh - 457001 (Land Area of 82,200 square feet)	Registered Office/Factory/Manufacturing Unit	Leased	<p>Lease deed Dated 19 November 2014 executed between Governor of Madhya Pradesh through General Manager, District Trade & Industries Centre, Ratlam (M.P.) (Lessor) and Kataria Industries Private Limited. (Lessee)</p> <p>Upto 23 June 2035</p> <p>Lease Rent: Rs. 4,587/- (Rupees Four Thousand Five Hundred and Eighty-Seven Only)</p> <p>Maintenance Fee: Rs. 9,173/- (Rupees Nine Thousand One Hundred and Seventy Three Only)</p>
3.	Land situated between Plot No. 34 to 38 and 39 to 43, Industrial Area, Ratlam, Madhya Pradesh - 457001 (Land Area of 40,700 square feet)	Factory/Manufacturing Unit	Leased	<p>Lease deed Dated 19 November 2014 executed between Governor of Madhya Pradesh through General Manager, District Trade & Industries Centre, Ratlam (M.P.) (Lessor) and Kataria Industries Private Limited. (Lessee)</p> <p>Upto 19 February 2036</p> <p>Lease Rent: Rs. 2,271/- (Rupees Two Thousand Two Hundred and Seventy-One Only)</p> <p>Maintenance Fee: Rs. 4,542/- (Rupees Four Thousand Five Hundred and Forty-Two Only)</p>
4.	Plot No. 44, Industrial Area, Ratlam, Madhya Pradesh - 457001 (Land Area of 2,28,800 square feet)	Registered Office/Factory/Manufacturing Unit	Leased	<p>Lease deed Dated 19 November 2014 executed between Governor of Madhya Pradesh through General Manager, District Trade & Industries Centre, Ratlam (M.P.) (Lessor) and Kataria Industries Private Limited. (Lessee)</p> <p>Upto 09 November 2036</p> <p>Lease Rent: Rs. 12,767/- (Rupees Twelve Thousand, Seven Hundred and Sixty-Seven only)</p> <p>Maintenance Fee: Rs. 25,534/- (Rupees Twenty-Five Thousand Five Hundred and Thirty Four Only)</p>

5.	Plot No. 54, Industrial Area, Ratlam, Madhya Pradesh – 457001 (Land area of 78,840 square feet)	Factory Area	Leased	Lease deed Dated 19 November 2014 executed between Governor of Madhya Pradesh through General Manager, District Trade & Industries Centre, Ratlam (M.P.) (Lessor) and Kataria Industries Private Limited. (Lessee) Upto 17 November 2034 Annual Rent: Rs 4,399/- (Rupees Four Thousand Three Hundred and Ninety-Nine Only) Maintenance Fee: Rs. 8,800/- (Rupees Eight Thousand Eight Hundred Only)
6.	Shop No. 01 and 03, Ground Floor, Mangal Deep Apartment, New R.S. No. 118/2 & 118/3, T.P. Scheme No. 32 (Adajan), F.P. No. 77 Paiki Part-B, Village Adajan, Taluka, Surat, Gujarat	Investment	Owned	Sale Deed dated 11 April 2023 between CNS Infrastructure Ltd. (Seller) and Kataria Industries Private Limited (Purchaser)
7.	Office No. 234, Second Floor, Kanha Capital, Revenue Survey No. 567, City Survey No. 2243 to 2253, R. C. Dutt Road, B/h. B. N. Chambers, Vadodara, Gujarat	Investment	Owned	Sale Deed dated 21 January 2023 between Kataria Industries Private Limited (Purchaser) and VHPT System (Seller)

Insurance Policies

Details of Insurance Policies held by the Company are as under:

Sr. no.	Particular	Policy no.	Coverage Section	Company name	Period
1.	National Bharat Laghu Udayam Suraksha	320301 112310 000105	As per the terms mentioned in the policy	National Insurance Co. Ltd.	December 22, 2023 to December 21, 2024
2.	Marine Cargo Open Policy	320301 212210 000013	As per the terms mentioned in the policy	National Insurance Co. Ltd	From March 21, 2023 to March 20, 2024 Endorsement Policy Period- From June 22, 2023 to March 20, 2024
3.	Marine Cargo Open Policy	320301 212210 000012	As per the terms mentioned in the policy	National Insurance Co. Ltd.	From March 22, 2023 to March 21, 2024
4.	Marine Cargo Open Policy	320301 212310 000001	As per the terms mentioned in the policy	National Insurance Co. Ltd	From April 11, 2023 to April 10, 2024 1. Endorsement Policy Period From May 15, 2023 to April 10, 2024 2. Endorsement Policy Period From June 08, 2023 to April 10, 2024

5.	Marine Cargo Open Policy	320301 212310 000003	As per the terms mentioned in the policy	National Insurance Co. Ltd	From June 22, 2023 to June 21, 2024
6.	Marine Cargo Open Policy	320301 212310 000006	As per the terms mentioned in the policy	National Insurance Co. Ltd.	From January 29, 2024 to January 28, 2025
7.	Marine Cargo Open Policy	320301 212310 000008	As per the terms mentioned in the policy	National Insurance Co. Ltd.	From February 26, 2024 to February 25, 2025
8.	National Bharat Sookshma Udyam Suraksha	320301 112310 000019	Earthquake, STFI, Flexa Basic Cover, Windmill - Terrorism	National Insurance Co. Ltd.	From April 29, 2023 to April 28, 2024
9.	National Bharat Sookshma Udyam Suraksha	320301 112310 000020	Earthquake, STFI, Flexa Basic Cover, Windmill - Terrorism	National Insurance Co. Ltd.	From April 29, 2023 to April 28, 2024
10.	Vehicle Insurance Policy (Motor Private Car Standalone OD)	3203G1 3123100 00491	Model – Toyota Innova Crysta 2 4 VX (MT) 8 Seater Vehicle No. – MP-43-BO-3363	Natural Insurance Co. Ltd.	From July 27, 2023 to July 26, 2024
11.	Vehicle Insurance Policy (Private Car-1 Year Own Damage Cover Bundled with 3 Years Liability Cover)	141300 3123P1 054707 93	Model – Volkswagen / Virtus (2023 -) GT Plus 1.5 TSI GT Plus DSG Vehicle No. – MP092V2103	United India Insurance Co. Ltd.	From August 16, 2023 to August 15, 2024 (Own Damage) From August 16, 2023 to August 15, 2026 (Liability)
12.	Vehicle Insurance Policy (Bundled – Two-Wheeler Policy)	3005/3 019322 70/00/0 00	Model – Honda Motorcycle Activa STD Vehicle No. – MP43ZD-1852	ICICI Lombard General Insurance Co. Ltd.	From August 11, 2023 to August 10, 2024 (Own Damage) From August 11, 2023 to August 10, 2028 (Third Party)
13.	Vehicle Insurance Policy	320301 312310 001087	Model – Innova Crysta (2016-2018) 143021 2.4 G 8 STR (2016-2019) Vehicle No. – MP09BD-9609	National Insurance Company Limited	From November 06, 2023 to November 05, 2024 (Own Damage) From November 06, 2023 to November 05, 2024 (Third Party)

KEY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India, and the respective bye laws framed by the local bodies, and others incorporated under the laws of India. The information detailed in this Chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the respective local authorities that are available in the public domain. The statements produced below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions and may not be exhaustive, and are only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional legal advice. We are subject to a number of Central and State legislations which regulate substantive and procedural aspects of the business. Additionally, the business activities of our Company require sanctions, approval, license, registration etc. from the concerned authorities, under the relevant Central and State legislations and local bye-laws. For details of Government and Other Approvals obtained by the Company in compliance with these regulations, see section titled "Government and Other Approvals" beginning on page 196 of this Draft Red Herring Prospectus. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in the field of real estate developers for commercial purpose.

INDUSTRY SPECIFIC REGULATIONS

THE FACTORIES ACT, 1948

The Factories Act defines a 'factory' to be any premises including the precincts thereof, on which on any day in the previous 12 months, 10 or more workers are or were working and in which a manufacturing process is being carried on or is ordinarily carried on with the aid of power; or where at least 20 workers are or were working on any day in the preceding 12 months and on which a manufacturing process is being carried on or is ordinarily carried on without the aid of power. State governments prescribe rules with respect to the prior submission of plans, their approval for the establishment of factories and the registration and licensing of factories.

The Factories Act provides that the 'occupier' of a factory (defined as the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors) shall ensure the health, safety and welfare of all workers while they are at work in the factory, especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers' health and safety, cleanliness and safe working conditions.

("BIS ACT")

BIS Act was notified on March 22, 2016 and came into effect from October 12, 2017. The BIS Act establishes the Bureau of Indian Standards (BIS) as the National Standards Body of India. The BIS Act has enabling provisions for the Government to bring under compulsory certification regime any goods or article of any scheduled industry, process, system or service which it considers necessary in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security. The BIS Act also allows multiple type of simplified conformity assessment schemes including self-declaration of conformity against a standard which will give simplified options to manufacturers to adhere to the standards and get certificate of conformity. The BIS Act enables the Central Government to appoint any authority/agency, in addition to the BIS, to verify the conformity of products and services to a standard and issue certificate of conformity. Further, there is also a provision for repair or recall, including product liability of the products bearing standard mark but not conforming to the relevant Indian Standard.

INDUSTRIAL (DEVELOPMENT AND REGULATION) ACT, 1951 (THE "INDUSTRIAL ACT")

The Industrial (Development and Regulation) Act, 1951 has been liberalized under the New Industrial Policy dated July 24, 1991, and all industrial undertakings are 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 defence 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.

IMPORTER-EXPORTER CODE

Under the Indian Foreign Trade Policy, 2004, no export or import can be made by a person or company without an Importer Exporter Code number unless such person/company is specifically exempted. 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. An Importer Exporter Code number allotted to an applicant is valid for all its branches/divisions/ units/factories.

LAWS RELATING TO COUNTRY OF ORIGIN.

Currently, Legal Metrology (Packaged Commodities) Rules, 2011 (“Packaged Commodity Rules”) require a declaration of 'country of origin' or 'country of manufacture' or 'country of assembly' on the imported products. This is aimed at curbing false and misleading claims by the brands to deceive the customers, as also to give complete information of the product to a potential buyer. Demands for specifying the Country of Origin ("COO") of products sold online has gained ground in view of Prime Minister's vision "Make in India". The Government had asked e-commerce entities to adhere to the Packaged Commodity Rules and display Country of Origin of products listed on their platform/s by August 01, 2020. In the recently draft of proposed amendment to the Consumer Protection (E-Commerce) Rules, 2020, inter alia, requires and e-commerce entity that offers imported goods or services for sale, to identify goods based on their country of origin, provide a filter mechanism on their e-commerce website and display notification regarding the origin of goods at the pre-purchase stage, at the time of goods being viewed for purchase, suggestions of alternatives to ensure a fair opportunity for domestic goods and further to provide ranking for goods and ensure that the ranking parameters do not discriminate against domestic goods and seller.

LEGAL METROLOGY ACT, 2009 (THE “L.M. ACT”)

The L.M. Act governs the standards/units/denominations used for weights and measures as well as for goods which are sold or distributed by weight, measure or number. It also states that any transaction/contract relating to goods/class of goods shall be as per the weight/measurement/numbers prescribed by the L.M. Act. Moreover, the L.M. Act prohibits any person from quoting any price, issuing a price list, cash memo or other document, in relation to goods or things, otherwise than in accordance with the provisions of the L.M. Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in the Rules made by each State. The Act also provides Legal Metrology (Packaged Commodities) Rules, 2011, which may be followed for due compliance. These Rules regulate pre-packaged commodities in India and inter – alia mandate certain labelling requirements prior to sale of such commodities.

LEGAL METROLOGY (PACKAGED COMMODITIES) RULES, 2011 (“PACKAGED COMMODITIES RULES”)

The Packaged Commodities Rules lay down specific provisions applicable to packages intended for retail sale, whole sale and for export and import and also regulate pre-packaged commodities in India, inter alia by mandating certain labelling requirements prior to sale of such commodities. Legal Metrology (Packaged Commodities) (Amendment) Rules (“Packaged Commodity Amendment Rules”) issued on June 23, 2017 have introduced important amendments to the Packaged Commodity Rules, especially in relation to ecommerce entities. The Packaged Commodity Amendment Rules came into force from January 1, 2018. The key provisions of the Packaged Commodity Amendment Rules are regarding the size of declarations on the label, declaration on e-commerce platforms, declaration of name and address of the manufacturer and fine for contravention.

PUBLIC LIABILITY INSURANCE ACT, 1991 (“PLI ACT”)

The PLI Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. The government by way of a notification has enumerated a list of hazardous substances. The owner or handler is also required to obtain an insurance policy insuring against liability under the legislation. The rules made under the PLI Act mandate that the owner shall contribute towards the environmental relief fund a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

STANDARDS OF WEIGHTS AND MEASURES ACT, 1976 AND STANDARDS OF WEIGHTS AND MEASURES (PACKAGED COMMODITIES) RULES, 1977

The Standards of Weights and Measures Act, 1976 aims at introducing standards in relation to weights and measures used in trade and commerce. The rules made thereunder, particularly the Standards of Weights and Measures (Packaged Commodities) Rules, 1977, lay down the norms to be followed, in the interests of consumer safety, when commodities are

sold or distributed in packaged form in the course of inter-state trade or commerce. This Act and rules formulated thereunder regulate inter alia inter-state trade and commerce in weights and measures and commodities sold, distributed or supplied by weights or measures.

THE DIGITAL PERSONAL DATA PROTECTION ACT, 2023 (“DPDP ACT”)

The DPDP Act was notified on August 11, 2023 and is yet to come into effect. It replaces the existing data protection provision, as contained in Section 43A of the IT Act. The DPDP Act shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint and different dates may be appointed for different provisions of the DPDP Act. The DPDP Act seeks to balance the rights of individuals to protect their digital personal data with the need to process personal data for lawful and other incidental purposes. The DPDP Act provides that personal data may be processed only for a lawful purpose after obtaining the consent of the individual. A notice must be given before seeking consent, except in case of legitimate uses as provided under the DPDP Act. It further imposes certain obligations on data fiduciaries including (i) make reasonable efforts to ensure the accuracy and completeness of data, (ii) build reasonable security safeguards to prevent a data breach, (iii) inform the Data Protection Board of India (the “DPB”) and affected persons in the event of a breach, and (iv) erase personal data as soon as the purpose has been met and retention is not necessary for legal purposes (storage limitation). In case of government entities, storage limitation and the right of the data principal to erasure will not apply. The DPDP Act imposes certain additional obligations on a significant data fiduciary, such as appointment of a data protection officer, appointment of an independent data auditor and undertaking of other measures namely, periodic data protection impact assessment, periodic audit and such other measures as may be prescribed under the DPDP Act. The Central Government will establish the DPB. Key functions of the DPB include: (i) monitoring compliance and imposing penalties, (ii) directing data fiduciaries to take necessary measures in the event of a data breach, and (iii) hearing grievances made by affected persons. The DPB members will be appointed for two years and will be eligible for re-appointment. The Central Government will prescribe details such as the number of members of the DPB and the selection process.

LAWS RELATING TO SPECIFIC STATE WHERE THE ESTABLISHMENT IS SITUATED

THE MADHYA PRADESH FACTORIES RULES, 1962

The Madhya Pradesh Factories Rules, 1962 seeks to regulate factories and its working in the state of Madhya Pradesh. The rules require every factory establishment involving hazardous process in the state of Madhya Pradesh to get approval from the State Government. The Act further prohibits the usage of factory premises or carry manufacturing process in a factory without a valid licence. The Act provides rules for application, renewal, amendment, transfer of licence as well.

The Rules also inter alia require the maintenance of various registers dealing with health, holidays and extent of child labour, white washing, humidity, workers attending machinery. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory.

MADHYA PRADESH PROFESSIONAL TAX ACT, 1995 AND RULES MADE THEREUNDER

The Madhya Pradesh Professional Tax Act, 1995 came into force with the object of levying tax on professions, trades, callings and employments in the state of Madhya Pradesh. According to this act every person who carries on a trade either himself or by an agent or representative or who follows a profession or calling other than agriculture or who is in employment either wholly or in part in Madhya Pradesh and who falls under one or the other classes specified in the Schedule(s) of the Act shall be liable to pay tax at the rate prescribed in the Act. The tax payable by employees shall be deducted by his employer as per the provisions of the Act. Thereafter, the Act provides for the methods of computation of tax and powers to exempt persons from the liability imposed under this Act.

THE CONTRACT LABOUR (REGULATION AND ABOLITION) (MADHYA PRADESH) RULES, 1973 (THE “CLRA MP RULES”)

The Contract Labour (Regulation and Abolition) (Madhya Pradesh) Rules, 1973 (“CLRA MP Rules”) seeks to regulate contract labours in the state of Madhya Pradesh. The Rules provides provision for establishment of Rest Rooms, Canteen, Latrines and Urinals, Washing Facilities, First-Aid-Facilities for contractual workers among other provisions. The principal employer under the Rules is requires to maintain records of all the contractors. The Rules further mandates every contractor to issue employment card to every worker within three days of the employment of the worker. Further, the contractor is required to issue a service certificate to all the workers after termination of their service.

LABOUR RELATED LEGISLATIONS

PAYMENT OF BONUS ACT, 1965

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment covered under this Act to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

PAYMENT OF GRATUITY ACT, 1972

The Payment of Gratuity Act, 1972 (“PG Act”) applies to every factory and shop or establishment in which ten or more employees are employed. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than 5 (five) years:

- a) On his/her superannuation;
- b) On his/her retirement or resignation;
- c) On his/her death or disablement due to accident or disease (in this case the minimum requirement of 5 (five) years does not apply). Gratuity is payable to the employee at the rate of 15 (fifteen) days’ wages for every completed year of service or part thereof in excess of 6 (six) months.

WORKMEN’S COMPENSATION ACT, 1923 (“WCA”)

Workmen’s Compensation Act, 1923 has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries by accident arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The WCA makes every employer liable to pay compensation in accordance with the WCA if a personal injury/disablement/loss of life is caused to a workman (including those employed through a contractor) by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the WCA within one month from the date it falls due, the commissioner appointed under the WCA may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

MATERNITY BENEFIT ACT, 1961

The Maternity Benefit Act, 1961, as amended, regulates the employment of pregnant women and ensures that they get paid leave for a specified period during and after their pregnancy. The Maternity Benefit Act is applicable to establishments in which 10 or more employees are employed, or were employed on any day of the preceding 12 months. Under the Maternity Benefit Act, a mandatory period of leave and benefits should be granted to female employees who have worked in the establishment for a minimum period of 80 days in the preceding 12 months from the date of her expected delivery. Such benefits essentially include payment of average daily wage for the period of actual absence of the female employee. The maximum period for which any woman shall be entitled to maternity benefit shall be 12 weeks, of which not more than six weeks shall precede the date of her expected delivery. Entitlement of six weeks of paid leave is also applicable in case of miscarriage or medical termination of pregnancy.

MINIMUM WAGES ACT, 1948

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.

CONTRACT LABOUR (REGULATION AND ABOLITION) ACT, 1970, AS AMENDED (THE “CLRA ACT”)

The Contract Labour (Regulation and Abolition) Act, of 1970 (the “CLRA Act”) requires a company to be registered as a principal employer and prescribes certain obligations with respect to the welfare and health of contract labourers. The CLRA vests responsibility in the principal employer of an establishment, to which the CLRA applies, to make an application to the concerned officer for registration of the concerned establishment. In the absence of such registration, contract labour cannot be employed in the concerned establishment. Likewise, every contractor, to whom the CLRA applies, is required to obtain a license and may not undertake or execute any work through contract labour except under and in accordance with the license issued. To ensure the welfare and health of the contract labour, the CLRA imposes certain obligations on the contractor in relation to the establishment of canteens, restrooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the

principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

EMPLOYEES' STATE INSURANCE ACT, 1948

It Employees' State Insurance Act to provide for certain benefits to employees in case of sickness, maternity and employment injury and to make provision for certain other matters in relation thereto. Whereas it is expedient to provide for certain benefits to employees in case of sickness, maternity and employment injury and to make provision for certain other matters in relation thereto; this Act requires all the employees of the establishment to which this act applies to be insured to the manner provided there under. The 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 Employee State Insurance department.

EMPLOYEES' PROVIDENT FUNDS AND MISCELLANEOUS PROVISIONS ACT, 1952 ("EPF ACT")

The EPF Act applies to factories employing over 20 employees and such other establishments and industrial undertakings as notified by the Government of India from time to time. It requires all such establishments to be registered with the State provident fund commissioner and requires such employers and their employees to contribute in equal proportion to the employees' provident fund the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State provident fund commissioner.

PAYMENT OF WAGES ACT, 1936

The Payment of Wages Act, 1936 as amended (the Payment of Wages Act) has been enacted to regulate the payment of wages in a particular form at regular intervals without unauthorized deductions and to ensure a speedy and effective remedy to employees against illegal deductions and / or unjustified delay caused in paying wages. It applies to the persons employed in a factory, industrial or other establishment, whether directly or indirectly, through a sub-contractor and provides for the imposition of fines and deductions and lays down wage periods. The Payment of Wages Act is applicable to factories and industrial or other establishments where the monthly wages payable are less than Rs. 6,500 per month.

INDUSTRIAL DISPUTES ACT, 1947

The Industrial Disputes Act, 1947 (Industrial Disputes Act) provides for mechanism and procedure to secure industrial peace and harmony by investigation and settlement of industrial disputes by negotiations. The Industrial Disputes Act extends to whole of India and applies to every industrial establishment carrying on any business, trade, manufacture or distribution of goods and services irrespective of the number of workmen employed therein. Every person employed in an establishment for hire or reward including contract labour, apprentices and part time employees to do any manual, clerical, skilled, unskilled, technical, operational or supervisory work, is covered by the Act. The Act also provides for (a) the provision for payment of compensation to the Workman on account of closure or layoff or retrenchment. (b) the procedure for prior permission of appropriate Government for laying off or retrenching the workers or closing down industrial establishments (c) restriction on unfair labour practices on part of an employer or a trade union or workers.

SEXUAL HARASSMENT AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (SHWPPR Act) provides for protection against sexual harassment at the workplace to women and prevention and redressal of complaints of sexual harassment. The SHWPPR Act defines-Sexual Harassment to include any unwelcome sexually determined behaviour (whether directly or by implication). Workplace under the SHWPPR Act has been defined widely to include government bodies, private and public sector organizations, non-governmental organizations, organizations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and stadiums used for training individuals. The SHWPPR Act requires an employer to set up an Internal Complaints Committee at each office or branch, of an organization employing at least 10 employees. The Government in turn is required to set up a Local Complaint Committee at the district level to investigate complaints regarding sexual harassment from establishments where our internal complaints committee has not been constituted.

APPRENTICES ACT, 1961

The Apprentices Act, 1961, as amended (the Apprentices Act) regulates and controls the programme of training of apprentices and matters connected there with. The term Apprentice means a person who is undergoing apprenticeship

training in pursuance of a contract of apprenticeship. Apprenticeship Training means a course of training in any industry or establishment undergone in pursuance of a contract of apprenticeship and under prescribed terms and conditions which may be different for different categories of apprentices. Every person engaging as an apprentice is required to enter into a contract of apprenticeship with the employer which is reviewed and registered by the apprenticeship advisor.

EQUAL REMUNERATION ACT, 1976

The Equal Remuneration Act, 1976, as amended (ER Act) provides for the payment of equal remuneration to men and women workers for same or similar nature of work and prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. Under the ER Act, no discrimination is permissible in recruitment and service conditions, except where employment of women is prohibited or restricted by law. It also provides that every employer should maintain such registers and other documents in relation to the workers employed by him/ her in the prescribed manner.

EMPLOYEES DEPOSIT LINKED INSURANCE SCHEME, 1976

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

THE EMPLOYEES' PENSION SCHEME, 1995

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

INTER-STATE MIGRANT WORKMEN (REGULATION OF EMPLOYMENT AND CONDITIONS OF SERVICE) ACT, 1979

Inter-State Migrant Workmen Act is an act enacted by the Parliament of India to regulate the employment of inter-state migrant workmen and to provide for their conditions of service. This Act is applicable to every establishment and contractor who has employed five or more inter-state of Pass-Book to every inter-state migrant workmen with full details, payment of displacement allowance equivalent to 50% of monthly wages of Rs. 75/-, whichever is higher, payment of journey allowance including payment of wage during the period of the journey, suitable residential accommodation, medical facilities and protective clothing, payment of wages, equal pay for equal work irrespective of sex, etc. The main responsibility for the enforcement of the provisions of the Inter-State Migrant Workmen Act lies with the Central Government and the State Governments/Union Territories in the establishments falling in the Central and State sphere, respectively.

INDUSTRIAL EMPLOYMENT STANDING ORDERS ACT, 1946

The Industrial Employment Standing Orders Act, 1946 aims to provide for the fixation of minimum rates of wages, hours of work, holidays with pay and leave with pay in factories, workshops and other establishments or undertakings which employ ten or more workers.

It also provides for the regulation of facilities like medical aid and welfare schemes to be extended by employers to their employees. It was enacted to monitor and regulate the terms and conditions of industrial employment in India. It made provisions for the security of employment and payment of wages by cash or through cheque etc. The Act also provides for machinery for adjudicating disputes regarding violation of such terms and conditions. A Standing Order is a document setting out terms and conditions of employment for workers in an industry.

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.

TRADE UNION ACT, 1926 AND TRADE UNION (AMENDMENT) ACT, 2001

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

TAX RELATED LEGISLATIONS

INCOME TAX ACT, 1961

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its Residential Status and-Type of Income involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 30th September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Fringe Benefit Tax, Advance Tax, and Minimum Alternative Tax like are also required to be complied by every Company.

GOODS AND SERVICE TAX (GST)

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by central on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination based consumption tax GST would be a dual GST with the central and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder.

Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen digit registration numbers known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple locations in a state, a separate application will be made for registration of each and every location. The registered assessee is then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon. GST has replaced following indirect taxes and duties at the central and state levels.

CUSTOMS REGULATIONS

All imports into India are subject to duties under the Customs Act, 1962 at the rates specified under the Customs Tariff Act, 1975. However, the Indian Government has the power to exempt certain specified goods from excise duty by notification.

ENVIRONMENTAL LAWS AND REGULATIONS

ENVIRONMENTAL REGULATIONS

The **Environmental Protection Act, 1986** (“**Environment Protection Act**”), **Water (Prevention and Control of Pollution) Act, 1974** (“**Water Act**”) and the **Air (Prevention and Control of Pollution) Act, 1981** (“**Air Act**”) provide for the prevention, control and abatement of pollution. Pollution Control Boards (“**PCBs**”) have been constituted in all the States in India to exercise the authority provided under these statutes for the purpose of preventing and controlling pollution. Companies are required to obtain approvals of the relevant State PCBs for emissions and discharge of effluents into the environment. **The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules,**

2008(“Hazardous Waste Rules”) impose an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such hazardous wastes properly including proper collection, treatment, storage and disposal. Every occupier and operator of the facility generating hazardous waste is required to obtain an approval from the PCB for collecting, storing and treating the hazardous waste.

NATIONAL ENVIRONMENTAL POLICY, 2006

This Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of the National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

PLASTIC WASTE MANAGEMENT (PWM) RULES, 2016

The Government of India, through the Ministry of Environment, Forest and Climate Change notified the new Plastic Waste Management Rules, 2016 (through a Gazette notification dated 18 March 2016). This supersedes the Plastic Waste (Management and Handling) Rules, 2011 that governed such activities earlier. This provides the framework for how plastic waste generators, local bodies, manufacturers, importers etc., to manage plastic waste.

FDI POLICY

FOREIGN TRADE (DEVELOPMENT AND REGULATION) ACT, 1992

Foreign Trade Act empowers the Government of India to, among other things, (a) make provisions for development and regulation of foreign trade; (b) prohibit, restrict or otherwise regulate exports and imports; (c) formulate an EXIM policy; and (d) appoint a Director General of Foreign Trade for the purpose of administering foreign trade and advising the Central Government in formulating EXIM policy and implementing the same. Every importer and exporter is required to obtain an ‘Importer Exporter Code’ from the Director General of Foreign Trade or from any other duly authorized officer.

FOREIGN TRADE POLICY

The Foreign Trade Policy provides that no export or import can be made by a person without an IEC unless such person is specifically exempted. The policy provides for all exports and imports made shall be governed by the Foreign Trade Policy, unless otherwise specified. FTP provides for handbook of procedures laying down the procedure to be followed by an exporter or importer or by any Licensing/Regional Authority or by any other authority for purposes of implementing provisions of FT (D&R) Act, the Rules and the Orders made there under and provisions of FTP. Under the Foreign Trade (Development and Regulation) Act, 1992, the Central Government is empowered to periodically formulate the Export Import Policy (the —EXIM Policy) and amend it thereafter whenever it deems fit. All exports and imports must be in compliance with the EXIM Policy. The iron and steel industry has been extended various schemes for the promotion of exports of finished goods and imports of inputs. The major schemes available are the Duty Exemption and Remission Scheme and the Export Promotion of Capital Goods (—EPCG) Scheme. The Duty Exemption Scheme enables duty free imports of inputs required for the production of exports by obtaining an advance license. The Duty Remission Scheme enables post export replenishment/remission of duty on inputs used in the export product. This scheme consists of a Duty Free Import Authorisation Scheme (—DFIA), the Duty Drawback Scheme (—DBK) and the Duty Entitlement Pass Book (the —DEPB). DFIA enables duty free replenishment of inputs used in manufacture of exports. Under the DEPB Scheme,

exporters on the basis of notified entitled rates are granted duty credit, which would entitle them to import goods, except capital goods, without duty.

FOREIGN EXCHANGE MANAGEMENT ACT, 1999 (“FEMA”) AND REGULATIONS FRAMED THEREUNDER.

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Promotion of Industry and Internal Trade. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the ‘automatic route’ within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (“FEMA Regulations”), as amended from time to time to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2000 for regulation on exports of goods and services.

GENERAL STATUTORY LEGISLATIONS

COMPANIES ACT, 2013 (“COMPANIES ACT”)

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29th August 2013. The Companies Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure related to appointment of Directors. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the Act. Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of Acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of a Company. The provisions relating to remuneration of the director’s payable by the companies is under Part II of the said schedule.

COMPETITION ACT, 2002

The Competition Act, 2002 prohibits 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 provisions of the Competition Act relating to combinations were notified recently on March 4, 2011 and came into effect on June 1, 2011. Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds. There are also different thresholds for those categorized as Individuals and Group. 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. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

INDIAN CONTRACT ACT, 1872

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as ‘void’ or ‘voidable’. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

SPECIFIC RELIEF ACT, 1963

The Specific Relief Act, 1963 is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. Specific performance means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

SALE OF GOODS ACT, 1930

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that there may be a contract of sale between part owner and another and that the contract of sale may be absolute or conditional.

CONSUMER PROTECTION ACT, 2019 (“CONSUMER PROTECTION ACT”) AND RULES MADE THEREUNDER

The Consumer Protection Act was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, amongst other things, to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of “consumer” under the Consumer Protection Act includes persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs.

In line with the Consumer Protection Act, the Ministry of Consumer Affairs, Food and Public Distribution, Government of India (“Ministry of Consumer Affairs”) has also notified the Consumer Protection (E-Commerce) Rules, 2020 (“E-Commerce Rules”) on July 23, 2020, which provide a framework to regulate the marketing, sale and purchase of goods and services online. The E-Commerce Rules govern e-commerce entities which own, operate, or manage, a digital or electronic facility or platform for electronic commerce, but does not include a seller offering his goods or services for sale on a marketplace e-commerce entity. The Ministry of Consumer Affairs has also released draft amendments to the E-Commerce Rules for public comments. The aforesaid draft amendments require e-commerce entities to, amongst other things, register themselves with the Department for Promotion of Industry and Internal Trade, and appoint a chief compliance officer, a nodal contact person and a resident grievance officer. Additionally, the draft amendments prohibit e-commerce entities from misleading users by manipulating search results, prohibit flash sales and abuse of dominant position, and mandate e-commerce entities to identify sponsored listings of products and services with clear and prominent disclosures.

CODE OF CIVIL PROCEDURE, 1908

The Code of Civil Procedure, 1908 is a procedural law related to the administration of civil proceedings in India. The Civil Procedure Code consolidates and amends the law relating to the procedure of the Courts of Civil jurisdiction. The Code of Civil Procedure is an adjective law it neither creates nor takes away any right. It is intended to regulate the procedure to be followed by Civil Courts. The Civil Procedure Code consists of two parts. 158 Sections form the first part and the rules and orders contained in Schedule I form the second part. The object of the Code generally is to create jurisdiction while the rules indicate the mode in which the jurisdiction should be exercised.

The Code does not affect any special or local laws nor does it supersede any special jurisdiction or power conferred or any special form of procedure prescribed by or under any other law for the time being in force. The Code is the general law so that in case of conflict between the Code and the special law the latter prevails over the former. Where the special law is silent on a particular matter the Code applies, but consistent with the special enactment.

CODE OF CRIMINAL PROCEDURE CODE, 1973

It is the main legislation on procedure for administration of substantive criminal law in India. It was enacted in 1973 and came into force on 1st April, 1974. It provides the machinery for the investigation of crime, apprehension of suspected criminals, collection of evidence, determination of guilt or innocence of the accused person and the determination of punishment of the guilty.

Criminal law occupies a pre-dominant place among the agencies of social control and is regarded as a formidable weapon that society has forged to protect itself against anti-social behaviour. The law of criminal procedure is meant to be complementary to criminal law. It is intended to provide a mechanism for the enforcement of criminal law. The Code of Criminal Procedure creates the necessary machinery for apprehending the criminals, investigating the criminal cases, their trials before the criminal courts and imposition of proper punishment on the guilty person. The Code enumerates the hierarchy of criminal courts in which different offences can be tried and then it spells out the limits of sentences which such Courts are authorized to pass.

The law of criminal procedure is intended to provide a mechanism for the enforcement of criminal law. Without the proper procedural law the substantive criminal law which defines offences and provides punishment for them would be almost worthless.

