Draft Red Herring Prospectus
Dated: September 29, 2023
(To be updated upon ROC filing)
Please read Section 26(4) and 32 of Companies Act, 2013
100% Book Built Issue

VIBHOR STEEL TUBES LIMITED

CIN: U27109HR2003PLC035091

Registered Office	Corporate Office	Contact Person	Email and Telephone	Website
Plot No. 2, Industrial Development Colony, Delhi Road, Hisar, Haryana-125005, India.	NA	Mr. Lovkesh, Company Secretary & Compliance Officer	**Email:** cs@vstlindia.com **Tel:** +91 7030322880;	www.vstlindia.com

PROMOTERS OF THE COMPANY

MR. VIJAY KAUSHIK, MR. VIBHOR KAUSHIK, MRS. VIJAY LAXMI KAUSHIK AND M/S VIJAY KAUSHIK HUF

DETAILS OF ISSUE TO PUBLIC

Type	Fresh Issue Size (Rs. In Lakhs)	Size of the Offer for Sale (No. of Equity Shares)	OFS Size (Rs. In Lakhs)	Total Issue Size (Rs. In Lakhs)	Eligibility
Fresh Issue	Up to [●] equity shares of face value of Rs. 10 each aggregating upto Rs. 6,647.20 Lakhs	NA	NA	Rs. [●] Lakhs	The Issue is being made pursuant to Regulation 6(1) of the SEBI ICDR Regulations. For further details, please see "Other Regulatory and Statutory Disclosures – Eligibility for the Issue and Transfer Restrictions" on page 363. For details in relation to share reservation among QIBs, NIBs and RIBs, see "Issue Structure" on page 375.

DETAILS OF THE OFFER FOR SALE BY THE SELLING SHAREHOLDER AND WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE

NAME OF THE SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES OFFERED / AMOUNT (Rs. in Lakhs)	WEIGHTED AVERAGE COST OF ACQUISITION (IN Rs. PER EQUITY SHARE)
NA			

RISKS IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is Rs. 10 each. The Floor Price, the Cap Price and the Issue Price (as determined by our Company, in consultation with the BRLM), on the basis of the assessment of market demand for the Equity Shares by way of the book building process, as stated in "Basis for Issue Price" beginning on page 99, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section *"Risk Factors"* beginning on page 29.

COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, 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 Offer, 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 issued through the Draft Red Herring Prospectus are proposed to be listed on the Stock Exchanges being BSE Limited and National Stock Exchange of India Limited. For the purposes of the Issue, National Stock Exchange of India Limited is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER TO THE ISSUE

Name and Logo	Contact Person	Email and Telephone
SIXTH SENSE analytics ... beyond the obvious **KHAMBATTA SECURITIES LIMITED**	**Mr. Chandan Mishra;** **Mr. Vipin Aggarwal**	**Email:** ipo@khambattasecurities.com **Tel:** 0120 4415469, 9953989693

REGISTRAR TO THE ISSUE

Name and Logo	Contact Person	Email and Telephone
KFINTECH EXPERIENCE TRANSFORMATION **KFIN TECHNOLOGIES LIMITED**	**M Murali Krishna**	**Email:** vibhor.ipo@kfintech.com **Tel:** +91 40 6716 2222

BID ISSUE PROGRAMME

BID/ ISSUE OPENS ON: [●]*	BID/ ISSUE CLOSES ON: [●]**

**Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date, i.e. [●].*

***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.*

Draft Red Herring Prospectus
Dated: September 29, 2023
(To be updated upon ROC filing)
Please read Section 26(4) and 32 of Companies Act, 2013
100% Book Built Issue

VIBHOR STEEL TUBES LIMITED

Our Company was originally incorporated as 'Vibhor Steel Tubes Private Limited' a private limited company under the Companies Act, 1956 at, pursuant to a certificate of incorporation dated April 16, 2003 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Thereafter, our Company was converted from private to public company, pursuant to a special resolution passed by the shareholders of our Company on June 14, 2023 and a fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Delhi ("RoC") on July 07, 2023. For further details on the change in the name and the registered office of our Company, see "History and Certain Corporate Matters" beginning on page 193 of the Draft Red Herring Prospectus.

Registered Office: Plot No. 2, Industrial Development Colony, Delhi Road, Hisar, Haryana-125005, India.
Tel No.: +91 7030322880; **E-mail:** cs@vstlindia.com; **Website:** www.vstlindia.com
Contact Person: Mr. Lovkesh, Company Secretary & Compliance Officer

PROMOTERS OF OUR COMPANY: MR. VIJAY KAUSHIK, MR. VIBHOR KAUSHIK, MRS. VIJAY LAXMI KAUSHIK AND M/S VIJAY KAUSHIK HUF

DETAILS OF THE ISSUE

INITIAL PUBLIC OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF Rs.10 EACH ("EQUITY SHARES") OF VIBHOR STEEL TUBES LIMITED ("COMPANY") FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF RS. [●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO Rs. 6,647.20 LAKHS THROUGH AN FRESH ISSUE OF EQUITY SHARES. THE ISSUE WILL CONSTITUTE [●] % OF THE POST-ISSUE PAID-UP CAPITAL OF OUR COMPANY.

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

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

The Issue is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended, read with Regulation 31 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"). The Issue is being made through the Book Building Process, in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (the "QIBs") (the "QIB Category"), provided that our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Category to Anchor Investors, on a discretionary basis (the "Anchor Investor Portion"). 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 made to Anchor Investors. 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation to Non-Institutional Bidders, of which (a) one-third portion shall be reserved for applicants with application size of more than Rs. 2,00,000 and up to Rs. 10,00,000; and (b) two-thirds portion shall be reserved for applicants with application size of more than Rs. 10,00,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price and not less than 35% of the Issue will 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 Bidders, other than the Anchor Investors, are mandatorily required to participate in this Issue only through an Application Supported by Blocked Amount ("ASBA") process, providing details of their respective bank accounts (including UPI ID for UPI Bidders using UPI Mechanism) in which the Bid amount will be blocked by the Self Certified Syndicate Banks or the Sponsor Bank. The Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For further details, please see "Issue Procedure" beginning on page 381.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares by our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is Rs. 10 each. The Issue Price, Floor Price and Price Band 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 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 the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page 29.

COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, 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 Offer, 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 Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Issue, the Designated Stock Exchange shall be NSE. A copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/Issue Closing Date, see "Material Contracts and Documents for Inspection" beginning on page [●].

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
KHAMBATTA SECURITIES LIMITED 806, World Trade Tower, Tower B, Noida Sector-16, Uttar Pradesh-201301, India **Tel:** 0120 4415469, 9953989693 **Email:** ipo@khambattasecurities.com **Investor Grievance Email:** mbcomplaints@khambattasecurities.com **Website:** www.khambattasecurities.com **Contact Person:** Mr. Chandan Mishra; Mr. Vipin Aggarwal **SEBI Registration No.:** INM000011914	**KFIN TECHNOLOGIES LIMITED** Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500 032, India **Tel:** +91 40 6716 2222 **Email:** vibhor.ipo@kfintech.com **Website:** www.kfintech.com **Contact Person:** M Murali Krishna **SEBI Registration No:** INR000000221

BID ISSUE PROGRAMME

BID/ ISSUE OPENS ON: [●]	BID/ ISSUE CLOSES ON: [●]

**Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date, i.e. [●].*

***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 implies or requires, or unless otherwise specified, shall have the meaning as assigned below. References to statutes, rules, regulations, guidelines and policies will, unless the context otherwise requires, be deemed to include all amendments, modifications and replacements notified thereto, as of the date of this Red Herring Prospectus, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

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

Notwithstanding the foregoing, terms used in sections entitled in "Industry Overview", "Key Regulations and Policies in India", "Statement of Tax Benefits", "Financial Information", "Basis for Issue Price", "Outstanding Litigation and Other Material Developments", "Government and other approvals", "Issue Procedure" and "Main Provisions of Articles of Association", on page nos. 114, 185, 109, 233, 99, 345, 355, 381 and 405 respectively, shall have the meaning ascribed to such terms in those respective sections.

General Terms

Term	Description
The Company / our Company / The Issuer	Vibhor Steel Tubes Limited is a company incorporated under the Companies Act 1956, having the Registered Office located at Plot No. 2, Industrial Development Colony, Delhi Road, Hisar, Haryana-125005, India.
"we", "us" or "our" or "Group"	Unless the context otherwise indicates or implies, our Company together with its Subsidiaries, on a Consolidated basis.

Company related Terms

Term	Description
AoA/ Articles / Articles of Association	The Articles of Association of our Company, as amended from time to time
Audit Committee	The committee of the Board of Directors reconstituted on September 21, 2023 as our Company's Audit Committee in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements), 2015
Auditors / Statutory Auditors	M/s. Ashok Kumar Goyal & Co., Chartered Accountants, being the current Statutory Auditor of our Company.
Board of Directors / Board	The Board of Directors of Vibhor Steel Tubes Limited, including all duly constituted Committees thereof.
Chief Financial Officer	Chief financial officer of our Company is Mr. Anil Jain
Chairman	Mr. Vijay Kaushik, the Chairman and Director of our Company.
Company Secretary and Compliance Officer	The Company Secretary and Compliance officer of our Company is Mr. Lovkesh.
Corporate Social Responsibility Committee	The committee of the Board of Directors reconstituted on September 21, 2023 as our Company's Corporate Social Responsibility Committee in accordance with Section 135 of the Companies Act, 2013.
Equity Shares	Equity Shares of our Company of Face Value of Rs.10 each unless otherwise specified in the context thereof.

Term	Description
Equity Shareholders	Person(s) holding Equity Share(s) of our Company.
Executive Directors(s)	Executive Directors(s) of our Company. For further details, please refer section titled "Our Management" on page no. 198.
Group Companies	Companies (other than our Subsidiaries, if any and joint ventures) with which there were related party transactions as disclosed in the Restated Standalone Financial Statements as covered under the applicable accounting standards, and as disclosed in "Our Group Companies" on page no. 226.
Independent Director(s)	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer chapter titled "Our Management" beginning on page no. 198.
ISIN	International Securities Identification Number. In this case being, INE0QTF01015.
Key Management Personnel / KMP	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations as disclosed in "Our Management" on page no. 198.
Materiality Policy	Policy adopted by our Company, in its Board meeting held on September 21, 2023, for identification of group companies, material creditors and material litigations.
MOA / Memorandum / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Nomination and Remuneration Committee	The committee of the Board of Directors constituted on September 21, 2023 as our Company's Nomination and Remuneration Committee in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013.
Promoters / Core Promoters	The Promoters of our Company are Mr. Vijay Kaushik, Mr. Vibhor Kaushik, Mrs. Vijay Laxmi Kaushik and M/s. Vijay Kaushik HUF.
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as disclosed in "Our Promoters and Promoter Group" on page no. 220.
Registered Office	Plot No. 2, Industrial Development Colony, Delhi Road, Hisar, Haryana-125005, India.
Registrar of Companies/ RoC	Registrar of Companies, Delhi situated at 4th Floor, IFCI Tower, 61 Nehru Place, New Delhi – 110019, India.
Restated Standalone Financial Statements	The restated standalone financial information of our Company for the Financial Year ended March 31, 2023, March 31, 2022 and March 31, 2021 of the Company together with its notes, annexures and schedules prepared in accordance with Ind AS, and restated in accordance with requirements of Section 26 of Part I of Chapter III of Companies Act, SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectus (Revised 2019)" issued by ICAI.
Stakeholders' Relationship Committee	The committee of the Board of Directors constituted on September 21, 2023 as our Company's Stakeholders' Relationship Committee in accordance with Regulation 20 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013.

Issue Related Term

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Application Form.

Term	Description
Allot / Allotment / Allotted	Unless the context otherwise requires, allotment or transfer, as the case may be of Equity Shares offered pursuant to the Fresh Issue to the successful Bidders
Allotment Advice	A note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottees	The successful Bidder to whom the Equity Shares are being / have been allotted.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Draft Red Herring Prospectus
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors in terms of the Draft Red Herring Prospectus and the Prospectus which will be decided by our Company in consultation with the Book Running Lead Manager.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor portion and which will be considered as an application for Allotment in terms of the Draft Red Herring Prospectus and Prospectus.
Anchor Investor Bid / Issue Period	One Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed.
Anchor Investor Escrow Account	The account to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH / NECS / direct credit / NEFT / RTGS in respect of the Bid Amount when submitting a Bid.
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Draft Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company in consultation with the Book Running Lead Manager.
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), the Anchor Investor Bid/Issue Period, and in the event the Anchor Investor Allocation Price is lower than the Anchor Investor Issue Price, not later than two Working Days after the Bid/ Issue Closing Date
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company in consultation with the Book Running Lead Manager, to Anchor Investors on a discretionary basis. 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.
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by a Bidder (other than Anchor Investors) to make a Bid authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB and will include applications made by RIBs using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by RIBs using the UPI Mechanism.
ASBA Account	A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a RIB linked to a UPI ID, which will be blocked in relation to a Bid by a RIB Bidding through the UPI Mechanism
ASBA Bidder / Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Draft Red Herring Prospectus and the Bid cum Application Form unless stated or implied otherwise except Anchor Investors.

Term	Description
ASBA Form	An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by the ASBA Bidders and which will be considered as an application for Allotment in terms of the Draft Red Herring Prospectus and the Prospectus.
Banker(s) to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled "General Information" on page no. 65.
Banker(s) to the Issue	Collectively, Escrow Collection Bank, Public Issue Bank, Sponsor Bank and Refund Bank, as the case may be, which are Clearing Members and registered with SEBI as Banker to the Issue with whom the Escrow Agreement is entered and in this case being [●].
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Issue and which is described in the chapter titled "Issue Procedure" beginning on page no. 381.
Bid	Indication to make an issue during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Issue Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Draft 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 the 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 Bidder or blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid.
Bid cum Application Form	The form, whether physical or electronic, used by a Bidder, to make a Bid and which will be considered as a Bid for Allotment in terms of this Updated Red Herring Prospectus, the Red Herring Prospectus and the Prospectus. Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Bid / Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of the English National Daily Newspaper Business Standard and all editions of the regional language of Hisar, Haryana where our Registered Office is located each with wide circulation, and in case of any revision, the extended Bid / Issue Closing Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations, 2018 and also intimated to SCSBs, the Sponsor Bank and the Designated Intermediaries.
Bid / Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids being Business Standard, and which shall be notified in all editions of the English National Daily Newspaper Business Standard and all editions of the regional language of Hisar, Haryana where our Registered Office is located) each with wide circulation, and in case of any revisions, the extended Bid / Issue Closing Date shall also be notified on the websites and terminals of the Syndicate Members and also intimated to the Designated Intermediaries and the Sponsor Bank, as required under the SEBI ICDR Regulations.
Bid / Issue Period	Except in relation to Anchor Investors, the period between the Bid / Issue Opening Date and the Bid / Issue Closing Date, inclusive of both days, during which

Term	Description
	prospective Bidders have submitted their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations.
Bidder	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 and an Anchor Investor.
Bidding Centres	The centres at which Designated Intermediaries shall accept the ASBA Forms, i.e., Designated Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
Book Running Lead Manager / BRLM	Khambatta Securities Limited.
Broker Centre	The broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms (in case of RIBs only ASBA Forms under UPI) to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
CAN / Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bidding Date.
Cap Price	The higher end of the Price Band, above which the Issue Price and Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted (including any revisions thereof)
Cash Escrow and Sponsor Bank Agreement	The agreement dated [●] entered into amongst our Company, the Registrar to the Issue, the BRLM, the Syndicate Members and Banker(s) to the Issue in accordance with the UPI Circulars, collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account(s) and where applicable remitting refunds, if any, to Bidders, on the terms and conditions thereof.
Client ID	Client identification number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant" or "CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the UPI Circulars issued by SEBI as per the list available on the websites of BSE and NSE.
Collecting Registrar and Share Transfer Agents / CRTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the UPI Circulars issued by SEBI.
Cut-off Price	The Issue Price, finalised by our Company in consultation with the Book Running Lead Manager, which shall be any price within the Price Band. Only Retail Individual Bidders bidding in the Retail Portion are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	Details of the Bidders including the Bidders' address, name of the Bidders' father/husband, investor status, occupation and bank account details and UPI ID wherever applicable.

Term	Description
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
Designated Date	The date on which funds are transferred from the Escrow Account and the amounts blocked by the SCSBs (in case of RIBs using UPI Mechanism, instruction issued through the Sponsor Bank) are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Draft Red Herring Prospectus, and the aforesaid transfer and instructions shall be issued only after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange.
Designated Intermediary(ies)	In relation to ASBA Forms submitted by RIBs by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIBs where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such RIB using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, Sub-Syndicate / agents, Registered Brokers, CDPs and CRTAs. In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean Syndicate, Sub-Syndicate / agents, SCSBs, Registered Brokers, the CDPs and CRTAs.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	National Stock Exchange of India Limited.
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
Draft Red Herring Prospectus or RHP	This Draft Red Herring Prospectus dated September 29, 2023 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue, including any addenda and corrigenda thereto.
Eligible FPI(s)	FPIs that are eligible to participate in this Issue in terms of applicable laws, other than individuals, corporate bodies and family offices.
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the ASBA Form and the Draft Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares.
Escrow Account	Account(s) to be opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors, will transfer money through NACH/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid.

Term	Description
Escrow and Sponsor Bank Agreement	The agreement to be entered amongst our Company, the Book Running Lead Manager, the Bankers to the Issue and the Registrar to the Issue, in accordance with the 2018 Circular on Streamlining of Public Issues), for the appointment of the Sponsor Bank, collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof.
Escrow Collection Bank(s)	The bank(s) which is/are clearing members and are registered with SEBI as an escrow bank, with whom the Anchor Escrow Accounts in relation to the Issue for Bids by Anchor Investors will be opened, in this case being [●].
First or Sole Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of join Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares.
Fresh Issue	Fresh Issue of up to [●] Equity Shares of face value Rs. 10 each for cash at a price of Rs. [●] per Equity Shares aggregating up to Rs. 6,647.20 lakhs by our Company.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document or GID	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, as amended by SEBI from time to time and the UPI Circulars. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLM.
IPO Committee	The IPO committee of our Board of Directors.
IPO	Initial Public Offer.
Issue	The initial public issue of up to [●] Equity Shares of face value of Rs. 10 each for cash at a price of Rs. [●] each (including a securities premium of Rs. [●] per Equity Share), aggregating up to Rs. 6,647.20 lakhs.
Issue Agreement	The agreement dated September 16, 2023, entered amongst our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	The final price at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors in terms of the Draft Red Herring Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price in terms of the Draft Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the Book Running Lead Manager on the Pricing Date in accordance with the Book Building Process and the Draft Red Herring Prospectus.
Issue Proceeds	The gross proceeds of the Issue which shall be available to our Company, based on the total number of Equity Shares Allotted at the Issue Price. For further information about use of the Issue Proceeds, see "Objects of the Issue" on page no. 90.
Minimum Promoters' Contribution	Aggregate of 20% of the fully diluted Post Issue equity share capital of our Company held by our Promoters which shall be provided towards minimum promoters' contribution and locked in for a period of 18 months from the date of Allotment.
Maximum RIB Allottees	Maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment

Term	Description
	to RIBs by the minimum Bid Lot, subject to valid Bids being received at or above the Issue Price.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Mutual Fund Portion	5% of the QIB Portion or up to [●] Equity Shares which shall be available for allocation to Mutual Funds only, subject to valid Bids being received at or above the Issue Price.
Net Proceeds / Net Issue Proceeds	Proceeds of the Issue that will be available to our Company, i.e. gross proceeds of the Fresh Issue, less Issue expenses to the extent applicable to the Fresh Issue. For further details regarding the use of the Net Proceeds and the Issue expenses, see "Objects of the Issue" beginning on page no. 90.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Non Institutional Bidders	All Bidders that are not Qualified Institutional Buyers (including Anchor Investors) and Retail Individual Bidders and who have Bid for Equity Shares for an amount of more than Rs. 2,00,000 (but not including NRIs other than Eligible NRIs, QFIs other than Eligible QFIs).
Non-Institutional Portion	The Portion of the Issue being [●]% (not less than 15%) of the Issue consisting of not less than [●] Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price.
Non-Resident or NR	A person resident outside India, as defined under FEMA and includes a non-resident Indian, FVCIs and FPIs.
Offer	The Initial Public Offer of Equity Shares Comprising of Public Issue
Peer Reviewed Auditor	M/s. Ashok Kumar Goyal & Co., Chartered Accountants, being the Peer Reviewed Auditor of our Company.
Price Band	Price band of a minimum price of Rs. [●] per Equity Share (Floor Price) and the maximum price of Rs. [●] per Equity Share (Cap Price) including any revisions thereof. The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company and the Selling Shareholder in consultation with the Book Running Lead Manager, and will be advertised, at least two Working Days prior to the Bid/Issue Opening Date, in all editions of the English national daily newspaper Business Standard, all editions of the Hindi national daily newspaper Business Standard, and edition of the Hindi, being the regional language of Hisar, Haryana, where our Registered Office is located each with wide circulation along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
Pricing Date	The date on which our Company in consultation with the Book Running Lead Manager, will finalise the Issue Price.
Prospectus	The Prospectus to be filed with the RoC after the Pricing Date in accordance with section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account	A bank account to be opened under section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account and ASBA Accounts on the Designated Date.

Term	Description
Public Issue Bank	A bank which is a clearing member and registered with SEBI as a Banker to an Issue and with whom the Public Issue Account will be opened, in this case being [●].
QIB Portion	The portion of the Issue (including the Anchor Investor Portion) being not more than [●]% (not more than 50%) of the Issue or up to [●] Equity Shares, which shall be available for allocation to QIBs, including the Anchor Investors, subject to valid Bids being received at or above the Issue Price.
Qualified Institutional Buyers or QIBs or QIB Bidders	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, 2018.
Red Herring Prospectus or 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 Issued and the size of the Issue including any addendum or corrigendum thereto. The Bid/Issue Opening Date shall be at least three Working Days after the filing of Red Herring Prospectus with the RoC. The Red Herring Prospectus will become the Prospectus upon filing with the RoC after the Pricing Date, including any addendum or corrigendum thereto.
Refund Account	The account to be opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made.
Refund Bank	The bank which is a clearing member and registered with SEBI as a Banker to an Issue and with whom the Refund Account will be opened, in this case being [●].
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the Book Running Lead Manager and the Syndicate Members and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI.
Registrar Agreement	The agreement dated September 28, 2023 entered amongst our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar to the Issue / Registrar	KFIN Technologies Limited
Retail Individual Investor(s) / RII(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than Rs. 2,00,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Portion	The portion of the Issue being [●] % (not less than 35%) of the Issue consisting of not less than [●] Equity Shares which shall be available for allocation to Retail Individual Bidders (subject to valid Bids being received at or above the Issue Price), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion, and the remaining Equity Shares to be Allotted on a proportionate basis.
Revision Form	The form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can withdraw or revise their Bids until Bid/Issue Closing Date.
Self-Certified Syndicate Bank(s) or "SCSB(s)	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB,

Term	Description
	a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to RIBs using the UPI Mechanism, a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time.
Specified Locations	Bidding Centres where the Syndicate shall accept ASBA Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time.
Sponsor Bank	[●], being the Banker to the Issue & Cash Escrow Bank, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and/ or payment instructions of the RIBs using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars.
Stock Exchanges	Collectively, BSE Limited and National Stock Exchange of India Limited
Syndicate Agreement	The agreement dated [●] amongst our Company, the Syndicate Members and the Registrar to the Issue, in relation to collection of Bids by the members of the Syndicate.
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, [●].
Syndicate or members of the Syndicate	Book Running Lead Manager and the Syndicate Members.
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
UPI	Unified payments interface which is an instant payment mechanism, developed by NPCI.
UPI Circulars	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and any subsequent circulars or notifications issued by SEBI in this regard. SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 2022080340 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI application and by way of a SMS directing the RIB to such UPI application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.

Term	Description
UPI Mechanism	The bidding mechanism that may be used by a RIB to make a Bid in the Issue in accordance the UPI Circulars to make an ASBA Bid in the Issue.
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.
Working Day	Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price Band; and (ii) Bid / Issue Period, "Working Day" shall mean any day, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and with reference to (iii) the time period between the Bid / Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI circular number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, including the UPI Circulars.

Technical / Industry related Terms

Term	Description
ADD	Anti Dumping Duty
API Pipe Line	API Line Pipe issteel pipe used for the transmission of Oil, Gas and Petroleum Distillates. Line pipes makes the pipeline and is different from casing and tubing. Line Pipes are manufactured as per specifications established by American Petroleum Institute (API).
B2B	Business to Business
ARP	Acid Regeneration Plan
CAGR	Compound Annual Growth Rate
CIF	Cost, Insurance and Freight
DCI	Ductile Cast Iron
DPIIT	Department for Promotion of Industry and Internal Trade Policy
EPC	Engineering, Procurement and Construction
ETC	Electronic Toll Collection
EN	European Standards
EBITDA	Earnings before interest, taxes, depreciation and amortisation which has been arrived at by adding finance expense, depreciation expense, exceptional items and total tax expense to the restated profit for the year/period.
E&P	Exploration & Production
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
GEC	Green Energy Corridor
GI Pipes	Galvanised Iron Pipes
HSE	Health, Safety and Environmental
IIP	Index of Industrial Production
ISO	International Organization for Standardization
MoHFW	Ministry of Health and Family Welfare
MoHUA	Ministry of Housing and Urban Affairs
MRF	Material Recovery Facility

Term	Description
OHSAS	Occupational Health and Safety Assessment Series
PLI	Production Linked Incentive
PPP	Public Private Partnership
PPPAC	Public Private Partnership Appraisal Committee
PWD	Public Works Department
SWD	Storm Water Drain
TOT	Toll-Operate-Transfer
TPD	Tone Per Day
TPI	Third-Party Inspection
QAP	Quality Assurance Plan

Conventional Terms / General Terms / Abbreviations

Term	Description
A/c	Account
AGM	Annual General Meeting
AED	United Arab Emirates Dirham
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AS/ Accounting Standards	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BSE	BSE Limited
CAGR	Compound Annual Growth Rate
Category I Alternate Investment Fund/ Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBIAIF Regulations.
Category I foreign portfolio investor(s)/ Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPIRegulations
Category II Alternate Investment Fund/ Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBIAIF Regulations.
Category II foreign portfolio investor(s)/ Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPIRegulations
Category III Alternate Investment Fund/ Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBIAIF Regulations.
CDSL	Central Depository Services (India) Limited
CIN	Company Identification Number
CIT	Commissioner of Income Tax
Client ID	Client identification number of the Applicant’s beneficiary account
Companies Act/Companies Act, 2013	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
Companies Act, 1956	The Companies Act, 1956, as amended from time to time

Term	Description
Covid-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CSR	Corporate Social Responsibility
CST	Central Sales Tax
CY	Calendar Year
Depositories Act	Depositories Act, 1996
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India(Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DP	Depository Participant, as defined under the Depositories Act 1996
DP ID	Depository Participant's identification
DPIIT	Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India.
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortization
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EMDEs	Emerging Markets and Developing Economies
EPS	Earnings Per Share
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended from time to time.
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GBP	Great Britain Pound
GDP	Gross Domestic Product
GoI/Government	Government of India
GST	Goods & Services Tax
HK$	Hong Kong Dollar
HNIs	High Networth Individuals
HUF	Hindu Undivided Family
IAS Rules	Indian Accounting Standards, Rules 2015
ICAI	The Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
INR/Indian Rupee/₹/Rs.	Indian Rupee, the official currency of the Republic of India
Ind AS	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015
I.T. Act	Income Tax Act, 1961, as amended from time to time
IPO	Initial Public Offering
ISIN	International Securities Identification Number

Term	Description
KM / Km / km	Kilo Meter
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended from time to time.
MoF	Ministry of Finance, Government of India
MICR	Magnetic Ink Character Recognition
MOU	Memorandum of Understanding
NA / N. A.	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NBFC	Non-banking financial company
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NPCI	National Payments Corporation of India
"NR"/ "Non-resident"	A person resident outside India, as defined under the FEMA and includes an NRI
NRE Account	Non-Resident External Account
NRIs	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, in which not less than 60.00% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
Patents Act	The Patents Act, 1970
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PLR	Prime Lending Rate
RBI	Reserve Bank of India
Regulations	Regulations under the U.S. Securities Act
RoC	Registrar of Companies
ROE	Return on Equity
RONW	Return on Net Worth
Rupees / Rs. / `	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCD	Singapore Dollar
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended from time to time.
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended from time to time

Term	Description
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time
SEBI LODR Regulations, 2015/ SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations
Sec.	Section
Securities Act	U.S. Securities Act of 1933, as amended
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
STT	Securities Transaction Tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
TAN	Tax deduction account number
TIN	Taxpayers Identification Number
Trademarks Act	The Trademarks Act, 1999
TDS	Tax Deducted at Source
UPI	Unified Payments Interface, a payment mechanism that allows instant transfer of money between any two persons bank account using a payment address which uniquely identifies a person's bank account
US/United States	United States of America
USD/ US$/ $	United States Dollar, the official currency of the Unites States of America
U.S. Securities Act	United States Securities Act of 1933
VAT	Value Added Tax
VCFs / Venture Capital Funds	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of regulation 2(1)(lll) of the SEBI ICDR Regulations.

CERTAIN CONVENTIONS AND PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references in this Draft Red Herring Prospectus to "India" are to the Republic of India, together with its territories and possessions. All references to the "USA", "US", the "U.S." or the "United States" are to the United States of America, together with its territories and possessions. Further, all references to "Nepal", is to the Federal Democratic Republic of Nepal and its territories and possessions.

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 information and financial ratios in this Draft Red Herring Prospectus have been derived from our Restated Standalone Financial Information. For further information, see "Financial Information" beginning on page no. 233.

The Restated Standalone Financial Information of our Company, comprises of the restated Standalone summary statement of balance sheet for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021, and the restated Standalone summary statements of profits and losses (including other comprehensive income), and cash flow statement and changes in equity for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, together with its notes, annexures and schedules are derived from our audited Standalone financial statements for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 prepared in accordance with Ind AS, and restated in accordance with requirements of Section 26 of Part I of Chapter III of Companies Act, SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectus (Revised 2019)" issued by ICAI.

In this Draft Red Herring Prospectus, figures for the Fiscals 2023, 2022 and 2021, have been presented.

Our Company's financial year commences on April 01 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12-month period ended on March 31 of that year. Unless stated otherwise, or the context requires otherwise, all references to a "year" in this Draft Red Herring Prospectus are to a calendar year.

There are significant differences between Ind AS, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. Except as otherwise stated, all figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Unless the context otherwise indicates, any percentage amounts, as set forth in “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” on page nos. 29, 165 and 309 respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the Restated Standalone Financial Statements of our Company.

Currency and Units of Presentation

All references to:

- “Rupees” or “`” or “INR” or “Rs.” are to the Indian Rupee, the official currency of India; and
- “USD” or “US$” are to the United States Dollar, the official currency of the United States.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in lakhs. One lakh represents “1 lakhs” or 1,00,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than lakhs in their respective sources, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in such respective sources.

Definitions

For definitions, please refer the Chapter titled “Definitions and Abbreviations” on page no. 02. In the Section titled “Main Provisions of Articles of Association” beginning on page no. 405, defined terms have the meaning given to such terms in the Articles of Association.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from the report titled “Steel Tubes and Pipes Industry” dated September, 2023 prepared by CARE Advisory Research and Training Limited (“CareEdge Research”), who was appointed by our Company on July 04, 2023, (the “Care Report”) and publicly available information as well as other industry publications and sources. The Care Report has been commissioned by our Company exclusively for the purposes of the Issue for an agreed fee. Further, it is clarified that Care is not related to our Company, our Promoters or our Directors. For further details in relation to risks involving the Care Report, see the chapter titled Risk Factors beginning on page 29. The Company Commissioned Care Report is also available on the website of our Company at www.vstlindia.com.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy, adequacy and completeness or underlying assumptions are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be made based on such information, although we are of the view that the industry and market data used in this Draft Red Herring Prospectus is reliable. The excerpts of the Care Report are disclosed in the Issue Documents and there are no parts, information, data (which may be relevant for the proposed Issue), left out or changed in any manner. Data from these sources may also not be comparable. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates and assumptions that may prove to be incorrect.

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

In accordance with the SEBI ICDR Regulations, "*Basis for Issue Price*" on page no. 99 includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the BRLM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" on page no. 29.

Disclaimer of Care

This Draft Red Herring Prospectus contains certain data and statistics from the Care Report, which is subject to the following disclaimer given by CARE Advisory Research and Training Limited vide its report dated September, 2023:

"This report is prepared by CARE Advisory Research and Training Limited (CareEdge Research). CareEdge Research has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in CareEdge Research's proprietary database, and other sources considered by CareEdge Research as accurate and reliable including the information in public domain. The views and opinions expressed herein do not constitute the opinion of CareEdge Research to buy or invest in this industry, sector or companies operating in this sector or industry and is also not a recommendation to enter into any transaction in this industry or sector in any manner whatsoever.

This report has to be seen in its entirety; the selective review of portions of the report may lead to inaccurate assessments. All forecasts in this report are based on assumptions considered to be reasonable by CareEdge Research; however, the actual outcome may be materially affected by changes in the industry and economic circumstances, which could be different from the projections.

Nothing contained in this report is capable or intended to create any legally binding obligations on the sender or CareEdge Research which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. CareEdge Research is also not responsible for any errors in transmission and specifically states that it, or its Directors, employees, parent company – CARE Ratings Ltd., or its Directors, employees do not have any financial liabilities whatsoever to the subscribers/users of this report. The subscriber/user assumes the entire risk of any use made of this report or data herein. This report is for the information of the authorized recipient in India only and any reproduction of the report or part of it would require explicit written prior approval of CareEdge Research.

CareEdge Research shall reveal the report to the extent necessary and called for by appropriate regulatory agencies, viz., SEBI, RBI, Government authorities, etc., if it is required to do so. By accepting a copy of this Report, the recipient accepts the terms of this Disclaimer, which forms an integral part of this Report."

FORWARD-LOOKING STATEMENTS

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

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

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

- ✓ Change in terms if our agreement signed with Jindal Pipes Limited in respect of supply of final goods to their customers.
- ✓ Changes in laws and regulations relating to the sectors/areas in which we operate;
- ✓ The continuing effect of the COVID-19 pandemic;
- ✓ Volatility in the demand and pricing in the steel and steel products industry and the cyclical nature of the industries it serves;
- ✓ Volatility in the prices of raw materials and energy;
- ✓ Inability to identify the new premises may adversely affect the operations, finances and profitability of the Company;
- ✓ Dependence on stable and reliable logistics and transportation infrastructure;
- ✓ Unexpected loss, shutdown or slowdown of operations at any of our manufacturing facilities;
- ✓ Our inability to successfully implement our expansion plans;
- ✓ Inability to identify or effectively respond to consumer needs, expectations or trends in a timely manner;
- ✓ Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects;
- ✓ Our inability to expand or effectively manage our distributors and dealers, or any disruptions in our distribution network;
- ✓ Developments in the competitive environment in the steel and steel products industry, such as consolidation among our competitors.

- ✓ Volatility of Loan interest rates and inflation;
- ✓ Our failure to keep pace with rapid changes in technology;
- ✓ Our business is capital intensive and we may experience insufficient cash flows to meet required payments on our working capital requirements;
- ✓ Fluctuations in operating costs;
- ✓ Our ability to attract and retain qualified personnel;
- ✓ Conflict of Interest with affiliated companies, the promoter's group and other related parties;
- ✓ Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- ✓ General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- ✓ The performance of the financial markets in India and globally;
- ✓ The occurrence of natural disasters or calamities; and
- ✓ Failure to successfully upgrade our products and service portfolio, from time to time.

For further discussions of factors that could cause our actual results to differ, please refer the section titled "*Risk Factors*", "*Business Overview*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page nos. 29, 165 and 309, respectively.

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

SUMMARY OF ISSUE DOCUMENT

This section is a general summary of the terms of the Issue, certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled "Risk Factors", "The Issue", "Capital Structure", "Industry Overview", "Our Business", "Objects of the Issue", "Our Promoters and Promoter Group", "Financial Statements", "Outstanding Litigation and Material Developments", "Issue Structure", "Management's Discussions and Analysis of Financial Position and Results of Operations" on pages 29, 58, 74, 114, 165, 90, 220, 233, 345, 375 and 309 respectively.

A. Primary business of our Company

Vibhor Steel Tubes Limited is manufacturers and exporters of Mild Steel/Carbon Steel ERW Black and Galvanized Pipes, Hallow Steel Pipe, Cold rolled Steel (CR) Strips/ Coils. We are 2 decades old manufacturer, exporter and supplier of steel pipes and tubes to various heavy engineering industries in India. Steel pipes and tubes can be used for many purposes such as steel pipes for frames and shafts, steel pipes for bicycle frames, steel pipes for furniture, CDW pipes for shockers, steel pipes for various structural purposes, steel pipes for various engineering purposes etc. We have a very wide range of steel pipes and tubes products. The lengths of the steel pipes & tubes in different ranges unless otherwise specified by the customers. We manufacture steel pipes and tubes in various shapes and size such square, round, rectangular and elliptical or any special shape.

We have an in-house quality team comprising of 636 dedicated personnel working under the overall supervision of our board of directors in different locations. Our quality control team ensures that our raw materials as well as end products are tested on all quality parameters to ensure that we are compliant with the international product standards.

Our individual Promoters, Mr. Vijay Kaushik, Mr. Vibhor Kaushik and Mrs. Vijay Laxmi Kaushik are first generation entrepreneurs, and have an average experience of approximately thirty years in mild steel and stainless steel welded pipes and tubes industry in addition to expertise in marketing, procurement, finance, accounting and customer relationship management.

Product Offered:

- ERW Pipes
- Hot Dipped Galvanized Pipes
- Hollow Section Pipes
- Primer Painted Pipes
- Crash Barriers

For further details, please see "Our Business" on page 165.

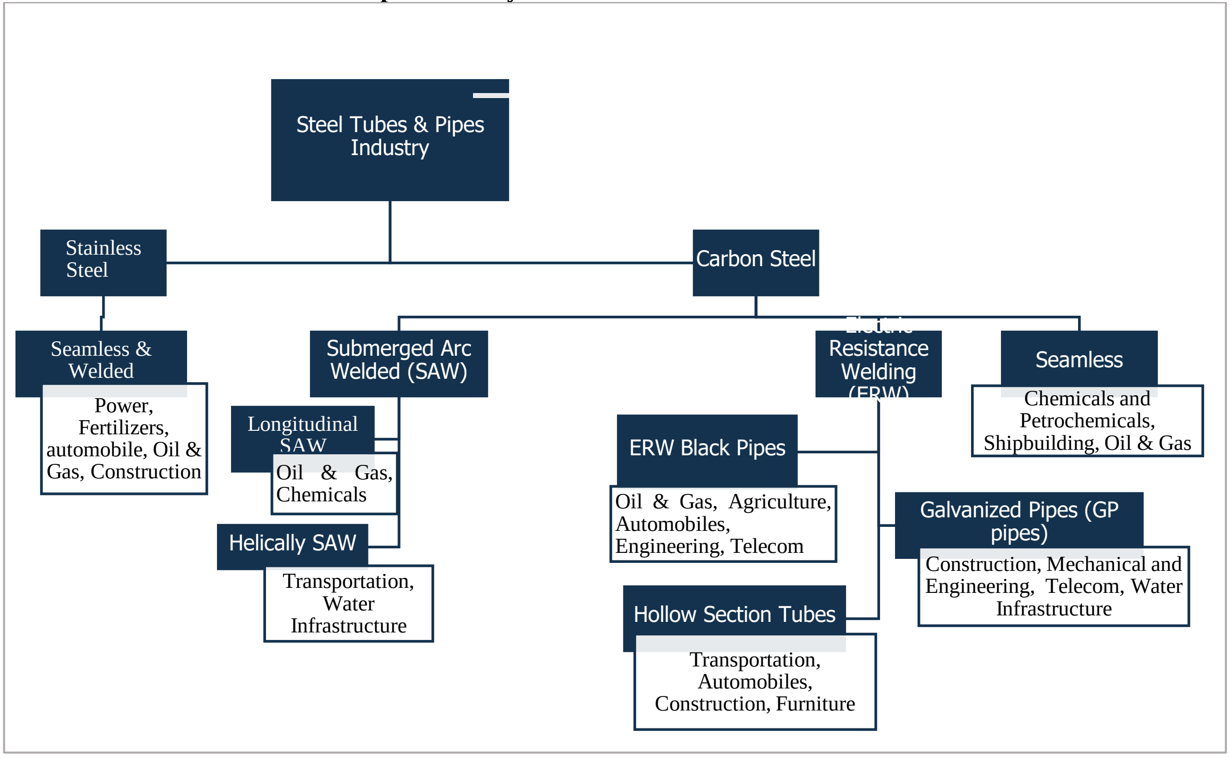
B. Industry Overview

Indian Steel Pipes & Tubes

Steel tubes and pipes are cylindrical structures made of steel that are generally in hollow shape. However, different shapes, sizes and grades are used to cater the requirements of various industries.

India is one of the established manufacturers of steel pipes globally, which is one of the most important sub-industries of the Indian steel sector. Construction, Railways, Oil & gas, agriculture, real estate are some of the key consumers of steel pipes and tubes. Various types of steel tubes and pipes are given in the following chart.

Chart 1: Indian Steel Tubes & Pipes industry



Source: Care Industry sources

The usage of steel tubes and pipes is significant in construction activities and building infrastructure. These materials are used in the construction sector for creating structural elements such as columns, beams, and trusses in order to provide strength and support the formation of building. They are also used in water infrastructure such as water supply for drinking water, plumbing, drainage, and sewerage systems. Apart from this, they are also used by manufacturing sector including oil and gas pipelines, agricultural equipment, automobile components, electrical cable conduits etc.

Various initiatives and policies have been adopted by the Government to promote domestic steel production through Make in India initiative and National Steel Policy (NSP) 2017. The NSP envisages development of value-added products such as alloy steel & electrical steel in the domestic market. Overall, the increase in demand for steel tubes and pipes will contribute towards the country's growth and development, making them an important element of the country's infrastructure and manufacturing sectors.

For further details, please see "Industry Overview" on page 114.

C. Our Promoters

Our Company is promoted by Mr. Vijay Kaushik, Mr. Vibhor Kaushik, Mrs. Vijay Laxmi Kaushik and M/s Vijay Kaushik HUF. For further details see "Our Promoters and Promoter Group" on page no. 220.

D. Size of the Issue

Equity Shares Issued: Fresh Issue of Equity Shares by our Company	Up to [●] Equity Shares of face value of Rs. 10 each for cash at a price of Rs. [●] per Equity Share aggregating Rs. 66,47.20 lakhs

The Issue would constitute [●] % of the Post-Issue paid up equity share capital of our Company. For further details, see "The Issue" and "Issue Structure" on pages 58 and 375, respectively.

(1) *The Issue has been authorised by our Board pursuant to resolution passed on August 14, 2023 and the Issue has been authorized by our Shareholders pursuant to a resolution passed on September 08, 2023.*

E. Object of the Issue

The Issue comprises of a Fresh Issue by our Company.

Utilisation of Net Issue Proceeds:

We intend to utilise the Net Proceeds of the Fresh Issue ("Net Proceeds") of Rs. [●] lakhs for financing the objects as set forth below:

(Rs. in Lakhs)

Sr. No.	Particulars	Amount
1.	Funding of Working Capital requirements	6,647.20
2.	General Corporate Purpose[(1)]	[●]
Total		[●]

[(1)]To be determined on finalisation of the Issue Price and updated in the Prospectus. The amount utilised for General Corporate Purposes shall not exceed 25% of the Gross Proceeds of the Fresh Issue.

For further details, please see "Objects of the Issue" beginning on page 90.

F. Aggregate Pre-Issue shareholding of our Promoters and Promoter Group

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital*
(I)	(II)	(III)	(IV)	(V)	(VI)
	Promoters				
1	Vijay Kaushik	39,95,430	28.17%	39,95,430	[●]
2	Vijay Laxmi Kaushik	42,95,763	30.28%	42,95,763	[●]
3	Vibhor Kaushik	34,70,874	24.47%	34,70,874	[●]
4	Vijay Kaushik HUF	14,84,433	10.47%	14,84,433	[●]
	Promoters Group				
1	Pratima Sandhir	3,38,500	2.39%	3,38,500	[●]
2	Vibhor Kaushik HUF	1,98,000	1.40%	1,98,000	[●]
3	RN Securities Private Limited	1,50,000	1.06%	1,50,000	[●]
	Total	**1,39,33,000**	**98.24%**	**1,39,33,000**	[●]

For further details, please see "Capital Structure" beginning on page 74..

G. Summary of Restated Financial Information

(Rs In Lakhs)

Key Financial Performance	For the year ended March 31st		
	2022-2023	2021-2022	2020-2021
Revenue from operations[(1)]	1,11,311.90	81,799.60	51,046.68
Total Income[(2)]	1,11,437.82	81,848.07	51,150.97
EBITDA[(3)]	4,684.44	3,018.11	1,991.75
EBITDA Margin[(4)]	4.21%	3.69%	3.90%
PAT	2,106.62	1,133.11	68.83
PAT Margin[(5)]	1.89%	1.39%	0.13%
Operating cash flow	702.73	-3,454.93	4,542.00
Net worth[(6)]	9,319.79	7,197.29	6,048.99

Net Debt[7]	12,682.52	10,606.57	5,874.40
Debt Equity Ratio[8]	1.63	1.77	1.23
ROCE (%)[9]	16.48%	12.09%	9.90%
ROE (%)[10]	25.51%	17.11%	1.14%

1) *Revenue from operation means revenue from sales and other operating revenues.*
2) *Total Income represents the total turnover of our business i.e., Revenue from Operations and Other Income, if any.*
3) *EBITDA means Profit before depreciation, finance cost, tax and amortization.*
4) *'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.*
5) *'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.*
6) *Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, capital reserve arising on consolidation, capital redemption reserve, write-back of depreciation and amalgamation.*
7) *Net debt = non-current borrowing + current borrowing – Cash and Cash Equivalent.*
8) *Debt equity ratio means ratio of total debt (long term plus short-term including current maturity of long-term debt) and Equity Share capital plus other equity.*
9) *Return on Capital Employed is ratio of EBIT and Capital Employed. Capital Employed is Total Shareholder's Equity, Non-Current Borrowing and Short-Term Borrowing.*
10) *Return on Equity is ratio of Profit after Tax and Average Shareholder Equity.*

For further details, please see "Restated Standalone Financial Statements" on page 233.