ARBITRATION & CONCILIATION ACT, 1996

The Arbitration and Conciliation Act, 1996 is an act 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 and for matters connected therewith or incidental thereto. It aims at streamlining the process of arbitration and facilitating conciliation in business matters. The Act recognizes the autonomy of parties in the conduct of arbitral proceedings by the arbitral tribunal and abolishes the scope of judicial review of the award and minimizes the supervisory role of Courts. A significant feature of the Act is the appointment of arbitrators by the Chief Justice of India or Chief Justice of High Court. The Chief Justice may either appoint the arbitrator himself or nominate a person or Institution to nominate the arbitrator. The autonomy of the arbitral tribunal has further been strengthened by empowering them to decide on jurisdiction and to consider objections regarding the existence or validity of the arbitration agreement.

NEGOTIABLE INSTRUMENTS ACT, 1881

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two year, or with fine which may extend to twice the amount of the cheque, or with both.

INDIAN STAMP ACT, 1899

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 ENERGY CONSERVATION (AMENDMENT) ACT, 2022

The Energy Conservation Act, 2001 was enacted to provide for efficient use of energy, its conservation and for matters connected therewith and/ or incidental thereto. The amended Act provides for regulation of energy consumption by equipment, appliances, vehicles, vessels, industrial units, buildings or establishments that consume, generate, transmit or supply energy. With special focus on promotion of new and renewable energy and the National Green Hydrogen Mission, the amendment seeks to (i) facilitate the achievement of “Panchamrit” — the five nectar elements presented by India in COP-26 (Conference of Parties -26) in Glasgow 2021.

In addition to facilitating the achievement of ‘Panchamrit’, the amended Act aims to promote renewable energy and develop the domestic carbon market to combat climate change and introduce new concepts such as carbon trading and mandate the use of non-fossil sources to ensure faster decarbonisation and help achieve sustainable development goals in line with the Paris Agreement and various other actions related to climate change.

INTELLECTUAL PROPERTY RELATED LEGISLATIONS

In general, the Intellectual Property Rights include but are not limited to the following enactments:

- i. Trademarks Act, 1999
- ii. Indian Copyright Act, 1957
- iii. The Patents Act, 1970
- iv. Design Act, 2000

TRADE MARKS ACT, 1999 (“TRADE MARKS ACT”)

The Trade Marks Act governs the statutory protection of trademarks and prevention of the use of fraudulent marks in India. It provides for the application and registration of trademarks in India. It also provides for exclusive rights to marks such as brand, label, and heading and to obtain relief in case of infringement for commercial purposes as a trade description. Under the provisions of the Trade Marks Act, an application for trade mark registration may be made with the Controller General of Patents, Designs and Trademarks by any person or persons claiming to be the proprietor of a trade mark, whether individually or as joint applicants, and can be made on the basis of either actual use or intention to use a trade mark in the future. Once granted, a trade mark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored to gain protection under the provisions of the Trade Marks Act. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides penalties for infringement, falsifying or falsely applying for trademarks. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010, simultaneous protection of trade mark in India and other countries has been made available to owners of Indian and foreign trade marks. It also seeks to simplify the law relating to the transfer of ownership of trade marks by assignment or transmission and to bring the law in line with international practices.

COPYRIGHT ACT, 1957

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, and rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

THE PATENTS ACT, 1970 (“PATENTS ACT”)

The Patents Act governs the patent regime in India. India is a signatory to the Trade Related Agreement on Intellectual Property Rights and recognizes both product as well as process patents. The Patents Act provides for, inter alia, the following:

- patent protection period of 20 years from the date of filing the patent application;
- recognition of product patents in respect of food, medicine and drugs;
- import of patented products will not be considered as an infringement; and
- under certain circumstances, the burden of proof in case of infringement of process patents may be transferred to the alleged infringer.

THE DESIGN ACT, 2000

The Design Act, which came into force in May 2001, along with the rules made thereunder consolidate and amend the law relating to protection of designs. A design refers to the features of shape, configuration, pattern, ornamentation or composition of lines or colours applied to any article, in two or three dimensional or both forms, by an industrial process or means, whether manual, mechanical or chemical, separate or combined which in the finished article appeal to and is judged solely by the eye. In order to register a design, it must be new or original and must not be disclosed to the public anywhere in India or any other country by publication in tangible form or by use or in any other way prior to the filing date. A design should be significantly distinguishable from known designs or combination of known designs in order for it to be registered. A registered design is valid for a period of 10 years after which the same can be renewed for a second period of five years, before the expiration of the original period of 10 years. After such period, the design is made available to the public by placing it in the public domain.

OTHER LAWS

MUNICIPALITY LAWS

Pursuant to the Seventy Fourth Amendment Act, 1992, the respective State Legislatures in India have the power to endow the Municipalities (as defined under Article 243Q of the Constitution of India) with the power to implement schemes and

perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India which includes regulation of public health. The respective States of India have enacted laws empowering the Municipalities to regulate public health including the issuance of a health trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

POLICE LAWS

The State Legislatures in India are empowered to enact laws in relation to public order and police under Entries 1 and 2 of the State List (List II) to the Constitution of India. Pursuant to the same the respective States of India have enacted laws regulating the same along with prescribing penalties for non-compliance.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was originally incorporated as ‘Kataria Industries Private Limited’ as Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated May 11, 2004 bearing Corporate Identification Number U27300MH2004PTC146201 issued by the Registrar of Companies, Maharashtra. On October 23, 2012 registered office of company is shifted from Maharashtra to state of Madhya Pradesh. Further, our Company was converted in to a public limited Company pursuant to a special resolution passed by our shareholders at the EGM held on December 11, 2023 and consequently the name of our Company was changed to ‘Kataria Industries Limited’ and a fresh certificate of incorporation was issued by the Registrar of Companies, Gwalior dated December 20, 2023. The CIN of the Company is U27300MP2004PLC029530.

Business and Management

For a description of our activities, services, technology, the growth of our Company and regional geographical segment in which our Company operates, please refer to chapters titled “Business Overview”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 89, 77, and 176 of this Draft Red Herring Prospectus, respectively. For details of the management and managerial competence of our Company, please refer chapter titled “Our Management” on page 126 of this Draft Red Herring Prospectus.

Changes in Registered Office

Sr. No.	Registered Office		With Effect From	Reason for Change
	Shifted From	Shifted To		
1.	72, Gandhi Nagar Drainage Chennel Road Opp. Municipal IND Estates Worli, Mumbai, Maharashtra-400018 India.	33-44, Industrial Area, Ratlam, Madhya Pradesh-457001, India,	October 23, 2012	Sifting of Registered Office from One State to Another
2.	34-44, Industrial Area, Estate, Madhya Pradesh – 457001, India.	34-38 And 44, Industrial Estate, Ratlam, Madhya Pradesh-457001, India	April 01, 2015	Corrected the Address by altering Survey No. from 34-44 to 34-38 and 44
3.	34-38 And 44, Industrial Estate, Ratlam, Madhya Pradesh-457001, India	34-38 And 44, Industrial Area, Ratlam, Madhya Pradesh-457001, India	April 01, 2015	Corrected the Address by altering word Industrial Estate to Industrial Area

Main Objects as set out in the Memorandum of Association of the Company

The Main object clause of the Company as per Memorandum of Association is as under:

“To carry on in India and abroad in the World, the business of manufacturers, producers, processors, founders, converters, finishers, exporters, importers, indenting agent, distributors, stockiest, retailers, and dealers in all kinds of casting the ingots of iron, steel, copper bronze, aluminium and other ferrous and non-ferrous ingots and/or the drawings , Stranding and extrusion of wires, pipes and tubes of iron, steel, copper, brass, bronze, aluminium and other ferrous and non-ferrous metals and/or the manufacturers of finished products of ropes of ferrous and nonferrous metals, cables of copper, iron, steel, bronze, aluminium and other ferrous and nonferrous metals, trolley wires made of bronze iron, steel, copper, brass aluminium and other ferrous and non-ferrous metals, Low Relaxation Pre-Stressed Concrete Steel Strands, Spring Steel Wire, PC Wire, galvanised iron wires, wire fencing, wire netting, Fasteners wire & nails, wire clips and wire staples of all types of ferrous and non-ferrous metals, and/or fabricators, Post-tensioning anchorages, Wedges, Bearing Plate, Anchor Head, Anchor Cone, Duct Pipe, and SWC Sheathing Ducts, DWC Sheathing Ducts, and other application plastic pipes, Bridge Bearing, expansion Joint, Sonic tube, rebar coupler, and other construction accessories. founders, smelters, engineers, convertors, repairers, producers, importers, exporters, dealers, agents and suppliers or special steel, mild steel, bright bars, sections, shaftings and bright or its products or by-products of every description, all kind of plastic products, nature or form, in all its branches.”

Amendments to the Memorandum of Association

The following changes have been made in the Memorandum of Association of our Company since its inception:

- **Change in Name Clause**

Sr. No.	Date of Passing of Resolution	Type of Meeting	Particulars
1.	December 11 th , 2023	Extra Ordinary General Meeting	The name of our company has changed from Kataria Industries Private Limited' to "Kataria Industries Limited" pursuant to conversion of company from Private Limited to Public Limited.

- **Change in Object Clause**

Sr. No.	Date of Passing of Resolution	Type of Meeting	Particulars
1.	December 02 th , 2023	Extra Ordinary General Meeting	<p>Ancillary object clause of Company was altered by adding clause 6(a) after the clause 6 in the Ancillary object under the Object Clause III(B).</p> <p>6(a).To takeover, merge, demerge, hive-off, amalgamate or to enter into any scheme of arrangement envisaged under Section 391-394 of the Act or to enter into partnership or into any arrangement of sharing profit, union of interest, co-operation, joint venture, licence or reciprocal concessions or for limiting completion with any person(s) or companies carrying on or engaged in, or being authorized to carry on or engage in any business or transaction which the company is authorized to carry on or engage in or which can be carried on in conjunction herewith or which is capable of being conducted so as directly or indirectly to benefit the company.</p>
2	March 04, 2024*	Extra Ordinary General Meeting	<p>Clause 3(A) being the main object clause of Memorandum of Association of the Company be and is hereby altered as under:</p> <p>“To carry on in India and abroad in the World, the business of manufacturers, producers, processors, founders, converters, finishers, exporters, importers, indenting agent, distributors, stockiest, retailers, and dealers in all kinds of casting the ingots of iron, steel, copper bronze, aluminium and other ferrous and non-ferrous ingots and/or the drawings , Stranding and extrusion of wires, pipes and tubes of iron, steel, copper, brass, bronze, aluminium and other ferrous and non-ferrous metals and/or the manufacturers of finished products of ropes of ferrous and nonferrous metals, cables of copper, iron, steel, bronze, aluminium and other ferrous and nonferrous metals, trolley wires made of bronze iron, steel, copper, brass aluminium and other ferrous and non-ferrous metals, Low Relaxation Pre-Stressed Concrete Steel Strands, Spring Steel Wire, PC Wire, galvanised iron wires, wire fencing, wire netting, Fasteners wire & nails, wire clips and wire staples of all types of ferrous and non-ferrous metals, and/or fabricators, Post-tensioning anchorages, Wadges, Bearing Plate, Anchor Head, Anchor Cone, Duct Pipe, and SWC Sheathing Ducts, DWC Sheathing Ducts, and other application plastic pipes, Bridge Bearing, expansion Joint, Sonic tube, rebar coupler, and other construction accessories. founders, smelters, engineers, convertors, repairers, producers, importers, exporters, dealers, agents and suppliers or special steel, mild steel, bright bars, sections, shaftings and bright or its products or by-products</p>

			of every description, all kind of plastic products, nature or form, in all its branches.”
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*The Company has proceeded for the RoC Filling but the approval is yet pending for the Change of the Object.

- **Change in Capital**

Sr. No.	Date of Passing of Resolution	Type of Meeting	Particulars
1.	December 15, 2004	Extra Ordinary General Meeting	The authorized share capital of ₹ 1,00,00,000/- consisting of 10,00,000 Equity shares of ₹ 10 each. was increased to ₹3,00,00,000/- consisting of 30,00,000 Equity shares of ₹10/- each.
2.	March 25, 2008	Extra Ordinary General Meeting	The authorized share capital of ₹3,00,00,000/- consisting of 30,00,000 Equity shares of ₹10/- each was increased to ₹4,50,00,000/- consisting of 45,00,000 Equity shares of ₹10/- each.
3.	April 17, 2009	Extra Ordinary General Meeting	The authorized share capital of ₹4,50,00,000/- consisting of 45,00,000 Equity shares of ₹10/- each was increased to ₹5,50,00,000/- consisting of 55,00,000 Equity shares of ₹10/- each.
4.	November 02, 2023	Extra Ordinary General Meeting	The authorized share capital of ₹5,50,00,000/- consisting of 55,00,000 Equity shares of ₹10/- each was increased to ₹22,00,00,000/- consisting of 2,20,00,000 Equity shares of ₹10/- each.

MAJOR EVENTS, KEY AWARDS, ACCREDITATIONS OR RECOGNITION OF OUR COMPANY

MAJOR EVENTS:

Year	Major events
2004-05	Establishment of Wire Manufacturing plant.
2006-07	Commencement of Plastic Division.
2007-08	Commencement of Windmill Division.
2013-14	Demerger of plastic division and wind mill division.
2017-18	Initiation of LRPC Strands manufacturing.
2021-22	Introduction of PT accessories.
2022-23	Acquisition of 0.80 MW windmill.

KEY AWARDS:

- **Pride of Madhya Pradesh 2023**
Kataria Industries Pvt Ltd was honored with the "Pride of Madhya Pradesh 2023" award, presented by Chief Minister Shri Shivraj Singh Chouhan.
- **Most Collaborative Partner FY 23- Category LRPC Strands**
In FY23, Kataria Industries was honored to receive the "Most Collaborative Partner" award in the category of LRPC Strands from Tata Steel at Wired2Win Awards, hosted in Indore on February 17, 2023
- **Fastest Growing Manufacturer of Steel Wires & Strands 2022**
Kataria Industries Private Limited takes immense pride in being awarded the title of "Fastest Growing Manufacturer of Steel Wires & Strands " at the Atal Achievement Awards, held in New Delhi on December 21, 2022.
- **Iconic Business Summit & Awards 2022**

The Iconic Business Summit & Awards 2022, organized by the Topnotch Foundation, was held at Hotel Sahara Star in Mumbai, Maharashtra, during the year 2022. This prestigious event celebrated and acknowledged outstanding achievements in business and innovation.

- **Pride of Bharat 2021**
We got the Pride of Bharat 2021 award to outstanding leaders of the nation in 2021 by the Bollywood icon Shri Sunil Shetty. This award, organized by Trade and Media.
- **Make In India Emerging Leader 2021**
In 2021, Kataria Industries Pvt. Ltd. was honored with the Make In India Emerging Leader award.
- **Rashtriya Udyog Ratan Award 2021**
Kataria Insutries Pvt. Ltd. was honored with the "Rashtriya Udyog Ratan Award-2021", presented by the National Achievers Recognition Forum, in a ceremony held in New Delhi
- **Indian Achievers' Award 2020**
The Indian Achievers' Forum honoured Kataria Industries Pvt. Ltd with the Indian Achievers' Award in 2020, In recognition of Outstanding Professional Achievement & Contribution in Nation Building.
- **India 5000 Best MSME Awards 2020**
Kataria Industries Pvt. Ltd. received the "The India 5000 Best MSME Award, 2020" in 2020. This is for outstanding contribution in quality and excellence, in realm of customer satisfaction, impact on society through service & management to boost up all.
- **Aarohan, 2018**
In 2018, Kataria Industries Pvt. Ltd. received the "Aarohan" Award from Godrej Company at their Strategic Partners Meet, recognizing our association with Godrej.

Acquisition or divestments of business/undertakings, mergers and amalgamations

Our Company vide order dated September 11, 2014 of Hon'ble High Court of Madhya Pradesh, Indore Bench coming into effect of the Scheme of Demerger of our Plastic and Wind Mill Division. As a consequence of transfer of the Plastic Division and Wind Mill Division from our Company, the issued, subscribed and paid-up equity share capital of our Company shall stand reduced from ₹3,85,31,200 divided into ₹38,53,120 equity shares of ₹10 each to ₹2,23,48,100 divided into 22,34,810 equity shares of ₹10 each. For further detail on the capital reduction, please refer chapter titled "Capital Structure" on page 52 of this Draft Red Herring Prospectus.

Our Company neither acquired any entity, business or undertakings nor has undertaken any mergers or amalgamation since Incorporation.

Strategic Partners

Our Company is not having any strategic partner as on the date of filing this Draft Red Herring Prospectus.

Financial Partners

Our Company is not having any financial partner as on the date of filing this Draft Red Herring Prospectus.

Time and Cost Overruns

As on the date of this Draft Red Herring Prospectus, there have been no time and cost overruns pertaining to our business operations.

Launch of key products or services, Capacity and Capacity Utilisation, entry in new geographies or exit from existing markets

For details pertaining to our services, capacity and capacity utilisation, entry in new geographies or exit from existing markets, please refer chapter titled "Business Overview" on page 89 of this Draft Red Herring Prospectus.

Injunctions or Restraining Orders

As on the date of this Draft Red Herring Prospectus, there are no injunctions or restraining orders against our Company.

Changes in the activities of our Company in the last Five years

There is no change in activity of our Company since incorporation.

Defaults or rescheduling of borrowings of our Company with Financial Institutions/Banks

There have been no defaults or rescheduling of borrowings or conversion of loans into equity with any financial institutions/banks in relation to our Company as on the date of this Draft Red Herring Prospectus.

Revaluation of assets

Our Company has not revalued its assets since incorporation and has not issued any Equity Shares by capitalizing any revaluation reserves.

Subsidiaries and Holding Company

Our Company neither has a Holding company nor has any Subsidiary Company as on the date of this Draft Red Herring Prospectus.

Joint Ventures

Our Company has not entered into any joint-ventures as on the date of this Draft Red Herring Prospectus.

Shareholders' Agreements

Our Company has not entered into any shareholders agreement as on the date of this Draft Red Herring Prospectus.

Other Agreements

Our Company has not entered into any agreements other than those entered into in the ordinary course of business with Key Managerial Personnel or Directors or Promoters or any other employee of the issuer, either by themselves or on behalf of any other person and there are no material agreements before the date of this Draft Red Herring Prospectus.

OUR MANAGEMENT

BOARD OF DIRECTORS

The Following table sets forth details regarding the Board of Directors as of the date of this Draft Red Herring Prospectus:

Name, Father's Name, Address, Date of Birth, Age, Designation, Status, DIN, Occupation and Nationality	Other Directorships
Name: Arun Kataria Father's Name: Ashok Kumar Kataria Address: Makan No. 10-12, Ward No. 37, Ghas Bazar, Ratlam, Madhya Pradesh -457001, India. Date of Birth: December 16, 1981 Age: 42 Years Designation: Managing Director Status: Executive & Non-Independent Director DIN: 00088999 Occupation: Business Nationality: Indian Term: Liable to retire by rotation, Three (3) years w.e.f. December 26, 2023 to December 25, 2026 Original Date of Appointment: May 11, 2004	-
Name: Anoop Kataria Father's Name: Madanlal Kataria Address: 11 Ghas Bazar, Ratlam Madhya Pradesh- 457001, India. Date of Birth: May 16, 1987 Age: :36 Years Designation: Whole time director & CFO Status: Executive & Non-Independent DIN: 06527758 Occupation: Business Nationality: Indian Term: Liable to retire by rotation, Three (3) years w.e.f. December 26, 2023 to December 25, 2026 Original Date of Appointment: November 14, 2023, Additional Director	-
Name: Sunil Kataria Father's Name: Anokhilal Kataria Address: Makan No.44, Ghas Bazar, A lot, Ratlam Madhya Pradesh- 457001, India Date of Birth: September 16, 1966 Age: 57 Years Designation: Director Status: Non- Executive Director DIN: 00092681 Occupation: Business Nationality: India Term: Appointed as NED w.e.f. December 22, 2023, Liable to be retired by rotation	1. GSL Nova Petrochemicals Limited 2. Kataria Fincap Private Limited.
Name: Apurva Lunavat Father's Name: Lalit Chordia Address: 45, Rajendra Marg, Near Chowk Bazar, Mahidpur, Ujjain,456443, Madhya Pradesh, India. Date of Birth: April 25, 1990 Age: 33 Years Designation: Independent Director Status: Non- Executive Director DIN: 09575780	1. D P Abhushan Limited.

Occupation: Professional Nationality: India Term: Five (5) years w.e.f. December 22, 2023	
Name: Mukesh Kumar Jain Father's Name: Ashok Kumar Jain Address: 33 Bank Colony, Do Batti, Ratlam, 457001, Madhya Pradesh, India Date of Birth: October 02, 1960 Age: 63 Years Designation: Independent Director Status: Non- Executive Director DIN: 00653837 Occupation: Business Nationality: India Term: Five (5) years w.e.f. December 22, 2023	1. Navkar Wires Pvt Ltd. 2. D P Abhushan Limited. 3. Jito Ratlam Chapter Foundation.

Confirmations

As on date of this Draft Red Herring Prospectus

- A. None of the Directors are/ were directors of any company whose shares were suspended from trading by Stock Exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five (5) years.
- B. None of the Directors are on the RBI List of willful defaulters.
- C. None of the Directors are/ were directors of any listed entity whose shares were delisted from any Stock Exchange(s).
- D. Further, none of the directors are/ were directors of any entity which has been debarred from accessing the capital markets under any order or directions issued by the Stock Exchange(s), SEBI or any other Regulatory Authority.
- E. None of the Directors are fugitive economic offender.

Family Relationship between the Directors

None of the Directors of our Company are related to each other as per section 2(77) of the Companies Act, 2013.

Arrangements with major Shareholders, Customers, Suppliers or Others

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a director or member of a senior management as on the date of this Draft Red Herring Prospectus.

Service Contracts

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel are entitled to any benefits upon termination of employment.

Borrowing Powers of the Board

The Articles, subject to the provisions of Section 180(1)(c) of the Act authorizes the Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of our Company. The shareholders have, pursuant to a special resolution passed at the Extra-ordinary General Meeting held on December 26, 2023 in accordance with Section 180(1)(c) of the Act authorized the Board to borrow monies from time to time, such sums of money even though the money so borrowed together with money already borrowed exceeds the aggregate of the paid-up capital and free reserves of the Company provided, however, that the total borrowing (apart from the temporary loans taken from the company's bankers) shall not exceed ₹200.00 Crores.

Brief Profiles of Our Directors

Arun Kataria aged 42 years, is Promoter and Managing Director of the company. He has completed his Commerce Graduation and also cleared M.Com. Part-I from Vikram University, Ujjain. He is associated with our company as a Managing Director from May 2004. He is having expertise over financial management, marketing and export and strategic planning. At present he looks after the domestic and international market, automation of production process, quality control business operation and management of our company. He is having experience of more than 19 years in the management of manufacturing company. He looks after overall marketing, production and financial management of the company.

Anoop Kataria aged 36 years, is Promoter, Whole Time Director and CFO of the company. He has completed his B.Com from University of Wollongong, Australia from Dubai Branch. He served as Directors with more than 10 companies during the year 2015 to 2023. He is having expertise in finance and accounting sells and marketing, investment and strategy. At present as whole time Director and CFO he provides guidance for preparing annual operating plan for our organization, execute and implement the strategy and business plan in accordance with decision of board of Directors. He overall supervise the books of accounts and advise the company for proper utilization of resources. He keeps inform the board about financial position of the company and work within the budget guidelines decided by the board of directors our and above this he takes care of legal and statutory compliances and also overview the marketing aspects.

Sunil Kataria aged 57 years, is Promoter and Non- Executive Director of the company. He has completed Masters in Commerce from Vikram University, Ujjain, Madhya Pradesh in the year 1990. He worked as Managing Director with Kataria Industries Private Limited from 11th May, 2004 to 2nd April, 2011. During his tenure as a Managing Director, he was taking care of financial management, investor relationship and overall operational activity of the company he provided executive leadership to our team. He worked as a Director/designated partner with 8 companies/LLP in the span of last two decades. His experience as management in the Company will always be source of better compliance for our Company.

Apurva Lunavat aged 33 years, is Non-Executive and Independent Director of the company. She is a Practicing Chartered Accountant and has completed Graduation in Commerce. During her articleship she was having exposure in taxation, tax audit, bank statutory audit etc. She was a Partner with M/s. Kakani & Company, w.e.f. December 23, 2014 to December 23, 2023, a Chartered Accountant firm, During her tenure as partner she was taking care of audit and other Professional work of the firm. At present She is Proprietor of Apurva Lunawat & Co. w.e.f. 24th December, 2023 and at present and Independent Director with D P Abhushan Limited.

Mukesh Jain aged 63 years, is Non-Executive and Independent Director of the company. He has completed his B.com from University of Bombay. He has wide experience in production, management and lead generation. He has more than 2 decades experience in the same line of business. His experience and knowledge of the industry can guide our management for taking material decisions.

Compensation of Managing Directors and/or Whole-time Directors

Terms and conditions of employment of our Whole Time Director:

Mr. Arun Kataria has been appointed as Managing Director of our Company in the Extra-Ordinary General Meeting of the company held on December 26, 2023 for a period commencing w.e.f. December 26, 2023 to December 25,2026.

The remuneration payable is as follows:

Name	Mr. Arun Kataria
Date of Resolution *	December 26, 2023
Period	w.e.f. December 26, 2023 to December 25,2026.
Salary	Up to Rs. 1,20,00,000- per annum
Remuneration paid in FY 2022-23	Rs.18,00,000

Mr. Anoop Kataria has been appointed as Whole Time Director of our Company in the Extra-Ordinary General Meeting of the company held on December 26, 2023 for a period commencing w.e.f. December 26, 2023 to December 25, 2026.

The remuneration payable is as follows:

Name	Mr. Anoop Kataria
Date of Resolution*	December 26, 2023
Period	w.e.f. December 26, 2023 to December 25,2026.
Salary	Up to Rs. 1,20,00,000- per annum
Remuneration paid in FY 2022-23	-

*All other terms and conditions as mentioned in the Agreement may be inspected at the Registered Office between 10:00 a.m. and 05:00 p.m. (IST) on all Working Days from the date of this Draft Red Herring Prospectus until the Issue Closing Date.

Payment or benefit to Independent Directors of our Company

We have not paid any sitting fees to our Independent Directors till the date of this Draft Red Herring Prospectus.

Shareholding of Directors in our Company

The details of the shareholding of our directors as on the date of this Draft Red Herring Prospectus are as follows:

Sr. No.	Name of the Directors	No. of Equity Shares	Percentage of Pre-Issue Capital (%)
1.	Arun Kataria	28,00,000	17.67
2.	Sunil Kataria	17,50,000	11.04
3.	Anoop Kataria	18,09,774	11.42
Total		63,59,774	40.13

Interests of our Directors

Our all-Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of the Board or a committee thereof and as well as to the extent of reimbursement of expenses payable to them under the Articles.

Our Executive Directors are interested to the extent of remuneration payable to them pursuant to the Articles of Company and resolution approved by the Board of Directors/Members of the Company as the case may be, time to time for the services rendered as an Officer or employee of the Company.

The Directors are also members of the Company and are deemed to be interested in the Equity Shares, if any, held by them and/or any Equity Shares that may be held by their relatives, the companies, firms and trusts, in which they are interested as directors, members, partners, trustees, beneficiaries and promoters and in any dividend distribution which may be made by our Company in the future. For the shareholding of the Directors, please refer *“Our Management - Shareholding of Directors in our Company”* beginning on page 126 of this Draft Red Herring Prospectus.

Other than our promoter directors, none of the other Directors have any interest in the promotion of our Company other than in the ordinary course of business

Except as stated in the chapter *“Business Overview”* on page 89 of this Draft Red Herring Prospectus and in the chapter *“Restated Financial Statement”* on page 142 none of our directors have any interest in the property proposed to be acquired by our Company

Except as disclosed in the section titled in *“Restated Financial Statements”* on page 142, our Directors do not have any other interest in our Company or in any transaction by our Company including, for acquisition of land, construction of buildings or supply of machinery.

For details with respect to loan to directors, please refer to chapter titled “*Restated Financial Statement*” on page 142 of this Draft Red Herring Prospectus.

Payment of benefits (non-salary related)

Except as disclosed above, no amount or benefit has been paid or given within the two (2) years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given to any of our directors except the remuneration for services rendered.

Bonus or profit-sharing plan for the Directors

None of the Directors are party to any bonus or profit-sharing plan of our Company.

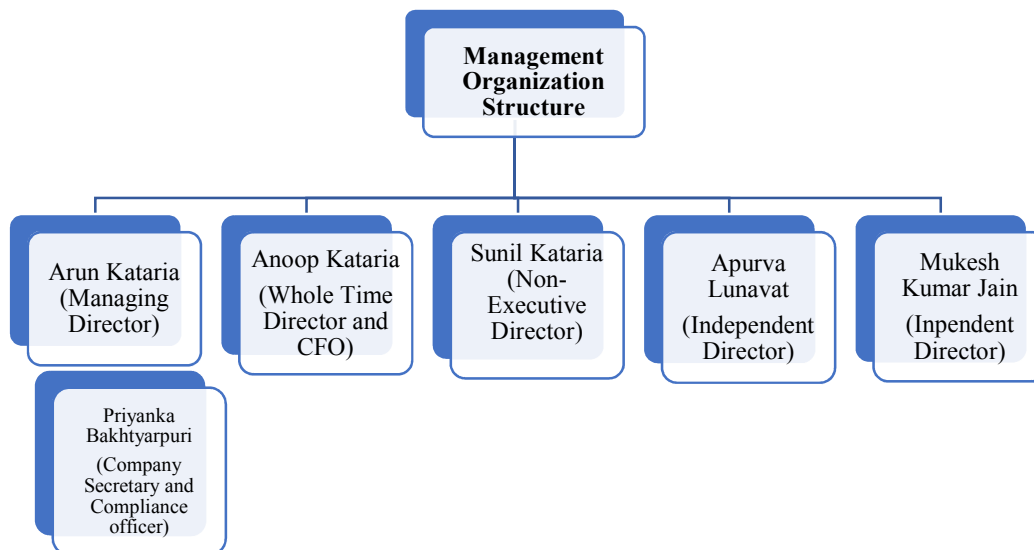
Changes in our Company’s Board of Directors during the last three (3) years

Following are the changes in the Board of Directors during the last three (3) years

Name of Directors	Date of Appointment	Date of Change in Designation / Cessation	Reasons for changes in the Board
Anoop Kataria	November 14,2023	-	Appointed as Additional Non-Executive Director
Ms. Apurva Lunavat	December 22, 2023	-	Appointed as Independent Director
Mukesh Kumar Jain	December 22, 2023	-	Appointed as Independent Director
Sunil Kataria		December 22, 2023	Appointed as Non-Executive Director
Madanlal Kataria		December 26, 2023	Appointed as Chairman and Whole Time Director
Arun Kataria		December 26, 2023	Appointed as Managing Director
Anoop Kataria		December 26, 2023	Appointed as Whole Time Director
Madanlal Kataria		February 17, 2024	Resigned as Chairman and Whole Time Director

Management Organization Structure

The following chart depicts our Management Organization Structure



In additions to the applicable provisions of the Companies Act, 2013, with respect to the Corporate Governance, provisions of the SEBI Listing Regulations except Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and Para C, D, and E of Schedule will be applicable to our company immediately upon the listing of Equity Shares on the Stock Exchanges.

Constitutions of Committees

Our Company has constituted the following committees:

1. Audit Committee

Our Company has formed the Audit Committee vide resolution passed in the meeting of Board of Directors held on December 22, 2023 as per the applicable provisions of the Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended). The Audit Committee comprises following members.

Name of the Director	Nature of Directorship	Position in Committee
Apoorva Lunawat	Independent Director	Chairman
Mukesh Jain	Independent Director	Member
Annop Kataria	Executive Director	Memembr

The Company Secretary and Compliance Officer of our Company shall act as a Secretary of the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to furnish clarifications to the shareholders in any matter relating to financial statements. The scope and function of the Audit Committee and its terms of reference shall include the following:

Terms of reference:

Role of Audit Committee

The scope of audit committee shall include, but shall not be restricted to, the following:

- 1) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;

- 2) Recommending to the Board for the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;
- 3) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- 4) Approving payments to the statutory auditors for any other services rendered by the statutory auditors;
- 5) 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 draft 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.

2. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per Section 178 of the Companies Act, 2013 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) vide board resolution dated December 22, 2023. The constituted Stakeholders Relationship Committee comprises the following members:

Name of the Director	Nature of Directorship	Position in Committee
Apoorva Lunawat	Independent Director	Chairman
Mukesh Jain	Independent Director	Member
Sunil Kataria	Non-Executive Director	Member

The Company Secretary and Compliance Officer of our Company shall act as a Secretary to the Stakeholders Relationship Committee.

The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

Terms of Reference

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.

3. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee as per Section 178 of the Companies Act, 2013 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) vide board resolution dated December 22, 2023. The Nomination and Remuneration Committee comprises the following members:

Name of the Director	Nature of Directorship	Position in Committee
Mukesh Jain	Independent Director	Chairman
Apoorva Lunawat	Independent Director	Member
Sunil Kataria	Non-Executive Director	Member

The Company Secretary and Compliance Officer of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

The terms of reference:

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.

Our Key Managerial Personnel

Our Company is managed by our Board of Directors, assisted by qualified experienced professionals, who are permanent employees of our Company. Following are the Key Managerial Personnel of our Company

Profiles of our Key Managerial Personnel

For the profile Mr. Arun Kataria Managing Director and Mr. Anoop Kataria, Whole Time Director and CFO, please refer chapter titled *"Our Management - Brief profiles of our Directors"* on page 126 of this Draft Red Herring Prospectus.

The Key Managerial Personnel of our Company other than our directors are as follows: -

Name, Designation and Date of Joining	Qualification	Previous Employment	Overall Experience	Remuneration paid In previous year (2022-23) (₹ in Lakhs)
Ms. Priyanka Bakhtyarpuri Company Secretary and Compliance Officer D.O.J- February 01, 2024	Company Secretary, B.Com., LL.B	7 yrs.	-	-
Mr. Anoop Kataria	B.Com.	13 years	-	-

Chief Financial Officer D.O.J- February 01, 2024				
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Relationship amongst the Key Managerial Personnel of our Company

None of our directors and Key Managerial Personnel of our Company are related to each other.

Arrangement and Understanding with Major Shareholders/Customers/ Suppliers

None of the above Key Managerial Personnel have entered into to any arrangement/ understanding with major shareholders/customers/suppliers as on the date of this Draft Red Herring Prospectus

Bonus or profit-sharing plan of the Key Managerial Personnel

Our Company does not have a profit sharing plans for the Key Management Personnel.