H. Qualification of the Auditors

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

I. Summary of Outstanding Litigation are as follows

(Rs. in Lakhs)

Name of Entity	**Criminal Proceedings**	**Tax proceedings**	**Statutory/ Regulatory proceedings**	**Disciplinary actions by the SEBI or stock Exchanges against our Promoters**	**Material civil litigations**	**Aggregate amount involved (to the extent ascertainable) (Rs. in Lakhs)**
Company						
By our Company	01	Nil	Nil	Nil	02	4.11
Against our Company	Nil	Nil	Nil	Nil	Nil	155.12
Directors and Promoters & Promoter Group						
By our Directors and Promoters	Nil	11	Nil	Nil	02	108.75
Against our Directors and	Nil	Nil	Nil	Nil	01	64.52

Promoters						
Group Companies						
Litigation involving our Group Companies affecting business operations of our Company	06	Nil	Nil	Nil	Nil	136.90

For the details of litigation proceedings, please refer the chapter titled "Outstanding Litigations and Material Developments" on page no. 345.

J. Risk Factors

Investors should read chapter titled "*Risk Factors*" beginning on page no. 29 of this Draft Red Herring Prospectus.

K. Summary of Contingent Liabilities

(Rs. in Lakhs)

Particulars	As at		
	March 31, 2023	**March 31, 2022**	**April 1, 2021**
A) Disputed claims/levies in respect of Value Added Tax / Sales Tax:			
- Reversal of input tax credit	-	-	-
- Regular / Provisional Assessment	404.55	404.55	277.16
(The dispute is regarding rate of tax on GI and ERW Pipes and Tubes and enhancement of turnover and taxable turnover on account of allegation of sales suppression for the AY 2016-17 and April 2016 to June 2016 however, the case was finalized in the favour of the assesses in FY 2023-24)			
Total	**404.55**	**404.55**	**277.16**

For further information, please see "Financial Information, Annexure 44" beginning on page no. 287.

L. Summary of Related Party Transactions

A summary statement of the related party as following:

(Rs. In Lakhs)

S. No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
I.	***Transactions during the year***			
(i)	**Purchases and Job Work**			
	Orbit Tubes	870.40	-	-
(ii)	**Loan Taken**			
	Mr. Vijay Kaushik	828.47	13.32	160.00

	Mr. Vibhor Kaushik	172.15	52.47	64.28
	Mrs. Vijay Laxmi Kaushik	55.00	74.11	6.95
	Mrs. Pratima Sandhir	67.34	23.00	0.64
	Vijay Kaushik HUF	3.70	66.00	-
(iii)	**Repayment of Loan taken**			
	Mr. Vijay Kaushik	557.89	55.36	210.69
	Mr. Vibhor Kaushik	182.49	71.24	67.97
	Mrs. Vijay Laxmi Kaushik	111.14	19.75	37.80
	Mrs. Pratima Sandhir	80.00	1.00	7.66
	Vijay Kaushik HUF	69.70	68.30	0.00
	Vibhor Kaushik HUF	-	67.00	0.00
(iv)	**Salary paid**			
	Mr. Vijay Kaushik	162.00	162.00	120.00
	Mr. Vibhor Kaushik	192.00	192.00	120.00
	Mrs. Vijay Laxmi Kaushik	132.00	132.00	90.00
	Mrs. Pratima Sandhir	162.00	162.00	90.00
	Mr. Pankaj Kumar	6.84	5.44	4.45
	Mr. Anil Jain	6.95	-	-
	Mrs. Aditi Shrenik Prasad	-	-	2.00
	Mr. Nikunj Haresh Gatecha	1.80	1.28	-
	Mr. Lovkesh Papneja	-	-	-
II.	***Outstanding Payables***			
	Loan from Related parties			
	Sudha Apparels Limited	-	-	187.37
	Mr. Vijay Kaushik	294.54	23.96	66.00
	Vijay Kaushik HUF	-	66.00	68.30
	Mr. Vibhor Kaushik	15.17	25.51	44.28
	Vibhor Kaushik HUF	63.75	63.75	67.00
	Mrs. Vijay Laxmi Kaushik	0.17	56.31	1.95
	Mrs. Pratima Sandhir	9.34	22.00	0.00

For details of the related party transactions, as per the requirements under Ind-AS see 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India and as reported in the Restated Financial Statements, see "Financial Information – Restated Summary Statement of Related Party Disclosure" beginning on page no. 307.

M. Financing Arrangements

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

N. Weighted Average Price of the Equity Shares of our Company were acquired by our Promoters in the one year preceding the date of this Draft Red Herring Prospectus

The weighted average price at which the Equity Shares were acquired by our Promoters in one year preceding the date of this Draft Red Herring Prospectus is as follows:

Name of Promoters	Number of Equity Shares acquired in one year preceding the date of this Draft Red Herring Prospectus	Weighted average price per Equity Share (in Rs.)
Mr. Vijay Kaushik	3,66,067	23.78
Mr. Vibhor Kaushik	-	-
Mrs. Vijay Laxmi Kaushik	2,19,000	Transferred through gift & transmission
M/s Vijay Kaushik HUF	10,84,433	75.00

*** Kindly refer the chapter titled 'Capital Structure' beginning on page 74.*

O. Weighted Average Cost of Acquisition

The weighted average cost of acquisition per Equity Share to our Promoters in three years preceding the date of this Draft Red Herring Prospectus is:

Name of the Promoters	No. of Shares	Weighted Average Price (Rs.)
Mr. Vijay Kaushik	3,66,067	23.78
Mr. Vibhor Kaushik	-	-
Mrs. Vijay Laxmi Kaushik	2,19,000	Transferred through gift & transmission
M/s Vijay Kaushik HUF	10,84,433	75.00

*** Kindly refer the chapter titled 'Capital Structure' beginning on page 74.*

P. Weighted Average Cost of Acquisition for our Promoters as on date of this Draft Red Herring Prospectus

Name of the Promoters	Number of Equity Shares	Weighted Average Price (Rs.)*
Vijay Kaushik	39,95,430	11.26
Vijay Laxmi Kaushik	42,95,763	9.65
Vibhor Kaushik	34,70,874	10.00
Vijay Kaushik HUF	14,84,433	57.48

**As certified by Ashok Kumar Goyal & Co., Chartered Accountants vide certificate dated August 28, 2023.*

Q. Pre-IPO Placement details: Not Applicable

R. Issue of Equity Shares for consideration other than cash in the last one year

No Equity Shares have been issued by our Company for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus.

S. Split / Consolidation of Equity Shares in the last one year

Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.

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

Our Company has not applied to SEBI for any exemption from complying with any provisions of the securities Laws.

SECTION II- RISK FACTORS

An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Draft Red Herring Prospectus, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. If any of the following risks, as well as the other risks and uncertainties discussed in this Draft Red Herring Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment.

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. 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, may also result in decreased revenues, increased expenses or other events that could result in a decline in the value of our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the Issue, including the merits and risks involved. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. Investors should not invest in this Issue unless they are prepared to accept the risk of losing all or part of their investment, and they should consult their tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

To obtain a better understanding of our business, you should read this section in conjunction with other chapters of this Draft Red Herring Prospectus, including the chapters titled "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Industry Overview" and "Financial Information" on page nos. 165, 309, 114 and 233 respectively, together with all other financial information contained in this Draft Red Herring Prospectus. Our actual results could differ materially from those anticipated in these forward looking statements as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus.

Unless otherwise stated, the financial data in this chapter is derived from our Restated Consolidated Financial Statements for the year ended on March 31, 2023, March 31, 2022 and March 31, 2021 as included in "Financial Information" on page no. 233.

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from publicly available information as well as industry publication and sources. Further, the information has also been derived from the report titled 'Research report on Steel Pipes & Tubes Industry' dated September, 2023 prepared by Care Edge Research ("Careedge Report") and has been exclusively commissioned and paid for by our Company in connection with the Issue. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Careedge Report and included herein with respect to any particular year refers to such information for the relevant calendar year.

1. ***The average price/earnings ("P/E") ratio of the listed industry peer set was [●]x as on [●] while our P/E ratio will be at premium of [●] times at the higher price band and [●] times at the lower price band. The trading price of our Equity Shares may fluctuate based on a comparison of the P/E ratio of the listed industry peer set and our Company.***

   The P/E ratio is a commonly used measure of the relative valuation of a company's shares, based on its current or projected earnings per share. A higher P/E ratio implies that the investors are willing to pay more for each earnings per share, either because they expect higher future earnings growth or because they perceive lower risk or higher quality in the company's business. Whereas a lower P/E ratio implies that the investors have low expectations for future earnings growth of the company, which may reflect the company's weak performance, weak competitive position or declining industry prospectus.

For more information about Peer Group, kindly refer chapter titled "Basis for Issue Price" on page No. 99.

Our P/E ratio at the higher price band of Rs. [●] per Equity Share would be [●] times, representing a premium of [●] times over the average P/E ratio of our listed industry peer set. Similarly, our P/E ratio at the lower price band of Rs. [●] per Equity Share would be [●] times, representing a premium of [●] times over the average P/E ratio of our listed industry peer set.

Our P/E ratio may not be comparable to those of our listed industry peer set, as we operate in a different segments, have a different business model, growth strategy, competitive position, financial performance, and risk profile than our peers. However, our P/E ratio may also reflect the market's perception of our future earnings potential, which may be influenced by various factors, such as our historical and projected growth rates, profitability margins, return on equity, cash flows, dividend policy, industry outlook, macroeconomic conditions, regulatory environment, and investor sentiment. There can be no assurance that we will be able to achieve or sustain the earnings growth rates or profitability levels that are implied by our P/E ratio, or that the market will continue to value our shares at such a high multiple. If our actual or expected earnings fall short of the market's expectations, or if the market's valuation of our Equity Shares declines for any reason, the price of our Equity Shares may decline significantly, and investors may lose all or part of their investment.

2. ***Our Company has reported certain negative cash flows from its financing activity and investing activity, details of which are given below. Sustained negative cash flow could impact our growth and business***

Our Company had reported certain negative cash flows from our financing activities in previous years as per the restated financial statements and the same are summarised as under:

(Rs. in Lakhs)

Particulars	For the year ended March 31,		
	2023	2021	2020
Cash flow from Operating Activities	702.73	(3,454.93)	4,542.00
Cash flow from Investing Activities	(1,553.12)	(407.42)	(89.49)
Cash flow from Financing Activities	1,307.06	4,413.80	(3,648.58)

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If our Company is not able to generate sufficient cash flows, it may adversely affect our business and financial operations.

Kindly refer page no. 73 for further details of Cash Flows.

3. ***Our Company, our Promoters/Director and our Group Companies are parties to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.***

Our Company, our Promoters/Director and our Group Companies are parties to certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals and forums. Mentioned below are the details of the proceedings involving our Company, our Promoters/Director, and our Group Companies as on the date of this Draft Red Herring Prospectus along with the amount involved, to the extent quantifiable, based on the materiality policy for litigations, as approved by the Company in its Board meeting held on September 28, 2023.

Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/ Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoters	Material civil litigations	Aggregate amount involved (to the extent ascertainable) (Rs. in Lakhs)
Company						
By our Company	01	Nil	Nil	Nil	02	4.11
Against our Company	Nil	Nil	Nil	Nil	Nil	155.12
Directors and Promoters & Promoter Group						
By our Directors and Promoters	Nil	11	Nil	Nil	02	108.75
Against our Directors and Promoters	Nil	Nil	Nil	Nil	01	64.52
Group Companies						
Litigation involving our Group Companies affecting business operations of our Company	06	Nil	Nil	Nil	Nil	136.90

There can be no assurance that these litigations will be decided in favour of our Company, our Promoters/Director and/or our Group Companies, respectively, and consequently it may divert the attention of our management and Promoters and waste our corporate resources and we may incur significant expenses in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. As on the date of this Draft Red Herring Prospectus, our Company has not created any provisions related to the above litigations filed against the Company.

If such claims are determined against us, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares. For the details of such outstanding litigations, please refer the chapter titled "*Outstanding Litigations and Material Developments*" on page no. 345.

4. **Covid-19 or the outbreak of any other severe communicable disease could have a potential impact on our business, financial condition and results of operations.**

Covid-19 or the outbreak of any other severe communicable disease could adversely affect the overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our clients and material suppliers, which could adversely affect our business, financial condition and results of operations. The outbreak of Covid-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines and shutdowns. These measures have impacted and may further impact our workforce and operations. A rapid increase in severe cases of infections and subsequent deaths where measures taken by governments fail or are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of Covid-19 remain uncertain and could be severe. Our ability to meet our ongoing disclosure obligations might be adversely affected, despite our best efforts. If any of our employees were suspected of contracting Covid-19 or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities used for our operations.

In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general. The outbreak has significantly increased economic uncertainty. The spread of Covid-19 has caused us to modify our business practices (including employee travel, employee work locations, and cancellation of physical participation in meetings, events and conferences), and we may take further actions as may be required by government authorities or steps on what we believe would be in the best interests of our employees, customers, partners, and suppliers. There is no certainty that such measures will be sufficient to mitigate the risks posed by the outbreak, and our ability to perform critical functions could be harmed. The extent to which the Covid-19 further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of Covid-19 and the actions taken globally to contain Covid-19 or treat its impact, among others. The degree to which Covid-19 impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions taken to contain the outbreak or treat its impact, vaccination across the country and the world in general, and how quickly and to what extent normal economic and operating conditions can normalize. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, environmental harm, loss of life, injuries and impact the wellbeing of our people. Further, muted economic growth could give rise to a recessionary economic scenario, in India and globally, which could adversely affect the business, prospects, results of operations and financial condition of our Company.

In addition of the above, we have not availed any moratorium on borrowings in past.

5. Our Company has entered into long-term agreements with Jindal Pipes Limited purchasing our Products .

We manufacture & supply the finished goods for “Jindal Pipes Limited” vide the renewed agreement dated April 01, 2023 under the brand name “Jindal Star” .

Important terms of the Agreement:

- As per the agreement selling price shall be fixed time to time as per mutual agreement depending on the prevailing market price for the end product. However, at no point in time be lower than the raw material price (steel plus consumables) plus variable costs (labour & power).
- Minimum Order: JPL will provide orders with a minimum quantity of 1,00,000 MT per annum to fill majority capacity of Unit I & Unit II of our Company.
- In the event of any shortfall in off take by the Jindal Pipes Limited or in supply by the Vibhor Steel Tubes Limited, compensation at Rs. 2,000 per MT of shortfall will be paid by the arring party. However, there will be no compensation liability once the minimum quantity of orders is achieved.
- Vibhor Steel Tubes Limited will allow turnover discount 2% of net sales price to Jindal Pipes Limited.
- The tenure of this agreement is for six years from April 01, 2023 and can be further renewed if required by both the parties.

In case of any disruption in agreement, our revenue & result will affect accordingly.

For further information in respect of the top 10 customers of raw material in fiscal 2023, 2022 & 2021, kindly refer chapter titled “Our Business” on page no. 175.

6. Our Company has entered into long-term agreements with Steel Authority of India Limited (“Raw Material Supplier”) .

We have entered into a Memorandum of Understanding (MoU) dated April 06, 2023 with Steel Authority of India Limited (“Raw Material Supplier”), under this MoU, supplier will supply 60,000 ton HR Coils to Unit I & Unit II of Vibhor Steel Tubes Limited in fiscal 2024.

Apart from the above, we also procure majorly raw materials from JSW Steel Limited and Hindustan Zinc Limited.

Our quality control team ensures that our raw materials as well as end products are tested on all quality parameters to ensure that we are compliant with the required market standards. The raw material pricing is dependent on multiple factors including, inter-alia, global demand supply scenario, exchange rate fluctuations and import-export regulations.

The Cost of material consumed contribution is approximately Rs. 1,06,510.20 Lakhs, Rs. 75,177.24 Lakhs & Rs. 41,734.66 Lakhs which is 95.58%, 91.85% & 81.59% respectively of our revenue from operations for the fiscals 2023, 2022 and 2021 respectively on a restated basis.

For further information in respect of the top 10 suppliers of raw material in fiscal 2023, 2022 & 2021, kindly refer chapter titled “Our Business- Procurement” on page no. 177.

7. We have certain contingent liabilities, which, if materialized, may affect our financial condition and results of operations.

Our contingent liabilities as of March 31, 2023 were as follows:

(Rs. In Lakhs)

Matter	As of March 31, 2023
Regular / Provisional Assessment (The dispute is regarding rate of tax on GI and ERW Pipes and Tubes and enhancement of turnover and taxable turnover on account of allegation of sales suppression for the AY 2016-17 and April 2016 to June 2016 however, the case was finalized in the favour of the assesses in FY 2023-24)	404.55
Total	**404.55**

For further details of the contingent liabilities and commitments of our Company as on March 31, 2023, see “Restated Financial Information – Contingent Liabilities” on page 287. If a significant portion of these liabilities materialize, it could have an effect on our results of operations and financial condition. Further, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

8. *Our business is working capital intensive. If we experience insufficient cash flows to meet required payments on our working capital requirements, there may be an adverse effect on the results of our operations.*

Our working capital requirements for Financial Year 2024 and 2025 are estimated at Rs. 22,623.49 lakhs and Rs. 28,812.23 lakhs, respectively. An amount of 5,500.00 lakhs in Financial Year 2024 towards working capital requirements will be funded out of the Issue Proceeds, whereas the balance, if any, would be arranged from our internal accruals and/or loan funds. For details, please see “Objects of the Issue” on page 90.

Working capital for the last three years of the Company:

(Rs. In Lakhs)

Particulars	Fiscal 2021 (Audited)	Fiscal 2022 (Audited)	Fiscal 2023 (Audited)
Current Assets			
Inventories	5,105.69	10,121.11	12,029.86
Trade Receivables	3,928.24	4,481.12	5,444.81
Others Financial Assets	785.26	612.60	891.57
Other Current Assets	579.12	2361.27	2224.30
Total Current Assets (A)	**10,398.31**	**17,576.11**	**20,590.54**
Current Liabilities			
Trade Payables	3,291.21	4,264.64	4,161.74
Others Financial Liabilities	108.11	172.72	134.02
Provisions	5.04	6.42	13.69
Other Current Liabilities	161.70	219.49	176.55
Total Current Liabilities (B)	**3,566.06**	**4,663.27**	**4,486.00**
Total Working Capital Requirements (A-B)	**6,832.25**	**12,912.85**	**16,104.54**
Funding Pattern			
Working Capital Funding from Banks and Financial Institutions	6,664.99	11,280.78	13,886.42
Internal Accruals and Loans	**167.26**	**1,632.06**	**2,218.12**

We require a significant amount towards working capital requirements which is based on certain assumptions, and accordingly, any change of such assumptions would result in changes to our working capital requirements. A significant amount of working capital is required to finance the purchase of raw materials and trade receivables. As a result, we may continue to avail debt in the future to satisfy our working capital requirements. Our working capital requirements may increase if we undertake larger or additional order from Jindal Pipes Limited or if payment terms do not include advance payments or such contracts have payment schedules that shift payments toward the end of a project or otherwise increase our working capital burden.

9. ***Our profitability and results of operations may be adversely affected in the event of any disruption in the supply of raw materials or increase in the price of materials, fuel costs, labour or other inputs.***

The timely and cost effective execution of orders is dependent on the adequate and timely supply of key raw materials, such as Our basic raw material includes SS Coils and hollow pipes and we procure our raw materials based on market availability, pricing and quality through domestic suppliers such as steel manufacturers, stockists and traders.

We have entered into a Memorandum of Understanding (MoU) dated April 06, 2023 with Steel Authority of India Limited ("Raw Material Supplier"), under this MoU, supplier will supply 60,000 ton HR Coils to Unit I & Unit II of Vibhor Steel Tubes Limited in fiscal 2024.

Apart from the above, we also procure majorly raw materials from JSW Steel Limited and Hindustan Zinc Limited.

The Cost of material consumed contribution is approximately Rs. 1,01,284.79 Lakhs, Rs. 74,509.60 Lakhs & Rs. 45,367.70 Lakhs which is 90.99%, 91.09% & 88.87% respectively of our revenue from operations for the fiscals 2023, 2022 and 2021 respectively on a restated basis.

We cannot assure you that we will be able to procure adequate supplies of materials in the future, as and when we need them on commercially acceptable terms. Additionally, we typically use third-party transportation providers for the supply of most of our materials. Transportation strikes could have an adverse effect on our receipt of supplies. If we are unable to procure the requisite quantities of materials in time and at commercially acceptable prices, the performance of our business and results of operations may be adversely affected.

10. ***Trade Receivables and Inventories form a substantial part of our current assets. Failure to manage the same could have an adverse effect on our net sales, profitability, cash flow and liquidity.***

Our business is working capital intensive and hence, Trade Receivables and Inventories form substantial part of our current assets and net worth. For the fiscal year 2023, 2022 and 2021, the trade receivable and inventories on an aggregate basis constitutes Rs. 17,474.67 Lakhs, Rs. 14,602.24 Lakhs and Rs. 9,033.93 Lakhs, which is 59.51%, 58.75% & 52.24% respectively of total current assets respectively.

The results of operations of our business and our overall financial condition are hence dependent on our ability to effectively manage our inventory and trade receivables. We generally procure materials on the basis of management estimates based on past requirements and future estimates. To effectively manage our supplies inventory, we must be able to accurately estimate customer demand & supply requirements and purchase new inventory accordingly. However, if our management misjudges expected timelines and customer demand, it could cause either a shortage of raw materials or an accumulation of excess inventory. Further, if we fail to finish any project within the given timelines, we may be required to carry finished goods inventory on our books and pay for fresh supplies without receiving payment for clients, requiring to create additional vendor financing, all of which could have an adverse impact on our income and cash flows.

To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if our management fails to accurately evaluate the credit worthiness of our customers, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. A liquidity crunch may also result in increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

11. ***We own plant & machinery, resulting in increased fixed costs to our Company. In the event we are not able to generate adequate cash flows it may have a material adverse impact on our operations.***

We own plant & machineries, resulting in increased fixed costs of our Company. In the event, we are unable to generate or maintain adequate revenue in a timely manner or at all, it could have a material adverse effect on our financial conditions and operations. In case, we do not use the plant & machineries, our fleet of machines will be under-utilized and we may not be able to keep them in good working condition or we may not be able to manage the up-keep expenses of these equipment's.

The Company has incurred following maintenance cost in last 3 financial years:

(In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Repairs & Maintenance Expense related to Plat & Machinery	51.98	45.15	35.57
Revenue from Operations	1,11,311.90	81,799.60	51,046.68
% of total revenue	0.05%	0.06%	0.07%

12. *This Draft Red Herring Prospectus contains information from an industry report which was prepared by CARE Advisory Research and Training Limited (CareEdge Research), which is paid and commissioned by the Company, pursuant to an engagement with our Company.*

This Draft Red Herring Prospectus includes information that is derived from the industry report dated September, 2023, titled "Research report on Steel Pipes & Tubes Industry" ("CARE Report") prepared by CareEdge, an independent consultant, which is paid and commissioned by the Company, pursuant to an engagement with our Company. The Report was prepared by CareEdge for the purpose of confirming our understanding of the business of the Company. Neither we, nor any of the BRLM, nor any other person connected with the Issue has verified the information in the CareEdge Report. The CareEdge Report highlights certain industry and market data. Such data is subject to many assumptions. There are no standard data gathering methodologies in the industries in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that CARE's assumptions are correct or will not change and accordingly our position in the market may differ from that presented in this Prospectus. Prospective investors are advised not to unduly rely on the CARE Report when making their investment decisions.

The Industry Report disclosed in this Draft Red Herring Prospectus as it is prepared by CareEdge Report and not parts, data, information has been left out or changed in any manner.

13. *Our failure to accurately forecast and manage inventory could result in an unexpected shortfall and/ or surplus of raw materials, equipment and manpower, which could affect our business and financial condition.*

We monitor our inventory levels based on our own projections of future demand. Because of the length of time necessary to deliver order timely, we make decisions well in advance. As of March 31, 2023, 2022 and 2021, our total inventories amounted to Rs. 12,029.86 lakhs, Rs. 10,121.11 lakhs and Rs. 5,105.69, respectively. An underestimated forecast of the raw materials, equipment and manpower for our orders/production can result in the higher costs or supply deficits of these essentials.

Conversely, an overestimated forecast can also result in an over-supply of these essentials, which may increase costs, negatively impact cash flow, reduce the quality of raw material inventory, erode margins substantially and ultimately create write-offs of inventory or holding of surplus stock which may result in additional storage cost. Any of the aforesaid circumstances could have a material adverse effect on our business, results of operations and financial condition.

14. *Our Company has availed Rs. 382.97 lakhs as unsecured loan which are repayable on demand. Any demand from the lenders for repayment of such unsecured loan may affect our cash flow and financial condition.*

As per the Restated Standalone Financial Information as on March 31, 2023, our Company has availed a sum of Rs. 382.97 lakhs as unsecured loans which are repayable on demand. Sudden recall may disrupt our operations and also may force us to opt for funding at higher interest rates, resulting in higher financial burden. Further, we will not be able to raise funds at short notice and thus resulting in shortage of working capital fund. For further details, please refer to the section *"Financial Indebtedness"* beginning on page no. 306. Any demand for the repayment of such unsecured loans, may adversely affect our cash flow and financial condition.

15. *Our Promoters have provided personal guarantees for our borrowings to secure our loans. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Promoters and members of Promoters Group in connection with our Company's borrowings.*

Our Promoters and Managing Director, and our Promoters Group have provided personal guarantees for our borrowings to secure our loans as disclosed below:

Sr. No.	Bank Name	Guarantee
1	Yes Bank Limited	Unconditional and Irrevocable personal guarantee of Vijay Kaushik, Vijay Luxmi Kaushik, Vibhor Kaushik and Pratima Sandhir till the tenor of the facility.

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. If we are unable to procure alternative guarantees satisfactory to our lenders, we may need to seek alternative sources of capital, which may not be available to us at commercially reasonable terms or at all, or to agree to more onerous terms under our financing agreements, which may limit our operational flexibility. Accordingly, our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Promoters and Promoters Group in connection with our Company's borrowings.

16. ***In addition to normal remuneration, other benefits and reimbursement of expenses of some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.***

Some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding, loan, commission & dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our Directors or our Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Directors including our promoters will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Our Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Directors will always act to resolve any conflicts of interest in our favor, thereby adversely affecting our business and results of operations and prospects.

17. ***Some of our borrowings carry restrictive covenants or conditions and could affect our ability to manage our business operations.***

Our borrowings from banks & financial institutions have certain conditions which could affect our operational flexibilities such as:

- The company would have to obtain prior permission of bank & financial institutions for availing credit facilities or operating current account with another bank.
- The company would have to take prior permission for making any adverse changes in its capital structure.
- Implement any scheme of amalgamation, merger or such restructuring.
- Implement any scheme of expansion or diversification or capital expenditure except normal activities indicated in fund flow statements submitted to bank.
- Undertake guarantee obligations on behalf of any other company/firm or person. Declare dividend for any year except out of profit relating to that year after meeting all the financial commitments to the bank and making all due and necessary provisions.
- Make any drastic changes in its management set ups.

Further, we have received NoC from following Bankers/financial institutions to the Company;

Name of the Bank/Lender	Date of NoC
Yes Bank Limited	September 19, 2023
Aditya Birla Finance Limited	September 20, 2023
Axis Bank Limited	September 15, 2023
HDFC Bank Limited	September 20, 2023
Tata Capital Limited	We are under the process of obtaining NOC from Tata Capital Limited.

Our inability to meet these conditions or ensure that compliance of these conditions do not hamper the operational flexibility needed from time to time could materially adversely affect our results of operations and financial conditions.

18. *Any variation in the utilisation of the Net Proceeds of the Fresh Issue as disclosed in this Draft Red Herring Prospectus shall be subject to certain compliance requirements, including prior Shareholders' approval.*

We propose to utilize the Net Proceeds to meet additional working capital requirements. For further details of the proposed objects of the Issue, please refer "*Objects of the Issue*" on page no. 90. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds from the Fresh Issue as disclosed in this Draft Red Herring Prospectus without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that requires us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations. Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to modify the objects of the Issue as prescribed in the SEBI (ICDR) Regulations. If our shareholders exercise such exit option, our business and financial condition could be adversely affected. Therefore, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Fresh Issue, if any, even if such variation is in the interest of our Company, which may restrict our ability to respond to any change in our business or financial condition, and may adversely affect our business and results of operations. We hereby confirm that there were no such incidents related to destructions, theft or breakdowns of major plant, machinery and equipment etc. and the equipment purchase cost was not increased of the issuer Company for the last three years due to the above incidents.

19. *Compliance with, and changes in, safety, health and environmental laws and various labour, workplace related laws and regulations, including terms of the approvals granted to us, may increase our compliance costs and as such adversely affect our business, prospects, results of operations and financial condition.*

We are subject to a broad range of safety, health and environmental related laws and regulations in the jurisdictions in which we operate, which impose controls on the disposal and storage of raw materials, noise emissions, air and water discharges; on the storage, handling, discharge and disposal of chemicals, employee exposure to hazardous substances and other aspects of our operations. For example, laws in India limit the amount of hazardous and pollutant discharge that our Manufacturing Facilities may release into the air and water. The discharge of substances that are chemical in nature or of other hazardous substances into the air, soil or water beyond these limits may cause us to be liable to regulatory bodies and incur costs to remedy the damage caused by such discharges.

Any of the foregoing could subject us to litigation, which may increase our expenses in the event we are found liable, and could adversely affect our reputation. The adoption of stricter health and safety laws and regulations, stricter interpretations of existing laws, increased governmental enforcement of laws or other developments in the future may require that we make additional capital expenditures, incur additional expenses or take other actions in order to remain compliant and maintain our current operations. Complying with, and changes in, these laws and regulations or terms of approval may increase our compliance costs and adversely affect our business, prospects, results of operations and financial condition.

Further, our business operations are subject to stringent compliance with labour laws and regulations including those governing detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees, contract labour and work permits, and consequently, may be party to statutory or regulatory proceedings in this respect.

For licenses, permits and authorization obtained by us, see "Government and Other Approvals" beginning from page 355. There is a risk that we may inadvertently fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities, as well as the withholding or delay in receipt of regulatory approvals for our new products.

20. ***Our manufacturing process requires our labourers to work under potentially dangerous circumstances. In the event of any accidents, our Company may be held liable for damages and penalties which may impact the financials of our Company.***

Our employees/labour may be required to work under potentially dangerous circumstances in the operation of our manufacturing unit associated with the handling, storage, movement and production of our Products, as well as accidents such as fire and explosions. Any mishandling of our equipment and machineries could also lead to serious and sometimes fatal accidents. These accidents can cause personal injury and loss of life, severe damage to and destruction of property and equipment, environmental damage and may result in the suspension of operations and the imposition of civil and criminal liabilities. Liabilities incurred as a result of these events have the potential to adversely impact our financial position and reputation. Events like these could result in liabilities, or adversely affect our reputation with suppliers, customers, regulators, employees and the public, which could in turn affect our financial condition and business performance.

21. ***The average cost of acquisition of Equity Shares by our Promoters is lower than the floor price.***

Our Promoters average cost of acquisition of Equity Shares in our Company could be lower than the Floor Price of the Price Band as may be decided by the Company in consultation with the Book Running Lead Manager. 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 chapter titled "Capital Structure" beginning on page 74.

22. ***Any adverse revision to our credit rating by rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such funding is available.***

Currently, our borrowing facilities availed from the bank are rated by CARE, credit rating agency. The credit ratings assigned to bank facilities availed by our Company are as follows:

Type of credit rating	March 31, 2023	Ratings
Date of Rating	February 16, 2023	
Bank Facility	14.35 Crores	CARE BBB Positive
Long term rating	37.50 Crores	CARE BBB Positive/ CARE A3+
Short term rating	98.00 Crores	CARE A3+

Any downgrade in our credit ratings by rating agencies in future may increase our costs of accessing funds in the capital markets and adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such funding is available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures or other purposes.

23. ***We are exposed to the risks of malfunctions or disruptions of information technology systems.***

We depend on information technology systems and accounting systems to support our business processes, including designing, planning, execution, procurement, inventory management, quality control, product costing, human resources and finance. Although these technology initiatives are intended to increase productivity and operating efficiencies, they may not achieve such intended results. These systems may be potentially vulnerable to outages due to fire, floods, power loss, telecommunications failures, natural disasters, computer viruses or malware, break-ins and similar events. Effective response to such disruptions or malfunctions will require effort and diligence on the part of our third-party distribution partners and employees to avoid any adverse effect to our information technology systems.

24. ***A portion of our revenues and expenses are denominated in foreign currencies. As a result, we are exposed to foreign currency exchange risks and regulatory changes in foreign exchange management which may adversely impact our results of operations.***

Apart from our operations in India of which our sales are denominated in Indian Rupees, we also sell our Products in other countries and receive payments in foreign currencies. Fluctuation in foreign currencies exchange rates could have adverse effects on our business, results of operations and financial condition.

Details of export are as under:

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Total Revenue from Operations	111,311.90	81,799.60	51,046.68
Export Sale	2,560.12	3,160.25	1,855.22
Export as % of total revenue from operation	2.30%	3.86%	3.63%

25. ***A slowdown or shutdown in our manufacturing operations could have an adverse effect on our business, results of operations, financial condition and cash flows.***

Our business is dependent upon our ability to manage our Manufacturing Facilities, which are subject to various operating risks, including productivity of our workforce, compliance with regulatory requirements and those beyond our control, such as the breakdown and failure of equipment or industrial accidents, severe weather conditions, natural disasters, as well as loss of licenses, certifications and permits, regulatory changes and government imposition of closure or lockdown. Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs, difficulties with production costs, product quality issues, disruption in electrical power or water resources and could cause disruptions in our operations or shut down the affected Manufacturing Facility.

Our inability to effectively respond to any shutdown or slowdown and rectify any disruption, in a timely manner and at an acceptable cost, could result in us being unable to satisfy our contractual commitments, which could have an adverse effect on our business, financial condition and results of operations.

Further, we have employed a total of 627 permanent employees, as of September 28, 2023. Although, we have not experienced any strikes or labour unrest in the past, there can be no assurance that we shall not experience disruptions in work in the future due to disputes or other problems with our work force. Any disagreements with labour unions or labour unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations, which in turn could adversely affect our business, financial condition and results of operations and cash flows.

26. ***We may receive customer complaints and as a result may face product recalls, product liability claims and legal proceedings, if the quality of our Products does not meet our customers' expectations, in which case our business and revenues, and ultimately our reputation, could be negatively affected.***

Although in the past we have not received any major complaints from our stockists, traders, distributors and clients with respect to our product quality, we have no control over our stockists, traders, distributors and clients (i) alleging harm/loss caused to them due to the quality of products supplied by us; and (ii) instituting product liability claims, product recall claims and legal proceedings against us and our promoters and directors claiming product recalls, liquidated damages, indemnification claims etc. and therefore, we cannot assure that we shall not experience any product recalls or material product liability losses in the future or that we shall not incur significant costs to defend any such claims. In case (i) such actions are instituted against the Company and/or our promoters and directors or are alleged to cause harm/loss to such entities; or (ii) there is a change in applicable law or there are rulings against us by courts or tribunals in relation to the quality of our Products, we may need to make provisions in our financial statements, which could increase our expenses and our current liabilities. Further, any such situation may have a reputational impact on our brand, goodwill and market presence and our stockists, traders, distributors and clients may choose to not do business with us, which could have an adverse effect on our business, financial condition or results of operations. Further, we do not have any insurance cover to protect us from claims from customers in our international markets.

A product recall or a product liability claim entails significant costs which may be in excess of our available insurance coverage, and may expose us to unanticipated losses/exposures thereby adversely affecting our reputation, business and revenues.

27. ***A shortage or unavailability of electricity or water could affect our manufacturing operations and have an adverse effect on our business, results of operations and financial condition.***

Our Manufacturing facilities and registered office have adequate power supply position from the public supply utilities. For the Manufacturing facilities, we have a connected load of 6811 KW from Southern Power Distribution Company of T.S. Limited for Unit II and 2,885 KW from Maharashtra State Electricity Distribution Co. Limited for Unit I, we have a 24*7 power backup at our Manufacturing facilities through a DG set with a capacity of 200 KVA supporting our critical manufacturing operations. Any shortage or non-availability of electricity or failure of the state electricity grid could delay our operations at the Manufacturing facilities which may consequently adversely affect our delivery timelines to our customers. Any such delay may have an adverse effect on our business, results of operations and financial condition.

Further, we require regular water supply for our manufacturing processes which is currently being sourced from private water tanker suppliers. Although, we have not witnessed any major shortfall in supply of water, we do not have long-term supply arrangements with these suppliers, and there can be no assurance that we shall be able to secure our water requirements through these suppliers in a timely manner or at all. Any shortage or non-availability water supply could delay our operations at the Manufacturing facilities which may consequently adversely affect our delivery timelines to our customers. Any such delay may have an adverse effect on our business, results of operations and financial condition.

28. ***Our Group Company have incurred losses during recent financial years.***

Our Group Company have incurred losses in the recent financial years. The following table sets forth details of these losses suffered in the financial years 2023, 2022 and 2021:

(In Lakhs)

Name of the Company	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
R N Securities Private Limited	(0.06)	(0.06)	(0.06)

We cannot assure you we, or our Group Companies, shall not make losses in the future, which may have an adverse impact on our reputation and business.

29. ***The pricing in the steel industry is subject to market demand, volatility and economic conditions. Fluctuations in steel prices may have a material adverse impact on our business, results of operations, prospects and financial conditions.***

Low steel prices adversely affect the businesses and results of operations of steel product producers generally, including ours, resulting in lower revenue and margins and write-downs of products and raw material inventories. Further, substantial decreases in steel and steel product prices during periods of economic weakness have not always been balanced by commensurate price increases during periods of economic strength. Any sustained price recovery shall require a broad economic recovery, in order to underpin an increase in real demand for steel and steel products by end users. In addition, the volatility, length and nature of business cycles affecting the steel and steel products industry may become increasingly unpredictable, and the recurrence of another major downturn in the industry may have a material adverse impact on our business, results of operations, financial condition and prospects.

30. ***It is difficult to predict our future performance, or compare our historical performance between periods, as our revenue fluctuates significantly from period to period.***

Our revenue depends on the number of factors such as cost of raw material, steel industry outlook etc. Importantly our revenue also dependent on one customer i.e. Jindal Pipes Limited. As a result of one or more of these factors, we may record significant turnover or profits during one accounting period and significantly lower turnover or profits during prior or subsequent accounting periods.

(In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Revenue from Operations	1,11,311.90	81,799.60	51,046.68
Other Income	125.92	48.46	104.29
Total Revenue	**1,11,437.82**	**81,848.07**	**51,150.97**
Change in %	**36.15%**	**60.01%**	**-**

Further, no assurance can be given that we will follow the same trend or our future revenue will not fluctuate significantly.

31. ***We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.***

We have entered into related party transactions with our Promoters, Promoters Group, Group Entities and Directors. For details of these transactions, please refer "Annexure 40 - Related Party Transactions" under section titled "Financial Statements" on page no. 233. We have taken the permission of Board & shareholders for such transactions under the Companies Act, 2013.

All the related party transactions carried out by the Company in the past are in compliance with the Companies Act, 2013 and other applicable provisions at that time.

Although all related-party transactions that we may enter into are on an arm's length basis and are subject to approval by our Audit Committee, Board or shareholders, as required under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations"), we cannot assure you that such transactions in the future, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favorable terms if such transactions had not been entered into with related parties. Such related-party transactions in the future may potentially involve conflicts of interest which may be detrimental to the interest of our Company and we cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, financial condition, cash flows and results of operations. There can also be no assurance that any dispute that may arise between us and related parties will be resolved in our favor. For details on our related-party transactions, see "Other Financial Information – Related Party Transactions" beginning on page 307.

We cannot assure you that we will be able to maintain the terms of such transactions or in the event that we enter future transaction with related parties, that the terms of the transactions will be favourable to us.

32. ***If we are unable to establish and maintain an effective internal controls and compliance system, our business and reputation could be adversely affected.***

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. We make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis so that our operations adhere to our policies, compliance requirements and internal guidelines. We periodically test and update our internal processes and systems and there have been no past material instances of failure to maintain effective internal controls and compliance system. However, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances. We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports and prevent financial fraud. As risks evolve and develop, internal controls must be reviewed on an ongoing basis. Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error.

Further, our operations are subject to anti-corruption laws and regulations. These laws generally prohibit us and our employees and intermediaries from bribing, being bribed or making other prohibited payments to government officials or other persons to obtain or retain business or gain some other business advantage. We participate in collaborations and relationships with third parties whose actions could potentially subject us to liability under these laws or other local anti-corruption laws. While our code of conduct requires our employees to comply with all applicable laws, and we continue to enhance our policies and procedures in an effort to ensure compliance with applicable anti-corruption laws and regulations, these measures may not prevent the breach of such anti-corruption laws, as there are risks of such breaches in emerging markets, such as India. If we are not in compliance with applicable anti-corruption laws, we may be subject to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses, which could have an adverse impact on our business, results of operations and financial condition. Likewise, any investigation of any potential violations of anti-corruption laws by the relevant authorities could also have an adverse impact on our business and reputation.

33. ***Employee misconduct, errors or fraud could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.***

Employee misconduct, errors or frauds could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such employee misconduct includes breach in security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our stringent operational standards and processes, and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. In addition, losses caused on account of employee misconduct or misappropriation of petty cash expenses and advances may not be recoverable, which we may result in write-off of such amounts and thereby adversely affecting our results of operations. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions in which case, our reputation, business prospects, results of operations and financial condition could be adversely affected.

34. ***Our funding requirements and deployment of the Fresh Issue proceeds are based on management estimates and have not been independently appraised by any bank or financial institution.***

Our funding requirements and the deployment of the Net Proceeds of the Fresh Issue are based on management estimates and our current business plan. The fund requirements and intended use of proceeds have not been appraised by bank or financial institution and are based on our estimates. In view of the competitive and dynamic nature of our business, we may have to revise our expenditure and fund requirements as a result of variations including in the cost structure, changes in estimates and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the planned expenditure and fund requirement and increasing or decreasing the expenditure for a particular purpose from its planned expenditure at the discretion of our board. In addition, schedule of implementation 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.

35. ***Any failure to protect or enforce our rights to own or use our trademark could have an adverse effect on our business and competitive position.***

As on the date of this Draft Red Herring Prospectus, our application is under process for registration under the Trademark Act, 1999 for our logo ____is under process, hence, we do not enjoy the statutory protection accorded to a registered trademark. Since we have not obtained registration, we may remain vulnerable to infringement and passing-off by third parties and will not be able to enforce any rights against them. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks. We may also need to change our logo which may adversely affect our reputation and business and could require us to incur additional costs.

Further, if we do not maintain our brand identity, which is an important factor that differentiates us from our competitors, we may not be able to maintain our competitive edge. If we are unable to compete successfully, we could lose our customers, which would negatively affect our financial performance and profitability. Moreover, our ability to protect, enforce or utilize our brand is subject to risks, including general litigation risks. Furthermore, we cannot assure you that our brand will not be adversely affected in the future by actions that are beyond our control, including customer complaints or adverse publicity from any other source. Any damage to our brand identity, if not immediately and sufficiently remedied, could have an adverse effect on our business and competitive position.

Finally, while we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights, which may force us to alter our offerings. We may also be susceptible to claims from third parties asserting infringement and other related claims. If similar claims are raised in the future, these claims could result in costly litigation, divert management's attention and resources, subject us to significant liabilities and require us to enter into potentially expensive royalty or licensing agreements. Any of the foregoing could have an adverse effect on our business and competitive position.

36. ***Our Promoters and Promoters Group will continue to exercise control post completion of the Issue and will have considerable influence over the outcome of matters.***

Our Promoters and Promoters Group will continue to own a majority of our Equity Shares i.e. approximately [●]% of the total Post-Offer paid up capital. As a result, our Promoters will have the ability to exercise significant influence over all matters requiring shareholders' approval. Our Promoters will also be in a position to influence any shareholder action or approval requiring a majority vote, except where they may be required by applicable law to abstain from voting. This control could also delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from obtaining control of our Company even if it is in the best interests of our Company. The interests of our Promoters could conflict with the interests of our other equity shareholders, and the Promoters could make decisions that materially and adversely affect your investment in the Equity Shares. In addition, for so long as the Promoter Group continues to exercise significant control over the Company, they may influence the material policies of the Company in a manner that could conflict with the interests of our other shareholders. The Promoters Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.

37. ***We benefit from our relationship with our Promoters and our business and growth prospects may decline if we cannot benefit from this relationship in the future.***

We benefit in many ways from our relationship with our individual Promoters, Mr. Vijay Kaushik, Mr. Vibhor Kaushik and Mrs. Vijay Laxmi Kaushik as a result of their reputation, experience and knowledge of the Steel Pipes & Tubes industry. Mr. Vijay Kaushik and Mr. Vibhor Kaushik, who has been associated with this sector for aggregating over 40 years, has been primarily responsible for the direction and growth of our business and has been instrumental in our strategic planning, including identifying our on-going production & orders. Our growth and future success are influenced, in part, by our continued relationship with them. We cannot assure you that we will be able to continue to take advantage of the benefits from this relationship in the future. If we lose our relationship with our promoters for any reason, our business and growth prospects may decline and our financial condition and results of operations may be adversely affected.

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

Our Company believes that its insurance coverage is adequate and consistent with industry standards. Our principal types of coverage include standard perils and fire insurance, Bharat Laghu Udyam Suraksha. While we believe that the insurance coverage which we maintain is in keeping with industry standards and would be reasonably adequate to cover the normal risks associated with the operation of our businesses, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. Company have not suffered any losses due to above incidents in last 3 years. As the Company have not suffered any losses in last 3 years so accordingly no insurance has been claimed.

In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage, or successful assertion of one or more large claimsagainst us for events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected. For further details on our insurance arrangements, please refer "*Our Business – Insurance*" on page no. 184.

39. ***There is no guarantee that our Equity Shares will be listed on the BSE and the NSE in a timely manner or at all.***

There is no guarantee that our Equity Shares will be listed on the BSE and the NSE in a timely manner or at all. In accordance with Indian law, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Issue and until Allotment of Equity Shares pursuant to this Issue. In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the BSE and the NSE within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares

40. ***In the event there is any delay in the completion of the Issue, there would be a corresponding delay in the completion of the objects / schedule of implementation of this Issue which would in turn affect our revenues and results of operations.***

The funds that we receive would be utilized for the Objects of the Issue as has been stated in the Chapter "*Objects of the Issue*" on page no. 90. The proposed schedule of implementation of the objects of the Issue is based on our management's estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue, we may have to revise our business, development and working capital plans resulting in unprecedented financial mismatch and this may adversely affect our revenues and results of operations.