Shareholding of Key Management Personnel in our Company

None of our Key Managerial Personnel except Anoop Kataria, holds Equity Shares in our Company as on the date of filing of this Draft Red Herring Prospectus. For further details, please refer to section titled “*Capital Structure*” beginning on page 52 of this Draft Red Herring Prospectus

Changes in Our Company’s Key Managerial Personnel during the last three (3) years

Name of KMP	Designation	Date of Event	Reason
Ms. Priyanka Bakhtyarpuri	Company Secretary and Compliance Officer	February 01, 2024	Appointed as Company Secretary and Compliance Office
Mr. Anoop Kataria	Chief Financial Officer	February 01, 2024	Appointed as Chief Financial Office

For details with respect to the Changes in directors who are KMP, please refer to section titled “Changes in our Company’s Board of Directors during the last three (3) years” on page 130 of this Draft Red Herring Prospectus.

Interest of Key Managerial Personnel

Except as disclosed in this Draft Red Herring Prospectus, the Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of their shareholding, remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Employee Stock Option or Employee Stock Purchase

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this Draft Red Herring Prospectus.




Payment of Benefits to of Our KMPs (*non-salary related*)

Except as disclosed in this Draft Red Herring Prospectus other than any statutory payments made by our Company to its KMPs, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees.

For further details, please refer section titled ‘*Restated Financial Statements*’ beginning on page 142 of this Draft Red Herring Prospectus.

OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are:

	<p>Mr. Sunil Kataria, aged 57 years, is Promoter and Non-Executive Director of our company. Date of Birth – September 16, 1966 Personal Address - Makan No.44, Ghas Bazar, Ratlam Madhya Pradesh-457001, India Permanent Account Number: ACMPK3622Q For further details of his educational qualifications, experience, positions / posts held in the past, directorships held and special achievements please refer chapter titled “Our Management” beginning on page no. 126 of this Draft Red Hearing Prospectus.</p>
	<p>Mr. Arun Kataria, aged 42 years, is the Managing Director of our company. Date of Birth – December 17, 1981 Personal Address - Makan No. 10-12, Ward No. 37, Ghas Bazar, Ratlam, Madhya Pradesh -457001, India Permanent Account Number: AHCPK6955D For further details of his educational qualifications, experience, positions / posts held in the past, directorships held and special achievements please refer chapter titled “Our Management” beginning on page no. 126 of this Draft Red Hearing Prospectus.</p>
	<p>Mr. Anoop Kataria, aged 36 years, is the Promoter and Whole Time Director and CFO of our company. Date of Birth – May 16, 1987 Personal Address - 11 Ghans Bazar, Ratlam, Madhya Pradesh-457001, India Permanent Account Number: APOPK4963R For further details of his educational qualifications, experience, positions / posts held in the past, directorships held and special achievements please refer chapter titled “Our Management” beginning on page no. 126 of this Draft Red Hearing Prospectus.</p>

*For details of the build-up of our Promoter’ shareholding in our Company, please see “**Capital Structure – Shareholding of our Promoters**” beginning on page no 52 of this Draft Red Hearing Prospectus.*

Confirmations

We confirm that the details of the Permanent Account Numbers, bank account numbers, passport numbers, Aadhar Card and Driving License of our Promoters will be submitted to the Stock Exchange at the time of filing the Draft Red Prospectus with the Stock Exchange.

Further, our Promoters has confirmed that they have not been declared as willful defaulters or Fraudulent Borrower by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.

Additionally, none of the Promoters have been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities.

Other ventures of Promoters

Other than as disclosed in this section, our Promoters is not involved in any other ventures.

Change in the management and control of the Issuer

Our present promoters are immediate relatives of the original promoters of our Company. Other than that, there has been no change in the control of our Company through SEBI (SAST), 2011 and SEBI (LODR), 2015 in the preceding 5 years.

Relationship of Promoters with our directors

None of the Directors of the Company are related to each other as per section 2(77) of the Companies Act, 2013.

Interest of Promoters

Our Promoters is interested in our Company to the extent of the promotion of our Company and to the extent of their shareholdings, Managing Director in our Company and the shareholding of their relatives in our Company and the dividend declared and due, if any, and employment related benefits, if any paid by our Company. For further details, please refer chapters titled "*Capital Structure*" and "*Our Management*" beginning on pages 52 and 126, respectively of this Draft Red Herring Prospectus. For further details, please refer chapters titled "*Capital Structure - Shareholding of our Promoter and Promoter Group*" beginning on page 57 and "*Financial Statements*" on page 142, respectively of this Draft Red Herring Prospectus.

Our Promoters are not interested as a member in any firm or company which has any interest in our Company. Further, no sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested as a member or proprietor or partner, in cash or shares or otherwise by any person either to induce our Promoters to become, or qualify him as a director, or otherwise for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Interest in the properties of our Company

Our Promoters and members of Promoter Group do not have any interest in any property acquired by or proposed to be acquired by our Company during a period of three years prior to filing of the Draft Red Herring Prospectus.

Interest as members of our Company

Our Promoters are interested to the extent of their shareholding, the dividend declared in relation to such shareholding, if any, by our Company. For further details in this regard, please refer chapter titled "*Capital Structure*" beginning on page 52 of this Draft Red Herring Prospectus.

No sum has been paid or agreed to be paid to our Promoters and our Promoters are not interested as members of any firm or any company and hence no sum has been paid or agreed to be paid to such firm or company in cash or shares or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Other Interest

Our Promoters are not interested in any transaction for acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Payment of benefits to our Promoters

Except as stated in the Note –X "*Related Party Transactions*" on page 170 there has been no payment of benefits to our Promoters during the two years preceding the filing of this Draft Red Herring Prospectus.

Guarantees

Except as stated in the section titled "*Financial Statements*" beginning on page 142 of this Draft Red Herring Prospectus, respectively, there are no material guarantees given by the Promoter to third parties with respect to specified securities of the Company as on the date of this Draft Red Hearing Prospectus.

Details of Companies / Firms from which our Promoters have disassociated

Except Mr. Anoop Kataria, none of Our Promoters have not been disassociated themselves from any firms or companies in the last three (3) years preceding this Draft Red Herring Prospectus.

Mr. Anoop Kataria was disassociated themselves from the following companies in last three (3) years:

Name of Company /Firm	Anoop Kataria		
	Designation	Date of Cessation	Reason / Circumstances for Disassociation
Sonic overseas (India) Private limited	Director	October 01, 2022	Due to Personal Reason and Pre-occupations.
Shree Jalaram metals private limited	Director	October 01, 2022	Due to Personal Reason and Pre-occupations.
Daulatram metals private limited	Director	October 01, 2022	Due to Personal Reason and Pre-occupations.
Panna resources private limited	Director	October 01, 2022	Due to Personal Reason and Pre-occupations.
Gulab resources private limited	Director	October 01, 2022	Due to Personal Reason and Pre-occupations.
O.K Hospitality LLP	Designated Partner	December 29, 2021	Due to Personal Reason and Pre-occupations.

Our Promoter Group

Our Promoter Group in terms of Regulation and 2(1) (pp) of the SEBI ICDR Regulations, 2018. In addition to our Promoters named above, the following individuals and entities form a part of the Promoter Group:

A. Individual persons who are part of our Promoter Group

Promoters: Mr. Sunil Kataria, Mr. Arun Kataria and Mr. Anoop Kataria

Relationship with promoters			
Promoter	Sunil Kataria	Arun Kataria	Anoop Kataria
Father	Anokhilal Kataria	Ashok Kataria	Madanlal Kataria
Mother	Naginabai Kataria	Chanda Devi Kataria	Sushiladevi Kataria
Spouse	Praveena Devi Kataria	Rakhi Kataria	Navita Jain
Brother	Ravi Kataria	-	Pankaj Kataria
Sister	Sunita Moonat	Kiran Jain Pinki Shah Supriya Sanghavi	Rashmi Kimtee Preeti Gandhi
Son	Yash Kataria Bhavya Kataria-Minor	-	-
Daughter	Shreya Kataria	Aishwarya Kataria Sanaya Kataria	Amayara Kataria-Minor
Spouse's Father	Indermal Jain	Dhanraj Pitale	Gyan Chand Jain
Spouse's Mother	Kanchan Devi	Maina Bai Pitale	Indu Jain
Spouse's Brother	Atul Jain	Abhay Pitale Rajesh Pitale Vishal Pitale	Aman Jain
Spouse's Sister	Jyoti Jain	Anita Moonat	-

Companies, Proprietary concerns, HUF's related to our promoters

Nature of Relationship	Entity
Anybody corporate in which twenty per cent. or more of the equity share capital is held by the promoters or an immediate relative of the promoters or a firm or Hindu Undivided Family in which the promoters or any one or more of their relative is a member.	<ol style="list-style-type: none"> 1) Kataria Dhulchand Pannalal Jewellers Pvt Ltd 2) Kataria Fincap Pvt Ltd. 3) Shree Jalaram Metals Pvt Ltd. 4) Utkarsh Land Developers Pvt Ltd. 5) Sonic Fiscal Services Pvt Ltd. 6) Ratlam Wires Pvt Ltd.
Anybody corporate in which a body corporate as provided in above holds twenty per cent. or more, of the equity share capital; and	-
Any Hindu Undivided Family or firm in which the aggregate share of the promoters and their relatives is equal to or more than twenty per cent. of the total capital;	<ol style="list-style-type: none"> 1. Nine Resources LLP 2. Shree Sujan Infrastructure LLP 3. Himsagar Real Estate and Traders LLP. 4. StarHUB Venture LLP. 5. Rishi Enterprises. 6. Samraddhi Developers. 7. Kataria Realty LLP. 8. Arun Ashokkumar Kataria HUF 9. Sunil Kataria HUF 10. Anoop Kataria HUF

For further details on our Promoter Group refer Chapter Titled “Financial Information of our Group Companies” beginning on page no.200 of Draft Red Hearing Prospectus.

DIVIDEND POLICY

As on the date of this Draft Red Herring Prospectus, our Company does not have a formal dividend policy. The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, in accordance with provisions of our Articles of Association and applicable law, including the Companies Act (together with applicable rules issued thereunder).

Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our contractual obligations, applicable legal restrictions, results of operations, financial condition, revenues, profits, over financial condition, capital requirements and business prospects.

Upon the listing of the Equity Shares of our Company and subject to the SEBI Listing Regulations, we may be required to formulate a dividend distribution policy which shall be required to include, among others, details of circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy as to how the retained earnings will be utilized and parameters that shall be adopted with regard to various classes of shares, as applicable.

In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under our current or future loan or financing documents. For more information on restrictive covenants under our current loan agreements, see “Financial Indebtedness” on page 183. Our Company may pay dividend by Cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time.

The Company has not declared and paid any dividends on the Equity Shares since Incorporation. Further, Our Company has not declared any dividend in the current Fiscal. For details in relation to the risk involved, please refer section titled “Risk Factors” beginning on Page No. 19 of this Draft Red Herring Prospectus.

Section VI – Financial Information
Restated Financial Statement

INDEPENDENT AUDITOR’S REPORT ON RESTATED FINANCIAL STATEMENT

To,
The Board of Directors,
KATARIA INDUSTRIES LIMITED
(CIN: U27300MP2004PLC029530)

Dear Sir,

1. We have examined the attached Restated Financial Statements of Kataria Industries Limited, comprising the Restated Statement of Assets and Liabilities as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the years/periods ended December 31, 2023, 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 20th February 2024 for the purpose of inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus (“Draft Offer Document/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 is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Offer Document/Offer Document to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Gwalior in connection with the proposed SME IPO.

The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in Annexure IV of the Restated Financial Information. The Board of Directors responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Companies Act, (ICDR) Regulations and the Guidance Note.
3. We, K A R M A & CO. LLP, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and holds the peer review certificate dated 15th July, 2021 valid till 31st July, 2024. We confirm that there is no express refusal by the peer review board of ICAI to renew the certificate and the process to renew the peer review certificate has been initiated by us.
4. We have examined such Restated Financial Information taking into consideration:
 - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 2nd January 2024 in connection with the proposed 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 IPO.
5. These Restated Financial Information have been compiled by the management from the Audited Financial Statements of the Company for the period ended 31st December, 2023, 31st March 2023, 31st March 2022 and 31st March, 2021 which has been approved by the Board of Directors. The Audit of financial statements of the Company for the year ended December 31, 2023, March 31, 2023, March 31, 2022, and March 31, 2021 was conducted by M/s P.D. Nagar & Co. Accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021.
6. For the purpose of our examination, we have relied on:
- a) Auditors' reports dated 27th January, 2024 issued by us for the period ended 31st December, 2023, and dated 21st September, 2023, 23rd September, 2022 and 23rd October, 2021 respectively issued by M/s P.D. Nagar & Co., on the financial statements of the Company as at and for the period ended 31st March 2023, 31st March 2022 and 31st March 2021 as referred in Paragraph 5 above;
7. Based on our examination and according to the information and explanations 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/period ended December 31, 2023, 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.
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 20th February 2024 for the years/period ended December 31, 2023, 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 Deferred Tax (Assets) / Liabilities as appearing in Note C to this report;
- e) Restated Statement of Short term borrowings as appearing in Note D to this report;
- f) Restated Statement of Trade Payables as appearing in Note E to this report;
- g) Restated Statement of Other Current Liabilities as appearing in Note F to this report;
- h) Restated Statement of Short Term Provisions as appearing in Note G to this report;
- i) Restated Statement of Fixed Assets as appearing in Note H to this report;
- j) Restated Statement of Other Non-Current asset as appearing in Note I to this report;
- k) Restated Statement of Trade Receivables as appearing in Note J to this report;
- l) Restated Statement of Cash and Cash Equivalents as appearing in Note K to this report;
- m) Restated Statement of Inventories as appearing in Note L to this report;
- n) Restated Statement of Short Term Loans and Advances as appearing in Note M to this report;
- o) Restated Statement of Other Current Assets as appearing in Note N to this report;
- p) Restated Statement of Revenue from Operations as appearing in Note O to this report;
- q) Restated Statement of Other Income as appearing in Note P to this report;
- r) Restated Statement of Raw Material Consumption as appearing in Note Q to this report;
- s) Restated Statement of Change in Inventories as appearing in Note R to this report;
- t) Restated Statement of Employee Benefit Expenses as appearing in Note S to this report;

- u) Restated Statement of Finance Cost as appearing in Note T to this report;
 - v) Restated Statement of Depreciation & Amortization as appearing in Note U to this report;
 - w) Restated Statement of Other Expenses as appearing in Note V to this report;
 - x) Restated Statement of Contingent Liabilities as appearing in Note W to this report;
 - y) Restated Statement of Related Party Transactions as appearing in Note X to this report;
 - z) Restated Statement of Tax Shelter as appearing in Note Y to this report;
 - aa) Capitalization Statement as appearing in Note Z to this report;
 - bb) Restated Statement of Mandatory Accounting Ratios as appearing in Note AA to this report;
 - cc) Restated Statement of Other Disclosures as per Schedule-III of the Companies Act, 2013 in Notes AB to this report
 - dd) Ratio Analysis as appearing in Note AC to this report
9. 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, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
11. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Offer Document/ Offer Document to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Gwalior in connection with the proposed 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.
12. In our opinion, the above financial information contained in Annexure I to Annexure V 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, K A R M A & CO LLP
Chartered Accountants
Firm Reg No: 127544W/W100376

Sd/-
CA Jignesh A Dhaduk
Designated Partner
Mem. No: 129149
UDIN: 24129149BKEBO7411

Place: Ahmedabad
Date: 22 February, 2024

Annexure-I: Restated Statement of Assets & Liabilities

(Rs. in Lakhs)

PARTICULARS	NOTES	31-12-2023	31-03-2023	31-03-2022	31-03-2021
A] EQUITY AND LIABILITIES					
1. Shareholders' Funds					
(a) Share Capital	A	1584.68	264.11	264.11	264.11
(b) Reserves & Surplus	A	2783.19	3320.05	2542.21	1803.87
		4367.87	3584.16	2806.33	2067.99
2. Non-current liabilities					
(a) Long-Term Borrowings	B	2310.10	3223.45	3210.94	1927.46
(b)Deferred Tax Liabilities (Net)	C	170.13	136.38	232.00	76.09
(c)Long term Liabilities		-	-	-	-
		2480.15	3359.83	3442.94	2003.55
3. Current liabilities					
(a) Short-term borrowings	D	5707.98	7472.75	5931.35	6010.86
(b) Trade payables	E				
(A) Total outstanding dues of micro enterprises and small enterprises; and		65.36	119.89	1.82	0.58
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		348.35	184.28	324.97	419.47
(c) Other Current Liabilities	F	228.20	161.57	114.10	137.27
(d) Short Term Provisions	G	310.08	176.25	165.68	150.60
		6660.04	8114.74	6537.92	6718.77
TOTAL EQUITY AND LIABILITIES		13508.06	15058.73	12787.19	10790.31
B] ASSETS					
1. Non-current assets					
(a)Property, Plant and Equipments and Intangible Assets	H				
(I) Property, Plant and Equipments					
(i) Gross Block		7962.88	6400.35	5485.52	5538.62
(ii) Depreciation		3518.02	3182.63	2998.59	2726.33
(iii) Net Block		4444.87	3217.72	2486.93	2812.29
(II) Intangible assets		-	-	-	-
(III) Capital Work-in-Progress		-	508.49	953.80	-
(IV)Intangible assets under development		-	-	-	-
(b)Non-Current Investment		-	-	-	-
(c) Deferred tax Assets (Net)		-	-	-	-
(d)Long Term Loans and Advances		-	-	-	-
(e)Other Non Current Assets	I	175.70	130.57	117.03	70.45
		4620.56	3856.78	3557.77	2882.74
2. Current assets					
(a) Trade Receivables	J	4686.58	5393.53	4456.74	4739.02
(b) Cash and Cash Equivalents	K	411.31	510.20	284.46	272.61
(c) Inventories	L	2483.37	3759.10	3342.47	2027.59
(d)Short-Term Loans and Advances	M	573.35	935.81	666.58	440.14
(e) Other Current Assets	N	732.88	603.31	479.18	428.21
		8887.49	11201.95	9229.42	7907.57
TOTAL ASSETS		13508.06	15058.73	12787.19	10790.31

As Per Our Report Attached on Even Date
For K A R M A & CO LLP
Chartered Accountants

For, Kataria Industries Limited

Firm's Reg. No. 127544W/W100376

Sd/
Jignesh A Dhaduk
Designated Partner
Membership No. 129149
UDIN: 24129149BKEBO7411

Sd/-
Arun Kataria
Managing Director
DIN: 00088999

Sd/-
Sunil Kataria
Non- Executive Director
DIN: 00092681

Place: Ahmedabad
Date: 22 February, 2024

Sd/-
Anoop Kataria
Whole-time Director & CFO
DIN: 06527758

Sd/-
Priyanka Bakhtyarpuri
Company Secretary
Mem. No -A42896

Annexure-II: Restated Statement of Profit and Loss

(Rs. in Lakh)

PARTICULARS	NOTES	31-12-2023	31-03-2023	31-03-2022	31-03-2021
1. Revenue from operations	O	26149.78	33182.94	24963.10	15867.10
2. Other income	P	154.26	210.15	85.81	260.94
Total Incomes [1+2]		26304.04	33393.09	25048.91	16128.03
3. Expenditure:					
(a) Cost of Material Consumed	Q	21220.90	28059.77	20118.80	12196.99
Cost of Traded Goods		1037.38	47.10	124.30	164.55
(b) Change in inventories of finished goods, work in progress and stock in trade	R	(759.89)	(70.28)	(104.10)	202.91
(c) Employee benefit expenses	S	571.12	551.26	495.07	302.99
(d) Finance cost	T	711.45	979.77	767.29	702.09
(e) Depreciation and amortization expenses	U	427.87	400.12	359.53	460.32
(f) Other expenses	V	2036.79	2597.36	2222.38	1440.35
4.Total Expenditure 3(a) to 3(f)		25245.62	32565.11	23983.26	15470.21
5.Profit/(Loss) Before Exceptional & extraordinary items & Prior period expenses & Tax (2-4)		1058.42	827.98	1065.65	657.52
6.Exceptional and Extra-ordinary items		-	-	-	-
7.Profit/(Loss) Before Tax (5-6)		1058.42	827.98	1065.65	657.52
8. Tax expenses:					
(a) Tax Expense for Current Year		(241.66)	(139.60)	(181.63)	(114.21)
(b) Short/(Excess) Provision of Earlier Year		0.70	(6.17)	10.23	-
(c) Deferred Tax		(33.74)	95.61	(155.91)	(42.73)
Net Current Tax Expenses		(274.70)	(50.15)	(327.31)	(156.94)
9. Profit/ (Loss) for the year [7-8]		783.72	777.83	738.34	500.58
10. Basic Earning Per Share (Not Annualised)		4.95	4.91	4.66	3.16
11. Adjusted Earning Per Share (Not Annualised)		4.95	4.91	4.66	3.16

As Per Our Report Attached on Even Date

For, Kataria Industries Limited

For K A R M A & CO LLP

Chartered Accountants

Firm's Reg. No. 127544W/W100376

Sd/
Jignesh A Dhaduk
Designated Partner
Membership No. 129149
UDIN: 24129149BKEBO7411

Sd/-
Arun Kataria
Managing Director
DIN: 00088999

Sd/-
Sunil Kataria
Non- Executive Director
DIN: 00092681

Place: Ahmedabad
Date: 22 February, 2024

Sd/-
Anoop Kataria
Whole-time Director & CFO
DIN: 06527758

Sd/-
Priyanka Bakhtyarpuri
Company Secretary
Mem. No -A42896

Annexure-III: Restated Statement of Cashflow

(Rs. in Lakhs)

PARTICULARS	FOR THE YEAR/PERIOD ENDED			
	31-12-2023	31-03-2023	31-03-2022	31-03-2021
(A) Cash Flow from Operating Activities:				
Net Profit before Tax	1058.42	827.98	1065.65	657.52
Adjustment for :				
Depreciation and amortization	427.87	400.12	359.53	460.32
Interest Paid	711.45	979.77	767.29	702.09
Interest Income	(74.16)	(102.79)	(22.62)	(138.49)
(Profit)/Loss on sale of Car	(5.99)	(87.96)	(37.93)	(122.45)
(Profit)/Loss on sale of Shop	(13.96)	-	-	-
Operating Profit/(loss) before Working Capital Changes	2103.62	2017.13	2131.91	1558.99
Changes in Working Capital				
(Increase)/Decrease in Trade Receivables	754.74	(858.91)	286.80	(623.53)
(Increase)/Decrease in Inventory	1275.73	(416.63)	(1314.88)	(752.72)
(Increase)/Decrease in Short Term Loans & Advances	362.45	(269.23)	(226.43)	(171.41)
(Increase)/Decrease in Other Current Assets	(129.57)	(124.13)	(50.97)	63.69
Increase/(Decrease) in Trade Payables	109.53	(22.62)	(93.26)	223.69
Increase/(Decrease) in Other Current Liabilities	66.64	47.46	(23.16)	16.82
Increase/(Decrease) in Short Term Provisions, etc	133.83	10.56	15.08	27.45
Increase/(Decrease) in Long Term Liability	-	-	-	-
Cash generated from operations	4676.96	383.64	725.09	342.97
Direct Taxes Paid	(241)	(145.77)	(171.40)	(114.21)
Net cash flow from operating activities (A)	4436.01	237.87	553.69	228.76
(B) Cash Flow from Investing Activities:				
Purchase of Fixed Assets including of CWIP	(1179.72)	(1000.37)	(1204.91)	(542.17)
Investment Subsidy	-	299.09	207.42	242.11
Sale of Fixed Assets	53.15	103.64	47.45	193.32
(Purchase)/Sale of investments (Other non-current Asset)	(45.13)	(13.54)	(46.58)	(70.45)
Interest Income	26.36	25	18	18
Net cash flow from investing activities (B)	(1145.33)	(586.27)	(978.53)	(159.54)
(C) Cash Flow from Financing Activities:				
Proceeds from Issue of Share Capital	-	-	-	-
Increase/(Decrease) in Short Term Borrowings	(1764.70)	1541.40	(79.51)	(90.73)
Increase/(Decrease) in Long Term Borrowings	(913.43)	12.51	1283.48	690.47
Interest Paid	(711.45)	(979.77)	(767.29)	(702.09)
Share Money Pending Allotment	-	-	-	-
Adjustment in reserve and surplus	-	-	-	-
Net cash flow from financing activities (C)	(3389.57)	574.14	436.69	(102.35)
Net Increase/(Decrease) In Cash & Cash Equivalents (A+B+C)	(98.89)	225.75	11.85	(33.13)
Cash equivalents at the beginning of the year	510.20	284.46	272.61	305.75
Cash equivalents at the end of the year	411.31	510.20	284.46	272.61

Notes: Reconciliation of Cash and Cash Equivalents

3.

PARTICULARS	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Component of Cash and Cash equivalents				
Cash on hand	6.20	2.82	5.29	6.12
Balance With banks	405.11	507.38	279.17	266.49
Total	411.31	510.20	284.46	272.61

4. 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.

**As Per Our Report Attached on Even Date
For K A R M A & CO LLP
Chartered Accountants
Firm's Reg. No. 127544W/W100376**

For, Kataria Industries Limited

**Sd/
Jignesh A Dhaduk
Designated Partner
Membership No. 129149
UDIN: 24129149BKEBO7411**

**Sd/-
Arun Kataria
Managing Director
DIN: 00088999**

**Sd/-
Sunil Kataria
Non- Executive Director
DIN: 00092681**

**Place: Ahmedabad
Date: 22 February, 2024**

**Sd/-
Anoop Kataria
Whole-time Director & CFO
DIN: 06527758**

**Sd/-
Priyanka Bakhtyarpuri
Company Secretary
Mem. No -A42896**

Annexure-IV: Summary Statement of Significant Accounting Policies & Notes to Restated Financial Information

CORPORATE INFORMATION

KATARIA INDUSTRIES LIMITED (the “**Company**”) was incorporated on 11th May, 2004 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Gwalior. The Company’s registered office is situated at 34-38 and 44, Industrial Area, Ratlam, Madhya Pradesh, India, 457001. The company is primarily engaged in the business of manufacturing and sale of Cables & Conductors, LRPC Wires, Stranded Wires, and UN Gi wire and LRPC Accessories.

I. SIGNIFICANT ACCOUNTING POLICIES

A) BASIS OF PREPARATION OF FINANCIAL STATEMENT

The Restated Statement of Assets and Liabilities (Annexure I) of the company as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Statements of Profit and Loss (Annexure II), the Restated Cash Flow Statement (Annexure III) for the financial year/period ended December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 (hereinafter collectively referred to as “**Restated Financial Information**”) have been extracted by the management from the audited financial statements for the December 31, 2023, March 31, 2023, 2022 and 2021, approved by the respective Board of Directors of the companies.

These financial statements are prepared 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.

B) USE OF ESTIMATES

The preparation of financial statements in conformity with Accounting Standards requires the management to make judgments, estimates and assumptions that affect the reported amounts, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Difference between the actual result and estimates are recognized in the period in which they are known/ materialized.

C) ACCOUNTING CONVENTION

The group follows the mercantile system of accounting, recognizing income and expenditure on accrual basis. The accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to specifically otherwise, are consistent with the generally accepted accounting principles.

The following significant accounting policies are adopted in the preparation and presentation of these financial statements:

1. REVENUE RECOGNITION

Revenue is recognized only when all the significant risks and rewards incident to ownership to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operation includes Sales of Goods net of Goods and Services Tax, adjusted for discounts (net) and gain / Loss on corresponding hedged contracts.

Revenue/ Loss from bargain settlement of goods is recognized at the time of settlement of transactions.

Dividend income is recognized when the right to receive payment is established.

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

All other income and Expenditure are recognized and accounted for on accrual basis.

2. PROPERTY, PLANT & EQUIPMENT'S (TANGIBLE FIXED ASSETS AND DEPRECIATION)

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of Tangible Asset are added to its book value. only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Assets which are not ready for their intended use are disclosed under Capital Work-in- Progress and all the cost relating to such assets are shown under work-in-progress.

Identification of the components of Property, Plant & Equipment's as required under revised AS10 is under process.

DEPRECIATION:

Depreciation on tangible fixed assets is provided on the written down value Method over the useful lives of assets as prescribed in the schedule II of the Companies Act, 2013. Depreciation for assets purchased sold during a period is proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on a written down value, commencing from the date the asset is available to the Company for its use.

Depreciation and Amortization methods, useful lives and residual values are reviewed periodically, at each financial year end.

Pursuant to the enactment of Companies Act 2013, the Company has applied the estimated useful lives as specified in Schedule II.

3. IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

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.

4. INVENTORIES

Inventories are valued after providing for obsolescence, as follows:

- a) Raw Materials, Stores & Spare parts and Packing Material - Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost

is determined on Weighted Average Cost basis.

- b) Work-in-Progress is valued at raw material cost plus proportionate conversion cost.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale, however due to the nature of the company the own manufactured goods are valued at a Retail Method basis on a consistent basis, however the Trading Goods are valued at the lower of Cost or Net Realizable Value.

5. RETIREMENT BENEFITS & OTHER EMPLOYEE BENEFITS

Defined-contribution plans:

All short-term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.

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.

In the restated financial statements, The Company has made provision for payment of Gratuity to its employees, based on the actuarial valuation report obtained from actuarial Valuer.

6. 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.

7. CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non- cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

8. BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of that asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. Costs incurred in raising funds are amortized equally over the period for which the funds are acquired. All other borrowing costs are charged to profit and loss account.

9. INCOME TAX

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, the current tax and deferred tax. Provision for Current Tax is made on the assessable Income Tax rate applicable to the relevant assessment year after considering various deductions available under the Income Tax Act, 1961.

Deferred tax is recognized for all timing differences; being the differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Such deferred tax is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. The carrying amount of deferred tax asset/liability is reviewed at each Balance Sheet date and consequential adjustments are carried out.

10. EARNINGS PER SHARE

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

11. PROVISIONS AND CONTINGENT LIABILITIES

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. Contingent liabilities are disclosed in the financial statement unless the possibility of outflow is remote. Contingent Liabilities are not provided for and are disclosed by way of notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

12. CASH & CASH EQUIVALENTS

Cash and cash equivalents comprise cash and cash on deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

14. EMPLOYEE BENEFITS

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits during the restated financials period. The disclosure as envisaged under the Accounting Standard is provided hereunder:

(Rs. In Lakhs)				
Details of Gratuity Expenses	31.12.2023	31.03.2023	31.03.2022	31.03.2021
Profit and loss account for the period				
Current service cost	4.14	5.12	5.12	5.11
Interest on obligation	2.63	3.18	0.04	0.98
Expected return on plan assets	(2.38)	(3.16)	-	-
Net actuarial loss/(gain)	0.56	2.12	(3.18)	(7.34)
Recognised Past Service Cost-Vested	-	-	-	-
Loss (gain) on curtailments	-	-	-	-
Total included in 'Employee Benefit Expense'	4.94	7.26	1.97	(1.26)
prior year charge	-	-	-	-
Total Charge to P&L	4.94	7.26	1.97	(1.26)
Reconciliation of defined benefit obligation				
Opening Defined Benefit Obligation	49.51	43.81	40.18	35.38
Transfer in/(out) obligation	-	-	-	-
Current service cost	4.14	5.12	5.12	5.11
Interest cost	2.63	3.18	2.76	2.43
Actuarial loss (gain)	0.40	(1.74)	(0.47)	(1.10)

Past service cost	-	-	-	-
Benefits paid	(7.25)	(0.86)	(3.77)	(1.63)
prior year charge	-	-	-	-
Closing Defined Benefit Obligation	49.42	49.51	43.81	40.18
Table of experience adjustments				
Defined Benefit Obligation	49.42	49.51	43.81	40.18
Plan Assets	37.36	42.39	43.61	39.67
Surplus/(Deficit)	(12.06)	(7.12)	(0.20)	(0.51)
Reconciliation of plan assets				
Opening value of plan assets	42.39	43.61	39.67	21.11
Transfer in/(out) plan assets	-	-	-	-
Expenses deducted from the fund	-	-	-	-
Expected return	2.38	3.16	2.73	1.45
Actuarial gain/(loss)	(0.16)	(3.86)	2.71	6.24
Contributions by employer	-	0.35	2.28	12.50
Benefits paid	(7.25)	(0.86)	(3.77)	(1.63)
Closing value of plan assets	37.36	42.39	43.61	39.67
Details of Gratuity Expenses	31.12.2023	31.03.2023	31.03.2022	31.03.2021
Reconciliation of net defined benefit liability				
Net opening provision in books of accounts	7.12	0.21	0.51	14.27
Transfer in/(out) obligation	-	-	-	-
Transfer (in)/out plan assets	-	-	-	-
Employee Benefit Expense	4.94	7.26	1.97	(1.26)
Benefits paid by the Company	-	-	-	-
Contributions to plan assets	-	(0.35)	(2.28)	(12.50)
Closing provision in books of accounts	12.07	7.12	0.21	0.51
Bifurcation of liability				
Current Liability	5.54	7.12	0.21	0.51
Non-Current Liability	6.53	-	-	-
Net Liability	12.07	7.12	0.21	0.51
Principle actuarial assumptions				
Discount Rate	7.40%	7.62%	7.25%	6.87%
Expected Return on Plan Assets	7.40%	7.62%	7.25%	6.87%
Salary Escalation Rate	5.00%	5.50%	5.50%	5.50%

Withdrawal Rates 2.00% p.a at younger ages and older ages.

II. NOTES TO RESTATED SUMMARY STATEMENTS:

The financial statements for the year/period ended on 31 December, 2023, 31 March 2023, 2022 and 2021 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 usually reported in the notes to restated financial restatements when there is a possible obligation that may, require an outflow of the Company's resources. However, there has not been any such liability/event, which qualifies as contingent liability in the restated period.

2. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Disclosure of the outstanding dues of Micro or Small-Scale Industrial Enterprise(s) as per The Micro, Small & Medium Enterprise Development Act-2006, the Company has disclosed in the Note No. F of the restated financial statement, the same as required by Schedule III to the Companies Act, 2013.

3. Related party transactions are already reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Note Z of the enclosed restated financial statements.