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

We have no experience as a listed company and have not been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI (LODR) Regulations, which require us to file audited / unaudited reports periodically with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as timely as other listed companies.

As a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, for which significant resources and management overview will be required. As a result, management's attention may be diverted from other business concerns, which could adversely affect our business, prospects, financial condition and results of operations. Further, we may need to hire additional legal and accounting staff with appropriate and relevant experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner or at all.

42. ***Pursuant to listing of the Equity shares, we may be subject to pre-emptive surveillance measures like additional Surveillance Measures ("ASM") and Graded surveillance Measures ("GSM") by the Stock Exchanges in the order to enhance market integrity and safeguard the interest of the investors.***

On and post the listing of equity shares, we may be subject to ASM and GSM by the Stock Exchange(s) and the Securities and Exchange Board of India. These measures have been introduced in order to enhance market integrity, and safeguard the interest of investors and to alert and advise investors to be extra cautious and carry out necessary due diligence while dealing in such securities. The criteria for shortlisting any scrip trading on the Stock Exchange(s) under the ASM is based on an objective criterion as jointly decided by SEBI and the Stock Exchanges(s) which include market based dynamic parameters such as high low variations, client concentration, close to close price variation, market capitalization, volume variation, delivery percentage, number of unique PAN's and price to equity ratio. A scrip is typically subjected GSM measures where there is an abnormal price rise that is not commensurate with the financial heath and fundamentals of a company which inter alia includes factors like earnings, book value, fixed assets and net worth to the equity ratio etc. The price of our equity shares may also fluctuate after the offer due to several factors such as volatility in the Indian and global securities market, our profitability and performance, the performance of our competitors, change in the estimates of our performance or any other political or economic factor. The occurrence of any of the above-mentioned factors may trigger the parameters identified by SEBI and the Stock Exchange(s) for the placing securities under the GSM and ASM framework. In the event of our Equity Shares are covered under such Pre-emptive surveillance measures implemented by SEBI and the Stock Exchange(s), we may be subject to certain additional restrictions in the relation to trading of our Equity Shares such as limiting trading frequency (for example trading either allowed in a week or a month) higher margin requirements of settlement on a trade for trade basis without netting off requirement of settlement on gross basis or freezing price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active market for and trading and liquidity of our Equity Shares and on the reputation and conditions of our Company.

43. ***If there is any change in tax laws or regulations, or their interpretation, such changes may significantly affect our financial statements for the current and future years, which may have a material adverse effect on our financial position, business and results of operations.***

Having our business operations in multiple jurisdictions, we are subject to varying central and state tax regimes. The applicable categories of taxes and tax rates also vary significantly from jurisdiction to jurisdiction, which may be amended from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each country as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned, and expenditure incurred. Our business and financial performance may be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business or the regulator enforcingthem in any one of those countries may adversely affect our results of operations.

To the extent that we are entitled to certain tax benefits in India which are available for a limited period of time, our profitability will be affected if such benefits will no longer be available, or are reduced or withdrawn prematurely or if we are subject to any dispute with the tax authorities in relation to these benefits or in the event we are unable to comply with the conditions required to be complied with in order to avail ourselves of each of these benefits. Please see *"Statement of Special Tax Benefits"* on page 109 for details in relation to possible tax benefits available to our Company. In the event that any adverse development in the law or the manner of its implementation affects our ability to benefit from these tax incentives, our business, results of operations, financial condition and prospects may be adversely affected.

Changes in the operating environment, including changes in tax law, could impact the determination of our tax liabilities for any given tax year. Taxes and other levies imposed by the Government of India that affect our industry include income tax, goods and services tax and other taxes, duties or surcharges introduced from time to time. The tax scheme in India is extensive and subject to change from time to time and any adverse changes in any of the taxes leviedby the Government of India may adversely affect our competitive position and profitability.

We cannot assure you that the Government of India may not implement new regulations and policies which will require us to obtain approvals andlicenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the countries in which we operate may materially and adversely affect our business, results of operations and financial condition. In addition, we may have to incur expenditure to comply with the requirements of any new regulations, which may also materially harm our results of operations. We are also subject to these risks in all our overseas operations depending on each specific country. Any unfavorable changes to the laws and regulations applicable to us could also subject us to additional liabilities. As a result, any such changes or interpretations may adversely affect our business, financial condition and financial performance. Further, changes in capital gains tax or tax on capital market transactions or sale of shares may affect investor returns.

44. ***Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures and there can be no assurance that we will be able to pay dividends in the future.***

We currently intend to invest our future earnings, if any, to fund our growth & repay our debts. The amount of our future dividend payments, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures. Hence, there can be no assurance that we will be able to pay dividends in the future.

EXTERNAL RISKS

Risks relating to India

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

The regulatory and policy environment in which we operate are evolving and are subject to change. The GoI may implement new laws or other regulations and policies that could affect our business in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements. For instance, the GoI has introduced (a) the Code on Wages, 2019; (b) the Code on Social Security, 2020; (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. While the rules for implementation under these codes have not been notified, we are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future and increase our expenses. In another example, the GoI has made it mandatory for business establishments with turnover above a certain size to offer digital modes of payment from November 2019, with no charges being levied on the customers or the merchants by banks and payment service providers. Such measures could adversely impact our income streams in the future and adversely affect its financial performance.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations, financial condition and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations.

46. ***Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

While we are incorporated in India, and our operations are based in India. As a result, we are highly dependent on prevailing economic conditions in India and other economies and our results of operations and cash flows are significantly affected by factors influencing the Indian and global economies. Other factors that may adversely affect the economy, and hence our results of operations and cash flows, may include: high rates of inflation in India, any slowdown in economic growth or financial instability in India, any scarcity of credit or other financing, resulting in an adverse impact on economic conditions and scarcity of financing for our expansions, prevailing income conditions among customers, volatility in, and actual or perceived trends in trading activity on, the relevant market's principal stock exchanges, changes in existing laws and regulations in India, political instability, terrorism or military conflict in the region or globally, including in various neighbouring countries, occurrence of natural or man-made disasters, any downgrading of debt rating of India by a domestic or international rating agency and instability in financial markets.

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

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19 and man- made disasters, including acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example,have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19. A worsening of the current outbreak of COVID-19 pandemic or future outbreaks of COVID-19 or a similar contagious disease could adversely affect the global economy and economicactivity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares. India has from time-to-time experienced instances of social, religious and civil unrest and hostilities between neighbouring countries. Recently there has been ongoing mass protest by farmers, against three farm acts which were passed by the Parliament of India in September 2020. The introduction of the law caused protests in several parts of the country like Delhi, Haryana and Punjab. In case there are mass protests leading to civil unrest, such incidents could impact both our operations and adversely affect our business, financial condition and results of operations. Present relations between India and Pakistan continue to be fragile on the issues of terrorism, armaments and Kashmir. In April 2019, skirmishes along India's border with Pakistan and the downing of an Indian military jet fighter plane significantly escalated tensions between the two countries. India has also experienced terrorist attacks in some parts of the country. In November 2008, several coordinated shooting and bombing attacks occurred across Mumbai, India's financial capital. These attacks resulted in loss of life, property and business. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social andcivil unrest within other countries in Asia, could influence the Indian economy and could have a material adverse effecton the market for securities of Indian companies.

48. ***A downgrade in ratings of India and other jurisdictions in which we operate may affect the trading price of the Equity Shares.***

Our borrowing costs and our access to the debt capital market depend significantly on the credit ratings of India. Any further adverse revisions to credit ratings for India and other jurisdictions we operate in by international rating agencies may adversely impact our ability to raise additional financing. This could have an adverse effect on our ability to fund our growth on favorable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

49. ***We may be affected by competition laws in India, the adverse application or interpretation of which could adversely affect our business.***

The Competition Act, 2002, of India, as amended ("**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India ("**AAEC**"). Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and may result in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or the provision of services or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or number of customers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be also guilty of the contravention and may be punished. The Competition Act aims to, among other things, prohibit all agreements and transactions, which may have an AAEC on competition in India and all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. However, since we pursue an acquisition driven growth strategy, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations, cash flows and prospects.

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

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in the United States, Asia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Following the United Kingdom's exit from the European Union ("**Brexit**"), there remains significant uncertainty around the terms of their future relationship with the European Union including trade agreements between the United Kingdom and European Union and, more generally, as to the impact of Brexit on the general economic conditions in the United Kingdom and the European Union and any consequential impact on global financial markets. In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition and results of operation. These developments or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. Thiscould have a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares. Since December 2019, the ongoing outbreak of COVID-19 has affected countries globally, with the World Health Organization declaring the outbreak as a pandemic in March 2020. There have been border controls, lockdowns and travel restrictions imposed by various countries, as a result of the COVID-19 outbreak. Such an outbreak of an infectious disease together with the resulting restrictions on travel and/or imposition of lockdown measures have resulted in protracted volatility in domestic and international markets has resulted in a global slowdown and crisis. In particular, the COVID-19 outbreak has caused stock markets worldwide to fluctuate significantly in value and has impacted global economic activity. A number of governments have revised gross domestic product growth forecasts for 2020 and 2021 downwards in response to the economic slowdown caused by the spread of COVID-19, and it is possible that the outbreak of COVID-19 will cause a prolonged global economic crisis or recession. If we are unable to successfully anticipate and respond to changing economic and market conditions, our business, results of operations and financial condition and prospects may be adversely affected.

51. ***The Indian tax regime has undergone substantial changes which could adversely affect our business and the trading price of the Equity Shares.***

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Act, 2019, prescribes certain changes to the income tax rate applicable to companies in India. According to this Act, companies can henceforth voluntarily opt in favour of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the effective tax rate (on gross basis) for Indian companies from 34.94% to approximately 25.17%. Any such future amendments may affect our ability to claim exemptions that we have historically benefited from, and such exemptions may no longer be available to us. The Government of India has also implemented two major reforms in Indian tax laws, namely the GST, and provisions relating to general anti-avoidance rules ("**GAAR**"). The indirect tax regime in India has undergone a complete overhaul. The indirect taxes on goods and services, such as central excise duty, service tax, central sales tax, state value added tax, surcharge and excise have been replaced by Goods and Service Tax with effect from July 1, 2017. The GST regime is relatively new and therefore is subject to amendments and its interpretation by the relevant regulatory authorities. GAAR became effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement may result in, among others, a denial of tax benefit to us and our business. In the absence of any precedents on the subject, the application of these provisions is subjective. If the GAAR provisions are made applicableto us, it may have an adverse tax impact on us. Further, if the tax costs associated with certain of our transactions are greater than anticipated because of a particular tax risk materializing on account of new tax regulations and policies, it could affect our profitability from such transactions. The Finance Act, 2020 has, amongst others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime. For instance, dividend distribution tax ("**DDT**") will not be payable by a domestic company in respect of dividends declared, distributed or paid by the company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident and are likely be subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares. Further, the Government of India has notified the Finance Act, 2021 ("**Finance Act**") which has introduced various amendments to taxation laws in India. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. In addition, unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current businessor restrict our ability to grow our business in the future. We cannot predict whether any new tax laws or regulations impacting our services will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether if at all, any laws or regulations would have an adverse effect on our business. Further, any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability. Due to COVID -19 pandemic, the Government of India had also passed the Taxation and Other Laws (Relaxation of Certain Provisions) Act, 2020, implementing relaxations from certain requirements under, amongst others, the Central Goods and Service Tax Act, 2017 and Customs Tariff Act, 1975. In addition, we are subject to tax related inquiries and claims. We may beparticularly affected by claims from tax authorities on account of income tax assessment and GST that combines taxes and levies by the central and state governments into one unified rate of interest with effect from July 1, 2017. For further details, see "Outstanding Litigation and Other Material Developments" on page 345.

52. *If inflation were to rise in India, we might not be able to increase the prices of our products at a proportional rate in order to pass costs on to our customers thereby reducing our margins.*

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of wages and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase the price of our products to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected. Further, theGovernment of India has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

53. *A third-party could be prevented from acquiring control of us post this Issue, because of anti-takeover provisions under Indian law.*

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

54. *Foreign Investors may have difficulties in enforcing judgments against us or our management.*

Our Company is incorporated under the laws of India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce against them judgments obtained in courts outside India, including judgments predicated on the civil liability provisions of foreign securities laws.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, which includes the United Kingdom, United Arab Emirates, Singapore and Hong Kong. The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in a non-reciprocating territory, such as the United States, for civil liability, whether or not predicated solely upon the general securities laws of the United States, would not be enforceable in India under the Civil Code as a decree of an Indian court.

The United Kingdom, Singapore, UAE and Hong Kong have been declared by the Government of India to be reciprocating territories for purposes of Section 44A of the Code of Civil Procedure, 1908 ("CPC"). A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit on the judgment under Section 13 of the CPC, and not by proceedings in execution. The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favor such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States or other such jurisdiction within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action is brought in India. Moreover, it is unlikely that an Indian court would award damages to the extent awarded in a final judgment rendered outside India if it believes that the amount of damages awarded were excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered.

RISKS RELATING TO THE EQUITY SHARES AND THE ISSUE

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

Prior to this Issue, there has been no public market for the Equity Shares of our Company, 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 amarket for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price, Floor Price/Cap Price of the Equity Shares will be determined by our Company in consultation with the BRLM through the Book Building Process. This price will be based on numerous factors, as described under *"Basis for the Issue Price"* on page 99 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, problems such as temporary closure, broker default and settlement delays experienced by the Indian Stock Exchanges, strategic actions by us or our competitors, 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. Consequently, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all. There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share price could fluctuate significantly because of market volatility. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

56. ***Investors may be subject to Indian taxes arising out of income arising on the sale of the Equity Shares.***

Under current Indian tax laws, unless specifically exempted, a capital gain arising from the sale of equity shares in an Indian company is generally taxable in India. A securities transaction tax ("**STT**") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of listed equity shares held for more than 12 months may be subject to long-term capital gains tax in India at the specified rates depending on certain factors, such as STT paid, the quantum of gains and any available treaty exemptions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares heldfor more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. While non-residents may claim tax treaty benefits in relation to such capital gains income, generally, Indian tax treaties do not limit India's right to impose tax on capital gains arising from the sale of shares of an Indian company. Further, the Finance Act, 2020 ("**Finance Act 2020**"), passed by the Parliament of India. The Finance Act 2020 stipulates the sale, transfer and issue of certain securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act 2020 has also clarified that, in theabsence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of certain securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, and the onus will be on the transferor. The stamp duty for transfer of certain securities, other than debentures, on a delivery basis is currently specified under the Finance Act 2020 at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments have come into effect from July 1, 2020. Under the Finance Act 2020, any dividends paid by an Indian company will be subject to tax in the hands of the shareholders at applicable rates. Such taxes will be withheld by the Indian company paying dividends. The Government of India announced the union budget for Fiscal 2022, following which the Finance Bill, 2021 ("**Finance Bill**") was introduced in the Lok Sabha on February 1, 2021. Subsequently, the Finance Bill received assent from the President of India on March 28, 2021 and became the Finance Act, 2021 ("**Finance Act 2021**"). There is no certainty on the impact of Finance Act 2021 on tax laws or other regulations, which may adversely affect the Company's business, financial condition, and results of operations or on the industry in which we operate. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares.

57. ***Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in teIssue.***

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entries, or 'demat' accounts with depository participants in India, are expected to be credited with the Equity Shares within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately three Working Days from the Bid Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within three Working Days of the Bid Closing Date. There could be a failure or delay in the listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise any delay in commencing trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

58. ***Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding and sale of Equity Shares by shareholders with significant shareholding may adversely affect the trading price of the Equity Shares.***

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, includinga primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our shareholders may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. Any disposal of Equity Shares by our major shareholders or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares.

59. ***Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.***

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. In addition, pursuant to the Press Note No. 3 (2020 Series),dated April 17, 2020, issued by the DPIIT, which has been incorporated as the proviso to Rule 6(a) of the FEMA Non- debt Rules, all investments under the foreign direct investment route by entities of a country or where the beneficial owner of the Equity Shares is situated in or is a citizen of any such country, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy dated October 15, 2020 and the FEMA Rules. While the term "beneficial owner" is defined under the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 and the General Financial Rules, 2017, neither the foreign direct neither investment policy nor the FEMA Rules provide a definition of the term "beneficial owner". The interpretation of "beneficial owner" and enforcement of this regulatory change involves certain uncertainties, which may have an adverse effect on our ability to raise foreign capital. Further, there is uncertainty regarding the timeline within which the said approval from the GoI may be obtained, if at all. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see "Restrictions on Foreign Ownership of Indian Securities" on page 403.

60. ***Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.***

Our Restated Standalone Financial Statements for the Fiscal 2023, 2022 and 2021, have been prepared and presented in conformity with Ind AS. Ind AS differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by person not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly.

61. ***The determination of the Price Band is based on various factors and assumptions and the Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue. Further, the current market price of some securities listed pursuant to certain previous issues managed by the BRLM is below their respective issue prices.***

The determination of the Price Band is based on various factors and assumptions and will be determined by our Company in consultation with the BRLM. Furthermore, the Issue Price of the Equity Shares will be determined by our Company in consultation with the BRLM through the Book Building Process. These will be based on numerous factors, including factors as described under "Basis for the Issue Price" on page 99 and may not be indicative of the market price for the Equity Shares after the Issue. In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the BRLM is below their respective issue price. For further details, see "Other Regulatory and Statutory Disclosures – Price information of past issues handled by the BRLM" on page 359. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

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

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

63. ***Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.***

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution. However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

64. ***Rights of shareholders of our Company under Indian law may be more limited than under the laws of other jurisdictions.***

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and wide-spread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder of our Company than as a shareholder of an entity in another jurisdiction.

65. ***Compliance with provisions of Foreign Account Tax Compliance Act may affect payments on the Equity Shares.***

The U.S. “Foreign Account Tax Compliance Act” (or “FATCA”) imposes a new reporting regime and potentially, imposes a 30% withholding tax on certain “foreign pass thru payments” made by certain non-U.S. financial institutions (including intermediaries). If payments on the Equity Shares are made by such non-U.S. financial institutions (including intermediaries), this withholding may be imposed on such payments if made to any non-U.S. financial institution (including an intermediary) that is not otherwise exempt from FATCA or other holders who do not provide sufficient identifying information to the payer, to the extent such payments are considered “foreign pass thru payments”. Under current guidance, the term “foreign pass thru payment” is not defined and it is therefore not clear whether and to what extent payments on the Equity Shares would be considered “foreign pass thru payments”. The United States has entered into intergovernmental agreements with many jurisdictions (including India) that modify the FATCA withholding regime described above. It is not yet clear how the intergovernmental agreements between the United States and these jurisdictions will address “foreign pass thru payments” and whether such agreements will require us or other financial institutions to withhold or report on payments on the Equity Shares to the extent they are treated as “foreign pass thru payments”. Prospective investors should consult their tax advisors regarding the consequences of FATCA, or any intergovernmental agreement or non-U.S. legislation implementing FATCA, to their investment in Equity Shares.

66. ***U.S. holders should consider the impact of the passive foreign investment company rules in connection with an investment in our Equity Shares.***

A foreign corporation will be treated as a passive foreign investment company (“**PFIC**”) for U.S. federal income tax purposes for any taxable year in which either: (i) at least 75% of its gross income is “passive income” or (ii) at least 50% of its gross assets during the taxable year (based on of the quarterly values of the assets during a taxable year) are “passive assets,” which generally means that they produce passive income or are held for the production of passive income.

There can be no assurance that our Company will or will not be considered a PFIC in the current or future years. The determination of whether or not our Company is a PFIC is a factual determination that is made annually after the end of each taxable year, and there can be no assurance that our Company will not be considered a PFIC in the current taxable year or any future taxable year because, among other reasons, (i) the composition of our Company’s income and assets will vary over time, and (ii) the manner of the application of relevant rules is uncertain in several respects. Further, our Company’s PFIC status may depend on the market price of its Equity Shares, which may fluctuate considerably.

SECTION III: INTRODUCTION

THE ISSUE

The following table summarizes details of the Issue:

Equity Shares Issued[1]	Up to [●] Equity Shares of face value of Rs. 10 each for cash at a price of Rs. [●] per Equity Share including a share premium of Rs. [●] per Equity Shares aggregating Rs. 6,647.20 lakhs
The Issue consists of:	
Fresh Issue	Up to [●] Equity Shares of face value of Rs. 10 each for cash at a price of Rs. [●] per Equity Share including a share premium of Rs. [●] per Equity Shares aggregating Rs. 6,647.20 lakhs
Offer for Sale	NA
Which Comprises:	
Employee Reservation Portion[2]	Up to [●] Equity Shares, aggregating to Rs. [●] Lakhs.
Net Issue	Up to [●] Equity Shares, aggregating to Rs. [●] Lakhs.
A) QIB Portion[3][4]	Up to [●] Equity Shares (not more than 50%)
of which:	
1. Anchor Investor Portion	
2. Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares
of which:	
1. Available for allocation to Mutual Funds only (5% of the QIB Portion, excluding the Anchor Investor Portion)	Up to [●] Equity Shares
2. Balance for all QIBs including Mutual Funds	Up to [●] Equity Shares
B) Non-Institutional Portion[3][4]	Up to [●] Equity Shares
C) Retail Portion[5]	Up to [●] Equity Shares
Pre and Post Issue Equity Shares	
Equity shares outstanding prior to the Issue	1,41,83,000 Equity Shares of face value of Rs. 10 each
Equity shares outstanding after the Issue	[●] Equity Shares of face value of Rs. 10 each
Use of Net Proceeds	Please refer to the section titled "*Objects of the Issue*" beginning on page no. 90.

[1]*The present Issue has been authorised by a resolution of the Board of Directors, dated August 14, 2023 and by a resolution of the shareholders of our Company in the Extra Ordinary General Meeting held on September 08, 2023.*

[2]*In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of Rs. 2.00 Lakhs, subject to the maximum value of Allotment made to such Eligible Employee not exceeding Rs. 5.00 Lakhs. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation up to Rs. 5.00 Lakhs), shall be added to the Net Issue. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid under the Net Issue and such Bids will not be treated as multiple Bids. The Employee*

Reservation Portion shall not exceed 5% of our post-Issue paid-up Equity Share capital. For further details, see "Offer Structure" beginning on page 375.

(3)Our Company in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of undersubscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. In case of non-Allotment in the Anchor Investor Portion, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than [●] Equity Shares, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor investors) in proportion to their Bids. For further details, please see "Issue Procedure" on page no. 381.

(4)Not less than 15% of the Issue shall be available for allocation to Non-Institutional Bidders, of which (a) one-third portion shall be reserved for applicants with application size of more than Rs. 200,000 and up to Rs. 10,00,000; and (b) two-thirds portion shall be reserved for applicants with application size of more than Rs. 10,00,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price and not less than 35% of the Issue will 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 Bidders, other than the Anchor Investors, are mandatorily required to participate in this Issue only through an Application Supported by Blocked Amount ("ASBA") process, providing details of their respective bank accounts (including UPI ID for UPI Bidders using UPI Mechanism) in which the Bid amount will be blocked by the Self Certified Syndicate Banks or the Sponsor Bank. The Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For further details, please see "Issue Procedure" on page 381.

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 at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, subject to applicable laws. For further details, please see the section entitled "Issue Procedure" on page 381.