4. Deferred Tax liability/Asset in view of Accounting Standard – 22: “Accounting for Taxes on Income”, The disclosure of the same has been reported in the Note C of the enclosed restated financial statement.

5. Directors' Remuneration:

(Rs. in lacs)

Particulars	31.12.2023	31.03.2023	31.03.2022	31.03.2021
Directors' Remuneration	27	36	42	42
Total	27	36	42	42

6. Auditors' Remuneration:

(Rs. in lacs)

Particulars	For the Year Ended			
	31.12.2023	2022-23	2021-22	2020-21
i) As Auditors				
For Audit Fees	0.90	1.20	1.10	0.95
For Other Services	1.75	2.07	1.63	1.16
Total	2.65	3.27	2.73	2.11

7. Earnings per Share:

(Amt. Rs. in Lacs, except EPS)

Particulars	For the Year/Period Ended			
	31.12.2023	31.03.2023	31.03.2022	31.03.2021
A. Total Number of equity shares outstanding at the end of the year	1,58,46,834	26,41,139	26,41,139	26,41,139
B. Weighted average number of equity shares outstanding during the year for the adjusted EPS	1,58,46,834	1,58,46,834	1,58,46,834	1,58,46,834
C. Adjusted Net profit after tax available for equity shareholders (excluding exceptional and extraordinary items) (as restated)	783.72	777.83	738.34	500.58
D. Restated Basic and Diluted earnings per share (Not Annualized) (Rs.)	4.95	4.91	4.66	3.16

The Company has issued 1,32,05,695 bonus equity shares in ratio of 5:1 to its shareholders on December 06, 2023 by capitalizing reserve and surplus balance. Thus, the total 1,58,46,834 equity shares have been considered while deriving EPS of the Company retrospectively from F.Y. 2020-21 onwards.

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 as good are subject to confirmations of respective parties concerned.

11. Realizations

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.

12. Contractual liabilities

All other contractual liabilities connected with 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 nearest lacs. 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 year/period ended 31.12.2023, 31.03.2023, 31.03.2022 and 31.03.2021 which requires adjustments in restated financial statements.

Restatement adjustment

NOTE – A

RESTATED STATEMENT OF SHARE CAPITAL & RESERVES AND SURPLUS

(Amt. in Rs. Lakhs, Except Share Data)

Particulars	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Share Capital				
Authorised Share Capital				
Equity shares of Rs.10 each	55,00,000	55,00,000	55,00,000	55,00,000
Add: Increase Authorised Capital 1,65,00,000 Equity Share of Rs 10/- each	1,65,00,000			
Equity Share Capital	2200.00	550.00	550.00	550.00
Issued, Subscribed and Paid up Share Capital				
Equity Shares of Rs. 10 each fully paid up	26,41,139	26,41,139	26,41,139	26,41,139
Add: Bonus Share issued on 06th December 2023	1,32,05,695			
Share Capital (in Rs.)	1,584.68	264.11	264.11	264.11
Total	1,584.68	264.11	264.11	264.11
Reserves and Surplus				
Share Premium	736.52	736.52	736.52	736.52
Less: Bonus Share Issued on 06th December 2023	(736.52)			
	-	736.52	736.52	736.52
Surplus in Profit and Loss account				
Balance as per the last financial statements	2,583.52	1,805.69	1,067.35	566.77
Adj. on account of issue of bonus shares	(584.05)	-	-	-
Profit for the Year	783.72	777.83	738.34	500.58
Less : Adjustment for Gratuity Provision	-	-	-	-
	2,783.19	2,583.52	1,805.69	1,067.35
Balance as at the end of Financial Year	2,783.19	3,320.05	2,542.21	1,803.87

- Terms/rights attached to equity shares:
 - 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.
 - 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.
- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- Company does not have any Revaluation Reserve.
- The reconciliation of the number of Equity shares outstanding as at: -

Particulars	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Number of shares at the beginning of the year	26,41,139	26,41,139	26,41,139	26,41,139
Add: Bonus Share Issued	1,32,05,695	-	-	-
Add: Fresh Issue of shares	-	-	-	-

Number of shares at the end of the year	1,58,46,834	26,41,139	26,41,139	26,41,139
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5. The detail of shareholders holding more than 5% of Shares: -

Name of Shareholders	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Shri Madanlal Kataria	22,75,320	3,79,220	-	-
Shri Anoop Kataria	15,15,156	2,52,526	2,52,526	2,52,526
Shri Anokhilal ji Kataria	15,62,328	2,60,388	1,38,388	1,38,388
Smt. Nagina Devi Kataria	11,97,654	1,99,609	1,99,609	1,99,609
Smt. Sushila Devi Kataria	10,95,486	1,82,581	1,82,581	1,82,581
Smt. Chanda Devi Kataria	24,71,646	4,11,941	1,53,641	1,53,641
Smt. Rakhi Kataria	18,65,466	3,10,911	3,10,911	3,10,911
Mansarovar Developers LLP	-	4,20,500	4,20,500	4,20,500
Ashok Kumar Pannalalji HUF	-	-	157876	157876
Madanlal Pannalalji HUF	-	-	160776	160776
Kantilal Pannalalji HUF	-	-	204624	204624
Shri Pankaj Kataria	9,24,558	-	-	-
Shri Arun Kataria	14,73,402	91,370	-	-
Shri Sunil Kataria	13,99,818	1,21,093	-	-

6. Promoter's Shareholding

Shares held by Promoters at the end of the years 31.12.2023

Name	No. of Shares	% of Total Shares	% Change During the Year
Shri Madanlal Kataria	22,75,320	14.36%	0.00%
Shri Arun Kataria	14,73,402	9.30%	5.84%
Shri Sunil Kataria	13,99,818	8.83%	4.25%

Shares held by Promoters at the end of the years 31.03.2023

Name	No. of Shares	% of Total Shares	% Change During the Year
Shri Madanlal Kataria	3,79,220	14.36%	9.65%
Shri Arun Kataria	91,370	3.46%	0.00%
Shri Sunil Kataria	1,21,093	4.58%	0.00%

Shares held by Promoters at the end of the years 31.03.2022

Name	No. of Shares	% of Total Shares	% Change During the Year
Shri Madanlal Kataria	1,24,244	4.70%	0.00%
Shri Arun Kataria	91,370	3.46%	0.00%
Shri Sunil Kataria	1,21,096	4.58%	0.00%

Shares held by Promoters at the end of the years 31.03.2021

Name	No. of Shares	% of Total Shares	% Change During the Year
Shri Madanlal Kataria	1,24,244	4.70%	0.00%
Shri Arun Kataria	91,370	3.46%	0.00%
Shri Sunil Kataria	1,21,096	4.58%	0.00%

NOTE – B

RESTATED STATEMENT OF LONG TERM BORROWINGS

(Rs. in Lakhs)

Particulars	31-12-2023	31-03-2023	31-03-2022	31-03-2021
(a) Term loans (Secured)				
HDFC Bank Term Loan	210.49	507.85	316.89	284.10
ICICI Bank Term Loan	-	31.94	159.69	255.00

HDFC Bank WCDL	-	-	-	888.89
ICICI Bank WCDL	75.51	178.29	136.97	219.00
(b) Inter corporate Deposit (Unsecured)	2,024.10	2,505.37	2,597.40	280.47
Total	2,310.02	3,223.45	3,210.94	1,927.46

Terms of Repayment of Long Term Borrowings

Particulars, Total Tenure and Frequency of Installment	Rate of Int.	No. of Installment	Outstanding as on 31.12.2023	Outstanding as on 31.03.2023
HDFC Bank Limited-5 Yrs-Monthly	0.09	1.00	9,36,422.51	1,29,85,068.00
HDFC Bank Limited-5 Yrs-Monthly	0.09	41.00	3,94,48,774.02	4,65,53,865.00
HDFC Bank Limited-5 Yrs-Monthly	0.10	37.00	1,53,19,994.00	1,84,03,726.00
ICICI Bank Limited-5 Yrs-Quarterly	0.09	2.00	63,87,500.00	1,59,68,450.00
ICICI Bank Limited ECGL -3 Yrs-Monthly	0.09	36.00	1,23,27,134.00	1,23,50,000.00
ICICI Bank Limited ECGL -3 Yrs-Monthly	0.09	11.00	75,50,816.75	1,36,96,816.00

Term Loan & ECGLS Loan is secured against hypothecation / pledge of Factory Building and plant machinery Assets and guaranteed by guarantee of all directors.

NOTE- C

RESTATED STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES

(Rs. in Lacs)

Particulars	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Opening Balance (A)				
Opening Balance of Deferred Tax (Asset) / Liability	136.38	232.00	76.09	33.36
Closing Balances (B)				
(DTA) / DTL on Timing Difference in Depreciation as per Companies Act and Income Tax Act.	172.87	138.37	232.06	76.18
(DTA) / DTL on account of gratuity provision	(2.75)	(1.98)	(0.06)	(0.09)
Closing Balance of Deferred Tax (Asset) / Liability (B)	170.13	136.38	232.00	76.09
Current Year Provision (B-A)	(33.74)	95.61	(155.91)	(42.73)

NOTE - D

RESTATED STATEMENT OF SHORT TERM BORROWINGS

(Rs. in Lakhs)

Particulars	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Current Maturity of Long Term Debts				
HDFC bank Term Loan	346.56	271.57	190.90	145.11
ICICI bank Term Loan	63.88	127.75	127.75	160.19
HDFC bank WCDL	-	-	-	111.11
ICICI bank WCDL	123.27	82.18	82.18	27.38
Secured Loan From Bank				
HDFC Bank Limited- Cash Credit	1,244.88	1,735.16	1,661.64	1,367.67
ICICI Bank Limited- Cash Credit	924.30	515.37	712.45	675.79
HDFC Bank Letter of credit	1,457.10	2,044.74	663.65	587.35
ICICI Bank Letter of credit	1,206.37	1,693.87	1,693.36	1,470.86
Unsecured Loan From				

Yes Bank Ltd (Channel Finance)	-	-	298.75	300.00
Tata Capital (Channel Finance)	-	996.05	410.66	-
Inter corporate Deposits	341.37	6.06	90.00	1,165.40
Yes Bank Ltd (Credit Card)	0.26	-	-	-
Total	5,708.06	7,472.75	5,931.35	6,010.86

Terms and Conditions of Borrowings

Cash Credit Limit of Rs. 12.39 Crores from ICICI bank is secured by first charge on stock of raw material, stock in process, finished goods, consumables stores and spares, book debts, equitable mortgage. of factory land, P & M existing and future and further the loan is personal guarantee by all directors of the company Mr Sunil Kataria, Anoop Kataria & Smt Sushila Devi Kataria .the Interest on the loan is payable @ 10.05 % p.a.

Cash Credit Limit of Rs. 17.50 Crores from HDFC bank is secured by first charge on stock of raw material, stock in process, finished goods, consumables stores and spares, book debts, equitable mortgage. of factory land, P & M existing and future and further the loan is personal guarantee by all directors of the company and Mr Sunil Kataria, Anoop Kataria & Smt Sushila Devi Kataria .the Interest on the loan is payable @ 10.15 % p.a.

Letter of Credit Limit of Rs. 21.00 Crores from HDFC bank is secured by first charge on stock of raw material, stock in process, finished goods, consumables stores and spares, book debts, equitable mortgage. of factory land, P & M existing and future and further the loan is personal guarantee by all directors of the company and Mr Sunil Kataria, Anoop Kataria & Smt Sushila Devi Kataria .

Letter of Credit Limit of Rs. 17.00 Crores from ICICI bank is secured by first charge on stock of raw material, stock in process, finished goods, consumables stores and spares, book debts, equitable mortgage. of factory land, P & M existing and future and further the loan is personal guarantee by all directors of the company and Mr Sunil Kataria, Anoop Kataria & Smt Sushila Devi Kataria .

Channel Finance availed from Tata Capital is against purchase of wire rod from ESLSteel Ltd & JSPL. Which is against personal guarantee by all directors of the company and corporate guarantee of Ratlam wire Pvt Ltd.

All above Loans Guaranteed by Directors & Others.

NOTE – E

RESTATED STATEMENT OF TRADE PAYABLES

(Rs. in Lakhs)

Particulars	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Trade Payables				
Outstanding due to Micro and Small Enterprises (A)	65.36	119.89	1.82	0.58
Outstanding due to Creditors other than Micro and Small Enterprises (B)	348.35	184.28	324.97	419.47
Total (A+B)	413.70	304.17	326.79	420.05

1. Trade Payables ageing schedule as on 31.12.2023

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	
(i)MSME	65.36	-	-	-	65.36
(ii)Others	346.09	2.25	-	-	348.35
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

2. Trade Payables ageing schedule as on 31.03.2023

	Outstanding for following periods from due date of transaction	Total
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Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME	119.89	-	-	-	119.89
(ii)Others	184.24	0.04	-	-	184.28
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

3. 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	
(i)MSME	1.82	-	-	-	1.82
(ii)Others	323.82	1.14	-	-	324.97
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

4. 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	
(i)MSME	0.58	-	-	-	0.58
(ii)Others	419.41	0.06	-	-	419.47
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

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	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Other Current Liabilities				
Statutory Dues				
TDS/TCS Payable	17.54	35.18	20.50	26.96
GST Payable	10.60	7.60	4.42	3.65
Other Statutory Dues	1.01	2.55	2.59	1.30
Other Liabilities				
Advance received form Customers	199.05	102.40	82.77	104.93
Interest Accrued but not due	-	13.83	3.82	0.44
Total	228.20	161.57	114.10	137.27

NOTE – G

RESTATED STATEMENT OF SHORT-TERM PROVISIONS

(Rs. in Lakhs)

Particulars	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Short Term Provisions				

Provision for Audit Fees	-	1.08	0.99	0.88
Provision for CSR	-	-	-	-
Provision for Gratuity	12.07	7.12	0.21	0.51
Provision for Income Tax	89.86	15.47	30.21	39.05
Provision for Expense Payables	208.15	152.57	134.28	110.15
Total	310.08	176.25	165.68	150.60

NOTE – H
RESTATED STATEMENT OF FIXED ASSETS

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.2020	Additions	Sales/Transfer/Incentive from TRIFAC	As at 31.03.2021	As at 01.04.2020	Additions	Deletions	As at 31.03.2021	As at 31.03.2021	As at 31.03.2020
Property, Plant and Equipment										
Land	24.41	-	-	24.41	9.05	1.63	-	10.68	13.73	15.36
Land development	1.21	-	-	1.21	0.90	0.03	-	0.93	0.28	0.31
Factory Building	770.51	29.38	4.66	795.23	488.08	23.82	-	511.90	283.33	282.42
Plant and Machinery				-				-	-	-
Wire Division	3,144.44	588.91	237.46	3,495.89	745.95	397.53	-	1,143.48	2,352.41	2,398.49
Cable Division	746.99	-	83.21	663.78	658.85	13.26	77.77	594.33	69.44	88.14
Common Utility	80.28	-	-	80.28	74.93	0.60	-	75.53	4.75	5.35
Electric Installation	342.04	-	122.67	219.38	325.30	0.74	117.32	208.72	10.65	16.74
Testing Equipment	27.57	-	-	27.57	9.36	3.30	-	12.66	14.91	18.21
Spools & Cages	233.49	-	230.81	2.68	171.82	0.55	170.72	1.65	1.03	61.66
Office equipments	28.28	1.47	-	29.75	24.33	1.73	-	26.07	3.68	3.94
Furniture and fixtures	87.60	22.65	-	110.24	67.88	7.68	-	75.56	34.68	19.72
Veheical	63.76	-	-	63.76	34.27	8.80	-	43.07	20.69	29.49
Computer	22.89	1.55	-	24.44	21.09	0.65	-	21.75	2.69	1.79
Total	5,573.45	643.97	678.79	5,538.62	2,631.82	460.32	365.81	2,726.33	2,812.29	2,941.63

Capital work in progress (Wire Divison)

Particulars	As at 01.04.2020	Additions	Transfer from TRIFAC	As at 31.03.2021	As at 01.04.2020	Additions	Deletions	As at 31.03.2021	As at 31.03.2021	As at 31.03.2020
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Plant and Machinery	82.45	-	82.45	-	-	-	-	-	-	82.45
Furniture & Fixtures	19.34	-	19.34	-	-	-	-	-	-	19.34
	101.79	-	101.79	-	-	-	-	-	-	101.79
Grand Total	5,675.24	643.97	780.59	5,538.62	2,631.82	460.32	365.81	2,726.33	2,812.29	3,043.42
Previous Year	4,906.66	2,339.93	1,398.37	5,675.24	2,481.51	187.25	36.95	2,631.82	3,043.42	1,086.33

F.Y. 2021-22

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.2021	Additions	Sales/Transfer/Incentive from TRIFAC	As at 31.03.2022	As at 01.04.2021	Additions	Deletions	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
Property, Plant and Equipment										
Land	24.41	-	-	24.41	10.68	1.63	-	12.31	12.10	13.73
Land development	1.21	-	-	1.21	0.93	0.03	-	0.96	0.26	0.28
Factory Building	795.23	20.78	4.66	811.36	511.90	32.21	-	544.12	267.24	283.33
Plant and Machinery										
Wire Division	3,495.89	65.67	202.76	3,358.80	1,143.48	267.51	-	1,410.99	1,947.81	2,352.41
Cable Division	663.78	-	96.79	566.99	594.33	9.47	87.28	516.52	50.46	69.44
Common Utility	80.28	-	-	80.28	75.53	0.53	-	76.06	4.21	4.75
Electric Installation	219.38	-	-	219.38	208.72	0.37	-	209.09	10.29	10.65
Testing Equipment	27.57	-	-	27.57	12.66	2.70	-	15.36	12.20	14.91
Spools & Cages	2.68	-	-	2.68	1.65	0.50	-	2.15	0.53	1.03
Office equipments	29.75	1.13	-	30.87	26.07	1.22	-	27.29	3.58	3.68
Furniture and fixtures	110.24	9.06	-	119.31	75.56	8.48	-	84.04	35.26	34.68
Vehicle	63.76	-	-	63.76	43.07	6.43	-	49.49	14.27	20.69
Wind generation plant	-	150.68	-	150.68	-	26.23	-	26.23	124.45	-
Computer	24.44	3.79	-	28.23	21.75	2.23	-	23.98	4.25	2.69

Total	5,538.62	251.11	304.21	5,485.52	2,726.33	359.53	87.28	2,998.59	2,486.93	2,812.29
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Capital work in progress (Wire Division)

Particulars	As at 01.04.2021	Additions	Transfer to PPE	As at 31.03.2022	As at 01.04.2021	Additions	Deletions	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
Plant and Machinery	-	930.18		930.18	-				930.18	-
Factory Shed		17.14		17.14					17.14	
Furniture & Fixtures	-	6.48		6.48	-				6.48	-
	-	953.80	-	953.80	-	-	-	-	953.80	-
Grand Total	5,538.62	1,204.91	304.21	6,439.32	2,726.33	359.53	87.28	2,998.59	3,440.73	2,812.29
Previous Year	5,675.24	643.97	780.59	5,538.62	2,631.82	460.32	365.81	2,726.33	2,812.29	3,043.42

F.Y. 2022-2023

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.2022	Additions	Sales/Transfer/ Incentive from TRIFAC	As at 31.03.2023	As at 01.04.2022	Additions	Deletions	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
Property, Plant and Equipment										
Land	24.41	-	-	24.41	12.31	1.63	-	13.93	10.47	12.10
Land development	1.21	-	-	1.21	0.96	0.02	-	0.98	0.23	0.26
Factory Building	811.36	17.12	5.63	822.85	544.12	27.55	-	571.66	251.18	267.24
Shop at Varodara	-	30.19	-	30.19	-	-	-	-	30.19	-
Plant and Machinery										
Wire Division	3,358.80	1,333.41	293.45	4,398.75	1,410.99	286.02	-	1,697.01	2,701.75	1,947.81
Cable Division	566.99	-	118.43	448.56	516.52	6.27	109.02	413.78	34.78	50.46
Common Utility	80.28	-	-	80.28	76.06	-	-	76.06	4.21	4.21
Electric Installation	219.38	-	109.89	109.49	209.09	0.08	105.10	104.06	5.43	10.29
Testing Equipment	27.57	-	-	27.57	15.36	2.20	-	17.56	10.00	12.20
Spools & Cages	2.68	-	-	2.68	2.15	0.26	-	2.41	0.27	0.53
Office equipments	30.87	5.30	-	36.17	27.29	1.11	-	28.40	7.77	3.58
Furniture and fixtures	119.31	29.73	-	149.03	84.04	10.34	-	94.39	54.65	35.26
Vehecal	63.76	28.40	3.45	88.71	49.49	9.96	1.95	57.50	31.21	14.27
Wind	150.68	-	-	150.68	26.23	52.46	-	78.69	71.99	124.45

generation plant										
Computer	28.23	1.55	-	29.78	23.98	2.22	-	26.20	3.58	4.25
Total	5,485.52	1,445.69	530.85	6,400.35	2,998.59	400.12	216.08	3,182.63	3,217.72	2,486.93

Capital work in progress (Wire Division)

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Particulars	31.03.2023				01.04.2022				31.03.2023		31.03.2022	
	As at	Additions	Transfer to PPE	As at	As at	Additions	Deletions	As at	As at	As at	As at	
Plant and Machinery	930.18	446.45	930.18	446.45	-	-	-	-	446.45	-	930.18	
Factory Shed	17.14	62.04	17.14	62.04	-	-	-	-	62.04	-	17.14	
Furniture & Fixtures	6.48	-	6.48	-	-	-	-	-	-	-	6.48	
	953.81	508.49	953.81	508.49	-	-	-	-	508.49	-	953.81	
Total	6,439.32	1,954.18	1,484.66	6,908.84	2,998.59	400.12	216.08	3,182.63	3,726.21	-	3,440.73	
Previous Year	5,538.62	1,204.91	304.21	6,439.32	2,726.33	359.53	87.28	2,998.59	3,440.73	-	2,812.29	

F.Y. 2023-2024 (Up to 31.12.2023)

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.2023	Additions	Sales/Transfer/Incentive from TRIFAC	As at 31.12.2023	As at 01.04.2023	Additions	Deletions	As at 31.12.2023	As at 31.12.2023	As at 31.03.2023
Property, Plant and Equipment										
Land	24.41	-	-	24.41	13.93	1.22	-	15.16	9.25	10.47
Land development	1.21	-	-	1.21	0.98	0.02	-	1.00	0.22	0.23
Factory Building	822.85	84.42	4.66	902.61	571.66	23.55	-	595.22	307.39	251.18
Shop at Varodara	30.19	-	-	30.19	-	-	-	-	30.19	30.19
Shop at Surat	-	214.96	27.94	187.02	-	-	-	-	187.02	-
Plant and Machinery										
Wire Division	4,398.75	1,650.48	293.45	5,755.78	1,697.01	334.33	-	2,031.34	3,724.44	2,701.75
Cable Division	448.56	-	85.22	363.34	413.78	3.08	80.96	335.89	27.45	34.78
Common Utility	80.28	-	-	80.28	76.06	-	-	76.06	4.21	4.21
Electric Installation	109.49	-	-	109.49	104.06	0.04	-	104.10	5.39	5.43
Testing Equipment	27.57	-	-	27.57	17.56	1.35	-	18.91	8.66	10.00
Spools &	2.68	-	-	2.68	2.41	0.10	-	2.51	0.17	0.27

Cages										
Office equipments	36.17	2.97		39.14	28.40	1.04		29.44	9.70	7.77
Furniture and fixtures	149.03	3.47		152.50	94.39	10.04		104.42	48.08	54.65
Vehicle	88.71	21.48	12.52	97.67	57.50	10.53	11.53	56.50	41.17	31.21
Wind generation plant	150.68			150.68	78.69	39.34		118.03	32.64	71.99
Computer	29.78	2.94		32.71	26.20	2.05		28.25	4.46	3.58
Software		5.60		5.60		1.18		1.18	4.42	-
Total	6,400.35	1,986.32	423.79	7,962.88	3,182.63	427.87	92.48	3,518.02	4,444.87	3,217.72

Capital work in progress (Wire Division)

Particulars	As at 01.04.2022	Additions during the year	Transfer to PPE during the year	As at 31.03.2023	As at 01.04.2022	Additions during the year	Deletions during the year	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
Plant and Machinery	446.45	-	446.45	-	-	-	-	-	-	446.45
Factory Shed	62.04	-	62.04	-	-	-	-	-	-	62.04
Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-
Total	508.49	-	508.49	-	-	-	-	-	-	508.49
Previous Year	5,485.52	1,445.69	530.85	6,400.35	2,998.59	400.12	216.08	3,182.63	3,217.72	2,486.93

NOTE – I

RESTATED STATEMENT OF OTHER NON CURRENT ASSET

(Rs. in Lakhs)

Particulars	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Security Deposit :				
Ankit Gas Company Deposite	0.02	0.02	0.02	0.02
Rent Security Deposite	0.69	0.69	0.69	0.69
M.P.P.K.V.V.C. Limited (ESD)	163.97	124.84	110.79	63.76
M.P.P.K.V.V.C. H.T. Connection Limited (ESD)	10.69	4.69	5.21	5.64
Sales Tax Deposite	0.10	0.10	0.10	0.10
Telephone Deposite	0.23	0.23	0.23	0.23
Total	175.70	130.57	117.03	70.45

NOTE – J

RESTATED STATEMENT OF TRADE RECEIVABLES

(Rs. in Lakhs)

Particulars	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Trade Receivables				
Unsecured Considered good				
- Trade Receivables outstanding for a period exceeding six month from the due date of transaction	263.10	295.41	664.09	288.96

- Due from Director, Related parties/ Group Company etc.				
- Others	4,423.47	5,098.12	3,792.65	4,450.06
Unsecured Considered Doubtful				
- Trade Receivables outstanding for a period exceeding six month from the due date of transaction		-		
- Due from Director, Related parties/ Group Company etc.				
- Others				
Total	4,686.58	5,393.53	4,456.74	4,739.02

1. Trade Receivables ageing schedule AS AT 31.12.2023

Particulars	Outstanding for following periods from due date of payment/transaction					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	4,423.47	172.31	-	49.75	41.04	4,686.58
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

2. Trade Receivables ageing schedule AS AT 31.03.2023

Particulars	Outstanding for following periods from due date of payment/transaction					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	5,098.12	201.20	50.14	44.06	-	5,393.53
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

3. Trade Receivables ageing schedule AS AT 31.03.2022

Particulars	Outstanding for following periods from due date of payment/transaction					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	

(i) Undisputed Trade receivables – considered good	3,792.65	561.97	60.06	38.62	3.44	4,456.74
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

4. Trade Receivables ageing schedule AS AT 31.03.2021

Particulars	Outstanding for following periods from due date of payment/transaction					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	4,450.06	166.35	115.52	7.09	-	4,739.02
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

NOTE – K

RESTATED STATEMENT OF CASH & CASH EQUIVALENTS

(Rs. in Lakhs)

Particulars	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Cash and Cash Equivalents				
Cash on Hand	6.20	2.82	5.29	6.12
Balances with Banks				
In Current account with schedule bank	0.79	114.20	1.14	0.66
Fixed deposit with schedule bank	404.32	393.18	278.03	265.83
Total	411.31	510.20	284.46	272.61

NOTE – L

RESTATED STATEMENT OF INVENTORIES

(Rs. in Lakhs)

Particulars	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Stock of Raw Material and Stock in Trade				
Raw Material	1,078.79	3,137.67	1,425.22	789.12
Semi-Finished Goods	131.08	94.55	165.69	142.81
Finished Goods	1,062.87	429.45	298.03	216.81
Other Stock	210.64	97.42	1,453.53	878.85
Total	2,483.37	3,759.10	3,342.47	2,027.59

NOTE – M**RESTATED STATEMENT OF SHORT-TERM LOANS AND ADVANCES****(Rs. in Lakhs)**

Particulars	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Unsecured, Considered Good unless otherwise stated				
Advance to Suppliers	568.53	930.45	650.70	437.06
Advance to employees & others	4.82	5.36	15.88	3.08
Total	573.35	935.81	666.58	440.14

NOTE – N**RESTATED STATEMENT OF OTHER CURRENT ASSETS****(Rs. in Lakhs)**

Particulars	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Balance with Revenue Authorities				
Income Tax Refund	-	-	-	1.05
Deposit with government department	11.93	17.37	49.67	52.33
MP TRIFAC subsidy receivable	597.20	299.09	-	242.11
GST Receivable	35.96	235.50	407.62	47.51
Other Current Assets				
Prepaid Expense	37.68	33.92	11.82	12.42
Interest Receivable	15.41	17.44	10.07	72.78
Other loans and advances	0.82	-	-	-
IPO Exp	33.88	-	-	-
Total	732.88	603.31	479.18	428.21

NOTE – O**RESTATED STATEMENT OF REVENUE FROM OPERATIONS****(Rs. in Lakhs)**

Particulars	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Sale of products				
Manufactured Goods	24,837.35	32,863.20	24,708.68	15,626.60
Job work receipts	168.47	68.01	13.13	11.81
Traded Goods	1,086.24	50.52	133.14	173.06
Sale of Scrap	14.45	201.21	108.15	55.63
Sales of Power Generated through wind Mill	43.26	-	-	-
Total	26,149.78	33,182.94	24,963.10	15,867.10

NOTE – P**RESTATED STATEMENT OF OTHER INCOME****(Rs. in Lakhs)**

Particulars	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Interest earned on TD,SD and other	26.36	24.91	18.10	17.64
Interest earned from debtors	47.79	77.88	4.52	120.85
Profit on sale of Fixed Assets/ Spool & cages	5.99	87.96	37.93	122.45
Foreign Exchange fluctuation	2.55	6.81	3.89	-
Duty Drawback	19.51	12.59	21.37	-
Profit on Sale of Investment - Shop	13.96	-	-	-
Rental Income on House property (Shops at Surat and Vadodara)	38.09	-	-	-
Total	154.26	210.15	85.81	260.94

NOTE – Q**RESTATED STATEMENT OF COST OF MATERIAL CONSUMED****(Rs. in Lakhs)**

Particulars	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Opening Stock of Raw Material and packing	3,137.67	1,425.22	789.12	495.17
Add: Purchase of Materials	19,302.31	29,781.85	20,754.89	12,490.95
Less: Sales of Raw Material (Wire Rod)	140.29	9.63	-	-
Less: Closing stock of Raw Material and packing	1,078.79	3,137.67	1,425.22	789.12
Total	21,220.90	28,059.77	20,118.80	12,196.99

NOTE – R

RESTATED STATEMENT OF CHANGE IN INVENTORIES

(Rs. in Lakhs)

Particulars	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Opening Balance of Stock				
(i) Finished Goods	389.12	294.60	212.56	412.47
(ii) Work-in-progress	94.55	165.69	142.81	143.04
(iii) Scrap	40.33	3.44	4.24	7.02
(iv) Trading goods stock	10.00	-	-	-
Total	534.00	463.72	359.62	562.53
Less: Closing Balance of Stock				
(i) Finished Goods	1,020.77	389.12	294.60	212.56
(ii) Work-in-progress	131.08	94.55	165.69	142.81
(iii) Trading goods stock	99.94	10.00	-	-
(iv) Scrap	42.10	40.33	3.44	4.24
Total	1,293.88	534.00	463.72	359.62
Increase/(Decrease) in Stock	(759.89)	(70.28)	(104.10)	202.91

NOTE – S

RESTATED STATEMENT OF EMPLOYEE BENEFITS EXPENSE

(Rs. in Lakhs)

Particulars	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Salary, wages and other allowances	520.75	507.03	458.91	271.20
Contribution to provident fund	9.75	10.84	10.67	10.26
Contribution to employee state insurance	2.85	6.87	2.97	2.86
Staff and labour welfare	4.53	4.32	5.44	0.78
Bonus and Ex-gratia	30.50	15.28	14.85	8.66
Ex-gratia due to Covid-19	-	-	-	10.53
Group gratuity including Admin charges	2.73	6.92	2.23	(1.30)
Total	571.12	551.26	495.07	302.99

NOTE – T

RESTATED STATEMENT OF FINANCE COST

(Rs. in Lakhs)

Particulars	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Interest Exp.				
Interest on working capital	184.53	205.81	187.08	191.84
Interest on channel finance	7.98	44.73	60.99	31.25
Interest on Term Loan	88.99	115.85	139.95	117.63
Interest on Inter-corporate Loan	119.17	192.26	97.38	170.81
Other Borrowing Cost				
Bank Charges	12.85	57.94	61.57	69.77
LC charges on purchase	-	-	-	64.79
Bill discounting charges on sales	297.92	363.18	220.31	56.00
Total	711.45	979.77	767.29	702.09

NOTE – U

RESTATED STATEMENT OF DEPRECIATION & AMORTISATION

(Rs. in Lakhs)

Particulars	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Depreciation and Amortisation Expenses	427.87	400.12	359.53	460.32
Total	427.87	400.12	359.53	460.32

NOTE – V

RESTATED STATEMENT OF OTHER EXPENSES

(Rs. in Lakhs)

Particulars	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Manufacturing Expenses				
Power charges	885.17	1,000.63	785.57	539.06
Oil & Fuel Consumed	123.48	126.82	93.61	99.41
Repairs & Maintenance	112.96	145.38	137.61	80.16
Stores & Spares consumed	68.90	72.99	49.53	25.96
Factory Expense	12.19	15.74	9.95	13.99
Total (A)	1,202.70	1,361.56	1,076.27	758.57
Directors Remuneration				
To Directors	27.00	36.00	42.00	42.00
Total (B)	27.00	36.00	42.00	42.00
Administrative Expenses				
Travelling Expenses (Director)	2.24	2.92	3.91	1.00
Travelling Expenses (Other)	13.00	20.62	13.12	11.67
Vehicle running and maintenance	9.58	13.69	7.58	4.98
Printing and Stationery	1.64	2.71	0.56	1.39
Postage, Telegram and Telephone	3.42	4.30	3.38	3.10
Repairs and Maintenance				
Repairs to Buildings	-	4.93	-	-
Insurance	7.01	6.90	3.69	1.70
Interest on TDS	0.30	2.01	0.01	0.02
Legal & Professional	21.33	49.58	29.12	24.83
Auditor's Remuneration	2.65	3.27	2.73	2.11
Cost Audit Fee	0.70	-	-	-
Subscription and filing	1.09	18.93	2.62	7.91
office & Misc. expenses	23.19	25.06	22.99	14.24
Professional Tax	-	0.03	0.03	0.03
Computer operating expenses	0.69	1.65	0.70	0.46
Rent	2.86	3.38	1.51	0.50
Guest Entertainment expenses	3.56	5.80	3.93	2.26
Lease Rent	6.07	6.07	5.79	5.79
Donation-(CSR)	4.26	14.53	7.22	-
Wind Farm expenses	1.83	1.50	-	-
GST Late fees	-	-	0.43	0.31
Entry tax for earlier	-	-	-	1.41
Bad debts written off	-	-	35.39	-
GST Expenses	-	-	-	0.02
CST/VAT earlier years	-	47.26	78.55	40.89
Total (C)	105.40	235.11	223.25	124.63
Selling and Distribution Expenses				
Freight and forwarding expenses	680.07	942.67	842.32	500.49
Advertisement	4.00	0.63	3.94	0.64

Testing expenses	4.06	7.48	12.53	1.27
Tender expenses	-	-	0.21	0.06
Commission on sale	2.30	4.29	10.55	3.61
Sales promotion charges	5.56	8.54	1.09	0.80
Marking Fees (BIS)	5.70	1.08	10.22	8.29
Total (D)	701.69	964.68	880.86	515.16
Total(A+B+C+D)	2,036.79	2,597.36	2,222.38	1,440.35

NOTE – W

RESTATED SUMMARY STATEMENT OF CONTINGENT LIABILITIES

(Rs. in Lakhs)

Particulars	As at			
	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Contingent liabilities in respect of:				
Claims against the company not acknowledged as debts (TDS Defaults)*	0.71	0.52	0.44	0.42
Guarantees given on Behalf of the Company	-	-	-	-
Guarantees given on Behalf of the Subsidiary Company	-	-	-	-
Other moneys for which the company is contingently liable	-	-	-	-
Commitments (to the extent not provided for)	-	-	-	-
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-	-
Uncalled liability on shares and other investments partly paid	-	-	-	-
Other commitments	-	-	-	-
Total	0.71	0.52	0.44	0.42

* As of 31.12.2023, Balance of Claims against the company not acknowledged as debts (TDS Defaults) is Rs. 70,610. This balance has increased as a result of an increase in outstanding demand of Rs. 18,720 during the FY 23-24 till 31.12.2023.