(5)Allocation to Bidders in all categories except the Anchor Investor Portion, if any and the Retail Portion and Non-Institutional Bidder, shall be made on a proportionate basis subject to valid Bids received at or above the Issue Price. The allocation to each Retail Individual Bidders and Non-Institutional Bidders shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be done on a discretionary basis in accordance with the SEBI ICDR Regulations. For further details, see "Issue Procedure" beginning on page 381.

For details of the terms of the Issue, see "Terms of the Issue", beginning on page 369.

SUMMARY FINANCIAL INFORMATION

The summary financial information presented below are derived from our Restated Standalone Financial Statements for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 and should be read in conjunction with "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 233 and 309, respectively

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RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(Rs. In Lakhs)

Particulars	Annexure	As at March 31,2023	As at March 31,2022	As at March 31,2021
ASSETS				
(A) Non-Current Assets				
(a) Property, Plant and Equipment	**7**	5,433.30	4,986.01	5,202.75
(b) Financial Assets				
(i) Others	**8**	70.65	50.98	64.48
(c) Other Non-Current Assets	**9**	713.26	141.88	35.83
Total Non-Current Assets(A)		**6,217.22**	**5,178.89**	**5,303.07**
(B) Current Assets				
(a) Inventories	**10**	12,029.86	10,121.11	5,105.69
(b) Financial Assets				
(i) Trade receivables	**11**	5,444.81	4,481.12	3,928.24
(ii) Cash and cash equivalents	**12**	943.38	1,258.10	581.46
(iii) Bank Balances other than Cash and Cash Equivalents above	**13**	1,611.86	840.46	965.67
(iv) Others	**14**	891.57	612.60	785.26
(c) Current Tax Assets (net)	**15**	0.00	0.00	44.87
(d) Other current assets	**16**	2,224.30	2,361.27	579.12
Total Current assets (B)		**23,145.78**	**19,674.67**	**11,990.30**
TOTAL ASSETS(A+B)		**29,363.00**	**24,853.56**	**17,293.37**
EQUITY AND LIABILITIES				
(A) Equity				
(a) Equity Share Capital	**17**	1,418.30	1,418.30	1,418.30
(b) Other Equity	**18**	7,901.49	5,778.99	4,630.69
Total Equity (A)		**9,319.79**	**7,197.29**	**6,048.99**
Liabilities				
(B) Non-Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	**19**	1,351.34	1,424.35	756.54
(b) Provisions	**20**	92.02	83.64	80.78
(c) Deferred tax liabilities (Net)	**21**	155.00	163.87	176.00
Total Non-Current Liabilities (B)		**1,598.35**	**1,671.86**	**1,013.32**
(C) Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	**22**	13,886.42	11,280.78	6,664.99
(ii) Trade Payables	**23**			
(A) total outstanding dues of micro enterprises and small enterprises; and				
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises.		4,161.74	4,264.64	3,291.21

(iii) Other Financial Liabilities	**24**	134.02	172.72	108.11
(b) Other current liabilities	**25**	176.55	219.49	161.70
(c) Provisions	**26**	13.69	6.42	5.04
(d) Current Tax Liabilities (net)	**27**	72.44	40.36	0.00
Total Current Liabilities(C)		**18,444.86**	**15,984.41**	**10,231.05**
Total liabilities(B+C)		**20,043.21**	**17,656.27**	**11,244.37**
TOTAL EQUITY AND LIABILITIES (A+B+C)		**29,363.00**	**24,853.56**	**17,293.37**

The above statement should be read with the Annexure 5: Company Overview & Significant Accounting policies and explanatory notes to the Restated Ind AS Summary Statement, Annexure 6: Statement of Restated Adjustments to audited financial statements and Annexures 7-63: Notes to Restated Ind AS Summary Statements.

RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

(Rs. In Lakhs)

Particulars	Annexure	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2021
Revenue:				
I. Revenue from Operations (Net)	28	1,11,311.90	81,799.60	51,046.68
II. Other income	29	125.92	48.46	104.29
III. Total revenue (I+II)		**1,11,437.82**	**81,848.07**	**51,150.97**
IV. Expenses:				
Cost of Raw material consumed	30	1,06,510.20	75,177.24	41,734.66
Changes in inventories of finished goods	31	(5,225.42)	(667.64)	3,633.04
Employee benefit expenses	32	1,751.66	1,497.60	1,361.40
Finance costs	33	1,225.57	869.80	917.29
Depreciation and Amortization	34	636.51	612.09	658.46
Other expenses	35	3,716.94	2,822.77	2,430.12
Total Expenses (IV)		**1,08,615.46**	**80,311.85**	**50,734.97**
Restated Profit before Taxes (V)=(III)-(IV)		**2,822.36**	**1,536.22**	**416.00**
VI. Tax Expense				
(a) Current Tax	36	723.13	420.34	171.17
(b) Deferred taxes expense/(credit)	21	(7.39)	(17.24)	176.00
Restated Profit for the period/ year (VII)= (V)-(VI)		**2,106.62**	**1,133.11**	**68.83**
VIII. Other Comprehensive Income (OCI)				
(a) Items that will not to be reclassified to profit and loss:				
(i) Remeasurement gain/ (loss) on defined benefit obligation	37	14.39	20.28	**-**
(ii) Income Tax relating to items that will not be reclassified to profit and loss	37	1.48	(5.11)	**-**
Restated Total Comprehensive Income for the period (IX) (VII+VIII)		**2,122.50**	**1,148.30**	**68.83**
Restated Earnings per Equity Share (Face Value: Rupees 10)				
- Basic		14.85	7.99	0.49
- Diluted		14.85	7.99	0.49

The above statement should be read with the Annexure 5: Company Overview & Significant Accounting policies and explanatory notes to the Restated Ind AS Summary Statement, Annexure 6: Statement of Restated Adjustments to audited financial statements and Annexures 7-63: Notes to Restated Ind AS Summary Statements.

RESTATED STANDALONE STATEMENT OF CASH FLOWS

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit/ (Loss) before Exceptional items and Tax	2,822.36	1,536.22	416.00
Non-cash adjustments:			
Add: Depreciation and amortisation expenses	636.51	612.09	658.46
Add: Provision for Gratuity	30.04	24.52	85.82
Add: Finance Costs	1,225.57	869.80	917.29
Less: Interest Income	(121.34)	(80.47)	(82.43)
Less: Profit on Sale of Property, Plant and Equipment	-0.38	0.00	0.00
Operating profit before working capital changes	**4,592.75**	**2,962.16**	**1,995.15**
Changes in Working Capital:			
(Increase)/ Decrease in Inventories	(1,908.74)	(5,015.42)	3,442.53
(Increase)/Decrease in Trade Receivables	(963.69)	(552.88)	360.69
(Increase)/Decrease in Other Current Assets	136.97	(1,782.15)	307.13
(Increase)/Decrease in Other Financial Assets	(278.96)	172.66	(137.18)
Increase/(Decrease) in Trade Payables	(102.90)	973.43	(1,079.46)
Increase/(Decrease) in Other Current Liabilities	(42.94)	57.79	(120.06)
Increase/(Decrease) in Other Financial Liabilities	(38.70)	64.62	88.80
Increase/(Decrease) in Other Assets	(270.71)	(180.10)	(31.75)
Cash generated from operations	**1,123.07**	**(3,299.92)**	**4,825.85**
Income tax (Refund)/ paid during the year	(420.34)	(155.01)	(283.86)
Net cash from operating activities (A)	**702.73**	**(3,454.93)**	**4,542.00**
B. CASH FLOW FROM INVESTING ACTIVITIES			
Interest Income	121.34	80.47	82.43
Purchase of Property, Plant and Equipment and Capital Work in Progress	(1,086.02)	(395.35)	(180.42)
Sale of Property, Plant and Equipment	2.60	0.00	0.00
(Increase)/Decrease in Other Non-Current Assets	(19.67)	13.51	8.50
(Increase)/Decrease in Other Non-Current Financial Assets	(571.38)	(106.05)	0.00
Net cash from investing activities (B)	**(1,553.12)**	**(407.42)**	**(89.49)**
C. CASH FLOW FROM FINANCING ACTIVITIES			
Finance Cost	(1,225.57)	(869.80)	(917.29)
Proceeds/(Repayment) from Short-Term Borrowings	2,605.63	4,615.79	(32.24)
Proceeds/(Repayment) of Long-term Borrowings	(73.01)	667.81	(2,699.05)
Net cash from financing activities (C)	**1,307.06**	**4,413.80**	**(3,648.58)**
Net increase in cash and cash equivalents (A+B+C)	**456.69**	**551.43**	**803.93**
Cash and cash equivalents at the beginning of the year	2,098.56	1,547.13	743.20
Cash and cash equivalents at the end of the year	**2,555.24**	**2,098.56**	**1,547.13**

The above statement should be read with the Annexure 5: Company Overview & Significant Accounting policies and explanatory notes to the Restated Ind AS Summary Statement, Annexure 6: Statement of Restated Adjustments to audited financial statements and Annexures 7-63: Notes to Restated Ind AS Summary Statements.

GENERAL INFORMATION

Our Company's Corporate Identity Number is U27109HR2003PLC035091.

Company registration number and corporate identity number

The registration number and corporate identity number of our Company are as follow:

Corporate identity number: U27109HR2003PLC035091.
Company registration number: 035091

REGISTERED OFFICE OF OUR COMPANY

Vibhor Steel Tubes Limited
Plot No. 2, Industrial Development Colony,
Delhi Road, Hisar, Haryana-125005, India.
Tel. No.: 7030322880
E-mail: cs@vstlindia.com
Website: www.vstlindia.com

MANUFACTURING FACILITIES

Vibhor Steel Tubes Limited
Gut No 69/2, Pipe Nagar, NH 17 BKG Road,
Village Sukeli, Raigad
Maharashtra-402126, India.
Tel. No.: 7517765117
E-mail: cs@vstlindia.com
Website: www.vstlindia.com

Vibhor Steel Tubes Limited
SY No. 515 & 516, Udithyala (V),
Balanagar (M), Mahabubnagar (Dist.)
Telangana-509202, India
Tel. No.: 9074639177
E-mail: cs@vstlindia.com
Website: www.vstlindia.com

WAREHOUSE

Vibhor Steel Tubes Limited
Plot No. 2, Industrial Development Colony,
Delhi Road, Hisar,
Haryana-125005, India.
Tel. No.: 7030322880
E-mail: cs@vstlindia.com
Website: www.vstlindia.com

ADDRESS OF THE REGISTRAR OF COMPANIES

Registrar of Companies, Delhi
4th Floor, IFCI Tower, 61,
Nehru Place, New Delhi – 110019, India

Tel. No.: 011-26235703

E-mail: roc.delhi@mca.gov.in

Website-www.mca.gov.in

BOARD OF DIRECTORS OF OUR COMPANY

Sr. No.	Name	Age	DIN	Address	Designation
1.	Mr. Vijay Kaushik	70	02249672	2139/1553, Thandi Sarak, Hisar, Haryana-125001, India	Chairman & Director
2.	Mr. Vibhor Kaushik	40	01834866	1807/1808, Ashok Tower, Dr. Ambedkar Road, Parel east, Mumbai-400012, India	Managing Director
3.	Ms. Vijay Laxmi Kaushik	67	02249677	2139/1553, Thandi Sarak, Hisar, Haryana-125001, India	Whole-time Director
4.	Ms. Pratima Sandhir	40	07756142	1807/1808, Ashok Tower, Dr. Ambedkar Road, Parel east, Mumbai-400012, India	Whole-time Director
5.	Mr. Pankaj Kumar Rai	33	08697130	208/H-2, N H 17, BKG Road, Maharashtra Seamless Limited, Sukeli, Pipe Nagar, Raigarh, Maharashtra-402126, India	Director
6.	Mr. Shiv Kumar Singhal	62	00940261	1604, Raheja Eternity A-Wing, Magathane Village, Off Western Expree Highway, Thakur Village near Brodway Theatre, Mumbai-400066, India	Independent Director
7.	Mr. Abhiram Tayal	70	00081453	House No. 90 D, Ward No. 01, Raghu Nath Bhawan, Kath, Mandi Road, Hisar, Haryana-125001, India	Independent Director
8.	Mr. Sanjeev Gupta	55	00945812	House No. 19, Sector 9-11, Hisar, Haryana-125001, India	Independent Director
9.	Mr. Ashwani Kumar Garg	61	00387749	House No. 15, U. E-2, Hisar, Haryana-125001, India	Independent Director
10.	Mr. Vikram Grover	32	09692781	5H/11, Near Mittal Complex, NIT Faridabad, Haryana-121001, India	Independent Director

For further details of our Directors, please refer to the chapter titled "*Our Management*" beginning on page 198.

CHIEF FINANCIAL OFFICER

Mr. Anil Kumar Jain
Vibhor Steel Tubes Limited
Plot No. 2, Industrial Development Colony,
Delhi Road, Hisar, Haryana-125005, India.
Tel. No.: 7030322880
E-mail: cfo@vstlindia.com
Website: www.vstlindia.com

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Lovkesh

Vibhor Steel Tubes Limited
Plot No. 2, Industrial Development Colony,
Delhi Road, Hisar, Haryana-125005, India.
Tel. No.: 7030322880
E-mail: cs@vstlindia.com
Website: www.vstlindia.com

INVESTOR GRIEVANCES

Investors may contact the Company Secretary and Compliance Officer and /or the Registrar to the Issue and/or BRLM in case of any Pre-Issue or Post-Issue related grievances, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders, non-receipt of funds by electronic mode, etc. For all Issue related queries and for redressal of complaints, investors may also write to the BRLM.

Our Company has obtained authentication on the SCORES in compliance with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013, SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 and SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2021/642) dated October 14, 2021 in relation to redressal of investor grievances through SCORES.

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

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. In terms 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 SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SCSBs are required to compensate the investor immediately on the receipt of complaint. Further, the post issue book running lead manager is required to compensate the investor for delays in grievance redressal in accordance with the circulars.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

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

Filing

A copy of this Draft Red Herring Prospectus has been filed with SEBI electronically through the SEBI Intermediary Portal at https://siportal.sebi.gov.in, as specified in Regulation 25(8) of the SEBI (ICDR) Regulations and the SEBI circular bearing reference SEBI/HO/CFD/DIL1/CIR/P/2018/ 011 dated January 19, 2018 and at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to "*Easing of Operational Procedure – Division of Issues and Listing – CFD*".

A copy of the Draft Red Herring Prospectus, along with the material contracts and documents required to be filed, will be filed with the RoC in accordance with Section 32 of the Companies Act, 2013, and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be filed with the RoC at its office, and through the electronic portal at http://www.mca.gov.in/mcafoportal/loginvalidateuser.do,

BOOK RUNNING LEAD MANAGER

Khambatta Securities Limited
806, World Trade Tower, Tower B,
Noida Sector-16, Uttar Pradesh- 201301, India
Contact person: Mr. Chandan Mishra, Mr. Vipin Aggarwal
Telephone: 9953989693, 0120 4415469,
E-mail: ipo@khambattasecurities.com
Website: www.khambattasecurities.com
SEBI Registration Number: INM000011914

REGISTRAR TO THE ISSUE

KFin Technologies Limited
Selenium, Tower B, Plot No. 31&32, Financial District,
Nanakramguda, Serilinigampally, Hyderabad,
Rangareddi - 500 032, Telangana, India
Telephone: +91 40 6716 2222
E-mail: vibhor.ipo@kfintech.com
Website: www.kfintech.com
Contact person: M Murali Krishna
SEBI registration no: INR000000221

LEGAL ADVISORS TO THE ISSUER

Legacy Law Offices LLP
Legacy House, D 18, Kalkaji,
New Delhi-110019, India
Telephone: 011 41752507, 41752508
E-mail: anand@legacylawoffices.com
Website: www.legacylawoffices.com
Contact person: Mr. Gagan Anand

STATUTORY & PEER REVIEW AUDITOR OF OUR COMPANY

M/s. Ashok Kumar Goyal & Co.
Chartered Accountants
214, Metropolis Mall, Delhi Road, Hisar-125001, Haryana, India
Contact person: Mr. Ashok Kumar Goyal
Membership Number: 017644
Telephone: 9416023322
E-mail: ashok@akgca.com
Firm Registration Number: 002777N
Peer Review Certificate Number: 014029

BANKERS TO THE COMPANY

Axis Bank Limited SCO 177, Commercial Urban Estate II, Red Square Market, Hisar, Haryana, India **Contact person:** Shalu Rana **Telephone:** 9812367317 **E-mail:** ccsuhead.hissar@axisbank.com **Website:** www.axisbank.com	**HDFC Bank Limited** 2nd Floor, Akash Plaza, Near Dev Petrol Pump, Jindal Chowk, Hisar, Haryana, India **Contact person:** Vijay Sharma **Telephone:** 9316982824 **E-mail:**vijaya.sharma@hdfcbank.com, akash.batra1@hdfcbank.com **Website:** www.hdfcbank.com

Public Offer Account Bank

[●]

Escrow Collection Bank(s)/ Refund Bank(s)

[●]

Sponsor Banks

[●]

Syndicate Members

[●]

IPO Grading

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Issue.

Statement of inter-se allocation of responsibilities

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

Monitoring Agency

Regulation 41 of the SEBI ICDR Regulations related to Monitoring agency is not applicable on our Company as the proposed issue size is less then Rs. 10,000.00 Lakh.

Appraising Entity

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

Credit Rating

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

Debenture Trustee

As this is an Issue of Equity Shares, the appointment of a debenture trustee is not required.

Green Shoe Option

No green shoe option is contemplated under the Issue.

Changes in auditors

There have been no changes in our statutory auditor in the three years preceding the date of this Draft Red Herring Prospectus except as follows:

Particulars	Date of Change	Reason for Change
M/s Singla Shubham & Company 1616, Sector-14, Hisar, Haryana, India **Tel No:** 7015434800 **Email Id:** shubhamsingla373@gmail.com **Membership Number:** 552269 **Firm Registration Number:** 035815N **Peer Review Certificate Number:** Not Registered	September 11, 2023	Resignation due to the non-availability of peer review certificate.
M/s Ashok Kumar Goyal & Co. 214, Metropolis Mall, Delhi Road, Hisar-125001, India **Telephone:** 9416023322 **E-mail:** ashok@akgca.com **Firm Registration Number:** 002777N **Peer Review Certificate Number:** 014029	September 11, 2023	Appointment as the statutory auditors of the Company

Designated Intermediaries

Self-Certified Syndicate Banks

The banks registered with SEBI, which offer the facility of ASBA services in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

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

Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form(s) of Bidders (other than RIBs) is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time. Details of nodal officers of SCSBs, identified for Bids made through the UPI Mechanism, are available at www.sebi.gov.in.

Self-Certified Syndicate Banks eligible as Issuer Banks for UPI Mechanism

The list of SCSBs through which Bids can be submitted by RIBs using the UPI Mechanism, including details such as the eligible Mobile Apps and UPI handle which can be used for such Bids, is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Applications through UPI in the Issue can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI mechanism is appearing in the "list of mobile applications for using UPI in public issues" displayed on the SEBI website. Details of nodal officers of SCSBs, identified for Bids made through the UPI Mechanism, are available at www.sebi.gov.in.

Syndicate SCSB Branches

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

Registered Brokers

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 websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, respectively, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and on the website of NSE at http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Experts

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

Our Company has received written consent dated September 28, 2023 from M/s. Ashok Kumar Goyal & Co., Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under Section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of their (i) examination report on our Restated Standalone Financial Statements dated September 28, 2023; and (ii) the statement of special tax benefits available to the Company and its shareholders dated September 28, 2023, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

The term "experts" and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

Book Building Process

The book building, in the context of the Issue, refers to the process of collection of Bids from investors on the basis of the Draft Red Herring Prospectus and the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and the minimum Bid Lot will be decided by our Company, in consultation with the Book Running Lead Manager, and shall be advertised in all editions of Business Standard, an English national daily newspaper and all editions of Business Standard, a local daily newspaper in Hisar, Haryana, where our Registered Office is located, each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Issue Price shall be determined by our Company in consultation with the BRLM after the Bid/ Issue Closing Date. For details, see "Issue Procedure" beginning on page 381.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Issue by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs. In addition to this, the RIBs may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) through the UPI Mechanism. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Investors Bidding in the Retail Portion can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/ Issue Period. Allocation to QIBs (other than Anchor Investors) and Non-Institutional Bidders will be on a proportionate basis while Allocation to the Anchor Investors will be on a discretionary basis.

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

Bidders should note that the Issue is also subject to obtaining (i) filing of the Prospectus by our Company with the RoC; and; and (ii) our Company obtaining final listing and trading approvals from the Stock Exchanges, which our Company shall apply for post-Allotment

For Further details on the method and procedure for Bidding see "Issue Structure" and "Issue Procedure" beginning on pages 375 and 381 respectively.

Illustration of Book Building and Price Discovery Process

For further details on the method and procedure for Bidding and book building process and the price discovery process, see "Issue Structure" and "Issue Procedure" beginning on pages 375 and 381, respectively.

Underwriting Agreement(s)

After the determination of the Issue Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company shall enter into an Underwriting Agreement with the Underwriters for the Equity Shares offered in the Issue. The extent of underwriting obligations and the Bids to be underwritten in the Issue shall be as per the Underwriting Agreement. The Underwriting Agreement will be dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters will be several and will be subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be completed before filing the Prospectus with the RoC.).

(Rs. In Lakhs)

Name, address, telephone and e-mail of Underwriters	Indicative number of Equity Shares to be Underwritten	Amount Underwritten
[●]	[●]	[●]

The above-mentioned underwriting commitments are indicative and will be finalised after determination of Issue Price and Basis of Allotment and subject to the provisions of Regulation 40(2) of the SEBI ICDR Regulations.

In the opinion of our Board (based on representations made to our Company by the Underwriters), the resources of the aforementioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The aforementioned Underwriters are merchant bankers registered with our Board or stock brokers registered with the Stock Exchanges. Our Board, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Red Herring Prospectus and will be executed after determination of the Issue Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement.

CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Draft Red Herring Prospectus, is set forth below:

(Rs. In lakhs except share data)

Sr. No	Particulars	Aggregate Value	
		Face Value	**Issue Price**
A	**Authorised Share Capital**		
	2,00,00,000 Equity Shares of face value of Rs. 10/- each	2,000.00	-
B	**Issued, Subscribed and Paid Up Share Capital before the Issue**		
	1,41,83,000 fully paid up Equity Shares of face value of Rs. 10/- each	1,418.30	-
C	**Present Issue in terms of this Draft Red Herring Prospectus***		
	[●] Equity Shares of face value of Rs. 10/- each at a premium of Rs. [●]/- per Equity Share(1)	[●]	[●]
	Of which:		
	Employee Reservation Portion of up to [●] Equity Shares aggregating up to Rs. [●] Lakhs(2)		
	Net Issue of up to [●] Equity Shares aggregating up to Rs. [●] Lakhs.	[●]	[●]
D	**Issued, Subscribed and Paid Up Share Capital after the Issue***		
	[●] Equity Shares of face value of Rs. 10/- each	[●]	
E	**Securities Premium Account**		
	Before the Issue as of March 31, 2023	Nil	
	After the Issue	[●]	

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

(1)The Issue has been authorized pursuant to a resolution of our Board dated August 14, 2023 and by Special Resolution passed under Section 62 (1) (c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held on September 08, 2023.