NOTE – X

RESTATED STATEMENT OF RELATED PARTY TRANSACTIONS

(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	Mr Madanlal Kataria	Key Managerial Person
2	Mr Arun Kataria	Key Managerial Person
3	Mr Yash Kataria	Relative of Key Managerial Person
4	Kataria Wires Pvt. Ltd.	Entity in which KMP are interested
5	Utkarsh Land Developers Ltd	Entity in which KMP are interested
6	Kataria steel and Alloys Pvt. Ltd.	Entity in which KMP are interested
7	Ratlam Wires Pvt.Ltd.	Entity in which KMP are interested
8	Sonic Fiscal Services Pvt.Ltd.	Entity in which KMP are interested
9	Shree Jalaram Metal Pvt Ltd	Entity in which KMP are interested
10	D.P.Industries	Entity in which KMP are interested

(b) Transaction with related Parties :-

(Rs. In Lakhs)

SI No.	Particulars	For the financial year/period ended			
		31.12.2023	31.03.2023	31.03.2022	31.03.2021

1	Remuneration Paid to Directors				
i)	Mr Madanlal Kataria	13.50	18.00	18.00	18.00
ii)	Mr Arun Kataria	13.50	18.00	24.00	24.00
2	Salary				
i)	Mr Yash Kataria	7.65	9.10	-	-
3	Capital Transaction				
i)	Kataria Wires Pvt Ltd	-	-	150.68	-
ii)	DP Industries	-	84.37	-	-
4	Sales				
i)	Kataria Wires Pvt Ltd	-	763.58	382.76	-
ii)	Ratlam Wires Pvt.Ltd.	-	371.70	2.62	-
5	Purchase of Goods				
i)	Kataria Wires Pvt Ltd	-	-	180.78	513.55
ii)	Ratlam Wires Pvt.Ltd.	213.58	16.52	1,593.48	708.56
6	Job Work Charges Received				
i)	Kataria Wires Pvt Ltd	-	-	14.95	-
ii)	Ratlam Wires Pvt.Ltd.	168.47	80.25	0.55	-
7	Interest Received				
i)	Ratlam Wires Pvt.Ltd.	-	1.79	-	-
8	Interest Paid				
i)	Kataria Wires Pvt Ltd	-	90.19	42.05	65.63
ii)	Utkarsh Land Developers Ltd	2.12	8.06	3.42	8.56
iii)	Kataria steel and Alloys Pvt. Ltd.	-	6.14	0.23	-
iv)	Shree Jalaram Metal Pvt Ltd	4.65	17.74	16.83	15.95
v)	Ratlam Wires Pvt.Ltd.	27.76	-	1.70	3.45
vi)	Sonic Fiscal Services Pvt.Ltd	-	0.19	5.23	5.96
9	Loan Taken by the Company				
i)	Kataria Wires Pvt. Ltd.	-	2,565.02	3,320.52	1,857.59
ii)	Utkarsh Land Developers Ltd	-	-	131.00	-
iii)	Kataria steel and Alloys Pvt. Ltd.	-	11.50	98.20	-
iv)	Ratlam Wires Pvt.Ltd.	4,763.67	2,313.45	1,102.79	1,230.00
v)	Sonic Fiscal Services Pvt.Ltd.	-	-	-	-
vi)	Shree Jalaram Metal Pvt Ltd	-	-	-	-
10	Loan Paid back by the Company				
i)	Kataria Wires Pvt. Ltd.	4,798.80	3,475.59	3,257.46	1,693.99
ii)	Utkarsh Land Developers Ltd	144.07	-	130.00	-
iii)	Kataria steel and Alloys Pvt. Ltd.	-	0.87	-	-
iv)	Ratlam Wires Pvt.Ltd.	-	2,486.08	954.24	1,218.27
v)	Sonic Fiscal Services Pvt.Ltd.	-	5.55	90.00	-
vi)	Shree Jalaram Metal Pvt Ltd	317.17	-	-	-
11	Balance Outstanding (Liability)				
i)	Kataria Wires Pvt. Ltd.	-	155.62	985.02	884.12
ii)	Utkarsh Land Developers Ltd	-	141.52	134.27	130.20
iii)	Kataria steel and Alloys Pvt. Ltd.	-	114.56	98.40	-
iv)	Ratlam Wires Pvt. Ltd.	335.06	-	174.24	24.17
v)	Sonic Fiscal Services Pvt. Ltd.	-	-	5.38	90.67
vi)	Shree Jalaram Metal Pvt Ltd	-	311.58	295.62	280.47

NOTE – Y

RESTATED STATEMENT OF TAX SHELTER

(Rs. In Lakhs)

Particulars	As at
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	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Restated profit before tax as per books (A)	1,058.42	827.98	1,065.65	657.52
Tax Rates				
Income Tax Rate (%)	27.82%	27.82%	29.12%	27.82%
Minimum Alternative Tax Rate (%)	16.69%	16.69%	17.47%	16.69%
Adjustments :				
Other Allowed Items	19.96	87.96	37.93	136.25
Disallowed	7.29	23.52	7.23	0.32
Timing Difference ©				
Book Depreciation	427.87	400.60	359.53	460.32
Income Tax Depreciation allowed	618.93	646.19	370.56	655.12
Total Timing Difference	(191.07)	(245.58)	(11.03)	(194.80)
Net Adjustment D= (B+C)	(203.74)	(310.02)	(41.73)	(330.73)
Tax Expenses				-
Income from Capital Gains (E)	13.9643			-
Income from Other Sources				
Bank Interest			-	-
Interest Received on I.Tax Refund			-	-
Deduction under chapter VI (H)			-	33.97
Taxable Income/(Loss) (A+D+E+G+H)	868.64	517.96	1023.92	292.82
Income Tax on Above	241.66	144.10	298.17	81.46
MAT Credit Adjusted			111.98	
Net Income Tax on Above	241.66	144.10	186.19	81.46
MAT on Book Profit		138.19	186.17	109.74
Tax paid as per normal or MAT	Normal	Normal	Normal	MAT
Interest Payable	-	1.42	5.18	4.47
Total Provision for Tax	241.66	145.52	303.35	114.21

NOTE - Z

CAPITALISATION STATEMENT

(Amt. Rs. in Lacs)

Particulars	Pre Issue	Post Issue
Borrowings		
Short term debt (A)	5708.06	*
Long Term Debt (B)	2310.02	*
Total debts (C)	8018.08	*
Shareholders' funds		
Equity share capital	264.11	*
Reserve and surplus - as restated	2,783.19	*
Total shareholders' funds	3,047.30	*
Long term debt / shareholders' funds (in Rs.)	0.76	*
Total debt / shareholders' funds (in Rs.)	2.63	*

*The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

NOTE – AA

RESTATED STATEMENT OF MANDATORY ACCOUNTING RATIOS

(Rs. in Lakhs except Per Share Data)

Particulars	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Net Worth (A)	4,333.99	3,584.16	2,806.33	2,067.99
Adjusted Profit after Tax (B)	783.72	777.83	738.34	500.58

Number of Equity Share outstanding as on the End of Year (C)	1,58,46,834	26,41,139	26,41,139	26,41,139
Weighted average no of Equity shares at the End of the Year (D)	1,58,46,834	1,58,46,834	1,58,46,834	1,58,46,834
Face Value per Share				
Restated Basic Earnings Per Share (Rs.) (B/D)	4.95	4.91	4.66	3.16
Restated Diluted Earnings Per Share (Rs.) (B/D)	4.95	4.91	4.66	3.16
Return on Net worth (%) (B/A)	18.08%	21.70%	26.31%	24.21%
Net asset value per share (A/C) (Face Value of Rs. 10 Each) (Based on Actual Number of Shares)	27.35	135.71	106.25	78.30
Net asset value per share (A/D) (Face Value of Rs. 10 Each) (Based on Weighted Average Number of Shares)	27.35	22.62	17.71	13.05
EBITDA	1,732.70	1,576.61	1,824.78	1,368.43

Note:

1) 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

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.

3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).

4) The figures disclosed above are based on the restated summary statements of the Company.

5) EBITDA has been calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

NOTE NO. AB

Restated Statement of Other Disclosures as per Schedule-III of the Companies Act, 2013

1. Value of imports calculated on C.I.F basis by the company during the financial year in respect of

Particulars	As at 31 December 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
i) Raw materials	-	-	-	138.36
TOTAL	-	-	-	138.36

2. Expenditure in foreign currency during the financial year

Particulars	As at 31 December 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
i) Raw Material Purchase Expense	-	-	-	138.36

TOTAL	-	-	-	138.36
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3. Earnings in foreign exchange

Particulars	As at 31 December 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
i) Export of goods		-	-	-
TOTAL		-	-	-

4. Auditors' Remuneration

Particulars	As at 31 December 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
i) For Audit Fees	0.90	1.20	1.10	0.95
ii) For Other Services	1.75	2.07	1.63	1.16
TOTAL	2.65	3.27	2.73	2.11

5. Foreign Exchange exposure as on year end are as under:

Particulars	As at 31 December 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
i) Amount Receivable		-	-	-
ii) Advance received for supply of goods		-	-	-
TOTAL	-	-	-	-

6. 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:

Particulars	As at 31 December 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
i) Gross amount required to be spent by the company		13.40	7.97	-
ii) Amount spent are as under:				
a) Construction / Acquisition of Assets				
- In cash				-
- Yet to be paid				-
b) On purpose other than (a) above		14.46	6.85	
- In cash				-
- Yet to be paid				-
iii) Disclosure of unspent amount				
Opening Balance	0.06	1.12		-
Amount deposited in Specified Fund of Sch. VII*				-
Amount required to be spent during the year				-
Amount spent during the year				
Closing Balance	0.06	0.06	1.12	-

NOTE – AC

RATIO ANALYSIS AND ITS ELEMENTS

(Rs. in Lakhs except Per Share Data)

Particulars	Note	31-12-2023	31-03-2023	31-03-2022	Particulars
1. Current Ratio	1	1.33	1.38	1.41	1.18
2. Debt Equity Ratio	2	1.84	2.98	3.26	3.84
3. Debt Service Coverage Ratio	3	0.29	0.20	0.15	0.22
4. Return On Equity Ratio	4	19.71%	24.34%	30.30%	27.56%
5. Inventory Turnover ratio	5	6.56	7.88	7.45	7.51
6. Trade Receivable Turnover Ratio	6	5.19	6.74	5.43	3.63
7. Trade Payable Turnover Ratio	7	53.78	94.40	55.58	40.53
8. Net Capital Turnover Ratio	8	9.84	11.48	12.87	32.28
9. Net Profit Ratio	9	3.00%	2.34%	2.96%	3.15%
10. Return on Capital Employed	10	21.19%	9.31%	12.23%	11.29%
11. Return On Investment	11	0.00%	0.00%	0.00%	0.00%

MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey management’s perspective on our financial condition and results of operations for the period ended on December 31, 2023 and for the year ended on March 31, 2023, March 31, 2022 and March 31, 2021. You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Draft Red Herring Prospectus. You should also read the section entitled “*Risk Factors*” beginning on page 19 of this Draft Red Herring Prospectus, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and, is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year (“Fiscal Year”) are to the twelve-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to “we”, “us” or “our” refers to Kataria Industries Limited, our Company. Unless otherwise indicated, financial information included herein are based on our “*Restated Financial Statements*” for period ended on December 31, 2023 and for the Financial Years 2022-23, 2021-22, and 2020-21 included in this Draft Red Herring Prospectus beginning on page 142 of this Draft Red Herring Prospectus.

BUSINESS OVERVIEW

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR:

After the date of last financial period i.e. December 31 ,2023, there is no any significant development occurred in the Company except mentioned below. .

KEY FACTORS AFFECTING THE RESULTS OF OPERATION:

Our Company’s future results of operations could be affected potentially by the following factors:

1. Changes in Laws and Regulations that apply to our Industry.
2. Changes in Fiscal, Economic or Political conditions in India
3. Failure to adapt the changing technology in our industry of operation may adversely affect our business
4. Failure to comply with regulations prescribed by authorities of the jurisdiction in which we operate
5. Competition with existing and new entrants.
6. Any slowdown or shutdown in our manufacturing operations or strikes, work stoppages or increased wage demands by our employees that could interfere with our operations.
7. Our ability to retain our key managements persons and other employees;
8. Company’s ability to successfully implement its growth strategy and expansion plans;
9. Failure to comply with the quality standards and requirements of our customers
10. Our inability to get the raw material at competitive price and transfer the upward revision in the price of raw material to the customers.

OUR SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer Significant Accounting Policies, “Annexure IV” beginning under Chapter titled “Restated Financial Information” beginning on page 142 of the Draft Red Herring Prospectus.

Financial performance of the stub period for the period ended on December 31, 2023

(₹ in lakhs)

Income from continuing operations	Amount	%
Revenue from operations		
Revenue from operations	26149.78	99.41
Total	26149.78	
Other Income	154.26	0.59

Total Revenue	26,304.04	
Expenses		
Cost of Material Consumed	21,498.4	81.73
Change in Inventory		
Employee benefits expense	571.12	2.17
Finance Costs	711.45	2.70
Other expenses	2,036.79	7.74
Depreciation and amortization expenses	427.87	1.63
Total Expenses	25,245.63	95.98
Restated profit before tax from continuing operations	1,058.41	4.02
Total tax expense	274.70	
Restated profit after tax from continuing operations (A)	783.72	2.98
EBDITA	2,197.73	8.40

Standalone Financial Performance

Total Income from Operations

The Total income from the operation for the stub period ended on December 31, 2023, was ₹26,304.04 Lacs which includes revenue from operation of ₹26,149.78 lacs and other income of ₹154.26 lacs. The other Income includes Interest earned from the trade receivables on account of late payment of ₹47.79 lacs and the Rental income of ₹38.09 lacs. The Company had purchased the Shops in surat in the month of April 2023 and offices in Vadodara in the month of January 2023.

Total Expenditure

The total expenditure for stub period ended on December 31, 2023 was ₹25245.63 lacs which is 95.98 % of the total revenue for the stub period. The major expenditure which is part of the total expenditure is Cost of Material Consumed of ₹21498.40 lacs (81.73%), Employee Benefit Expenses of ₹571.12 lacs (2.17%) and other Expenses of ₹2036.79 lacs (7.74%).

EBDITA

The EBDITA for the stub period was ₹2197.73 Lacs representing 8.40% of total Revenue.

Profit after Tax

The profit after Tax for the stub period was ₹783.71 lacs representing to 2.98 % of the total revenue.

RESULTS OF KEY OPERATIONS

(₹ in lakhs)

Particulars	For the year ended on		
	31.03.2023	31.03.2022	31.03.2021
Income from continuing operations			
Revenue from operations	33,182.94	24,963.10	15,867.10
Total Revenue	33,182.94	24,963.10	15,867.10
% of growth	32.93	57.33	
Other Income	210.15	85.81	260.94
% total Revenue	0.63	0.34	1.62
Total Revenue	33,393.09	25,048.91	16,128.04
% total revenue	33.31	55.31	
Expenses			
Cost of Material Consumed	28,036.60	20,139.00	12564.46

% of Revenue from operations	84.49	80.68	79.19
Employee benefits expense	551.26	495.07	302.99
% Increase/(Decrease)	11.35	63.39	
Finance Costs	979.77	767.29	702.09
% Increase/(Decrease)	27.69	9.29	
Other expenses	2,597.36	2,222.38	1,440.35
% Increase/(Decrease)	16.87	54.29	
Depreciation and amortisation expenses	400.12	359.53	460.32
% Increase/(Decrease)	11.29	(21.90)	
Total Expenses	32,565.11	23,983.27	15,470.21
% to total revenue	97.52	95.75	95.92
EBDITA	2,207.87	2,192.46	1,819.94
% to total revenue	6.61	8.75	11.28
Restated profit before tax from continuing operations	827.98	1,065.64	657.53
Exceptional Item			
Total tax expense	50.15	327.31	156.94
Restated profit after tax from continuing operations (A)	777.83	738.33	500.59
% to total revenue	2.33	2.95	3.10

COMPARISON OF F.Y. 2022-23 WITH F.Y. 2021-22:

Income from Operations

We are engaged in the manufacturing and supply of LRPC Steel Strands, Spring Steel Wires, Pre-stressed Concrete (PC) Wires and Strands, GI Wires and Strands and various other Steel Wire Products, HDPE Single Wall Corrugated (SWC) Sheathing Ducts, Anchor Cone, Anchor Head, Wedges In the F.Y. 2022-23, the Company's total revenue was ₹33182.94 Lakhs, which is increased by 32.93 % in compare to Total Revenue from operations of ₹24963.10 Lakhs in F.Y. 2021-22. The income has been increased on account of starting of PTS Division in the year 2022-23 which had increased the Revenue of the Company.

Expenditure:

Cost of Material Consumed

The Cost of Material Consumed after adjusting the change in inventory for F.Y. 2022-23 was ₹28036.60 Lakhs against the cost of Material Consumed of ₹2-139.00 Lakhs in F.Y. 2021-22. The cost of material consumed was 84.49 % of the total revenue from operations in F.Y 2022-23 as against 80.68 % of total revenue from Operations in F.Y 2021-22. The increase in the Cost of Material in terms of percentage is on account of addition of PTS Division

Employee Benefits Expenses:

The Employee expenses for F.Y. 2022-23 was ₹551.26 Lakhs against the expenses of ₹495.07 Lakhs in F.Y. 2021-22 showing increase by 11.35%. The increase in the employee cost is increase of the staff to cope up with the increase in business volume. The number of employees in FY 2022-23 were 71 as compared to 68 number of employees in FY 2021-22.

Finance Cost:

The Finance Cost for the F.Y. 2022-23 was ₹979.77 Lakhs against the cost of ₹767.29 Lakhs in the F.Y. 2021-22 showing increase of 27.69%. The fiancé cost has been increased on account of growth of business and for the growth of business, the Company had utilized more working capital limit from the HDFC Bank Limited.

Other Expenses

Other Expenses increased to ₹2597.36 Lakhs for F.Y. 2022-23 against ₹2222.38 Lakhs in F.Y. 2021-22 showing increase of 16.87 %. The major expenditure in other expenses was Power charges which was ₹1000.63 lacs in FY 2022-23 against ₹785.57 lacs in FY 2021-22, freight and forwarding expenses which was ₹942.67

lacs in FY 2022-23 against the ₹842.32 lacs in FY 2021-22. Due to increase in the business of the Company the company had incurred major expenses towards the freight and forwarding chares and it result in to increase of expenditure by 16.87%

Depreciation and Amortisation Expenses:

The Depreciation for F.Y. 2022-23 was ₹400.12 Lakhs as compared to ₹359.53 Lakhs for F.Y. 2021-22. The depreciation was increased by 11.297 % in F.Y. 2022-23 as compared to F.Y. 2021-22. The depreciation in FY 2022-23 was increased on account of increase of fixed assets by ₹1445.69 lacs in the FY 2022-23.

EBIDTA

The EBIDTA for F.Y. 2022-23 was ₹2207.87 Lakhs as compared to ₹2192.46 Lakhs for F.Y. 2021-22, because of an increase in the business of the company by 32.93 % in FY 2022-23 as compared to FY 2021-22. The EBIDTA was 6.61 % of total Revenue as compared to 8.75 % in F.Y. 2021-22. The EBIDTA was not increased substantially though the business has increased by 32.37 % on account of increase in the cost of material in FY 2022-23 as compared to FY 2021-22. The cost of material consumed was 84.49 % of the total revenue from operations in F.Y 2022-23 as against 80.68 % of total revenue from Operations in F.Y 2021-22.

Profit after Tax (PAT)

PAT is ₹777.83 Lakhs for the F.Y. 2022-23 in compared to ₹738.337 Lakhs in F.Y. 2021-22. The PAT was 2.33 % of total revenue in F.Y. 2022-23 compared to 2.95 % of total revenue in F.Y. 2021-22. The PAT Percentage was decreased in FY 2022-23 as compared to FY 2021-22 though the business of the Company has increased by 32.93 % on account of increase in material cost in FY 2022-23.

COMPARISON OF F.Y. 2021-22 WITH F.Y. 2020-21:

Income from Operations

We are engaged in the manufacturing and supply of LRPC Steel Strands, Spring Steel Wires, Pre-stressed Concrete (PC) Wires and Strands, GI Wires and Strands and various other Steel Wire Products, HDPE Single Wall Corrugated (SWC) Sheathing Ducts, Anchor Cone, Anchor Head, Wedges. In F.Y. 2021-22, the Company’s total revenue was ₹24963.10 Lakhs, which is increased by 57.33% in comparison of total Income of ₹15867.10 Lakhs in F.Y. 2020-21. The business of the Company was increased on account of increase of installed capacity and better utilization of installed capacity of the plant. The table below will justify the increase of business by 57.33 %

Name of Product	Particulars	2020-21	2021-22	2022-23	Apr-Dec 2023
Wire Division					
LRPC Stranded Wire	Installed Capacity In MT	23000.00	38000.00	45000.00	33750.00
	Utilised Capacity In MT	22364.378	32943.035	41478.69	28604.399
	Capacity Utilization In (%)	97.24%	86.69%	92.22%	84.75%
Conductor Division					
Aluminium Conductor	Installed Capacity In MT	9000.00	9000.00	9000.00	6750.00
	Utilised Capacity In MT	818.09	530.206	812.835	1707.549
	Capacity Utilization In (%)	9.09%	5.89%	9.03%	25.30%

Expenditure:

Cost of Material Consumed

The Cost of Material Consumed after adjusting the change in inventory the for F.Y. 2021-22 was ₹20139.00 Lakhs against the cost of Material Consumed of ₹12564.46 Lakhs in F.Y. 2020-21. The cost of material consumed was 80.68 % of the total revenue from operations in F.Y 2021-22 as against 79.19 % of total revenue from Operations in F.Y 2020-21. The increase in cost of raw material consumed is on account of increase in prices of major raw materials.

Employee Benefits Expenses:

The Employee expenses for F.Y. 2021-22 was ₹495.07 Lakhs against the expenses of ₹302.99 Lakhs in F.Y. 2020-21 showing increase by 63.39% The increase in the employee expenses was on account of increment in the salary of the employees, increase of number of employees on account of enhancement of installed capacity. The number of employees in FY 2021-22 were 68 as compared to 71 number of employees in FY 2020-21.

Finance Cost:

The Finance Cost for F.Y. 2021-22 was ₹767.29 Lakhs against the cost of ₹702.09 Lakhs in the F.Y. 2020-21 showing an increase of 9.29 %. The increase in cost of finance is on account of increase in the borrowings.

Other Expenses

Other Expenses increased to ₹2222.38 lakhs for F.Y. 2021-22 against ₹1440.35 Lakhs in F.Y. 2020-21 showing increase of 54.29 %. The major expenditure in other expenses was Power charges which was ₹785.57 lacs in FY 2021-22 against ₹539.06 lacs in FY 2020-21, freight and forwarding expenses which was ₹842.32 lacs in FY 2021-22 against the ₹500.49 lacs in FY 2020-21. Due to increase in the utilization of installed capacity the power cost is increased in FY 021-22 and on account of increase of revenue the freight and forwarding expenses in the FY 2021-22 were increased.

Depreciation and Amortisation Expenses:

The Depreciation for F.Y. 2021-22 was ₹359.53 Lakhs as compared to ₹460.32 Lakhs for F.Y. 2020-21. The depreciation was decreased by 21.90 % in F.Y. 2021-22 as compared to F.Y. 2020-21. The depreciation in FY 2021-22 was decreased on account of sale of plant and Machinery worth ₹202.76 lacs of wire division in the FY 2021-22.

EBIDTA

The EBIDTA for F.Y. 2021-22 was ₹2192.46 Lakhs as compared to ₹1819.94 Lakhs for F.Y. 2020-21. The EBIDTA was 8.75 % in FY 2021-22 of total Revenue as compared to 11.28 % in FY 2020-21. The reason for reduction of EBDIITA year on year is beacuse of increase in the cost of material in FY 2021-22 as compared to FY 2020-21. The cost of material consumed was 80.68% of the total revenue from operations in F.Y 2021-22 as against 79.19% of total revenue from Operations in F.Y 2020-21.

Profit after Tax (PAT)

PAT is ₹738.33 Lakhs for F.Y. 2021-22 as compared to ₹500.59 Lakhs in F.Y. 2020-21. The PAT was 2.95 % of total revenue in F.Y. 2021-22 compared to 3.10% of total revenue in F.Y. 2020-21. The PAT margin was decreased on account of increase in the cost of material and employee benefit expenses.

CASH FLOW

(₹.in Lacs)

Particulars	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Net cash from Operating Activities	4436.01	237.87	553.69	228.76
Net cash flow from Investing Activities	(1145.33)	(586.27)	(978.53)	(159.54)
Net Cash Flow Financing Activities	(3389.57)	574.14	436.69	(102.35)

Cash flow December 31, 2023

The company had positive cash flow from operating activities amounting to ₹4436.01 lacs. The positive cash flow from operating activities before the change in working capital was ₹2103.62 lacs due to profit earned by the Company and adjustment of depreciation and interest Expenses. The cash flow from working capital changes of ₹2573.35 were on account of reduction of Inventory, reduction of the trade receivables and availing more credit from the suppliers.

Net cash used in Investing activities was ₹1145.33 lacs primarily on account of purchase of plant and machinery of ₹1179.72 lacs, purchase of investment of ₹45.13 lacs, and ₹53.13 lacs received from the sale of Investment and Interest income of ₹26.36 lacs.

Net Cash used in Financing Activities was 3389.57 lacs primarily on account of Decrease of long term borrowings of ₹913.43 lacs, Short term Borrowing of ₹1764.70 lacs and the serving of interest amount of ₹711.45 lacs

Cash flow March 31, 2023

The company had positive cash flow from operating activities amounting to ₹237.87 lacs. The positive cash flow from operating activities before the change in working capital was ₹ 2017.13 lacs due to profit earned by the Company and adjustment of depreciation and interest Expenses. The cash outflow from working capital changes of ₹1633.49 lacs were on account of increase of inventory, increase of trade receivables , increase of short term loans, increase of other Current Assets and decrease of trade payables.

Net cash used in Investing activities was ₹586.27 lacs primarily on account of purchase of plant and machinery of ₹1000.37 lacs, purchase of investment of ₹13.54 lacs, receipt of subsidy of ₹299.09 lacs and sale of fixed assets 103.64 lacs.

The Company had borrowed long term borrowing of ₹12.51 lacs and Short term Borrowing of ₹1541.40 lacs invested in working capital and used the funds for serving interest amount of ₹979.77 lacs

Cash flow March 31, 2022

The company had positive cash flow from operating activities amounting to ₹553.69 lacs. The positive cash flow from operating activities before the change in working capital was ₹ 2131.91 lacs due to profit earned by the Company and adjustment of depreciation and interest Expenses. The cash outflow from working capital changes of ₹1406.82 lacs were on account of increase of inventory, increase of short-term loans, increase of other Current Assets and decrease of trade payables as well as decrease of trade Receivables.

Net cash used in Investing activities was ₹978.53 lacs primarily on account of purchase of plant and machinery of ₹1204.91 lacs, purchase of investment of ₹46.58 lacs, receipt of subsidy of ₹207.42 lacs and sale of fixed assets 47.45 lacs.

Net Cash used in Financing Activity was ₹436.69 lacs primarily on account of increase Long Term Borrowings of ₹1283.48 lacs for financing purchase of fixed assets, serving of interest of ₹767.29 lacs and repayment of short term borrowings of ₹79.51 lacs

Cash flow March 31, 2021

The company had positive cash flow from operating activities amounting to ₹228.76 lacs. The positive cash flow from operating activities before the change in working capital was ₹ 1558.99 lacs due to profit earned by the Company and adjustment of depreciation and interest Expenses. The cash outflow from working capital changes of ₹1216.02 lacs were on account of increase of inventory, increase of trade Receivables, increase of short term loans, and increase of trade payables as well as Decrease of current assets.

Net cash used in Investing activities was ₹159.54 lacs primarily on account of purchase of plant and machinery of ₹542.17 lacs, purchase of investment of ₹70.45 lacs, receipt of subsidy of 242.11 lacs and sale of fixed assets ₹193.32 lacs.

Net Cash used in Financing Activity was ₹102.35 lacs primarily on account of increase Long Term Borrowings of ₹690.47 lacs for financing purchase of fixed assets, serving of interest of ₹702.09 lacs and repayment of short-term borrowings of ₹90.73 lacs

Information required as per Item 11 (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:

1. Unusual or infrequent events or transactions

To our knowledge there have been no unusual or infrequent events or transactions that have taken place during the last three years

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in 'Factors Affecting our Results of Operations' and the uncertainties described in the section entitled "*Risk Factors*" beginning on page 19 of this Draft Red

Herring Prospectus. To our knowledge, except as we have described in this Draft Red Herring Prospectus, there are no known factors which we expect to bring about significant economic changes.

3. Income and Sales on account of major product/main activities

Income and sales of our Company on account of major activities derives from manufacturing of Four (4) main segment: 1. Different types of Wire Production 2. LRPC Strands 3. PT Accessories and 4. Aluminum Conductor.

4. Whether the company has followed any unorthodox procedure for recording sales and revenues

Our Company has not followed any unorthodox procedure for recording sales and revenues.

5. 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 titled "*Risk Factors*" beginning on page 19 in this Draft 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.

6. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.

Increases in revenues are by and large linked to increases in volume of business.

7. Total turnover of each major industry segment in which the issuer company operated.

The Company is in the business of manufacturing activity, the relevant industry data, as available, has been included in the chapter titled "*Industry Overview*" beginning on page no 77 of this Draft Red Herring Prospectus.

8. Status of any publicly announced new products or business segment.

Our Company has not announced any new services or business segment.

9. The extent to which business is seasonal.

Our business is not seasonal.

10. Any significant dependence on a single or few suppliers or customers.

Our Company is dependent on few customers for the business of the Company. The top 5 customers contribute 32.90% and 49.53%, 49.46% and 37.30% of the total contract receipt for the period ended on December 31, 2023 and for the FY 2023, 2022 and 2021 respectively. The Company is not dependent on few suppliers for its requirement.

11. Competitive conditions.

Competitive conditions are as described under the Chapters titled "*Industry Overview*" and "*Business Overview*" beginning on pages 77 and 89, respectively of this Draft Red Herring Prospectus.

FINANCIAL INDEBTEDNESS

1. SECURED LOANS

Name of the Lender	Credit Facility	Sanctioned Amount (Rs. in Lakhs)	Outstanding Amount as on December 31,2023 (₹. in Lakhs)	Interest Rate per Annum (Interest Rates are linked to Reference Rate.	Repayment Terms
ICICI Bank Limited (100619772)	ECLGS	123.50	123.27	The rate of interest for each drawal of the Facility will be stipulated by the Bank at the time of disbursement of each drawal, which shall be sum of the I-EBLR*+ “Spread” per annum (subject to an overall cap of 9.25%), plus applicable statutory levy, if any (“Interest Rate”). The applicable I-EBLR shall be the rate prevailing one Business Day preceding the date of each drawal. As on date the I-EBLR is 9.10% and Spread is 0.10%.	5 Years including Moratorium period of 2 Years

Special Conditions

- The Borrower shall not raise any debt, except facilities under ECLGS, without prior permission of ICICI Bank, till any monies under the Facility are outstanding.
- The Facility shall rank second charge with existing facilities of ICICI Bank in terms of cash flows (including repayment).
- The Borrower shall ensure that its foreign currency exposures, if any, are suitably hedged to the satisfaction of ICICI Bank (including without limitation, pursuant to a suitably authorised risk management policy as may be required by applicable law)

Additional Interest Rate

1. Default in payment / repayment

Applicable Interest Rate + 2% over and above the Applicable Interest Rate from the date of default till the date of payment/ repayment. In the event the payment default continues beyond 90 days, the Additional Interest Rate would be increased to Applicable Interest Rate +6% with retrospective effect (i.e., from the date of default in payment).

2. Noncompliance of Facility terms and conditions Breach of financial covenants

For the first 15 days of the breach: Nil

Breach continuing beyond 15 days: 1% p.a. over and above the Applicable Interest Rate on the Facility

3. Non-Compliance of sanction terms pertaining to Security Creation

Applicable Interest Rate + 2% over and above the Applicable Interest Rate from the date of default

Name of the Lender	Credit Facility	Sanctioned Amount (Rs. in Lakhs)	Outstanding Amount as on December 31,2023 (₹. in Lakhs)	Interest Rate per Annum (Interest Rates are linked to Reference Rate.	Repayment Terms
#ICICI	WCTL	246.54	75.51	The rate of interest for each	After moratorium

Bank Limited (100443147)				<p>drawal of the Facility will be stipulated by the Bank at the time of disbursement of each drawal, which shall be sum of the I-EBLR*+ "Spread" per annum (subject to an overall cap of 9.25%), plus applicable statutory levy, if any ("Interest Rate"). The applicable I-EBLR shall be the rate prevailing one Business Day preceding the date of each drawal.</p> <p>As on date the I-EBLR is 7.70% and Spread is 0.55%.</p>	<p>period of 12 months the repayment will be in 36 monthly installment.</p>
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Name of the Lender	Credit Facility	Sanctioned Amount (Rs. in Lakhs)	Outstanding Amount as on December 31,2023 (₹. in Lakhs)	Interest Rate per Annum (Interest Rates are linked to Reference Rate.)	Repayment Terms
#ICICI Bank Limited Fund Based	Term Loan	511.00	63.88	<p>The rate of interest of the facility stipulated by the bank shall be sum of the Repo rate + Spread per annum, plus applicable statutory levy, if any (Interest rate) and shall be charged on the principal amount of the facility remaining outstanding each day. The applicable repo rate shall be the rate prevailing one business day preceding the date of account opening / limit set up/ renewal.</p> <p>As on the repo rate is 4.0% and spread is 5.0%</p>	<p>Maximum tenor of each tranche shall be 90 days; minimum tenor of each tranche 7 days.</p> <p>Repayment: Principal amount of each tranche is to be repaid (in full) as bullet payment on the maturity date.</p>

Name of the Lender	Credit Facility	Sanctioned Amount (Rs. in Lakhs)	Outstanding Amount as on December 31,2023 (₹. in Lakhs)	Interest Rate per Annum (Interest Rates are linked to Reference Rate.)	Repayment Terms
#ICICI Bank Limited	Fund Based			<p>The rate of interest of the Facility stipulated by the Bank shall be sum of the Repo Rate plus 'Spread' per annum, plus applicable statutory levy, if any</p>	<p>Principal amount of each tranche is to be repaid (in full) as</p>
	Cash Credit	1165.00	924.30		
ICICI Bank Limited	WCDL	73.90			

				(Interest Rate) and shall be charged on the principal amount of the Facility remaining outstanding Each day. The applicable Repo Rate shall be the rate prevailing one Business Day Preceding the date of account opening /limit set-up /renewal. As on date the Repo Rate is 5.40 and Spread is 3.60%.	bullet payment on the maturity date
	Non-Fund Based				
	Letter of Credit (Letter of credit Including 50 Lakhs Bank Guarantee)	1700.00	1206.37		

Name of the Lender	Credit Facility	Sanctioned Amount (Rs. in Lakhs)	Outstanding Amount as on December 31,2023 (₹. in Lakhs)	Interest Rate per Annum (Interest Rates are linked to Reference Rate.	Repayment Terms
#HDFC Bank Limited	Fund Based				
	Cash Credit (Sub limit of Bank Guarantee 1750.00 Lakhs)	1750.00	1244.88	9.00	
	WC Term Loan	667.50	9.36	10.85	12 Months
	WC Term Loan	230.00	153.20	10.30	60 Months
	WC Term Loan	700.00	394.49	10.23	60 Months
	Ad hoc Working Capital	200.00	-	9.00	
	DRUL (Bill discounting under a letter of credit) Sublimit PSR 100.00 Lakhs and DRUL 250.00 Lakhs	500.00	-	9.00	
	Pre Shipment Credit (Sublimit 500.00)		-		
	Post Shipment Credit		-		

	(Sublimit 500.00)			
	WCDL (Sublimit 1500.00)		-	
	Non-Fund Based			
	Bank Guarantee	1750.00	-	
	Letter of Credit (Sub limit 1300 lakhs)	2100	1457.10	
	Bank Guarantee	1300.00	-	
	Corporate Card	0.00001	-	
	Letter of Credit	800.00	-	

All the Securities created are ranking pari-passu with HDFC Bank Limited and ICICI Bank Limited

Principal terms of the facilities sanctioned to our Company:

1. **Security:** The facilities sanctioned are typically secured by way of equitable mortgage on specific property of our Company, hypothecation of our Company's movable fixed assets (both present and future) and current assets and personal guarantee of our Promoters. The nature of securities described herein is indicative and there may be additional requirements for creation of security under the various borrowing arrangements entered into by our Company.
2. **Penal interest:** The terms of certain financing facilities availed by our Company prescribe penalties for non-compliance of certain obligations by our Company. These include, inter alia, overdues/ delays/ default in payment of monies. Further, the default interest payable on the facilities availed by us typically ranges from 2% per annum to 18% per annum.
3. **Restrictive Covenants:** The facilities sanctioned to our Company contain certain restrictive covenants, which require prior written consent of the lender or prior intimation to be made to the lender, including:
 - a. formulate or enter into any scheme of merger, amalgamation, compromise or reconstruction;
 - b. permit any change in the ownership or control whereby the effective beneficial ownership or control of the Company shall change;
 - c. effect any material change in the management of the business of the Company;
 - d. make any amendments in the Company's Memorandum and Articles;
 - e. approach the capital market for mobilizing additional resources either in the form of debt or equity;
 - f. effect any change in the Company's capital structure or shareholding pattern or effect any change in the management set up or ownership interest structure where the shareholding by the existing promoter(s) or capital control or ownership interest of the partners including managing partner, gets diluted below the present level; and
 - g. declaring any dividend or making any withdrawal in the form of salary, remuneration, incentive or commission by the Promoters and Directors in case of any over dues with the lenders;
4. **Events of default:** Borrowing arrangements entered into by our Company contain events of default, including, among others:
 - a. Bank may promptly debit the Operative Account of the Borrower for all sums due to the Bank under the EPC Facility in case of any Event of Default. The amount so debited to the Operative Account or other account shall be subject to all the terms and conditions applicable to the Facility Sub-limit with respect to which the Operative Account is being maintained and any security created in the Bank's

favour in relation to Facility Sublimit would be available to the Bank for recovery of the amount so debited

- b. Failure to comply with the takeover formalities in respect of the facilities including creation and perfection of security in favour of the Bank will constitute an event of default under the facility documents executed by you with the Bank and the Bank shall be entitled to exercise all the rights available on the occurrence of an event of default, including without limitation our right to recall/withdraw the facilities and to take steps (such as legal proceedings, enforcement of security etc.) to recover the amounts disbursed under the facilities
- c. The Borrower agrees and acknowledges that in the event the Borrower fails to either:
- (a) Export as stipulated under Clause 4 mentioned in sanction letter
 - (b) Seek permission for additional time as stipulated under Clause 5 mentioned in sanction letter
 - (c) Deliver in time the related shipping documents to the Bank as stipulated in Clause 6 mentioned sanction letter,

such event shall also be considered to be an 'Event of Default' and in such Event of Default, the concessional rate of interest that may be chargeable on the pre shipment advance shall cease and the Bank shall be entitled without prejudice to the Bank's other rights to charge interest to the Borrower thereafter at the commercial rate as decided by the Bank from time to time. Such non-concessional rate charged on the EPC Facility in the Event of Default as set out in this Clause 7, shall be chargeable from the day of the availment of the EPC Facility.

2. UNSECURED LOANS

Sr. No.	Name or the Lender	Outstanding Amount as on December 31,2023 (₹. in Lakhs)	Interest Rate per Annum (Interest Rates are linked to Reference Rate.	Repayment Terms
1.	Indigo Sales Private Limited	6.31	6%	On Demand
2.	Manratan Retails Private Limited	1183.75	6%	On Demand
3.	Ratlam Wires Private Limited	312	10%	On Demand
4.	Shree Hanuman Wind Infra Private Limited	840.35	6%	On Demand
5.	Tata Capital Financial Services Limited	-	10.40 % p.a. ROI equal to STLR less 9.95 %	12 Months
6	Kataria Wires Pvt. Ltd.	22.65	9%	On Demand
7	Kataria Steel and Alloys Pvt. Ltd.	0.41	9%	On Demand

Other Financial Information

NOTE – AA

RESTATED STATEMENT OF MANDATORY ACCOUNTING RATIOS

(Rs. in Lakhs except Per Share Data)

Particulars	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Net Worth (A)	4,333.99	3,584.16	2,806.33	2,067.99
Adjusted Profit after Tax (B)	783.72	777.83	738.34	500.58
Number of Equity Share outstanding as on the End of Year (C)	1,58,46,834	26,41,139	26,41,139	26,41,139
Weighted average no of Equity shares at the End of the Year (D)	1,58,46,834	1,58,46,834	1,58,46,834	1,58,46,834
Face Value per Share				
Restated Basic Earnings Per Share (Rs.) (B/D)	4.95	4.91	4.66	3.16
Restated Diluted Earnings Per Share (Rs.) (B/D)	4.95	4.91	4.66	3.16
Return on Net worth (%) (B/A)	18.08%	21.70%	26.31%	24.21%
Net asset value per share (A/C) (Face Value of Rs. 10 Each) (Based on Actual Number of Shares)	27.35	135.71	106.25	78.30
Net asset value per share (A/D) (Face Value of Rs. 10 Each) (Based on Weighted Average Number of Shares)	27.35	22.62	17.71	13.05
EBITDA	1,732.70	1,576.61	1,824.78	1,368.43

Note:

1) 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.

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.

3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).

4) The figures disclosed above are based on the restated summary statements of the Company.

5) EBITDA has been calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

CAPITALISATION STATEMENT**(Amt. Rs. in Lacs)**

Particulars	Pre Issue	Post Issue
Borrowings		
Short term debt (A)	5708.06	*
Long Term Debt (B)	2310.02	*
Total debts (C)	8018.08	*
Shareholders' funds		
Equity share capital	264.11	*
Reserve and surplus - as restated	2,783.19	*
Total shareholders' funds	3,047.30	*
Long term debt / shareholders' funds (in Rs.)	0.76	*
Total debt / shareholders' funds (in Rs.)	2.63	*

*The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

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 December 26, 2023 determined that outstanding legal proceedings involving the Company, Directors and Promoters will be considered as material litigation (“Material Litigation”) if the aggregate amount involved in such individual litigation exceeds ₹ 5 Lacs, as per the last restated financial statements of the Company or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.

A. LITIGATION INVOLVING THE COMPANY

(a) Criminal proceedings against the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Company.

(b) Criminal proceedings filed by the Company

- i. Our Company, represented by Director Arun Kataria (the “**Petitioner**”), has lodged a criminal complaint (SC/NIA/640/2022, dated November 03, 2022) under section 138 of the Negotiable Instruments Act, 1881 (‘NI Act’) against Stressmac Prestressing Systems and its authorized signatories, Krishna Pethani and Shivang Pethani (“**Respondents**”). Our Company manufactures and sells stranded wires and had business transactions with the Respondents who regularly purchased our products on credit. As of July 04, 2022, the Respondents owed us a sum of ₹ 72,44,665. To settle this debt, Respondents issued nine cheques from IDBI Bank, Ahmedabad, Gujarat, assuring us that these could be encashed. However, when we presented seven cheques out of the nine cheques at our bank, HDFC Bank Limited, Ratlam, they were dishonored due to insufficient funds on different dates. Consequently, we were unable to recover the owed amount. Therefore, our Company issued a notice to the Respondents requesting the reissuance of the dishonored cheques under section 138 of the NI Act, but they failed to respond. Hence, we filed this present case for dishonor of the 7 cheques amounting to Rs. 59,00,000/-. This case is currently pending before the District and Sessions Court in Ratlam, MP and the next date of hearing is April 08, 2024.
- ii. A criminal complaint bearing no. SC/NIA/460/2023, has been lodged by our Company, represented by director Arun Kataria (the “**Petitioner**”), against M.Y.C Infra Private Limited along with its directors (collectively, the “**Respondents**”), under section 138 of the Negotiable Instrument Act, 1881 before the Hon’ble District and Sessions Court, Ratlam, MP. According to the Petitioners’ records, the Respondents had an outstanding payment of Rs. 25,20,539 as of June 08, 2023. To settle this due amount, Respondents issued a cheque of Rs. 25,07,500, bearing Cheque No. 000452, with the assurance that it would be cleared upon presentation to the bank. However, when the Petitioners presented the cheque at HDFC Bank Limited, Station Road branch, Ratlam, on September 02, 2023, the same was dishonored by the bank due to “*Insufficient Funds.*” In response to this, the Petitioners issued a notice to the Respondents under Section 138 of the NI Act, requesting the reissuance of the dishonored cheque. Unfortunately, the Respondents did not take any corrective action. Consequently, the Petitioners filed the present complaint, and the matter is currently pending adjudication before the Hon’ble District and Sessions Court, Ratlam, MP and the next date of hearing is March 22, 2024.
- iii. A criminal complaint, bearing number SC/NIA/75/2023 has been lodged by Our Company, represented by director Arun Kataria (the “**Petitioner**”), against Stressmac Prestressing Systems and its authorized signatories (collectively, the “**Respondents**”), under Section 138 of the Negotiable Instrument Act, 1881 before the Hon’ble District and Sessions Court, Ratlam, MP. Our Company is engaged in the manufacturing and selling of stranded wires, and had a credit arrangement with the Respondents, who regularly purchased stranded wire from the Petitioners. As of July 04, 2022, the Respondents owed us a sum of ₹ 72,44,665. To settle this debt, Respondents issued nine cheques from IDBI Bank, Ahmedabad, Gujarat, assuring us that these could be encashed. However, when we presented the remaining two cheques at our bank, HDFC Bank Limited, Ratlam,

they were dishonored due to insufficient funds on different dates. Consequently, we were unable to recover the owed amount. Therefore, our Company issued a notice to the Respondents requesting the reissuance of the dishonored cheques under section 138 of the NI Act, but they failed to respond. Hence, we filed this present case for dishonor of the 2 cheques amounting to Rs. 13,44,665/-. The matter is currently pending adjudication before the Hon'ble District and Sessions Court, Ratlam, MP and the next date of hearing is April 08, 2024.

(c) Actions taken by statutory and regulatory authorities against the Company –

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.

(d) Tax Proceedings

The details pertaining to **Direct Tax** matters are as below:

Sr. No.	Financial Year	Matter	Demand Outstanding (Amount Involved in ₹)	Current Status
1.	2023-24	TDS Defaults	25,096	The company has not paid the TDS default.
TOTAL			25,096	

The details pertaining to **Indirect Tax** matters are as below:

Sr. No.	Financial Year	Matter	Amount Involved in ₹	Current Status
1.	2017-18	A Show cause notice dated December 14, 2023 has been issued u/s 74 of the CGST Act, 2017, where it appears to the proper officer that the company has short paid GST liability in GSTR 3B as compared to GSTR 1 for FY 2017-18 resulting in discrepancy of Rs 33,26,284/-.	33,26,284	The Company submitted its reply on February 05, 2024. Further, a response is awaited from the Department.
2.	2018-19	A Show Cause Notice dated December 26, 2023, has been issued under Section 73 of the CGST Act, 2017, regarding the underreported outward supplies in your GSTR-1 for FY 2018-19, resulting in a short payment of tax amounting to Rs 3,03,456/-.	3,03,456	The Company submitted its reply on January 24, 2024. Further, a response is awaited from the Department.
3.	2018-2019	A Show Cause Notice dated December 15, 2023, has been issued under Section 73 of the CGST Act, 2017, regarding the excess Input Tax Credit (ITC) claimed in your GSTR-3B compared to the ITC available in GSTR-2A, amounting to Rs 5,55,23,424/- for FY 2018-19.	5,55,23,424	The Company submitted its reply on January 15, 2024. Further, a response is awaited from the Department.
4.	2019-20	A Show Cause Notice dated December 14, 2023, has been issued under Section 73 of the CGST Act, 2017, regarding the excess Input Tax Credit (ITC) claimed in your GSTR-3B compared to the ITC available in GSTR-2A, amounting to Rs 1,36,02,965/- for FY 2019-20.	1,36,02,965	The Company submitted its reply on January 15, 2024. Further, a response is awaited from the Department.
5.	2019-20	A Show Cause Notice dated January 31, 2024, has been issued under Section 73 of the CGST Act, 2017, regarding the excess Input Tax Credit (ITC) claimed in your GSTR-3B compared to the ITC available in GSTR-2A, amounting to Rs 1,41,27,862/- for FY 2019-20.	1,41,27,862	A reply to this show cause notice is pending.
TOTAL			8,68,83,991	

(e) Other pending material litigations against the Company –

As on the date of this Draft Red Herring Prospectus, there are no other pending material litigations against the Company.

(f) Other pending material litigations filed by the Company –

As on the date of this Draft Red Herring Prospectus, there are no other pending material litigations against the Company.

B. LITIGATIONS INVOLVING THE DIRECTORS/PROMOTERS OF THE COMPANY

(a) Criminal proceedings against the Directors/ Promoters of the Company

Except as disclosed in the section A(b) i.e. ‘*Criminal proceedings filed by the Company*’ above, as on the date of this Draft Red Herring Prospectus, there are no criminal proceedings against our Promoters of the Company:

(b) Criminal proceedings filed by the Directors/ Promoters of the Company

As on the date of this Draft Red Herring Prospectus, there are no criminal proceedings filed by our Directors/Promoters of the Company.

(c) Actions taken by statutory and regulatory authorities against the Directors / Promoters of the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against our Promoters of the Company.

(d) Tax Proceedings

The details pertaining to **Direct Tax** matters are as below:

Sr. No.	Name of the Director/Promoter	Assessment Year	Matter	Demand Outstanding (Amount Involved in ₹)	Current Status
1.	Sunil Kataria	2013-14	An Order dated October 07, 2016 passed u/s. 154 of the Income-tax Act, 1961, in terms of which a demand of Rs. 44,440/- along with interest was raised.	76,852 (including interest of ₹ 32,412)	The Company through its response dated November 01, 2023, disagreed with the demand stating that the revised return has been filed but the demand raised is as per the original return. Currently, the Company is awaiting department’s response.
2.	Sunil Kataria	2015-16	A show cause notice dated January 28, 2022 was issued u/s. 271(1)(c) of the Income-tax Act, 1961, by the Income Tax department. Thereafter, a demand notice was issued on January 31, 2022 and an order dated February 01, 2022	1,55,892 (including interest of ₹ 13,581)	An appeal has been filed by the Company dated February 10, 2022, before CIT(A). The same is pending adjudication.

			passed u/s. 271(1)(c) of the Income-tax Act, 1961, in terms of which a demand of Rs. 1,51,991/- was raised. As per the income-tax portal, a demand of Rs. 1,42,311 and interest of Rs. 13,581 is showing as outstanding.		
TOTAL				2,32,744	

There are no Indirect Tax matters relating to our Director/ Promoter.

(a) Other pending material litigations against the Directors/Promoters of the Company

A case has been initiated by Hazarilal Daga (“**Plaintiff**”) against one of our Director/ Promoter i.e. Sunil Kataria (“**Defendant**”) bearing case no. 1187 of 2018 under Order 7 Rule 1 of the Code of Civil Procedure, 1908 (“**CPC**”) before the District and Sessions Court, Indore. The plaintiff contends that the property in question, which is at the center of the dispute, was originally owned by the defendant, who subsequently constructed warehouses on the premises. The plaintiff asserts that he acquired the property from the defendant, and although a sale deed was executed between the parties, the registration date was neither specified nor determined. As of now, the case is pending adjudication before the Hon’ble District and Sessions Court, Indore, Madhya Pradesh and the next date of hearing is May 08, 2024.

(b) Other pending material litigations filed by the Directors/Promoters of the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding material litigation filed by our Directors/Promoters of the Company.

C. LITIGATIONS INVOLVING THE GROUP COMPANIES WHICH CAN HAVE A MATERIAL IMPACT ON OUR COMPANY

Except as mentioned below there are no material cases involving our Group Company as on the date of this Draft Red Herring Prospectus.

(a) Criminal proceedings against the Group Company

As on the date of this Draft Red Herring Prospectus, there are no Criminal proceedings against the Group Company.

(b) Criminal proceedings filed by the Group Company

As on the date of this Draft Red Herring Prospectus, there are no Criminal proceedings filed by the Group Company.

(c) Actions taken by statutory and regulatory authorities against the Group Company

As on the date of this Draft Red Herring Prospectus, there are no actions taken by statutory and regulatory authorities against the Group Company.

(d) Tax Proceedings

Except as disclosed below, there are no material **Direct Tax** litigation against the Group Companies, which may have an impact on our Company.

Sr. No.	Name of the Group Company	Assessment Year	Demand Raised under Section	Demand Outstanding (Amount Involved in ₹)	Current Status
1.	Ratlam Wires Pvt.	2018-19	An Intimation dated	-	The Company has

	Ltd.		October 02, 2019 was issue u/s. 143(1) of the Income-tax At, 1961, in terms of which an addition of Rs. 1,19,700/- was made due to difference in income from business. Subsequently, assessment proceedings were initiated, in terms of which an Order dated February 26, 2021 was passed u/s. 143(3) r.w.s. 143(3A) and 143(3B) of the Income-tax Act, 1961, in terms of which an addition of income for an amount of Rs. 5,55,324/- was made.		preferred an appeal against the Order u/s. 143(3) r.w.s. 143(3A) and 143(3B) on March 20, 2021, which is pending adjudication.
2.	Ratlam Wires Pvt. Ltd.	2018-19	A notice dated 26 February 2021 was issued u/s 274 r.w.s. 270A of Income-tax Act,1961	-	The Company has not replied to the notice.
TOTAL				-	

The details pertaining to **Indirect Tax** matters are as below

Sr. No.	Name of the Group Company	Financial Year	Matter	Amount Involved in ₹	Current Status
1.	Ratlam Wires Pvt. Ltd.	2017-18	As per Show cause notice dated September 27, 2023 there is quantitative difference between inward and outward supply. Against the said show cause notice order dated December 26, 2023 issued u/s 74 by the Deputy commissioner of state tax, Madhya Pradesh.	63,15,345	The Company is in the process of filing an appeal against the said order dated December 26, 2023.
2.		2018-19	A Show cause notice issued u/s 74 for the financial year 2018-19 was raised on February 21, 2024, where it was found that company had availed/claimed excess ITC in their GSTR 3B as compared to the ITC available in GSTR 2A.	10,82,57,763	The Company submitted its reply on January 27, 2024. Further, a response is awaited from the Department.
TOTAL				11,45,73,108	

(a) Other pending material litigations against the Group Company

A complaint has been filed by Pradhushan Niyran Board (“**Complainant**”) against one of our group companies i.e. M/S Ratlam Wire Pvt. Ltd. (“**Defendant**”) bearing case no. 328 of 2019 under Rule 25, 41, 44 and 47 of the Water (Pollution Disposal and Control) Act, 1974 (“**the Act**”) before the District and Sessions Court, Ratlam. The Complainant alleges that the Defendant has breached the provisions of the Act by contaminating the canal water through the discharge of oil sludge and ETP sludge. The Complainant is seeking appropriate punishment and penalties for this breach. Presently, the case is awaiting resolution before the Hon’ble District and Sessions Court in Ratlam, with the next scheduled hearing on April 10, 2024.

(b) Other pending material litigations filed by the Group Company.

As on the date of this Draft Red Herring Prospectus, there are no other pending material litigations filed by the Group Company.

D. AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS:

The Board of Directors of our Company considers dues exceeding 32.86% of our Company's total payables as per Restated financial statements, to small-scale undertakings and other creditors for our Company. Our Board of Directors considers dues owed by our Company to the creditors exceeding 67.14% of the Company's payables as per the last restated financial statements as material dues for the Company.

The total payables for the nine months period ended on December 31, 2023 were ₹ 413.70 lakhs. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds ₹ 5.00 lakhs. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on December 26, 2023. As on December 31, 2023, there are 13 creditors to each of whom our Company owes amounts exceeding 67.14% of our Company's Trade Payables and the aggregate outstanding dues to them being approximately ₹ 277.75 lakhs. The details pertaining to amounts due towards material creditors are available on the website of our Company. Further, our Company has 09 creditors which are registered under the Micro, Small and Medium Enterprises Development Act, 2006, against whom there's due amount of ₹65.35 lakhs.

As on December 31, 2023, our Company owes amounts aggregating to ₹ 413.70 lakhs approximately towards 121 total creditors. There are no disputes with such entities in relation to payments to be made to them.

E. MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE:

Except as disclosed in Chapter titled "*Management's Discussion & Analysis of Financial Conditions & Results of Operations*" beginning on page 176 of this Draft Red Herring Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date.

GOVERNMENT AND OTHER STATUTORY 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 Draft 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 December 26, 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 extra ordinary general meeting of our Company held on December 26, 2023 under Section 62(1)(c) of the Companies Act, 2013, authorized the Issue;
- c. Our Board approved this Draft Red Herring Prospectus pursuant to its resolution dated March 11, 2024;

Approval from the Stock Exchange:

- d. In-principle approval dated [●] from the NSE SME 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:

- e. The company has entered into an agreement dated January 15, 2024 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
- f. Similarly, the Company has also entered into an agreement dated February 09, 2024 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
- g. The Company’s International Securities Identification Number (“ISIN”) is INE0SVY01018.

II. INCORPORATION RELATED APPROVALS

Sr No.	Nature of Registration/ License	of	CIN	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	Certificate	of	U27300MH2004PTC146201	Companies	Registrar of	May 11,	Valid

Sr No.	Nature of Registration/ License	CIN	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
	Incorporation		Act 1956	Companies, Mumbai	2004	until cancelled
2.	Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company	U27300MP2004PLC029530	Companies Act, 2013	Registrar of Companies, Gwalior	December 20, 2023	Valid until cancelled

III. TAX RELATED APPROVALS

Sr No.	Description	Applicable Laws	Issuing Authority	Registration Number	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)	Income Tax Act, 1961	Income Tax Department	AACCK4830H	May 11, 2004	Valid until cancelled
2.	Tax Deduction Account Number (TAN)	Income Tax Act, 1961	Income Tax Department	BPLK02632A	May 09, 2012	Valid until cancelled
3.	Certificate of registration of Goods and Service tax (Madhya Pradesh)	Centre Goods and Services Tax Act, 2017	Assistant Commissioner of State Tax	23AACCK4830H1ZU	September 26, 2017	Valid until cancelled
4.	Professional Tax Registration Certificate	Madhya Pradesh Professional Tax Act, 1995	Madhya Pradesh Commercial Tax Department	794734G0185	March 26, 2007	Valid until cancelled

IV. GENERAL APPROVALS

Sr No.	Description	Applicable Laws	Issuing Authority	Registration Number	Date of Issue	Date of Expiry
1.	Certificate of Importer-Exporter Code (IEC)	The Foreign Trade (Development and Regulation) Act, 1992	Foreign Trade Development Officer	0306022982	July 3, 2006	Valid until cancelled

V. LABOUR RELATED APPROVALS

Sr. No.	Description	Applicable Laws	Issuing Authority	Registration Number	Date of Issue	Date of Expiry
1.	Registration under ESIC	Employees State Insurance Act, 1948	Sub-Regional Office, Employee's State Insurance Corporation	MP/18-15188-57	February 27, 2007	Valid Untill Cancelled

2.	Registration under Employees' Provident Funds	Employees (Provident Fund and Miscellaneous Provisions) Act, 1952	Employees' Provident Organisation	MP/UJN/14510 /Applicability Class/1581	March 06, 2007	Valid Untill Cancelled
3.	Contract labour Registration	Contract Labour (Regulation & Abolition) Act, 1970	Department of Labour	RATL220217C C000128	November 28, 2023	December 31, 2024
4.	Contract labour Registration	Contract Labour (Regulation & Abolition) Act, 1970	Department of Labour	RATL220210C C000104	November 28, 2023	December 31, 2024

VI. APPROVALS OBTAINED IN RELATION TO BUSINESS OPERATIONS OF THE 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.

A. Factory unit situated at "44 Industrial Area, Ratlam"

Sr. No.	Description	Applicable Laws	Issuing Authority	Registration Number	Date of Issue	Date of Expiry
1.	Factory License	Factories Act, 1948	Jt. Chief inspector of Factories, Madhya Pradesh	License No: 71/13062/Ratlam/2m(i)	November 18, 2023	December 31, 2024
2.	Consent for Operation**	Water (Prevention & Control of Pollution) Act, 1974 & Air (Prevention & Control of Pollution) act, 1981	M. P. State Pollution Control Board	No:AW-56998	November 07, 2022	February 28, 2028

** The Company had applied for the updation and change in the name in the current license on February 03, 2024.

B. Factory unit situated at Plot no.- 34-38, Industrial Area, Ratlam Tehsil and District: Ratlam Madhya Pradesh.



Sr. No.	Description	Applicable Laws	Issuing Authority	Registration Number	Date of Issue	Date of Expiry
1.	Factory License	Factories Act, 1948	Additional Chief Inspector of Factories, Madhya Pradesh	118/15772/RT M/2m(i)	December 04, 2022	December 31, 2023*
2.	Consent for Operation	Water (Prevention & Control of Pollution) Act, 1974 & Air (Prevention & Control of Pollution) act, 1981	M. P. State Pollution Control Board	No:AW-56998	November 07, 2022	February 28, 2028

* The Company has applied for the renewal on November 24, 2023 for the factory license.

VII. QUALITY CERTIFICATIONS

Sr No.	Description	Issuing Authority	Registration Number	Date of Issue	Date of Expiry
1.	ISO 9001:2015 Manufacturing & Dispatch of LRPC Wires & Strands and Spring Steel Wires	BVCH SAS UK Branch	IND.22.7864/QM/U	March 08, 2022	March 07, 2025

VIII. INTELLECTUAL PROPERTY RELATED APPROVALS

Sr No.	Name Applied	Nature	Application Date	Application Number	Class	Present Status
1.	KATARIA TENASYO	Word Mark	August 13, 2021	5086810	06	Registered
2.		Device Mark	January 07, 2022	5276468	06	Opposed
3.	KATARIA	Word Mark	January 07, 2022	5276467	06	Opposed
4.		Device Mark	August 13, 2021	5086809	06	Registered

IX. THE DETAILS OF DOMAIN REGISTERED BY OUR COMPANY ARE: -

Sr. No.	Domain Name and ID	Sponsoring Registrar	Registrant Name	Creation Date	Registry Expiry Date
1.	katariaindustries.co.in	Bigrock.in	Anoop Kataria	October 28, 2023	October 28, 2028

As on date of the Draft Red Hearing Prospectus, there are no any material license/approvals in the Company which are yet not applied.

FINANCIAL INFORMATION OF OUR GROUP COMPANIES

As per the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Companies, our Company has considered those companies as our Group companies 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 other Companies as considered material by our Board. Further, pursuant to a resolution of our Board dated December 26, 2023 for the purpose of disclosure in relation to Group Companies in connection with the Issue, a company shall be considered material and disclosed as Group companies if such company fulfills 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 companies/entities.

1. Shree Jalaram Metals Private Limited
2. Utkarsh Land Developers Private Limited
3. Sonic Fiscal Services Private Limited
4. Ratlam Wires Private Limited
5. Kataria Dhulchand Pannalal Jewellers Pvt Ltd

A. Details of our Group Companies

i. SHREE JALARAM METALS PRIVATE LIMITED

Shree Jalaram Metals Private Limited was incorporated on August 11, 1994 as a private limited company under the provisions of The Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Gwalior.

CIN	U99999MP1994PTC033500
Current Activity	Trading of Gold Bullion & Jewellery
PAN	AAACJ4769J
Registered Office	10-13, Industrial Estate, Ratlam, Madhya Pradesh, India, 457001

Board of Directors

As on date of this Draft Red Herring Prospectus the Board of Directors comprised of:

Sr. No.	Name of the Directors	Designation	DIN Number
1.	Harsh Kataria	Director	03424920
2.	Pankaj Kataria	Director	00088922

Financial Information

(Rs. In Lacs) Except Earnings Per Share

Particulars	2022-23	2021-22	2020-21
Share Capital	225.03	225.03	225.03
Reserves (excluding revaluation reserve)	690.74	656.41	625.37
Revenue from Operations	62.55	48.48	43.83
Other Income	49.02	44.27	42.53
Profit After Tax	34.33	31.03	30.11
Earnings Per Share/ Diluted Earnings Per Share	1.53	1.38	1.34
Net Assets Value	40.69	39.16	37.79

ii. UTKARSH LAND DEVELOPERS PRIVATE LIMITED

Utkarsh Land Developers Private Limited was incorporated on February 02, 1996 as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Gwalior.

CIN	U45201MP1996PTC033544
Current Activity	Trading of Gold Bullion & Jewellery
PAN	AAACU2405L
Registered Office	10-13, Industrial Estate, Ratlam, Madhya Pradesh, India, 457001.

Board of Directors

As on date of this Draft Red Herring Prospectus the Board of Directors comprised of:

Sr. No.	Name of the Directors	Designation	DIN Number
1.	Yash Kataria	Director	06977023
2.	Harsh Kataria	Director	03424920

Financial Information

(Rs. In Lacs) Except Earning Per Share

Particulars	2022-23	2021-22	2020-21
Share Capital	227.80	227.80	227.80
Reserves (excluding revaluation reserve)	151.41	139.08	128.29
Revenue from Operations	34.12	31.26	21.36
Other Income	20.11	17.64	19.81
Profit After Tax	12.32	10.78	12.73
Earnings Per Share/ Diluted Earnings Per Share	0.54	0.47	0.56
Net Assets Value	16.64	16.10	15.63

iii. SONIC FISCAL SERVICES PRIVATE LIMITED

Sonic Fiscal Services Private Limited was incorporated on June 29, 1994 as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Gwalior.

CIN	U65921MP1994PTC008433
Current Activity	Trading of Gold Bullion & Jewellery
PAN	AABCS5327A
Registered Office	10-13, Industrial Estate, Ratlam, Madhya Pradesh, India, 457001.