(2)Eligible Employees Bidding in the Employee Reservation Portion must ensure that the maximum Bid Amount does not exceed Rs.5.00 Lakhs. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed Rs.2.00 Lakhs. Only In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of Rs. 2.00 Lakhs, subject to the maximum value of Allotment made to such Eligible Employee not exceeding Rs. 5.00 Lakhs. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation up to Rs. 5.00 Lakhs), shall be added to the Net Issue. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid under the Net Issue and such Bids will not be treated as multiple Bids. The Employee Reservation Portion shall not exceed 5% of our post-Issue paid-up Equity Share capital. For further details, see "Offer Structure" beginning on page 375.

Class of Shares

The Company has single classes of share capital i.e. Equity Shares of face value of Rs. 10/- each. All Equity Shares issued are fully paid-up. Our Company does not have any outstanding convertible instruments as on the date of this Draft Red Herring Prospectus.

Changes in the authorised share capital of our Company

For details of the changes to the authorised share capital of our Company in the past 10 years, see "History and Certain Corporate Matters-Amendments to our Memorandum of Association" on page 194.

1. **Notes to the Capital Structure:**

a) Equity Share Capital History:

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

Date of Allotment	No. of Shares Allotted	Face Value	Issue Price	Nature of Allotment	Nature of Considerati on	Cumulative No. of Shares	Cumulative Paid up Capital
Upon Incorporatio n#	10,000	10	10	Subscription to MOA(1)	Cash	10,000	1,00,000
April 17, 2003	8,89,874	10	10	Further Issue(2)	Cash	8,99,874	89,98,740
February 15, 2005	5,20,000	10	10	Further Issue(3)	Cash	14,19,874	1,41,98,740
September 30, 2009	80,000	10	10	Further Issue(4)	Cash	14,99,874	1,49,98,740
March 31, 2010	9,20,000	10	10	Further Issue(5)	Cash	24,19,874	2,41,98,740
February 20, 2012	10,00,000	10	10	Further Issue(6)	Cash	34,19,874	3,41,98,740
August 13, 2013	27,95,000	10	10	Further Issue(7)	Cash	62,14,874	6,21,48,740
March 31, 2014	12,50,000	10	10	Further Issue(8)	Cash	74,64,874	7,46,48,740
May 22, 2014	20,00,000	10	10	Further Issue(9)	Cash	94,64,874	9,46,48,740
May 23, 2014	5,35,126	10	10	Further Issue(10)	Cash	10,00,000	1,00,00,000
June 01, 2015	5,00,000	10	10	Further Issue(11)	Cash	10,500,000	10,50,00,000
March 31, 2016	19,54,500	10	10	Further Issue(12)	Cash	1,24,54,500	12,45,45,000
January 03, 2017	10,00,000	10	10	Further Issue(13)	Cash	1,34,54,500	13,45,45,000
January 10, 2018	7,28,500	10	10	Further Issue(14)	Cash	1,41,83,000	14,18,30,000

#Shares was subscribed to Initial Subscriber to Memorandum of Association on incorporation.

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

Notes:

(1) *Allotment of 5,000 Equity Shares to Jagdish Chander Mehta and 5,000 Equity Shares to Adhir Mehta.*

(2) *Allotment of 8,89,874 Equity Shares out of which 6,44,874 Equity Shares to Mr. Vibhor Kaushik and 2,45,000 Equity Shares to Mr. Vijay Kaushik.*

(3) Allotment of 5,20,000 Equity Shares out of which 3,11,000 Equity Shares to Mr. Vibhor Kaushik, 59,000 Equity Shares to Mr. Jadish Kaushik, 37,500 Equity Shares to Mr. Mukund Sagar, 37,500 Equity Shares to Mr. Muluk Sagar, 75,000 Equity Shares to Mr. Ramesh Sagar

(4) Allotment of 80,000 Equity Shares out of which 5,000 Equity Shares to Ms. Sushila Devi, 20,000 Equity Shares to Mr. Surendra Kumar Gupta, 10,000 Equity Shares to Ms. Pooja Goyal, 10,000 Equity Shares to Mr. Sagar Mal, 20,000 Equity Shares to Mr. Madhu Bala and 15,000 Equity Shares to Mr. Sushil Kumar.

(5) Allotment of 9,20,000 Equity Shares out of which 5,00,000 Equity Shares to Mr. Vijay Kaushik, 2,20,000 Equity Shares to Ms. Vijay Laxmi Kaushik and 2,00,000 Equity Shares to Mr. Vibhor Kaushik.

(6) Allotment of 10,00,000 Equity Shares out of which 3,00,000 Equity Shares to Mr. Vijay Kaushik, 2,00,000 Equity Shares to Ms. Vijay Laxmi Kaushik and 5,00,000 Equity Shares to Mr. Vibhor Kaushik.

(7) Allotment of 27,95,000 Equity Shares out of which 9,00,000 Equity Shares to Mr. Vijay Kaushik, 10,00,000 Equity Shares to R.N. Securities Private Limited and 8,95,000 Equity Shares to Mr. Vibhor Kaushik.

(8) Allotment of 12,50,000 Equity Shares out of which 2,20,000 Equity Shares to Mr. Vibhor Kaushik, 7,00,000 Equity Shares to Ms. Vijay Laxmi Kaushik, 30,000 Equity Shares to Mr. Raj Krishan Bhargava and 3,00,000 Equity Shares to Mr. Vijay Pal Singh.

(9) Allotment of 20,00,000 Equity Shares out of which 10,00,000 to Mr. Vijay Kaushik and 10,00,000 Equity Shares to Ms. Vijay Laxmi Kaushik.

(10) Allotment of 5,35,126 Equity Shares to Ms. Vijay Laxmi Kaushik.

(11) Allotment of 5,00,000 Equity Shares out of which 2,80,000 Equity Shares to Ms. Kiran Pundir and 2,20,000 Equity Shares to Sanjay Dhwan HUF.

(12) Allotment of 19,54,500 Equity Shares out of which 5,50,000 Equity Shares to Mr. Vibhor Kaushik, 4,50,000 Equity Shares to Ms. Vijay Laxmi Kaushik, 1,95,000 Equity Shares to Mr. Vijay Kaushik, 10,000 Equity Shares to Ms. Pratima Sandhir, 2,50,000 Equity Shares to Ms. Vanita Sharma, 49,400 Equity Shares to Mr. Yogendra Pundir, 65,000 Equity Shares to Ms. Astha Malhotra, 79,000 Equity Shares to Mr. Balbir Singh, 68,100 Equity Shares to Sameer Malhotra HUF, 91,000 Equity Shares to Ms. Anita Malhotra, 40,000 Equity Shares to Ms. Kiran Pundir and 1,07,000 Equity Shares to Mr. Sameer Malhotra.

(13) Allotment of 10,00,000 Equity Shares out of which 9,00,000 Equity Shares to Ms. Vijay Laxmi Kaushik and 1,00,000 Equity Shares to Mr. Vibhor Kaushik.

(14) Allotment of 7,28,500 Equity Shares out of which 4,00,000 to Vijay Kaushik HUF and 3,28,500 Equity Shares to Ms. Pratima Sandhir.

b) Preference Share Capital

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

2. **Issue of Equity Shares for consideration other than cash:**

   Our Company has not issued Equity Shares for consideration other than cash.

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

   Our Company has not issued any Equity Shares at a price which is lower than the Offer Price in the one year preceding the date of this Draft Red Herring Prospectus.

4. Our Company has not issued any Equity Shares out of its revaluation reserves since incorporation.

5. Our Company has not issued or allotted any Equity Shares pursuant to any schemes of arrangement approved under Sections 391 to 394 of the erstwhile Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013, as applicable.

6. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.

7. All transactions in Equity Shares by our Promoters and members of our Promoter group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Issue shall be reported to the Stock Exchanges within 24 hours of such transactions.

8. **History of build-up, Promoters' contribution and lock-in of Promoters' shareholding.**

a) Build-up of the shareholding of our Promoters in our Company

As on the date of this Draft Red Herring Prospectus, our Promoters, along with our Promoter Group hold 1,39,33,000 Equity Shares, equivalent to 98.24% of the issued, subscribed and paid-up Equity Share capital of our Company. The details regarding the shareholding of our Promoters since incorporation of our Company is set forth in the table below.

- **Mr. Vijay Kaushik**

Date of Allotment /Transfer	Reason/Nature of Allotment	Number of Equity Shares	Nature of Considerat ion	Face Value (Rs.)	Issue Price (Rs.)	% of Pre-Issue Capital	% of Post-Issue Capital$
April 17, 2003	Further Issue	2,45,000	Cash	10	10	1.73%	[●]
March 31, 2010	Further Issue	5,00,000	Cash	10	10	3.53%	[●]
March 31, 2010	Transfer of Equity Shares from Ms. Sushila Devi	5,000	Cash	10	10	0.04%	[●]
March 31, 2010	Transfer of Equity Shares from Mr. Surendra Kumar Gupta	20,000	Cash	10	10	0.14%	[●]
March 31, 2010	Transfer of Equity Shares from Ms. Pooja Goyal	10,000	Cash	10	10	0.07%	[●]
March 31, 2010	Transfer of Equity Shares from Mr. Sagar Mal	10,000	Cash	10	10	0.07%	[●]
March 31, 2010	Transfer of Equity Shares from Ms. Madhu Bala	20,000	Cash	10	10	0.14%	[●]
March 31, 2010	Transfer of Equity Shares from Mr. Sushil Kumar	15,000	Cash	10	10	0.11%	[●]
February 20, 2012	Further Issue	3,00,000	Cash	10	10	2.12%	[●]
August 13, 2013	Further Issue	9,00,000	Cash	10	10	6.35%	[●]
May 22, 2014	Further Issue	10,00,000	Cash	10	10	7.05%	[●]
June 30, 2015	Transfer of Equity Shares form RN Securities Private Limited	4,09,363	Cash	10	10	2.89%	[●]
March 31, 2016	Further Issue	1,95,000	Cash	10	10	1.37%	[●]
April 27, 2023	Transfer of Equity Shares through gift form Ms. Kanta Sharma	2,50,000	Consideration other than cash	10	-	1.76%	[●]
June 01, 2023	Transfer of Equity Shares form Ms. Kiran Pundir	66,667	Cash	10	75	0.47%	[●]
June 01, 2023	Transfer of Equity Shares form Mr. Yogendra Pundir	49,400	Cash	10	75	0.35%	[●]

Total		39,95,430				28.17%	[●]

$Subject to finalisation of Basis of Allotment.

- **Mrs. Vijay Laxmi Kaushik**

Date of Allotment /Transfer	Reason/Nature of Allotment	Number of Equity Shares	Nature of Consideration	Face Value (Rs.)	Issue Price (Rs.)	% of Pre-Issue Capital	% of Post-Issue Capital$
March 31, 2010	Further Issue	2,20,000	Cash	10	10	1.55%	[●]
March 11, 2011	Transfer of Equity Shares to Jindal Pipes Limited	(2,00,000)	Cash	10	10	(1.41)%	[●]
February 20, 2012	Further Issue	2,00,000	Cash	10	10	1.41%	[●]
March 31, 2014	Further Issue	7,00,000	Cash	10	10	4.94%	[●]
May 22, 2014	Further Issue	10,00,000	Cash	10	10	7.05%	[●]
May 23, 2014	Further Issue	5,35,126	Cash	10	10	3.77%	[●]
June 30, 2015	Transfer of Equity Shares form RN Securities Private Limited	4,40,637	Cash	10	10	3.11%	[●]
March 31, 2016	Further Issue	4,50,000	Cash	10	10	3.17%	[●]
January 03, 2017	Further Issue	9,00,000	Cash	10	10	6.35%	[●]
March 20, 2019	Transfer of Equity Shares to Mr. Vibhor Kaushik	(1,00,000)	Cash	10	10	(0.71)%	[●]
April 12, 2023	Transfer of Equity Shares through gift from Mr. Ramesh Sagar	1,50,000	Consideration other than cash	10	-	1.06%	[●]
May 18, 2023	Transfer of Equity Shares through gift from Mr. Adhir Mehta	5,000	Consideration other than cash	10	-	0.04%	[●]
May 18, 2023	Transmission of Equity Shares from Mr. Jagdish Chander Mehta	64,000	Transmission	10	-	0.04%	[●]
June 01, 2023	Transfer of Equity Shares to Vijay Kaushik HUF	(69,000)	Cash	10	75	(0.49)%	[●]
Total		**42,95,763**				**30.29%**	[●]

$Subject to finalisation of Basis of Allotment.

- **Mr. Vibhor Kaushik**

Date of Allotment /Transfer	Reason/Nature of Allotment	Number of Equity Shares	Nature of Consideration	Face Value (Rs.)	Issue Price (Rs.)	% of Pre-Issue Capital	% of Post-Issue Capital$
April 17, 2003	Further Issue	6,44,874	Cash	10	10	4.55%	[●]
February 15, 2005	Further Issue	3,11,000	Cash	10	10	2.19%	[●]
March 31, 2010	Further Issue	2,00,000	Cash	10	10	1.41%	[●]
March 11, 2011	Transfer to Jindal Pipes Limited	(50,000)	Cash	10	10	(0.35)%	[●]
February 20, 2012	Further Issue	5,00,000	Cash	10	10	3.53%	[●]
August 13, 2013	Further Issue	8,95,000	Cash	10	10	6.31%	[●]
March 31, 2014	Further Issue	2,20,000	Cash	10	10	1.55%	[●]
March 31, 2016	Further Issue	5,50,000	Cash	10	10	3.88%	[●]
January 03, 2017	Further Issue	1,00,000	Cash	10	10	0.71%	[●]
March 20, 2019	Transfer from Ms. Vijay Laxmi Kaushik	1,00,000	Cash	10	10	0.71%	[●]
Total		**34,70,874**				**24.47%**	[●]

$Subject to finalisation of Basis of Allotment.

- **Vijay Kaushik HUF**

Date of Allotment /Transfer	Reason/Nature of Allotment	Number of Equity Shares	Nature of Consideration	Face Value (Rs.)	Issue Price (Rs.)	% of Pre-Issue Capital	% of Post-Issue Capital$
January 10, 2018	Further Issue	4,00,000	Cash	10	10	2.82%	[●]
June 01, 2023	Transfer of Equity Shares from: -		Cash	10	75		
	Balbir Singh	79,000				0.56%	[●]
	Astha Malhotra	65,000				0.46%	[●]
	Sameer Malhotra HUF	68,100				0.48%	[●]
	Sanjay Diwan HUF	2,20,000				1.55%	[●]
	Kiran Pundir	2,53,333				1.79%	[●]
	Vijal Lal Singh	3,00,000				2.12%	[●]
	Raj Kishan Bhargava	30,000				0.21%	[●]
	Vijay Laxmi Kaushik	69,000				0.49%	[●]
Total		**14,84,433**				**10.47%**	[●]

$Subject to finalisation of Basis of Allotment.

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. Further, none of the Equity Shares held by our Promoters are pledged. As of the date of this Draft

Red Herring Prospectus, 100% of Equity shares of our Promoters and members of Promoter Group are dematerialized.

None of the Promoters, members of the Promoter Group or the Directors and their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus except as follows:

Date of Transfer/ Transmission	Reason/Nature of Transfer/ Tranmission	Number of Equity Shares	Nature of Consideration	Face Value (Rs.)	Issue Price (Rs.)	% of Pre-Issue Capital	% of Post-Issue Capital
April 12, 2023	Transfer of Equity Shares by way of gift from Mr. Mukund Sagar to Mr. Ramesh Sagar	75,000	Consideration other than cash	10	Nil	0.53%	[●]
April 12, 2023	Transfer of Equity Shares by way of gift from Mr. Ramesh Sagar to Ms. Vijay Laxmi Kaushik	1,50,000	Consideration other than cash	10	Nil	1.06%	[●]
April 27, 2023	Transfer of Equity Shares by way of gift from Ms. Vanita Sharma to Ms. Kanta Sharma	2,50,000	Consideration other than cash	10	Nil	1.76%	[●]
April 27, 2023	Transfer of Equity Shares by way of gift from Ms. Kanta Sharma to Mr. Vijay Kumar Kaushik	2,50,000	Consideration other than cash	10	Nil	1.76%	[●]
May 18, 2023	Transfer of Equity Shares by way of gift from Mr. Adhir Mehta to Ms. Vijay Laxmi Kaushik	5,000	Consideration other than cash	10	Nil	0.04%	[●]
May 18, 2023	Transmission of Equity Shares from Late Shri Jagdish Chander Mehta to Ms. Vijay Laxmi Kaushik	64,000	Transmission	10	Nil	0.45%	[●]
June 01, 2023	Transfer of Equity Shares for cash consideration from Ms. Vijay Laxmi Kaushik to Vijay Kaushik HUF	69,000	Cash	10	75	0.49%	[●]

June 01, 2023	Transfer of Equity Shares for cash consideration from Mr. Raj Krishan Bhargava to Vijay Kaushik HUF	30,000	Cash	10	75	0.21%	[●]
June 01, 2023	Transfer of Equity Shares for cash consideration from Mr. Vijay Pal Singh to Vijay Kaushik HUF	3,00,000	Cash	10	75	2.12%	[●]
June 01, 2023	Transfer of Equity Shares for cash consideration from Ms. Kiran Pundir to Mr. Vijay Kumar Kaushik	66,667	Cash	10	75	0.47%	[●]
June 01, 2023	Transfer of Equity Shares for cash consideration from Ms. Kiran Pundir to Vijay Kaushik HUF	2,53,333	Cash	10	75	1.79%	[●]
June 01, 2023	Transfer of Equity Shares for cash consideration from Mr. Sanjay Diwan HUF to Vijay Kaushik HUF	2,20,000	Cash	10	75	1.55%	[●]
June 01, 2023	Transfer of Equity Shares for cash consideration from Ms. Anita Malhotra to Vibhor Kaushik HUF	91,000	Cash	10	75	0.64%	[●]
June 01, 2023	Transfer of Equity Shares for cash consideration from Mr. Sameer Malhotra to Vibhor Kaushik HUF	1,07,000	Cash	10	75	0.75%	[●]
June 01, 2023	Transfer of Equity Shares for cash consideration from Mr. Sameer Malhotra HUF to Vijay Kaushik HUF	68,100	Cash	10	75	0.48%	[●]

June 01, 2023	Transfer of Equity Shares for cash consideration from Ms. Ashta Malhotra to Vijay Kaushik HUF	65,000	Cash	10	75	0.46%	[●]
June 01, 2023	Transfer of Equity Shares for cash consideration from Mr. Balbir Singh to Vijay Kaushik HUF	79,000	Cash	10	75	0.56%	[●]
June 01, 2023	Transfer of Equity Shares for cash consideration from Mr. Yogendra Pundir to Mr. Vijay Kumar Kaushik	49,400	Cash	10	75	0.35%	[●]

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

b) Shareholding of our Promoters and Promoter Group

The table below presents the current shareholding pattern of our Promoters and Promoter Group.

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital*
(I)	(II)	(III)	(IV)	(V)	(VI)
	Promoters				
1	Vijay Kaushik	39,95,430	28.17%	39,95,430	[●]
2	Vijay Laxmi Kaushik	42,95,763	30.28%	42,95,763	[●]
3	Vibhor Kaushik	34,70,874	24.47%	34,70,874	[●]
4	Vijay Kaushik HUF	14,84,433	10.47%	14,84,433	[●]
	Promoters Group				
1	Pratima Sandhir	3,38,500	2.39%	3,38,500	[●]
2	Vibhor Kaushik HUF	1,98,000	1.40%	1,98,000	[●]
3	RN Securities Private Limited	1,50,000	1.06%	1,50,000	[●]
	Total	**1,39,33,000**	**98.24%**	**1,39,33,000**	[●]

**Upon finalisation of Basis of Allotment*

c) Details of Promoter's contribution and lock-in for 18 months

I. Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the post-Issue Equity Share capital of our Company held by our Promoters shall be locked in for a period of 18 months as minimum promoter's contribution from the date of Allotment in the Issue ("Minimum Promoter's

Contribution") and the shareholding of the Promoters in excess of 20% of the fully diluted post-Issue Equity Share capital shall be locked in for a period of six months from the date of Allotment.

The Net Proceeds are not proposed to be utilized for capital expenditure.

II. Details of the Equity Shares to be locked-in for 18 months from the date of Allotment in the Issue as Minimum Promoter's Contribution are set forth in the table below:

Name of Promoter: [●]

Number of Equity Shares locked-in	Date of allotment/transfer of Equity Shares*	Nature of Transaction	Face Value (Rs.)	Issue Price (Rs.)	% of Pre-Issue Capital	% of Post-Issue Capital$	Date up to which Equity Shares are subject to lock-in
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

**Equity Shares allotted / transferred to our Promoter were fully paid-up at the time of allotment /transfer.*
$ Subject to finalisation of Basis of Allotment.

Our Promoters have given consent to include such number of Equity Shares held by them as may, constitute 20% of the post-Issue Equity Share capital of our Company as Minimum Promoter's Contribution and has agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Minimum Promoter's Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

III. Our Company undertakes that the Equity Shares that are being locked-in are not and will not be, ineligible for computation of Minimum Promoter's Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, our Company confirms the following:

a) The Equity Shares offered for Minimum Promoter's Contribution do not include Equity Shares acquired during the three immediately preceding years (i) for consideration other than cash, and revaluation of assets or capitalisation of intangible assets, (ii) pursuant to a bonus issue out of revaluation reserves or unrealised profits of our Company or from a bonus issue against Equity Shares, which are otherwise ineligible for computation of Minimum Promoter's Contribution;

b) The Minimum Promoter's Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;

c) Our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm.

d) The Equity Shares forming part of the Minimum Promoter's Contribution are not subject to any pledge;

e) All the Equity Shares held by our Promoters & Promoter Group are in dematerialised form.

IV. Details of Equity Shares locked-in for six months:

In addition to the 20% of the fully diluted post-Issue shareholding of our Company held by the Promoters and locked in for eighteen months as specified above, the entire pre-Offer Equity Share capital of our Company will be locked-in for a period of six months from the date of Allotment, in accordance with Regulations 16(b) and 17 of the SEBI ICDR Regulations.

V. Details of Equity Shares locked-in for Anchor Investors:

There shall be a lock-in of 90 days on 50% of the Equity Shares allotted to the Anchor Investors from the date of Allotment, and a lock-in of 30 days on the remaining 50% of the Equity Shares allotted to the Anchor Investors from the date of Allotment.

Other requirements in respect of lock-in

Equity Share capital of our Company will be locked-in for a period of six months from the date of Allotment as prescribed under the SEBI ICDR Regulations.

In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by the Promoters, which are locked-in may be transferred to and amongst the members of the Promoter Group or to any new promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Regulations, as applicable.

The Equity Shares held by the Promoters which are locked-in for a period of six months from the date of Allotment as prescribed under the SEBI ICDR Regulations may be pledged only with scheduled commercial banks or public financial institutions or Systemically Important NBFCs or housing finance companies, as collateral security for loans granted by such banks or public financial institutions or Systemically Important NBFCs or housing finance companies in terms of Regulation 21 of the SEBI ICDR Regulations.

However, the relevant lock in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer the Equity Shares till the relevant lock in period has expired in terms of the SEBI ICDR Regulations. In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters and locked-in for a period of six months from the date of Allotment as prescribed under the SEBI ICDR Regulations in the Issue may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Takeover Regulations.