Board of Directors

As on date of this Draft Red Herring Prospectus the Board of Directors comprised of:

Sr. No.	Name of the Directors	Designation	DIN Number
1.	Abhay Gandhi	Director	06977013
2.	Harsh Kataria	Director	03424920

Financial Information

(Rs. In Lacs) Except Earning Per Share

Particulars	2022-23	2021-22	2020-21
Share Capital	310.00	310.00	310.00
Reserves (excluding revaluation reserve)	816.89	773.90	729.37
Revenue from Operations	75.06	68.76	68.36

Other Income	65.00	68.46	66.95
Profit After Tax	42.98	44.52	42.55
Earnings Per Share/ Diluted Earnings Per Share	13.86	14.36	13.73
Net Assets Value	3.63	3.49	3.35

iv. RATLAM WIRES PRIVATE LIMITED

Ratlam Wires Private Limited, was incorporated on January 22, 1986 as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Gwalior.

CIN	U27300MP1986PTC029536
Current Activity	Manufacturing of Spring Steel Wire
PAN	AABCR8178G
Registered Office	Plot No. 3, Industrial Estate, Ratlam, Madhya Pradesh, India, 457001

Board of Directors

As on date of this Draft Red Herring Prospectus the Board of Directors comprised of:

Sr. No.	Name of the Directors	Designation	DIN Number
1.	Pankaj Kataria	Director	00088922
2.	Harsh Kataria	Director	03424920

Financial Information

(Rs. In Lacs) Except Earning Per Share

Particulars	2022-23	2021-22	2020-21
Share Capital	203.81	94.34	94.34
Reserves (excluding revaluation reserve)	5011.19	2630.74	2432.14
Revenue from Operations	13868.91	8715.62	8798.76
Other Income	415.59	103.61	124.10
Profit/loss After Tax	(308.09)	198.59	160.43
Earnings Per Share/ Diluted Earnings Per Share	(497)	211	170
Net Assets Value	25.58	28.88	26.78

v) Kataria Dhulchand Pannalal Jewellers Pvt Ltd

Kataria Dhulchand Pannalal Jewellers Pvt Ltd, was incorporated on March 21, 1996 as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Maharashtra.

CIN	U74110MH1996PTC308884
Current Activity	Wholesale Trading
PAN	AAACL8237D
Registered Office	02, Floor-Grd, 3, Shivmudra Chs, Laxminarsingh Papan Marg, Off. DR E Moses Road, Gandhi Ngr, Worli, Mumbai City, Mumbai, Maharashtra, India, 400018

Board of Directors

As on date of this Draft Red Herring Prospectus the Board of Directors comprised of:

Sr. No.	Name of the Directors	Designation	DIN Number
1.	Abhay Gandhi	Director	06977013

2.	Yash kataria	Director	06977023
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Financial Information

(Rs. In Lacs) Except Earning Per Share

Particulars	2022-23	2021-22	2020-21
Share Capital	184.33	149.70	149.70
Reserves (excluding revaluation reserve)	5511.82	719.91	720.37
Revenue from Operations	1126.21	331.36	687.78
Other Income	36.29	40.91	20.55
Profit/loss After Tax	0.66	(0.46)	22.76
Earnings Per Share/ Diluted Earnings Per Share	0.09	(0.12)	5.66
Net Assets Value	309.01	58.09	58.12

B. Litigation

As on the date of this Draft Red Herring Prospectus, there is no litigation involving our Group Companies which will have a material impact on our Company. For further details, please refer to the section titled “*Outstanding Litigation and Material Developments*” on page 190 of this Draft Red Herring Prospectus.

C. Common Pursuits

As of the date of this Draft Red Herring Prospectus, company such as Ratlam Wires Private Limited; is involved in a business similar to ours. There are no existing non-compete agreements among these companies. Therefore, potential conflicts of interest might arise when distributing business opportunities among our entities, especially when our interests diverge.

D. Related business transactions within our Group Company and significance on the financial performance of our Company

Other than the transactions disclosed in “*Note X: Statement of Related Party Transactions*” from the chapter titled “*Restated Financial Information*” on Page No 142, there are no other related business transactions between our Group Companies and our Company.

E. Business Interest

Except as disclosed in the section “*Note: X: Statement of Related Party Transactions*” from the chapter titled “*Restated Financial Information*” on Page No. 142, our Group Companies have no business interests in our Company.

F. Nature and extent of interest of our Group Companies

- a. ***In the promotion of our Company***
Our Group Companies do not have any interest in the promotion of our Company.
- b. ***In the properties acquired by us in the preceding three years before filing this Draft Red Herring Prospectus or proposed to be acquired by our Company***
Our Group Companies are not 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. ***In transactions for acquisition of land, construction of building and supply of machinery***
Our Group Companies are not interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

G. Undertaking / Confirmations by our Group Companies

None of our Promoters or Promoter Group or Group companies 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 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.

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. www.katariaindustries.co.in.

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 December 26, 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 December 26, 2023 authorized the Issue.

In-principle Approval:

Our Company has obtained in-principle approval from the National Stock Exchange of India Limited Emerge platform for using its name in the Offer Documents pursuant to an approval letter dated [●] NSE emerge 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 Director's, 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 Developments*" beginning on page 190 of this Draft 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 190 of this Draft 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:

Our Company, Promoters and Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 to the extent applicable to each of them as on the date of the Draft Red Herring Prospectus.

Eligibility for the Issue:

Our Company has complied with the conditions of Regulation 230 of SEBI (ICDR) Regulations, 2018 for this Offer.

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Offer 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 Offer paid up capital is not 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:

- 1) 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 42 of this Draft Red Herring Prospectus.
- 2) 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.
- 3) In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the Red Herring Prospectus/Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Red Herring Prospectus/Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Red herring Prospectus/Prospectus.
- 4) In accordance with Regulation 261 (1) of the SEBI (ICDR) Regulations, we hereby confirm that we shall enter into an agreement with the Book Running Lead Manager 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 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 42 of this Draft Red Herring Prospectus.
- 5) 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.
- 6) In accordance with Regulation 228(d) of the SEBI (ICDR) Regulations, None of the Issuer’s promoters or directors is a fugitive economic offender.
- 7) In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to NSE Limited is the Designated Stock Exchange.
- 8) In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital fully Paid-up. 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 January 15,2024 and National Securities Depository Limited (NSDL) dated February 09, 2024 for establishing connectivity.
2. Our Company has a website i.e. www.katariaindustries.co.in

We confirm that we comply with all the below requirements/ conditions so as to be eligible to be listed on the NSE Emerge: -

There has been no change in the promoters of the Company in the preceding one year from date of filing application to NSE Emerge.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the Emerge Platform of the NSE (NSE Emerge):-

1. Our Company was incorporated as “Kataria Industries Private Limited” on May 11, 2004 vide certificate of incorporation bearing CIN U27300MP2004PTC029530 under the provisions of the Companies Act, 1956 issue by Registrar of Companies, Maharashtra.
2. The post issue paid up capital of the company will be [●] equity shares of face value of Rs. 10/- aggregating up to Rs. [●] which is less than Rs. 25 Crores.
3. Our Company was incorporated on May 11, 2004 under the provisions of the Companies Act, 1956 issue by Registrar of Companies, Gwalior. Therefore, we are in compliance with criteria of having track record of 3 years.
4. As on December 31, 2023, the Company has net tangible assets of Rs. 4363.45 lakhs.
5. The Company confirms that it has operating profits (earnings before interest, depreciation and tax) from operations for atleast 2 financial years preceding the application and its net-worth as on December 31,2023, March 31, 2023, 2022 and 2021 is positive.

Particulars	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
EBITDA	1732.70	1576.61	1824.78	1368.43
Net Worth	4367.87	3584.16	2806.33	2067.99

6. 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 promoters of the Company;
7. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR);
8. 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.
9. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
10. 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.
11. There is no change in promoters of the Company in preceding one year.

DISCLAIMER CLAUSE OF SEBI

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT 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 RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS, INTERACTIVE FINANCIAL SERVICES LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, INTERACTIVE FINANCIAL SERVICES LIMITED, SHALL FURNISH TO SEBI A DUE DILIGENCE CERTIFICATE DATED MARCH 11, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE ISSUER 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 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 BOOK RUNNING LEAD MANAGERS ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.”

All legal requirements pertaining to this issue will be complied with at the time of filing of the prospectus with the registrar of companies, Ahmedabad, in terms of section 26, 32 and section 33 of the companies act, 2013.

Statement on Price Information of Past Issues handled by INTERACTIVE FINANCIAL SERVICES LIMITED:

Sr. No.	Issue Name	Issue Size (Cr)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Bhatia Colour Chem Limited (BSE SME)	40.00	80	March 24, 2022	40.00	-36.50% (-0.69%)	-40.56% (-8.79%)	-30.00% (+2.68%)
2.	Global Longlife Hospital and Research Ltd (BSE SME)	49.00	140	May 04, 2022	141.10	-40% (+0.27%)	-43.64% (+4.39%)	-47.00% (+9.12%)

3.	Rachana Infrastructure Ltd (NSE EMERGE)	76.28	135	June 10, 2022	138.00	+62.44% (+0.09%)	+250.04% (+8.78%)	+716.59% (+16.17)
4.	Dipna Pharmachem Limited (BSE SME)	15.21	38	September 08, 2022	32.00	-41.05% -2.51%	-44.74% (+4.92%)	-61.97% (+0.90)
5.	Pace E-Commerce Ventures Limited (BSE SME)	66.53	103	October 20, 2022	104.50	-61.99% (+4.16%)	-72.91 (+2.45)	-77.89% (+1.20%)
6.	Patron Exim Limited (BSE SME)	16.68	27	March 06, 2023	28.40	-73.30% (-1.86%)	-64.37% (+4.26%)	+62.37% (+8.57%)
7.	Prospect Commodities Limited (BSE SME)	7.47	61	March 20, 2023	61.00	+11.89% (+3.64%)	+16.39% (+9.61%)	+16.85% (+17.72)
8.	Sahana System Limited (NSE EMERGE)	32.74	135	June 12, 2023	163.00	+10.59% (+4.50%)	+94.26% (+7.50%)	+321.67% +12.73%
9.	Bizotic Commercial Limited (BSE SME)	42.21	175	June 23, 2023	180.00	-67.91% (+5.41%)	-63.14% (+6.07%)	-69.38 (+13.43%)
10.	Tridhya Tech Limited (NSE EMERGE)	26.41	42	July 13, 2023	42.00	-1.19% (+0.07%)	-2.26% (1.42%)	-17.14% (+10.81%)
11.	Crop Life Science Limited (NSE EMERGE)	26.73	52	August 30, 2023	55.95	-20.00% (+0.91%)	-19.23% (+2.80%)	-9.13 % (+14.34%)
12.	Vivaa Tradecom Limited (BSE SME)	7.99	51	October 12, 2023	40.80	-45.49% (-2.26%)	-41.18% (+7.50%)	NA
13.	Vrundavan Plantation Limited (BSE SME)	15.30	108	November 06, 2023	107.00	-42.59% (+6.68%)	-50.93% (+10.43%)	NA
14.	Kalaharidhaan Trendz Limited (NSE Emerge)	22.49 1	45	February 23, 2024	47.15	NA	NA	NA

Sources: All share price data is from www.nseindia.com

Note:

1. The BSE Sensex is considered as the Benchmark Index
2. Prices on BSE are considered for all of the above calculations
3. NA where the periods are not completed
4. NIFTY50 has considered as the benchmark index of NSE

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Book Running lead manager. Hence, disclosures pertaining to recent 10 issues handled by the Book Running lead manager are provided.

SUMMARY STATEMENT OF DISCLOSURE

Financial Year	Total no. of IPOs	Total Funds raised (₹ in cr.)	Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date			Nos. of IPOs trading at discount as on 180th calendar day from listing date			Nos. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25% □ 50%	Less than 25%	Over 50%	Between 25% □ 50%	Less than 25%	Over 50%	Between 25% □ 50%	Less than 25%	Over 50%	Between 25% □ 50%	Less than 25%
			2021-22	1	40.00	NA	1	NA	NA	NA	NA	1	NA	NA
2022-23	6	231.17	2	2	NA	1	NA	1	3	1	NA	1	NA	1
2023-24	6	151.38	1	2	2	NA	NA	1	1	NA	2	1	NA	NA

Track Record of past issues handled by INTERACTIVE FINANCIAL SERVICES 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: <http://www.ifinservices.in>

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 Draft Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The Book Running Lead Managers accept no responsibility, save to the limited extent as provided in the agreement entered between the Book Running Lead Managers (Interactive Financial Services Limited), our Company on February 22, 2023 and the Underwriting Agreement dated [●] entered into between the Underwriters and our Company and the Market Making agreement dated [●] entered into between 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 Ba 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 Draft 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 Draft 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 Gwalior, Madhya Pradesh 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 Draft Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft 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 Emerge Platform of the 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 [●] 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 of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold 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 of Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus with the Designated Stock Exchange/SEBI/ROC

The Draft Red Herring Prospectus is being filed with National Stock Exchange of India Limited (NSE EMERGE).

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 Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Prospectus, along with the material contracts and documents referred elsewhere in the Prospectus, will be filed to the RoC Office situated at Registrar Of Companies, 3rd Floor, 'A' Block, Sanjay Complex, Jayendra Ganj, Gwalior-474009, Madhya Pradesh.

Listing:

The Equity Shares of our Company are proposed to be listed on NSE (Emerge platform of NSE). Our Company has obtained in-principle approval from NSE by way of its letter dated [●] for listing of equity shares on Emerge Platform of the NSE.

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 Draft 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 Emerge Platform of the NSE 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 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.”

Consents:

Consents in writing of (a) Our Directors, the Company Secretary & Compliance Officer, Chief Financial Officer, Joint Chief Financial Officer, the Statutory Auditor, Banker to the Company; (b) Book Running Lead Manager, Syndicate Member*, Registrar to the Issue, Banker to the Offer (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 Karma & Co. LLP, Chartered Accountants, and Peer Review Auditor of the Company has agreed to provide their written consent to the inclusion of their report, re-audited financial statements dated February 22, 2024 and PD Nagar and Co., Statutory Auditor of the company agreed to provide Statement of Possible Tax Benefits relating to the possible tax benefits dated February 22, 2024 as included in this Draft 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 Draft Red Herring Prospectus.

Experts Opinion:

Except for the reports in the section “*Financial Information of the Company*” and “*Statement of Special Tax Benefits*” on page 142 and page 75 from the Statutory Auditors, 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 February 22, 2023 with the Book Running Lead Manager Interactive Financial Services Limited, (ii) the Underwriting Agreement dated [●] with Underwriter and (iii) the Market Making Agreement dated [●] 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 Offer 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 Offer dated February 17, 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 Offer to enable it to send allotment advice by registered post/speed post/ email.

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 Draft 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 52 of this Draft 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 Draft Red Herring Prospectus.

Partly Paid-Up Shares:

As on the date of this Draft Red Herring 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 Draft 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 Draft Red Herring Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Draft 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 Priyanka Bakhtyarpuri, Company Secretary and 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:

Priyanka Bakhtyarpuri
Company Secretary & Compliance Officer
Kataria Industries Limited
Address: 34-38 and 44, Industrial Area, Ratlam,
Madhya Pradesh, India, 457001.

Tel No: 07412 299407, 07412 261012
Email: cs@katariagroup.co.in
Website: www.katariaindustries.co.in

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.

Our Board by a resolution on December 22, 2023 constituted a Stakeholders Relationship Committee. For further details, please refer to section titled “**Our Management**” beginning on page 126 of this Draft 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 Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft 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 75 of this Draft Red Herring Prospectus.

Purchase of Property:

Other than as disclosed in Section “**Our Business**” beginning on page 89 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 Draft Red Herring Prospectus.

Except as stated elsewhere in this Draft 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 52 of this Draft 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 Draft Red Herring Prospectus.

Servicing Behaviour:

Except as stated in this Draft, 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 126 and chapter titled **“Financial Information”** beginning on page 142 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 Draft 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 Allotted pursuant to this Issue shall be subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, SEBI (LODR) Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of this Draft Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Application Form, any Revision Form, the CAN / Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents / certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, 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 Government of India, the Stock Exchange(s), the RBI, RoC 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 the SEBI, the RBI, the Government of India, the Stock Exchange(s), the RoC and / or any other authorities while granting its approval for the Issue.

Please note that, in terms of Regulation 256 of the SEBI ICDR Regulations 2018 read with SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the applicants have to compulsorily apply through the ASBA Process and further in terms of SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified through its circular 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 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 8, 2019 (together, the “UPI Circular”) in relation to clarifications on streamlining the process of public issue of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. Currently, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RIIs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+6 days until March 31, 2020 (“UPI Phase II”). Further SEBI through its circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 has decided to continue with the Phase II of the UPI ASBA till further notice. However, due to the outbreak of COVID19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, vide SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days (i.e., the time duration from public issue closure to listing of be 3 Working Days) has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023 (“UPI Phase III”). ***The Issue will be undertaken pursuant to the process and procedures under UPI Phase III, subject to any circulars, clarification or notification issues by the SEBI from time to time.***

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application for 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.

The Offer

The Offer comprises a Fresh Issue by our Company. Expenses for the Offer shall be borne our Company in the manner specified in “Objects of the Issue” beginning on page 64.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum and Articles of Association shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled “Main Provisions of the Articles of Association of our Company” beginning on page 268 of this Draft Red Herring Prospectus.

Authority for the Present Issue

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on December 26, 2023 and approved by the shareholders of our Company vide a special resolution at the Extra Ordinary General Meeting held on December 26, 2023 pursuant to section 62(1)(c) of the Companies Act.

Mode of Payment of Dividend

Our Company will pay dividend, if declared, to our equity shareholders, as per the provisions of the Companies Act 2013, the SEBI Listing Regulations, the Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the GoI in this respect. Any dividends declared after the date of Allotment in this Offer will be received by the Allottees, for the entire year, in accordance with applicable law.

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and 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 approved by 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 141 and 268 respectively of this Draft Red Herring Prospectus.

Face Value and Issue Price

The face value of each Equity Share is ₹ 10/-. The Issue Price of Equity Shares is ₹ [•] per Equity Share. The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager and is justified under the chapter titled Basis of Issue Price beginning on page 70 of this Draft Red Herring Prospectus

The Price Band and the minimum Bid Lot size in the Offer will be decided by our Company, in consultation with the BRLM and shall be published at least 2 Working Days prior to the Bid/ Offer Opening Date, advertised in all editions of the [•], an English language national daily with wide circulation and all editions of [•] and Hindi language national daily with wide circulation, where our Registered Office is located), at least 2 Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid cum Application Forms available at the website of the Stock Exchanges. The Offer Price shall be determined by our Company in consultation with the BRLM, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

Compliance with SEBI (ICDR) Regulations, 2018

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and other preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled “Main Provisions of Articles of Association” beginning on page 268 of the Draft Red Herring Prospectus.

Minimum Application Value; Market Lot and Trading Lot

As per 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 issued can be applied for in the dematerialized form only. In this context, two agreements shall be signed among our Company, the respective Depositories and Registrar to the Issue.

Tripartite Agreement dated February 09, 2024 between NSDL, our Company and Registrar to the Issue; and Tripartite Agreement dated January 15, 2024 between CDSL, our Company and Registrar to the Issue;

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by Emerge Platform of NSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Offer will be done in multiples of [●] Equity Share 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.

In accordance with Regulation 267(2) 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.

Minimum Number of Allottees

In accordance with Regulation 268 (1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Offer 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 the monies collected shall be refunded within four (4) Working days of closure of Issue. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Ahmedabad.

The Equity Shares have not been and will not be registered under the U.S Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in compliance with Regulation S under 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.

Joint Holders

Where 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 (1) & 72 (2) 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 Applicants, 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 (3) 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 accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, 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 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 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 Operation of Subscription List of Public Offer

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

Note - 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/Offer Period shall be one Working Day prior to the Bid/Offer 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 3 Working Days of the Bid/Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/Offer Period by 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/ Offer Closing Date, the Bid-Cum- Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual 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.

Due to the limitation of time available for uploading the Bid-Cum- Application Forms on the Bid/ Offer Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Offer Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Offer Closing Date. Any time mentioned in this Draft Red

Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid-Cum- Application Forms are received on the Bid/ Offer Closing Date, as is typically experienced in public Offer, some Bid-Cum-Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum-Application Forms that cannot be uploaded will not be considered for allocation under this Offer. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the 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/ Offer 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/ Offer 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 revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of syndicate members.

- *In terms of Regulation 265 of ICDR Regulations, the issue shall be open after at least three (3) working days from the date of filing the Prospectus with the Registrar of Companies.*
- *In terms of Regulation 266(3) of ICDR Regulations, in case of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Issue Period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to the provisions of sub-regulation 266(1).*

In terms of the UPI Circulars, in relation to the Issue, the Book Running Lead Manager will submit reports of compliance with T+3 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding Four (4) Working Days from the Offer Closing Date, the Issuer shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding Four (4) Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

In case of

- I. any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked.

- II. any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock;
- III. any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock;
- IV. any delay in unblocking of non-allotted/ partially allotted Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue BRLM shall be liable for compensating the Applicant at a uniform rate of ₹100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any further notification from the SEBI after filing of this Draft Red Herring Prospectus may result in changes in the timelines.

Submission of Application Forms:

Issue period (except the Issue Closing Date)	
Submission and Revision of Application Form	Only between 10.00 a.m. and 5.00 p.m. IST
Issue Closing Date	
Submission and Revision of Application Form	Only between 10.00 a.m. and 3.00 p.m. IST

On the Issue Closing Date, for uploading the Application Forms:

1. 4.00 p.m. IST in case of application by QIBs and Non – Institutional Investors and
2. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Retail Individual Investors which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by BRLMs to the Stock Exchanges.

Due to limitation of time available for uploading the application forms on the Issue Closing Date, Applicants are advised to submit their applications one (1) day prior to the Issue Closing Date and, in any case, not later than 03.00 p.m. (IST) on the Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issues, some Application Forms may not get uploaded due to the lack of sufficient time. Such 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 Application Forms due to faults in any software/hardware system or otherwise.

It is clarified that applications not uploaded on the electronic bidding system or in respect of which the full application Amount is not blocked by SCSBs or under the UPI Mechanism, as the case may be, would be rejected.

In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the (Issue) period disclosed in the prospectus, for a minimum period of three (3) working days, subject to the Issue Period not exceeding ten (10) working days.

In accordance with SEBI (ICDR) Regulations, 2018, 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 Application Forms prior to the 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 Application Form, for a particular Applicant, the details as per the file received from Emerge Platform of NSE may be taken as the final data for the purpose of Allotment.

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten as per Regulation 260(1) of SEBI ICDR Regulation.

If the issuer does not receive the subscription of hundred per cent (100%) of the offer through Draft Red Herring Prospectus on the date of closure of the issue including devolvement of underwriters, if any, or if the subscription level falls below hundred per cent (100%) after the closure of issue on account of withdrawal of applications, or after technical rejections, or if the listing or trading permission is not obtained from the stock exchange for the securities so offered under the Draft Red Herring Prospectus, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond Four (4) Working Days after the issuer becomes liable to pay the amount, the issuer and every director of the issuer who are officers in default, shall pay interest at the rate of fifteen per cent per annum (15% p.a).

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 the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

Arrangements for Disposal of Odd Lots

The trading of the equity shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge Platform of NSE Limited.

Withdrawal of the Issue.

Our Company in consultation with the Book Running Lead Manager, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager through, the Registrar to the Issue, shall notify the SCSBs or the Sponsor Bank 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. If the Issue is withdrawn after the designated Date, amounts that have been credited to the public Issue Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is registered with the RoC. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue, our Company shall file a fresh Draft Red Herring Prospectus.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Issue Equity Shares and Promoters' minimum contribution in the Issue as detailed in the chapter "Capital Structure" beginning on page 52 of the Draft Red Herring Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details, please refer to the section titled "Main Provisions of the Articles of Association" beginning on page 268 of the Draft Red Herring Prospectus.

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 Emerge Platform on a later date subject to the following:

- a) If the Paid-up Capital of our Company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), our Company shall apply to NSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- b) If the Paid-up Capital of our company is more than ₹ 10 crores and the capitalization of our equity is more than ₹25 crores and our company have been listed on Emerge Platform for at least two years, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares offered though this issue is proposed to be listed on the Emerge Platform of NSE Limited (Emerge Platform), wherein the Book Running Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the Emerge Platform of NSE Limited for a minimum period of three years from the date of listing of shares offered through this Draft Red Herring Prospectus.

For further details of the agreement entered into between the company, the Book Running Lead Manager and the Market Maker please see "General Information" beginning on page 42 of the Draft Red Herring Prospectus.

New Financial Instruments

As on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue. Further, our Company is not issuing any new financial instruments through this Issue.

Allotment of Equity Shares in Dematerialized Form

In terms of Section 29 of the Companies Act 2013, the Equity Shares shall be allotted only in dematerialised form. As per the existing SEBI (ICDR) Regulations, 2018 the trading of the Equity Shares shall only be in dematerialised form for all investors.

In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing the Draft Red Herring Prospectus:

- Tripartite agreement dated January 15, 2024 among CDSL, our Company and the Registrar to the Issue; and
- Tripartite agreement dated February 02, 2024 among NSDL, our Company and the Registrar to the Issue

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. Applicants will not have the option of getting Allotment of the Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

Application by Eligible NRIs, FIIs registered with SEBI, VCFs registered with SEBI and QFIs

It is to be understood that there is no reservation for Eligible NRIs or FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

As per the extant policy 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, FIIs 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.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our Company's post issue face value capital is more than ten crore rupees and up to twenty-five crore rupees. Our Company shall issue equity shares to the public and propose to list the same on the SME Platform of NSE. For further details regarding the salient features and terms of such this issue, please refer to chapter titled "Terms of the Issue" and "Issue Procedure" beginning on page 217 and 230 respectively of this Draft Red Herring Prospectus.

Initial Public Offer of upto 91,50,000 Equity Shares of Face Value of ₹ 10/- each fully paid (The "Equity Shares") for cash at a price of ₹ [●] per Equity Shares (including a premium of ₹ [●] per equity share) aggregating to ₹ [●]lacs ("the Offer") by the issuer Company.

The Offer comprises a reservation of upto [●] Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion") and Net Offer to Public of upto [●] Equity Shares of ₹ 10 each ("the Net Offer"). The Offer and the Net Offer will constitute [●]% and [●]%, respectively of the post Offer paid up equity share capital of the Company. The Offer is being made through the Book Building Process.

Particulars of the Offer ⁽¹⁾	Market Maker Reservation Portion	QIBs	Non-Institutional Investors/Bidders	Retail Individual Investors/Bidders
Number of Equity Shares available for allocation	Upto [●] Equity Shares	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for allocation	[●] of the Offer Size	Not more than 50% of the Net Offer being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Offer less allocation to QIB Bidders and RIBs will be available for allocation.	Not less than 35% of the Offer less allocation to QIBs and Non - Institutional Bidders will be available for allocation.

Basis of Allotment⁽²⁾	Firm Allotment	Proportionate as follows: (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.	Allotment to each Non- Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non- Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis. For details, see "Issue Procedure" beginning on page 230 of this Draft Red Herring Prospectus.	Allotment to each Retail Individual Bidder shall not be less than the maximum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares is any, shall be allotted on proportionate basis. For details, see "Issue Procedure" beginning on page 230 of this Draft Red Herring Prospectus.
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 Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer (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 ⁽⁴⁾			
Mode of Bidding	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
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This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

- 1) *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*
- 2) *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.*
- 3) *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 Manager and the Designated Stock Exchange, subject to applicable laws.*
- 4) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Bid-cum- 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*
For further details, please refer chapter titled “Issue Procedure” beginning on page 230 of this Draft Red Herring Prospectus.

The Bids by FPIs with certain structures as described under “Issue Procedure” on page 230 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) filing of the Red Herring Prospectus/ Prospectus with ROC.

Issue Program

Event	Indicative Dates
Bid/Issue Opening Date ¹	[●] ¹
Bid/Issue Closing Date ²	[●] ²
Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	[●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account (T+2)	[●]
Credit of Equity Shares to Demat accounts of Allottees (T+2)	[●]
Commencement of trading of the Equity Shares on the Stock Exchange (T+3)	[●]

Note 1 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

2Our Company, in consultation with the Book Running Lead Manager, 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) A standard cut-off time of 3.00 P.M. for acceptance of applications.
- b) A standard cut-off time of 4.00 P.M. for uploading of applications received from other than retail individual applicants.
- c) 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 National Stock Exchange (NSE SME) after taking into account the total number of applications received up to the closure of timings and reported by Book Running Lead Manager to National Stock Exchange (NSE SME) within half an hour of such closure.

It is clarified that Applications not uploaded would be rejected. In case of discrepancy in the data entered in the electronic form vis-à-vis the data contained in the physical Bid-Cum Application form, for a particular applicant, the details as per physical Bid-Cum application form of that Applicant 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 Applicants should review the General Information Document for Investing in Public Issue, prepared and issued in accordance with the SEBI circular no CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI and updated pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and updated pursuant to SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 (the “General Information Document”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of Stock Exchange, the Company and the Book Running Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment Instructions for ASBA Applicants; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) price discovery and allocation; (vii) general instructions (limited to instructions for completing the Application Form); (viii) designated date; (ix) disposal of applications; (x) submission of Application Form; (xi) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xii) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

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 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From December 01, 2023, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along-with the existing process existing timeline of T+3 days.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stockbrokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by SME Platform of NSE (“NSE Emerge”) to act as intermediaries for submitting Application Forms are provided on www.bseindia.com. For details on their designated branches for submitting Application Forms, please see the above mentioned website of Platform of NSE (“NSE Emerge”).

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 Draft 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.

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.

Book Building Issue Procedure

The Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company in consultation with the BRLMs, allocate up to 60.00% 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, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from 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 15.00% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

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 BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under subscription, if any, in the QIB Portion, would not be allowed to be met with spillover from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

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. Eligible Employees Bidding in the Employee Reservation Portion Bidding using the UPI Mechanism, 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.

Availability of Draft Red Herring Prospectus/Prospectus and Bid cum Application Forms

Copies of the Bid cum 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 Bid cum Application Form will also be available for download on the websites of the NSE, at least one day prior to the Bid/ Offer Opening Date.

Copies of the Anchor Investor Bid cum Application Form will be available at the offices of the BRLM.

Anchor Investors are not permitted to participate in the Offer through the ASBA process.

For Anchor Investors, the Anchor Investor Bid cum 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 of Bid cum Application Form
Anchor Investor***	White
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA)**	White*
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)**	Blue*

*Excluding electronic Application Form.

**Application Forms will also be available on the website of the NSE (www.nseindia.com). Same Application

*** Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

Designated Intermediaries (other than SCSBs) after accepting Bid Cum 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 Bid cum Application Form for making an Application in terms of the Red Herring Prospectus.

The Bid Cum 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.

Submission and Acceptance of Application Form

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015

Dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed 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.	Registrar to an issue and share transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid 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 application form, in physical or electronic mode, respectively.

Designated Intermediaries shall submit Application Forms to SCSBs only

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchanges(s) and may by blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For Applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:	After accepting the application form, respective intermediary shall capture and upload the relevant bid details, including UPI ID, in the electronic bidding system of stock exchange(s). Stock Exchange shall share bid 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
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Stock exchange(s) 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.

Who can Bid?

In addition to the category of Applicants set forth under General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporate or foreign individuals only under the Non-Institutional Investors (NIIs) category;
- Mutual Funds registered with SEBI;
- VCFs registered with SEBI;
- FVCIs registered with SEBI;
- Multilateral and bilateral development financial institutions;
- State Industrial Development Corporations;
- Insurance companies registered with Insurance Regulatory and Development Authority;
- Provident Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
- Pension Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
- National Investment Fund set up by resolution no. F.NO.2/3/2005-DDII dated November 23, 2005 of the GoI, published in the Gazette of India;
- Insurance funds set up and managed by the army, navy or air force of the Union of India and by the Department of Posts, India;
- Nominated Investor and Market Maker
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares.
- 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 under guardianship)
2. Partnership firms or their nominees
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.

Participation by associates/affiliates of Book Running Lead Manager

The Book Running Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Book Running Lead Manager may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Category where the allotment is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the LM, shall be treated equally for the purpose of allocation to be made on a proportionate basis

METHOD OF BIDDING PROCESS

Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Offer and the same shall be advertised in all editions of the English national newspaper [•], all editions of Hindi national newspaper [•] and the registered office of our company is situated in Ratlam, Madhya Pradesh, therefore Hindi being regional language of Ratlam, Madhya Pradesh, each with wide circulation at least two Working Days prior to the Bid / Offer Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Offer 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 [•], all editions of Hindi national newspaper [•] and Regional newspaper [•] 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) Each Bid cum 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.
- c) 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”
- d) 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.
- e) The BRLM shall accept the Bids from 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.
- f) 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 230 of this Draft Red Herring Prospectus.
- g) 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.
- h) 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.
- i) 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 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.

- j) 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

- 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/ Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in 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 is in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval if, 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 buyers 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 that 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 Offer 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 Offer, 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 Offer under the Anchor Investor Portion

Option to Subscribe to the Issue

1. Our Company shall allot the specified securities in dematerialised form only. Investors opting for allotment in dematerialised form may get the specified securities rematerialised subsequent to allotment.
2. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.
3. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

Information for the Bidders:

1. Our Company and the Book Running Lead Manager shall declare the Offer Opening Date and Offer 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 Offer Opening Date.
3. Copies of the Bid Cum Bid cum Application Form along with Abridge Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Offer, 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 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 Bid cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected
7. The Bid Cum 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 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 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 Offer 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 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 Bid cum Application Form is liable to be rejected

Bids by HUF

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Bid cum Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

Bids by Mutual Funds

Application made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made. In case of a mutual fund, a separate 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 (1) scheme of the mutual fund will not be treated as multiple Applications, provided, that the Applications clearly indicate the scheme concerned for which the Application has been made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be attached with the Application Form. Failing this, our Company reserves the right to reject their Application in whole or in part, in either case, without assigning any reason thereof.

No mutual fund scheme shall invest more than 10% of its net asset value in the 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

Bids by Indian Public including eligible NRIs applying on Non-Repatriation

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors, Foreign Nationals, Non Residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a Company), An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Applicants applying 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 Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form.

Eligible NRIs applying on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Eligible NRIs applying on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Pursuant to the provisions of the FEMA regulations, investments by NRIs under the Portfolio Investment Scheme ("PIS") is subject to certain limits, i.e., 10.00% of the paid-up equity share capital of the company. Such limit for NRI investment under the PIS route can be increased by passing a board resolution, followed by a special resolution by the shareholders, subject to prior intimation to the RBI. Our Company has not passed any resolution to increase this limit and hence investments by NRIs under the PIS will be subject to a limit of 10% of the paid-up equity capital of the Company.

Bids by FPIs 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.

Bids by SEBI registered VCFs, AIFs and FVCIs

SEBI VCF Regulations and SEBI FVCI Regulations inter alia prescribe the investment restrictions on the VCFs and FVCIs registered with SEBI. Further, SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF registered with SEBI in one (1) 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, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering.

Category I and II AIFs cannot invest more than 25% of their corpus in one (1) Investee Company. A category III AIF cannot invest more than 10% of their investible funds in one (1) Investee Company. A venture capital fund registered as a category I AIF, as defined in 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 SEBI AIF Regulations shall continue to be regulated by SEBI VCF Regulations 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 SEBI AIF Regulations.

Further, according to SEBI ICDR Regulations, the shareholding of VCFs and category I AIFs or FVCI held in a company prior to making an initial public offering would be exempt from lock-in requirements provided that such equity shares held are locked in for a period of at least one (1) year from the date of purchase by such VCF or category I AIFs or FVCI.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency. There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

Bids by provident funds/ pension funds

In case of Applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject their application, without assigning any reason thereof

Bids by limited liability partnerships

In case of Applications 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 Application Form. Failing which, the Company in consultation with the BRLM, reserves the right to reject any application, without assigning any reason thereof.

Bids by Banking Companies

In case of Application made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserves the right to reject any Application by a banking company, without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less.

Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Bids by Insurance Companies

In case of Application made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject their application without assigning any reason thereof.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time including the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("IRDA Investment Regulations").

Bids by SCSBs

SCSBs participating in the Issue are required to comply with the terms of SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

BIDS BY ANCHOR INVESTORS:

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Offer 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/ Offer 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/ Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Offer 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 Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Offer Closing Date. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.
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. Equity Shares Allotted in the Anchor Investor Portion will 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 Offer through the ASBA process.

Bids by Limited Liability Partnerships

In case of applications 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 Application Form. Failing which, the Company in consultation with the LM, reserves the right to reject any application, without assigning any reason thereof.

Bids by Systemically Important Non-Banking Financial Companies

In case of Application 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 Application

Form. Failing this, our Company reserves 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 regulations, guidelines and circulars issued by RBI from time to time.

Bids under Power of Attorney

In case of Application made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, FPIs, Mutual Funds, Eligible QFIs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund, provident funds with a minimum corpus of ₹ 2,500 Lakhs and pension funds with a minimum corpus of ₹ 2,500 Lakhs (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject their application 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:

- With respect to Applications by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form.
- With respect to Applications 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 Application Form.
- With respect to Applications 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 Application Form.
- With respect to Applications 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 Application Form.
- Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application form, subject to such terms and conditions that our Company and the Book Running Lead Manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Bid cum Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Bid cum Application Form instead of those obtained from the Depositories

Bids by OCBs

In accordance with RBI regulations, OCBs cannot participate in this Issue.

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.

Maximum and Minimum Application Size

1. For Retail Individual Applicants

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 Applicant does not exceed ₹ 2,00,000. In case of

revision of Applications, the Retail Individual Investors have to ensure that the Application Price does not exceed ₹ 2,00,000.

2. For Other than Retail Individual Investors (Non-Institutional Investors and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 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 Applicant and Non-Institutional Investor cannot withdraw its Application after the Issue Closing Date and is required to pay 100% Bid Amount upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants 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 Draft Red Herring Prospectus.

Applicants 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 Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations

ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS

ASBA Process

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants 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 the Draft Red Herring Prospectus. ASBA Applicants 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.

Lists of banks that have been notified by SEBI to act as SCSB (Self-Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in> For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant (“ASBA Account”) is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the

Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Book Running Lead Manager.

ASBA Applicants are required to submit their applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Bid cum Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Bid cum Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE SUBMITTED BY RETAIL INDIVIDUAL INVESTOR

In addition to application to be submitted to SCSB, with whom the bank account to be blocked, is maintained, a RII would also have the option to submit Bid cum Application Form with any of the intermediary and use his / her bank account linked UPI ID for the purpose of blocking of funds with effect from January 01, 2019.

The detailed process in this regard is as detailed hereunder:

Application and validation process

- a. submission of the application with the intermediary, the RII would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).
- b. RII will fill in the Application details in the Bid cum Application Form along with his/ her bank account linked UPI ID and submit the application with any of the intermediary.
- c. The intermediary upon receipt of form will upload the Application details along with UPI ID in the stock exchange bidding platform
- d. Once the Application has been entered in the bidding platform, the exchange will undertake validation of the PAN and Demat Account details of RII with the depository.
- e. Depository will validate the aforesaid Application details on a real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.
- f. SMS from exchange to RII for applying: Once the Application details are uploaded on the stock exchange platform, the stock exchange shall send an SMS to the RII regarding submission of his / her application, daily at the end of day basis, during bidding period. For the last day of applying, the SMS may be sent out the next working day

The Block Process

- a. Post undertaking validation with depository, the stock exchange will, on a continuous basis, electronically share the Application details along with RIIs UPI ID, with the Sponsor Bank appointed by the issuer.
- b. The Sponsor Bank will initiate a mandate request on the RII i.e. request the RII to authorize blocking of funds equivalent to application amount and Subsequent debit of funds in case of allotment. For all pending UPI Mandate Requests, the Sponsor Bank will initiate requests for blocking of funds in the ASBA Accounts of relevant investors with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Issue Closing Date ("Cut-Off Time"). Accordingly, RIIs using the UPI Mechanism need to accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests after the Cut-Off Time will lapse.
- c. The request raised by the Sponsor Bank, would be electronically received by the RII as a SMS / intimation on his / her mobile no. / Mobile app, associated with UPI ID linked bank account.
- d. The RII would be able to view the amount to be blocked as per his / her Application in such intimation. The RII would also be able to view an attachment wherein the IPO Application details submitted by RII will be visible. After reviewing the details properly, RII would be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a onetime mandate for each application in the IPO.

- e. Upon successful validation of block request by the RII, as above, the said information would be electronically received by the RIIs' bank, where the funds, equivalent to application amount, would get blocked in RIIs account. Intimation regarding confirmation of such block of funds in RIIs account would also be received by the RII.
- f. The information containing status of block request (e.g. – accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with stock exchange. The block request status would also be displayed on stock exchange platform for information of the intermediary.
- g. The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation
- h. RIIs would continue to have the option to modify or withdraw the Application till the closure of the Issue period. For each such modification of Application, RII will submit a revised Application and shall receive a mandate request from sponsor bank to be validated as per the process indicated above.
Post closure of the Offer, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

HOW TO APPLY?

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. 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.

Mode of Payment

Upon submission of an Bid cum Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Bid cum Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Bid cum Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Bid cum Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of

Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

MAXIMUM AND MINIMUM APPLICATION SIZE

The applications in this Issue, being a fixed price issue, will be categorized into two;

1. For Retail Individual Applicants

The Application must be for a minimum of [●] Equity Shares so as to ensure that the Application amount payable by the Applicant does not exceed □2,00,000

2. For Other Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of [●] Equity Shares so as to ensure that the Application Amount exceeds □2,00,000 and in multiples of Equity Shares thereafter

A person shall not make an application in the net Issue category for a number of specified securities that exceeds the total number of securities offered to the public. Further, the maximum application by non-institutional investors shall not exceed total number of specified securities offered in the issue less total number of specified securities offered in the issue to qualified institutional buyers.

Further, 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 Applicant 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 Applicants, who are individuals, have to ensure that the Application Amount is greater than □ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Bid cum Application Form 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 the Prospectus.

OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM

Furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

Terms of payment

The entire Offer 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 Offer Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Offer and the Registrar to the Offer to facilitate collections from the Bidders.

Payment Mechanism

The Applicants shall specify the bank account number in their Bid cum Application Form and the SCSBs shall block an amount equivalent to the bid Amount (issue price) in the bank account specified in the Application Form. The SCSB shall keep the bid Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the bid Amount. However, Non-Retail Investors 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 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 Bid Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Bid by the ASBA Bidder, as the case may be.

PROCEDURE FOR UNIFIED PAYMENT INTERFACE (UPI)

In accordance to the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, to stream line the process of public issue of Equity Shares and convertibles, Phase II shall become effective from July 01, 2019, thereafter for applications by Retail Individual Investors through intermediaries, where the existing process of investor submitting Bid cum Application Form with any intermediaries along with bank account details and movement of such application forms from intermediaries to self-certified Syndicate Banks (SCSBs) for blocking of funds, will be discontinued. For such applications only the UPI mechanism would be permissible mode.

Who can apply through UPI Mode:

Only Retail Individual Investors are allowed to use UPI for the payment in public issues. Qualified Institutional Buyers and High-Net worth Investors shall continue to apply as per the existing process.

Process

Applications through UPI in IPOs (Public Issue) can be made only through the SCSBs/mobile applications whose name appears on the SEBI website: www.sebi.gov.in.

Blocking of Funds:

- a) Investors shall create UPI ID
- b) Investors shall submit their IPO applications through intermediaries and the investors shall enter UPI ID in the application form
- c) Thereafter, intermediary shall upload the bid details and UPI ID in the electronic bidding system of the Stock Exchange
- d) Stock Exchange shall validate the bid details on the real time basis with depository's records and shall bring the inconsistencies to the notice of intermediaries for rectification and re-submission
- e) Stock Exchange shall share the details including UPI ID with Sponsor Bank, to enable the Sponsor Bank to initiate the request for the blocking of funds
- f) Thereafter the investor shall receive notification and shall confirm the request by entering valid UPI PIN and upon such acceptance of request, funds would get blocked and intimation shall be given to the investor regarding blocking of funds

Unblocking of Funds:

- a) After the issue close day, the RTA on the basis of bidding and blocking received from stock exchange undertake a reconciliation and shall prepare Basis of Allotment.
- b) Upon approval of such basis, instructions would be sent to the Sponsor Bank to initiate process for credit of funds in the public issue escrow account and unblocking of excess funds

- c) Based on authorization given by the investor using UPI PIN at the time of blocking of funds, equivalent to the allotment, would be debited from investors account and excess funds, if any, would be unblocked.

Further, RIIs would continue to have an option to modify or withdraw the bid till the closure of the issue period. For each such modification of application, RIIs shall submit a revised application and shall receive a mandate request from the Sponsor Bank to be validated as per the process indicated above. Hence, applications made through UPI ID for payment the same shall be revised by using UPI ID only.

Rejection grounds under UPI Payment Mechanism

An investor making application using any of channels under UPI Payments Mechanism, shall use only his/ her own bank account or only his/ her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account

List of Banks providing UPI facility

An investor shall ensure that when applying in the IPO using UPI facility, the name of his Bank shall appear in the list of SCSBs as displayed on the SEBI website.

A list of SCSBs and mobile application which are live for applying in public issues using UPI mechanism is provided on the SEBI Website at the following path:

Home >> Intermediaries/Market Infrastructure Institutions >> Recognised Intermediaries >> Self Certified Syndicate Banks eligible as Issuer Banks for UPI

Investors whose Bank is not live on UPI as on the date of the aforesaid circular, may use the other alternate channels available to them viz. submission of Bid cum Application Form with SCSBs or using the facility of linked online trading, demat and bank account (Channel I or II at para 5.1 SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

Electronic Registration of Applications

1. The Designated Intermediary will register the Applications using the on-line facilities of the Stock Exchanges. There will be at least one on-line connectivity facility in each city, where a stock exchange is located in India and where Applications are being accepted. The Book Running Lead Manager, our Company and the Registrar are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary or (iv) Applications accepted and uploaded without blocking funds.
2. The Designated Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary and (iv) Applications accepted and uploaded without blocking funds. It shall be presumed that for Applications uploaded by the Designated Intermediary, the full Application Amount has been blocked.

3. In case of apparent data entry error either by the Designated Intermediary in entering the Bid cum Application Form number in their respective schedules other things remaining unchanged, the Bid cum Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to Stock Exchange(s).
4. The Designated Intermediary will undertake modification of selected fields in the Application details already uploaded within before 1.00 p.m. of the next Working Day from the Issue Closing Date.
5. The Stock Exchanges will offer an electronic facility for registering Applications for the Issue. This facility will be available with the Designated Intermediary and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Designated Intermediary 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 on-line facilities on a regular basis. On the Issue Closing Date, the Designated Intermediary shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Book Running Lead Manager on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.
6. At the time of registering each Application submitted by an Applicant, Designated Intermediary shall enter the following details of the investor in the on-line system, as applicable:
 1. Name of the Applicant;
 2. IPO Name;
 3. Bid cum Application Form number;
 4. Investor Category;
 5. PAN (of First Applicant, if more than one Applicant);
 6. DP ID of the demat account of the Applicant;
 7. Client Identification Number of the demat account of the Applicant;
 8. UPI ID (RIIs applying through UPI Mechanism)
 9. Numbers of Equity Shares Applied for;
 10. Location 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
 11. Bank account number
 12. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic Bid cum Application Form number which shall be system generated.
7. The Designated 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 application form, in physical or electronic mode, respectively. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
8. Such acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.
9. In case of QIB Applicants, the Book Running Lead Manager has the right to accept the Application or reject it. However, the rejection should be made at the time of receiving the Application and only after assigning a reason for such rejection in writing. In case on Non-Institutional Applicants and Retail Individual Applicants, Applications would be rejected on the technical grounds.
10. 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 Draft Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
11. Only Applications that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. The Designated Intermediary will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the PAN, DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar will receive this data from the Stock Exchanges 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.

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/ Offer 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 centers during the Bid/ Offer Period.

Withdrawal of Bids

RIIs can withdraw their Bids until Bid/ Offer Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Offer 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.

The Registrar to the Offer 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.

Signing of Underwriting Agreement

The issue is 100% Underwritten. For further details please refer to Section titled “General Information” on page no. 42 of this Draft Red Herring Prospectus.

Filing of the Offer Document with the ROC

For filing details, please refer Chapter titled “General Information” beginning on page 42 of this Draft Red Herring Prospectus.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, the Company shall, after filing the Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI 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 registered office of the Company is situated.

Price Discovery & Allocation of Equity shares

- a. Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Offer Price and the Anchor Investor Offer Price.
- b. The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum 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 Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. 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.

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 Offer.
3. The Book Running Lead Manager or the Registrar to the Offer will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.
4. 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 Offer 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 Offer Account to Public Offer account of the issuer.

Issuance of Confirmation Allocation Note (“CAN”) And Allotment In The Offer

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Offer shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Offer.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

Designated Date

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Offer Account with the Bankers to the Offer.

The Company will Offer 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/ Offer 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

General Instructions

Applicants are requested to note the additional instructions provided below.

Do's:

1. Check if you are eligible to apply as per the terms of the Draft 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 Application Form;
4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that your Application Form, bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Collection Centre within the prescribed time,;
6. Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
7. If the first applicant is not the ASBA account holder (or the UPI- linked bank account holder as the case may be), ensure that the Bid cum Application Form is signed by the ASBA account holder (or the UPI-

- linked bank account holder as the case may be). Ensure that you have mentioned the correct bank account number and UPI ID in the 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 your application;
 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. Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process. Retail Individual Investors using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment, in a timely manner
 13. Submit revised Applications to the same Designated Intermediary, as applicable, through whom the original Application was placed and obtain a revised TRS;
 14. Except for Applications (i) on behalf of the central or state governments and the officials appointed by the courts, who, in terms of SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market and (ii) Applications by persons resident in the state of Sikkim, who, in terms of SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants 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 Applicants 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.
 15. Ensure that the Demographic Details are updated, true and correct in all respects;
 16. Ensure that the signature of the First Bidder in case of Joint Bids, is included in the Bid cum Application Forms;
 17. 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;
 18. 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 application, the Bid cum Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names;
 19. Ensure that the category and sub-category under which the Application is being submitted is clearly specified in the Application Form;
 20. Ensure that in case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
 21. If you are resident outside India, ensure that Applications by you are in compliance with applicable foreign and Indian laws;
 22. Applicants should note that in case the DP ID, the Client ID, UPI ID (where applicable) and the PAN mentioned in the Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, match with the DP ID, Client ID (where applicable) and PAN available in the Depository database otherwise 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 Application Form;

23. Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Bid cum Application Form and the Prospectus;
24. Ensure that you have correctly signed the authorisation/undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Bid cum Application Form at the time of submission of the Application;
25. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than Retail Individual Investors Bidding using the UPI Mechanism) in the Bid cum Bid cum Application Form and such ASBA account belongs to you and no one else. Further, Retail Individual Investors using the UPI Mechanism must also mention their UPI ID and shall use only his/her own bank account which is linked to his/her UPI ID;
26. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;
27. Retail Individual Investors Bidding using the UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. Retail Individual Investors shall ensure that the name of the app and the UPI handle which is used for making the application appears on the list displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;

Don'ts:

1. Do not apply for lower than the minimum Application size;
2. Do not apply at a Price different from the Price mentioned herein or in the Application Form;
3. Do not pay the Application Amount in cash, cheque, by money order or by postal order or by stock invest or any mode other than stated herein;
4. Do not send Application / ASBA Forms by post, instead submit the same to the Designated Intermediary only;
5. Do not submit the Application Forms with the Banker(s) to the Issue (assuming that such bank is not a SCSB), our Company, the BRLM or the Registrar to the Issue (assuming that the Registrar to the Issue is not one of the RTAs) or any non-SCSB bank;
6. Do not apply on a Bid cum Application Form that does not have the stamp of the Designated Intermediary;
7. If you are a Retail Individual Applicant, do not apply for an exceeding ₹ 2,00,000;
8. Do not fill up the Bid cum Application Form such that the Equity Shares applied for exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;
9. Do not submit the General Index Register number instead of the PAN;
10. As an ASBA Applicant, do not submit the Application without ensuring that funds equivalent to the entire Application Amount are available to be blocked in the relevant ASBA Account and as in the case of Retail Individual Investors using the UPI Mechanism shall ensure that funds equivalent to the entire application amount are available in the UPI linked bank account where funds for making the bids are available.
11. As an ASBA Applicant, do not instruct your respective banks to release the funds blocked in the ASBA Account;
12. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
13. Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
14. If you are a QIB, do not submit your Application after 3.00 pm on the Issue Closing Date for QIBs;
15. If you are a Non-Institutional Applicant or Retail Individual Applicant, do not submit your Application after 3.00 pm on the Issue Closing Date;
16. Do not submit an Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
17. Do not submit an Application 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 Depositories);
18. If you are a QIB or a Non-Institutional Applicant, do not withdraw your Application or lower the size of your Application (in terms of quantity of the Equity Shares or the Application Amount) at any stage;

19. Do not submit more than five (5) ASBA Forms per ASBA Account;
20. Do not submit ASBA Forms at a location other than the Specified Locations or to the brokers other than the Registered Brokers at a location other than the Broker Centres; and
21. Do not submit ASBA Forms to a Designated Intermediary at a Collection Centre unless the SCSB where the ASBA Account is maintained, as specified in the ASBA Form, has named at least one (1) branch in the relevant Collection Centre, for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>). The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.
22. Do not submit a Bid cum Bid cum Application Form with third party UPI ID or using a third-party bank account (in case of Bids submitted by Retail Individual Investors using the UPI Mechanism)

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Instructions for completing the 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 Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the Bid cum Application Form submitted. Bid cum Application Form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit 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 Stock Exchange.

Applicant’s Depository Account and Bank Details

Please note that, providing bank account details 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.

Applicants should note that on the basis of name of the Applicants, Depository Participant’s name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as ‘Demographic Details’). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants’ sole risk and neither the Book Running Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Bid cum Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant 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.

Payment by Stock Invest

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003 04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Other Instructions

Joint Bids in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Bid cum Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Bids

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same. In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- I. All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications.
- II. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- III. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate 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 Applications clearly indicate the scheme concerned for which the Application has been made. In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of know your client norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple Applications and are liable to be rejected. The Company, in consultation with the Book Running Book Running Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple Applications is given below:

- All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
- For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

Permanent Account Number or PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

Our Company/ Registrar to the Issue, Book Running Lead Manager can, however, accept the Application(s) which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Applicant.

Investor Grievance

In case of any pre- Offer or post Offer 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/ Offer 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 DRHP.

RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the Book Running Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds. It should be noted that RIIs using third party bank account for the payment in the public issue using UPI facility or using third party UPI ID linked bank account are liable to be rejected.

Grounds for Technical Rejections

Applicants are requested to note that Application may be rejected on the following additional technical grounds.

- a. Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- b. 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;
- c. Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- d. PAN not mentioned in the Bid cum Application Form;
- e. Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- f. GIR number furnished instead of PAN;
- g. Bid for lower number of Equity Shares than specified for that category of investors;
- h. Bids at Cut-off Price by NIIs and QIBs;
- i. Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the DRHP;
- j. 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;
- k. Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- l. Category not ticked;
- m. Multiple Bids as defined in the DRHP;

- n. In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- o. Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- p. Signature of sole Bidder is missing;
- q. 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 DRHP and as per the instructions in the DRHP and the Bid cum Application Forms;
- r. 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;
- s. Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- t. Bid by OCBs;
- u. Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- v. 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;
- w. Bids not uploaded on the terminals of the Stock Exchange;
- x. Where no confirmation is received from SCSB for blocking of funds;
- y. 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;
- z. Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- aa. Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- bb. Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
 - a. 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
 - b. 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 Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer 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 Offer, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the DRHP

Equity Shares in Dematerialized Form with NSDL or CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) a tripartite agreement dated February 09, 2024 with NSDL, our Company and Registrar to the Issue;
- b) a tripartite agreement dated January 15, 2024 with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN No: INE0SVY01018

- a) An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
- b) The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's Identification number) appearing in the Bid cum Application Form or Revision Form.
- c) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).
- d) Names in the Bid cum Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- e) If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Bid cum Application Form or Revision Form, it is liable to be rejected.
- f) The Applicant is responsible for the correctness of his or her demographic details given in the Bid cum Application Form vis-à-vis those with their Depository Participant.
- g) It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- h) The trading of the Equity Shares of our Company would be only in dematerialized form.

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 Applicant, Bid cum Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted 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.

<p>Kataria Industries Limited Company Secretary and Compliance Officer Address: -34-38 and 44, INDUSTRIAL AREA, Ratlam, Ratlam, Madhya Pradesh, India, 457001 Tel No: 07412 299407, 07412 261012 Website: kataria.litmusbranding.in E-mail: info@katariagroup.co.in</p>	<p>Bigshare Services Private Limited Address: Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Center, Mahakali Caves Road, Andheri East, Mumbai-400093 Tel No: +91 22-62638200 Website: www.bigshareonline.com E-Mail: ipo@bigshareonline.com Contact Person: Mr. Vinayak Morbale SEBI Reg. No.: INR000001385</p>
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Disposal of Applications 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 where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Offer 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 Offer Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Offer 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

Impersonation

Attention of the Applicant 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”.

Section 447 of Companies Act, 2013 deals with ‘Fraud’ and prescribed a punishment of “imprisonment for a term which shall not be less than 6 (six) months but which may extend to 10 (ten) years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to 3 (three) times the amount involved in the fraud”.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner.

The authorised employees of the Stock Exchange, along with the Book Running Lead Manager and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

AT PAR FACILITY

Letters of Allotment or refund orders or instructions to Self-Certified Syndicate Banks in Application Supported by Blocked Amount process. The issuer shall ensure that “at par” facility is provided for encashment of refund orders for applications other than Application Supported by Blocked Amount process.

Grounds for Refund

Non-Receipt of Listing Permission

An Issuer makes an Application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in

Draft Red Herring Prospectus. The designated Stock Exchange may be as disclosed in the Draft Red Herring Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Prospectus.

In the event that the listing of the Equity Shares does not occur in the manner described in this Draft Red Herring Prospectus, the Book Running Lead Manager and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from Book Running Lead Manager and the Registrar for further payment to the beneficiary Applicants.

If such money is not repaid within four days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of forth days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in the Prospectus.

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue 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 money has to be returned within such 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 the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall Forthwith refund the entire subscription amount received. If there is a delay beyond four days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013)

Minimum Number of Allottees

The Issuer may ensure that the number of Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

Mode of Refunds

- a) In case of ASBA Bids: Within 6 (six) Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid, for any excess amount blocked on Application, for any ASBA Bids withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Offer.
- b) In the case of Applicant from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/ or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.
- c) In case of Investors: Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may dispatch the refund orders for all amounts payable to unsuccessful Investors. In case of Investors, the Registrar to the Offer may obtain from the depositories, the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Investors in their Investor Application Forms for refunds. Accordingly, Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Investors' sole risk and neither the Issuer, the Registrar to the Offer, the Escrow Collection Banks, may be liable to compensate the Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

Mode of making refunds for Applicants other than ASBA Applicants

The payment of refund, if any, may be done through various modes as mentioned below:

- I. **NECS** - Payment of refund may be done through NECS for Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder as obtained from the Depository;
- II. **NEFT** - Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- III. **Direct Credit** - Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- IV. **RTGS** - Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS. The IFSC code shall be obtained from the demographic details. Investors should note that on the basis of PAN of the bidder, DP ID and beneficiary account number provided by them in the Bid cum Application Form, the Registrar to the Offer will obtain from the Depository the demographic details including address, Applicants account details, IFSC code, MICR code and occupation (hereinafter referred to as "Demographic Details"). The bank account details for would be used giving refunds. Hence, Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at their sole risk and neither the BRLM or the Registrar to the Offer or the Escrow Collection Banks nor the Company shall have any responsibility and undertake any liability for the same; and
- V. Please note that refunds, on account of our Company not receiving the minimum subscription of 90% of the Offer, shall be credited only to the bank account from which the Applicant Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Applicants may refer to Draft Red Herring Prospectus.

INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer shall make the Allotment within the period prescribed by SEBI. The Issuer shall pay interest at the rate of 15% per annum if Allotment is not made and refund instructions have not been given to the clearing system in the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within such times as maybe specified by SEBI.

Completion of Formalities for listing & Commencement of Trading

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instruction for credit of Equity Shares to the beneficiary account with DPs, and dispatch the allotment Advise within 6 Working Days of the Issue Closing Date.

BASIS OF ALLOTMENT

a. For Retail Individual Bidders

Bids received from the Retail Individual Bidders at or above the Offer 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 Offer Price.

The Offer size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [•] Equity Shares at or above the Offer 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 Offer Price, the Allotment shall be made on a proportionate basis up to a minimum of 2,000 Equity Shares and in multiples of 2,000 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 Offer 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 Offer Price.

The Offer size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [•] Equity Shares at or above the Offer 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 Offer Price, Allotment shall be made on a proportionate basis up to a minimum of [•] Equity Shares and in multiples of 2,000 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 Offer 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 Offer 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 5% of the QIB Portion shall be determined as follows:

- In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 5% of the QIB Portion.
- In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Offer 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 Offer Price shall be allotted Equity Shares on a proportionate basis, up to a minimum of 2,000 Equity Shares and in multiples of 2,000 Equity Shares thereafter for 95% 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 2,000 Equity Shares and in multiples of 2,000 Equity Shares thereafter, along with other QIB Bidders.

- Under-subscription below 5% 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.

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
 - a. not more than 60% of the QIB Portion will be allocated to Anchor Investors
 - b. 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
 - c. 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 Offer 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 Offer 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 Offer 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 offer

In the event of the Offer being Over-Subscribed, the Issuer may finalize the Basis of Allotment in consultation with the NSE EMERGE (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 2,000 equity shares the allotment will be made as follows:
- Each successful Bidder shall be allotted 2,000 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 2,000 equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of 2,000 equity shares subject to a minimum allotment of 2,000 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 2,000 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 Offer specified under the Capital Structure mentioned in this Prospectus

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 Offer 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.

There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

Instructions for Completing the Bid Cum Application Form

The Applications should be submitted on the prescribed Bid Cum 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 Offer with effect from January 01, 2013. The list of Broker Centre is available on the websites of NSE i.e., 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 Offer and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Offer with effect front January 01, 2016. The List of ETA and DPs centers for collecting the application shall be disclosed is available on the websites of NSE i.e., 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 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 Bid cum Application Form as entered into the Stock Exchange online system, the Registrar to the Offer 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 Bid cum Application Form would not be used for any other purpose by the Registrar to the Offer.

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 Offer, 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 Offer should be addressed to the Registrar to the Offer quoting the full name of the sole or First Bidder, Bid Cum 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 Offer in case of any pre- Offer or post Offer related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

Undertaking by our Company

Our Company undertakes the following:

1. That the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (Six) working days of closure of the Issue;
3. that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
4. that the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non-resident Indians shall be completed within specified time; and
5. that no further issue of Equity Shares shall be made till the Equity Shares offered through the Draft Red Herring Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.
6. that Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
7. That if our Company does not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice which will be issued by our Company within two (2) days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were

published. Stock Exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;

8. The Equity Shares proposed to be issued by it in the Issue shall be allotted and credited to the successful applicants within the specified time in accordance with the instruction of the Registrar to the Issue;
9. If the Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within fifteen (15) days from the Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants at the rate of 15% per annum for the delayed period
10. That if our Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with Stock Exchange/ RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issue;
11. That the Promoters' contribution in full, if required, shall be brought in advance before the Issue opens for subscription and the balance, if any, shall be brought on a pro rata basis before the calls are made on Applicants in accordance with applicable provisions under SEBI ICDR Regulations;
12. That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
13. That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of Allotment; and
14. That it shall comply with such disclosure and account norms specified by SEBI from time to time

Utilization of Issue Proceeds

Our Board 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 shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company's balance sheet 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 an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of section SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to section 177 of the Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue respectively.
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.

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, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The DIPP, has issued consolidated FDI Policy Circular of 2020 ("FDI Policy 2020"), effective from October 15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular.

The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI and Master Direction – Foreign Investment in India (updated upto March 08, 2019). In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular and Master Direction. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2020 has to be obtained.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP / RBI, from time to time.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue 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 and amendments from time to time thereupon, 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 Schedule 1, 2, 3, 6, 7, 8, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017 as amended from time to time. 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 Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 as amended from time to time. 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, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – 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.

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 the Draft Red Hearing 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 – DESCRIPTION OF EQUITY SHARES AND TERMS OF
THE ARTICLES OF ASSOCIATION**

**MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF
KATARIA INDUSTRIES LIMITED**

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 December 11, 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
 - a. the Act means the Companies Act, 2013,
 - b. the "Company" means **KATARIA INDUSTRIES LIMITED**
 - 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-
- it 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. Mr. Sunil Kataria
 2. Mr. Arun Kataria

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 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.

*The Company has altered AOA vide passing Special Resolution in General Meeting of Members held on 11/12/2023

**The Company has adopted TABLE-F vide passing Special Resolution in General Meeting of Members held on 02/11/2023

**The Company has altered AOA in General Meeting dated held on 15/12/2004, 25/03/2008 and 17/04/2009.

SECTION - X - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered into or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Prospectus which will be delivered to the RoC for filing. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Corporate Office of our Company located at 34-38 and 44, Industrial Area, Ratlam, Madhya Pradesh, India, 457001 between 10:00 a.m. and 5:00 p.m. (IST) on all Working Days from the date of this Draft Red Herring Prospectus until the Issue Closing Date. The copies of the contracts and documents for inspection referred to hereunder will be uploaded on the website of our Company at www.katariaindustries.co.in, and will be available for inspection from date of the Draft Red Herring Prospectus until the Bid/ Offer Closing Date (except for such agreements executed after the Bid/ Offer Closing Date).

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A. Material contracts for the Issue

1. Issue Agreement dated February 22, 2024 between our Company and the Book Running Lead Manager.
2. Registrar Agreement dated February 17, 2024 between our Company and Registrar to the Issue.
3. Underwriting Agreement dated [•] amongst our Company, the Underwriter and the Book Running Lead Manager.
4. Market Making Agreement dated [•] amongst our Company, Market Maker and the Book Running Lead Manager.
5. Bankers to the Issue Agreement dated [•] amongst our Company, the Book Running Lead Manager, Banker (s) to the Issue and the Registrar to the Issue.
6. Tripartite agreement January 15, 2024 amongst our Company, Central Depository Services (India) Limited and Registrar to the Issue.
7. Tripartite agreement dated February 09, 2024 amongst our Company, National Securities Depository Limited and Registrar to the Issue.

B. Material documents for the Issue

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Order of the Hon'ble High Court of Madhya Pradesh Dated 11th September 2014 approved the Scheme of Demerger of our Plastic and Wind Mill Division. As a consequence of transfer of the Plastic Division and Wind Mill Division.
3. Resolutions of the Board of Directors dated December 26, 2023 in relation to the Issue and other related matters.
4. Shareholders' resolution dated December 26, 2023 in relation to the Issue and other related matters.
5. Consents of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Reviewed Auditor, Book Running Lead Manager, Legal Advisor to the Issue, Registrar to

the Issue, Underwriters to the Issue, Bankers to our Company, Banker to our Issue and Market Maker to include their names in this Draft Red Herring Prospectus and to acting their respective capacities

6. Peer Review Auditors Report dated February 22, 2024 on Restated Financial Statements of our Company for the period ended on December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021.
7. The Report dated February 22, 2024 from the Statutory Auditors of our Company, confirming the Statement of Tax Benefits available to our Company and its Shareholders as disclosed in this Draft Red Herring Prospectus.
8. Audit Committees Resolution dated February 28, 2024 approving the KPI and Certificate from the Peer Review Auditor of the Company M/s. Karma & Co. LLP, Chartered Accountants dated February 28, 2024 with respect to the KPIs disclosed in this Draft Red Herring Prospectus.
9. Board Resolution dated March 11, 2024 & [•] for approval of this Draft Red Herring Prospectus and Prospectus respectively.
10. Copy of Approval dated [•] from the SME Platform of NSE (NSE Emerge) to use their name in the Prospectus for listing of Equity Shares.
11. Due diligence certificate submitted to National Stock Exchange of India Limited March 11, 2024 from Book Running Lead Manager to the Issue

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance with applicable law.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, 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 Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements are true and correct.

Signed by the Directors of the Company:

Name	Designation	Signature
Arun Kataria	Managing Director	Sd/-
Anoop Kataria	Whole-time director	Sd/-
Sunil Kataria	Director	Sd/-
Mukesh Jain	Independent Director	Sd/-
Apoorva Lunawat	Independent Director	Sd/-

Signed by:

Name	Designation	Signature
Anoop Kataria	Chief Financial Officer	Sd/-
Priyanka Bakhtyarpuri	Company Secretary and Compliance Officer	Sd/-

Place: Ratlam

Date: March 11, 2024