9. Shareholding Pattern of our Company:

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

Category Code	Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2)	Number of locked in Shares**		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form
								No. of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (B)	No. (a)	As a % of total shares held (B)	
								Class - (Equity)	Class- (Preference)	Total								
I	II	III	IV	V	VI	VII=IV+V+VI	VIII	IX				X	XI=VII+X	XII		XIII		XIV
(A)	Promoters and Promoter Group	07	1,39,33,000	-	-	1,39,33,000	98.24%	1,39,33,000	-	1,39,33,000	98.24%	-	98.24%	-	-	-	-	1,39,33,000

(B)	Public	01	2,50,000	-	-	2,50,000	1.76%	2,50,000	-	2,50,000	1.76%	-	1.76%	-	-	-	-	Under process of decartelisation.
(C)	Non Promoter- Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**08**	**1,41,83,000**	**-**	**-**	**1,41,83,000**	**100.00%**	**1,41,83,000**	**-**	**1,41,83,000**	**100.00%**	**-**	**100.00**	**-**	**-**	**-**	**-**	**1,41,83,000**

**As on the date of this Draft Red Herring Prospectus 1 Equity Share holds 1 vote. There is no voting right on the preference shares issued by our company.*
***Shall be locked-in on or before filing of Prospectus with NSE, SEBI & RoC.*

10. The BRLM and their respective associates (as defined under the SEBI Merchant Bankers Regulations) do not hold any Equity Shares as on the date of this Draft Red Herring Prospectus. The BRLM and their respective affiliates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company, for which they may in the future receive customary compensation.

11. Except for Mr. Vijay Kaushik, Mr. Vibhor Kaushik, Ms. Vijay Laxmi Kaushik & Ms. Pratima Sandhir, none of our Directors or Key Managerial Personnel hold shares in our Company. For more details on shareholding, see "Capital Structure – Shareholding of our Promoter and Promoter Group" on page 82.

12. **Details of shareholding of the major Shareholders of our Company.**

    a. As on the date of this Draft Red Herring Prospectus, our Company has Seven (07) equity shareholders.

    b. Set forth below are details of shareholders holding 1% or more of the pre-Issue paid-up Equity Share capital of our Company as on the date of filing of this Draft Red Herring Prospectus:

Name of Shareholders	Pre-issue	
	No. of Equity Shares	% of Equity Shares Capital
Vijay Laxmi Kaushik	42,95,763	30.29
Vijay Kaushik	39,95,430	28.17
Vibhor Kaushik	34,70,874	24.47
Vijay Kaushik HUF	14,84,433	10.47
Pratima Sandhir	3,38,500	2.39
Jindal Pipes Limited	2,50,000	1.76
Vibhor Kaushik HUF	1,98,000	1.40
RN Securities Private Limited	1,50,000	1.06

    c. Set forth below are details of shareholders holding 1% or more of the pre-Issue paid-up Equity Share capital of our Company as on 10 days prior to the date of filing of this Draft Red Herring Prospectus:

Name of Shareholders	Pre-issue	
	No. of Equity Shares	% of Equity Shares Capital
Vijay Laxmi Kaushik	42,95,763	30.29
Vijay Kaushik	39,95,430	28.17
Vibhor Kaushik	34,70,874	24.47
Vijay Kaushik HUF	14,84,433	10.47
Pratima Sandhir	3,38,500	2.39
Jindal Pipes Limited	2,50,000	1.76
Vibhor Kaushik HUF	1,98,000	1.40
RN Securities Private Limited	1,50,000	1.06

    d. Set forth below are details of shareholders holding 1% or more of the pre-Issue paid-up Equity Share capital of our Company as on the date one year prior to the date of filing of this Draft Red Herring Prospectus:

Name of Shareholders	Pre-issue	
	No. of Equity Shares	% of Equity Shares Capital
Vijay Laxmi Kaushik	41,45,763	29.23

Vijay Kaushik	36,29,363	25.59
Vibhor Kaushik	34,70,874	24.47
Vijay Kaushik HUF	4,00,000	2.82
Pratima Sandhir	3,38,500	2.39
Kiran Pundir	3,20,000	2.26
Vijay Pal Singh	3,00,000	2.11
Jindal Pipes Limited	2,50,000	1.76
Vanita Sharma	2,50,000	1.76
Sanjay Diwan HUF	2,20,000	1.56
RN Securities Private Limited	1,50,000	1.06

e. Set forth below are details of shareholders holding 1% or more of the pre-Issue paid-up Equity Share capital of our Company as on the date two years prior to the date of filing of this Draft Red Herring Prospectus:

Name of Shareholders	**Pre-issue**	
	No. of Equity Shares	**% of Equity Shares Capital**
Vijay Laxmi Kaushik	41,45,763	29.23
Vijay Kaushik	36,29,363	25.59
Vibhor Kaushik	34,70,874	24.47
Vijay Kaushik HUF	4,00,000	2.82
Pratima Sandhir	3,38,500	2.39
Kiran Pundir	3,20,000	2.26
Vijay Pal Singh	3,00,000	2.11
Jindal Pipes Limited	2,50,000	1.76
Vanita Sharma	2,50,000	1.76
Sanjay Diwan HUF	2,20,000	1.56
RN Securities Private Limited	1,50,000	1.06

13. 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 of our Company have been listed or application money unblocked on account of failure of Issue. Further, except for the allotment of Equity Shares pursuant to the Issue, our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of split / consolidation of the denomination of Equity Shares. However, our Company may further issue Equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as our Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

14. There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Draft Red Herring Prospectus.

15. Our Company, Directors, and the BRLM have not entered any buy-back arrangement for the purchase of Equity Shares of our Company.

16. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

17. No person connected with the Issue, including but not limited to, our Company, the members of the Syndicate, our Directors, Promoters or the members of our Promoter Group, shall offer in any manner whatsoever any incentive, whether direct or indirect, in cash, in kind or in services or otherwise to any Bidder for making a Bid.

18. As on the date of this Draft Red Herring Prospectus none of the Equity Shares held by our Promoters and other members of our Promoter Group are pledged or otherwise encumbered.

19. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

20. The Equity Shares issued pursuant to the issue shall be fully paid-up at the time of Allotment, failing which, no Allotment shall be made.

21. There are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.

22. There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges.

23. None of our Promoters and members of our Promoter Group will submit Bids or otherwise participate in the Offer.

24. Our Company shall ensure that any transactions in the Equity Shares by our Promoters and our Promoter Group during the period between the date of filing of this Draft Red Herring Prospectus with the Registrar of Companies and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of the transactions.

25. Our Company has not undertaken any public issue of securities or any rights issue of any kind or class of securities since its incorporation.

26. There are no shareholders entitled with rights to nominate Directors or any other special rights.

27. As per AOA of the issuer Company, there are no special rights for nominee/nomination rights and information rights are available to Promoters/Promoter Group/Shareholders that would continue post listing except Promoters/Promoter Group/Shareholders may be deemed to be interested in rights attached to the extent of their shareholding in the Company and there are no special rights available to the Promoters/Shareholders which require any further action.

OBJECTS OF THE ISSUE

The Issue comprises of a Fresh Issue of [●] Equity Shares for cash at price of Rs. [●] per Equity Shares (including a premium of Rs.[●] per Equity Shares) , aggregating up to Rs. 6,647.20 lakhs by our Company. For details, please refer to the section entitled "The Issue" on page 58.

Fresh Issue

The net proceeds of the Issue, i.e. gross proceeds of the Issue less the issue related expenses ("Net Proceeds") are proposed to be utilised in the following manner:

i. Funding of working capital requirements of our Company; and
ii. General corporate purposes.

*(Collectively referred as the "**Objects**")*

The main objects and objects incidental and ancillary to the main objects set out in our Memorandum of Association enables us to (i) undertake our existing business activities; and (ii) to undertake activities proposed to be funded from the Net Proceeds. Further, our Company expects to receive the benefits of listing of the Equity Shares, including to enhancement of our visibility and our brand image among our existing and potential customers as well as vendors and creation of a public market for our Equity Shares in India.

Fresh Net Issue Proceeds

The details of the proceeds of the Fresh Issue are set forth in the table below:

Sr. No.	Particulars	Amount (Rs. In Lakhs)
1	Gross Proceeds of the Fresh Issue	Upto 5,500.00
2	Issue related Expenses	[●]
	Net Proceeds of the Issue*	**[●]**

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

Utilisation of Net Proceeds

We intend to utilise the Net Proceeds of the Issue ("Net Proceeds") of Rs. [●] lakhs for financing the objects as set forth below:

(Rs. In lakhs)

Sr. No.	Particulars	Amount
1	Funding working capital requirements of our Company	5,500.00
2	General Corporate Purpose(1)	[●]
	Total	[●]

(1)To be determined on finalisation of the Issue Price and updated in the Prospectus. The amount utilised for General Corporate Purposes shall not exceed 25% of the Gross Proceeds of the Fresh Issue.

Proposed 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:

(Rs. in Lakhs)

Particulars	Total Deployment	Amount incurred till September 28, 2023	Balance deployment during FY 2023-24**
Working capital requirements including margin money	5,500.00	-	5,500.00
General Corporate Purpose#	[●]	-	[●]
Total$	[●]	-	[●]

 # To be finalised upon determination of Issue Price and updated in the Prospectus prior to filing with the RoC. The amount shall not exceed 25% of the Net Proceeds.

***To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Object, as per the estimated schedule of deployment specified above; our Company shall deploy the Net issue Proceeds in the subsequent Financial Years towards the Object.*

Means of Finance

We propose to fund the requirements of the objects detailed above entirely from the Net Proceeds. Accordingly, there is no requirement to make firm arrangements of finance to be made through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue and existing identifiable internal accruals as required under Regulation 7(1)(e) the SEBI ICDR Regulations.

In the event of the estimated utilisation of the Net Proceeds in a scheduled Fiscal being not undertaken in its entirety, the remaining Net Proceeds shall be utilised in subsequent Fiscals, as may be decided by our Company, in accordance with applicable laws. Further, if the Net Proceeds are not completely utilised for the objects during the respective periods stated above due to factors such as economic and business conditions, timely completion of the Issue, market conditions outside the control of our Company, and any other commercial considerations, the remaining Net Proceeds shall be utilised (in part or full) in subsequent periods as may be determined by us, in accordance with applicable laws.

The deployment of funds indicated above is based on internal management estimates, prevailing circumstances of our business, prevailing market conditions and other commercial factors, which are subject to change. The deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. Our Company proposes to deploy the entire Net Proceeds towards the aforementioned objects during Fiscal 2024. We may have to revise our funding requirements and deployment from time to time on account of various factors, such as financial and market conditions, competition, business and strategy, interest, fluctuations in the price of materials, and other external factors, which may not be within the control of our management. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the deployment of funds from its planned deployment at the discretion of our management, subject to compliance with applicable law.

Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control. Any variation in the utilization of the Net Proceeds or in the terms of the conditions as disclosed in this Draft Red Herring Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.

In case of any surplus after utilisation of the Net Proceeds towards the aforementioned objects, we may use such surplus towards general corporate purposes, provided that the total amount to be utilised towards general corporate purposes does not exceed 25% of the gross proceeds of the Issue, in accordance with applicable law. Subject to applicable laws, in the event of any variations in the actual utilisation of funds earmarked towards the objects set forth above, any increased fund requirements for a particular object may be financed by surplus funds, if any, available in respect of the other objects for which funds are being raised pursuant to The Issue. In case of a shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals and/or seeking additional debt from existing and/or other lenders, subject to compliance with applicable law. Such alternate arrangements would be available to fund any such shortfalls.

DETAILS OF THE FUND REQUIREMENTS

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

1. **Funding working capital requirements of our Company**

Our business is working capital intensive and we fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, net worth, financing from various banks, channel funding and unsecured loans, if any. As on March 31, 2023, our Company has total sanctioned limit of working capital facilities of fund- based of Rs. 3,750.00 Lakhs, Channel funding of Rs. 5,250.00 Lakhs and Non-Fund-based limits of Rs. 10,400.00 Lakhs, and has utilized Fund Based limit of Rs. 2,793.34 Lakhs, Channel funding of Rs. 5,249.00 Lakhs and Non-Find-based limits of Rs. 7,381.35 Lakhs on a standalone basis. For further details, please refer to the chapter titled "Financial Indebtedness" beginning on page 306.

The details of our Company's working capital requirements, based on audited financial for the Fiscals 2023, Fiscal 2022 & Fiscal 2021 and based on projected financial for the Fiscal 2024 & Fiscal 2025. Further the source of funding of the same are provided in the table below:

A) Existing Working Capital:

The details of the Company's working capital as at March 31, 2021, March 31, 2022 and March 31, 2023 and the source of funding, derived from the restated audited financial statements of our Company, on the basis of Certificate dated September 28, 2023 issued by our Statutory Auditor M/s Ashok Kumar Goyal & Co., Chartered Accountants, are provided in the table below:

(Rs. In Lakhs)

Particulars	Fiscal 2021 (Audited)	Fiscal 2022 (Audited)	Fiscal 2023 (Audited)
Current Assets			
Inventories	5,105.69	10,121.11	12,029.86
Trade Receivables	3,928.24	4,481.12	5,444.81
Others Financial Assets	785.26	612.60	891.57
Other Current Assets	579.12	2361.27	2224.30
Total Current Assets (A)	**10,398.31**	**17,576.11**	**20,590.54**
Current Liabilities			
Trade Payables	3,291.21	4,264.64	4,161.74
Others Financial Liabilities	108.11	172.72	134.02
Provisions	5.04	6.42	13.69
Other Current Liabilities	161.70	219.49	176.55
Total Current Liabilities (B)	**3,566.06**	**4,663.27**	**4,486.00**
Total Working Capital Requirements (A-B)	**6,832.25**	**12,912.85**	**16,104.54**

Funding Pattern			
Working Capital Funding from Banks and Financial Institutions	6,664.99	11,280.78	13,886.42
Internal Accruals and Loans	**167.26**	**1,632.06**	**2,218.12**

Holding Period (Number of Days)

Particulars	Fiscal 2021 (Audited)	Fiscal 2022 (Audited)	Fiscal 2023 (Audited)
Inventories	45	49	41
Trade Receivables	28	20	18
Trade Payables	29	21	14

B) Estimated Working Capital Requirements

Our Company proposes to utilize Rs. 5,500.00 lakhs of the Net Proceeds for our estimated working capital requirements. The Rs. 5,500.00 lakhs will be utilized during in Fiscal 2024. The balance portion of our Company working capital requirement, if any, shall be met from the working capital facilities availed/ to be availed and internal accruals. The estimated working capital requirements, as approved by the Board pursuant to a resolution dated September 11, 2023, and key assumptions with respect to the determination of the same are mentioned below. Our Company's estimated working capital requirements for Fiscal 2024 and Fiscal 2025 and the proposed funding of such working capital requirements are as set out in the table below:

(Rs. in Lakhs)

Particulars	Fiscal 2024 (Projected)	Fiscal 2025 (Projected)
Current Assets		
Inventories	16,200.22	20,332.18
Trade Receivables	6,973.12	8,293.43
Other Financial Assets	1000.00	1200.00
Other Current Assets	3650.00	4525.00
Total Current Assets (A)	**27,823.34**	**34,350.61**
Current Liabilities		
Trade Payables	4,786.00	5,086.50
Others Financial Liabilities	147.42	162.16
Provisions	16.43	19.72
Other Current Liabilities	250.00	270.00
Total Current Liabilities (B)	**5,199.85**	**5,538.38**
Total Working Capital Requirements (A-B)	**22,623.49**	**28,812.23**
Funding Pattern		
Working Capital Funding from Banks and Financial Institutions	14696.71	16305.47
Proposed Working Capital to be funded from IPO	5,500.00	-
Internal Accruals and Net-Worth	**2,426.78**	**12,506.76**

**Internal accruals and equity as per the audited financials of the Company for the Fiscal 2023 ended is Rs. 9,319.79 Lakhs.*

The working capital projections made by the Company are based on certain key assumptions, as set out below:

Estimated Holding period (Number in Days):

Particulars	Fiscal 2024 (Projected)	Fiscal 2025 (Projected)
Inventories	49	49
Trade Receivables	20	19
Trade Payables	15	12

Key justifications for holding levels:

Sr. No.	Particulars	Assumptions
Current Assets		
1	Inventories	Inventories include raw materials and work in progress. The historical holding days of inventories (calculated as closing inventory on balance sheet date divided by revenue from operations over 365 days) has been in range 41 to 49 days during the last three financial years. Company estimates inventories holding days to be around 49 days in Fiscal 24 and Fiscal 25.
2	Trade Receivables	The historical holding days of trade receivables (calculated as closing trade receivables divided by revenue from operations over 365 days) has been in the range of 28 days in Fiscal 2021 to 18 days in Fiscal 2023. As per the current credit terms of the company & prevalent trend in business of the company, the holding level for debtors anticipated at around 20 days of total revenue from operations during Fiscal 24 and Fiscal 25.
3	Other current assets	Other current assets majorly comprise of balance with direct/indirect tax revenue authorities, advance to suppliers and prepaid expenses We expect the growth in other assets to be in line with the expected growth in business.
Current Liabilities		
5	Trade Payables	Past trend of trade payable holding days (calculated as closing trade payables as on balance sheet date divided by cost of revenue from operations over 365 days) has been in the range of 29 days in the Fiscal 2021 to 14 days in Fiscal 2023. However, our Company intends to maintain trade payable in the range of 15 & 12 days for Fiscal 2024 and Fiscal 2025.
6	Other current liabilities	Other liabilities primarily include creditors other than suppliers, interest accrued but not due, employee related liabilities, other expenses payable, provision for expenses, advance received from customers, and statutory dues. We expect the growth in other liabilities to be in line with the expected growth in business.

2. General Corporate Purpose

Our We propose to utilise upto Rs. [●] Lakhs of the Net Proceeds towards general corporate purposes and the business requirements of our Company as approved by the Board, from time to time, subject to such utilisation for general corporate purposes not exceeding 25% of the gross proceeds from the Fresh Issue, in compliance with the SEBI ICDR Regulations.

The general corporate purposes for which our Company proposes to utilise the Net Proceeds include, strategic initiatives/ funding growth opportunities i.e. meeting ongoing general corporate contingencies, capital expenditure in the ordinary course of business, business development initiatives i.e. one time expenditure, as may be approved by the Board & shareholders or a duly constituted committee thereof from time to time, subject to compliance with applicable law, including provisions of the Companies Act. In the event our Company is unable to utilise the Net Proceeds towards any of the objects of the Issue for any of the reasons as aforementioned, our Company may utilise such Net Proceeds towards general corporate purposes, provided that the aggregate amount deployed towards general corporate purposes shall not exceed 25% of the gross proceeds from the Fresh Issue.

The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount available under this head and the business requirements of our Company, from time to time. Our Company's management, in accordance with the policies of the Board, shall have flexibility in utilising surplus amounts, if any. In the event that we are unable to utilise the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilise such unutilised amount(s) in the subsequent Fiscals.

Issue Related Expenses

The total expenses of the Issue are estimated to be approximately Rs. [●] Lakhs. The expenses of this Issue include, listing fees, fees payable to the Book Running Lead Manager, legal counsel, Registrar to the Issue, Bankers to the Issue, processing fee to the SCSBs brokerage and selling commission payable to the Syndicate, Registered Brokers, SCSBs, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges.

All Issue related expenses will be borne by our Company.

The estimated Issue expenses are as under:

(Rs. in Lakhs)

Expenses	Estimated Expenses*	As a % of total estimated Issue expenses*	As a % of total Gross Issue Proceeds*
Fees payable to BRLM (including underwriting commission)	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to the Legal Advisors to the Issue	[●]	[●]	[●]
Fees to the Registrar to the Issue	[●]	[●]	[●]
Fees payable to the Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of Issue stationary	[●]	[●]	[●]
Brokerage and selling commission payable to Syndicate[2]	[●]	[●]	[●]
Brokerage and selling commission payable to Registered Brokers(2)(3)(4)	[●]	[●]	[●]
Processing fees to SCSBs for ASBA Applications procured by the members of the Syndicate or Registered Brokers and submitted with the SCSBs(2)(3)(4)	[●]	[●]	[●]
Processing fees to Issuer banks for UPI Mechanism w.r.t application Forms procured by the members of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to them(2)(3)(4)	[●]	[●]	[●]
Others (bankers to the Issue, auditor's fees etc.)	[●]	[●]	[●]
Total Estimated Issue Expenses	**[●]**	**[●]**	**[●]**

**To be determined on finalization of the Issue Price and updated in the Prospectus prior to filing with the RoC.*

For Sub-Syndicate Members, RTAs and CDPs

1. *Selling commission payable to the SCSBs on the portion, RIBs and Non-Institutional Bidders which are directly procured and uploaded by the SCSBs, would be as follows:*

   Portion for RIBs: [●]% of the Amount Allotted (plus applicable taxes)*
   Portion for Non-Institutional Bidders: [●]% of the Amount Allotted (plus applicable taxes)*

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

   Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

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

   Processing fees payable to the SCSBs on the RIB and Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

Portion for RIB and Non-Institutional Bidders	*Rs. [●]/- per valid application (plus applicable taxes)*

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

2. *The processing fees for applications made by Retail Individual Bidders, Eligible Employees and Non Institutional Investors using the UPI Mechanism would be as follows:*

Members of the Syndicate / RTAs / CDPs (uploading charges)	*Rs. [●] per valid application (plus applicable taxes)*
Sponsor Bank-	*Rs. [●] per valid application form* (plus applicable taxes).* *The Sponsor bank shall be responsible for making payments to the third parties such as remitter company, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws*

   **For each valid application by respective Sponsor Bank.*

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

   Notwithstanding anything contained above in this clause the total Uploading charges/ Processing fees for applications made by RIBs (up to Rs. 200,000), Non-Institutional Bidders (for an amount more than Rs. 200,000 and up to Rs. 500,000) using the UPI Mechanism and Eligible Employee(s) using the UPI Mechanism would not exceed Rs. [●] (plus applicable taxes) and in case if the total uploading charges/ processing fees exceeds Rs. [●] (plus applicable taxes) then uploading charges/ processing fees using UPI Mechanism will be paid on pro-rata basis (plus applicable taxes).

   Uploading/Processing fees payable to the SCSBs for capturing Syndicate Member/Sub syndicate(Broker)/Sub-broker code on the ASBA Form for Non-Institutional Bidders and Qualified Institutional Bidders with bids above Rs. [●] would be Rs. [●] plus applicable taxes, per valid application. In case the total ASBA processing charges payable to SCSBs exceeds Rs. [●] lakhs, the amount payable to SCSBs would be proportionately distributed based on the number of valid applications such that the total ASBA processing charges payable does not exceed Rs. [●] lakhs.

3. *Selling commission on the portion for RIBs, Non-Institutional Bidders, which are procured by members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & company account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:*

   1. *Portion for RIBs: [●]% of the Amount Allotted* (plus applicable taxes)*
   2. *Portion for Non-Institutional Bidders: [●]% of the Amount Allotted* (plus applicable taxes)*

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

4. *Uploading Charge/processing Charges:*

I. *payable to members of the Syndicate (including their sub-Syndicate Members), on the applications made using 3-in-1 accounts, would be: Rs. [●] plus applicable taxes, per valid application bid by the Syndicate member (including their sub-Syndicate Members).*

II. *Bid Uploading charges payable to the SCSBs on the portion of Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking and uploading would be: Rs. 10 per valid application (plus applicable taxes).*

Notwithstanding anything contained above the total uploading charges payable under this clause will not exceed Rs. 2,00,000 (plus applicable taxes) and in case if the total uploading charges exceeds Rs 2,00,000 (plus applicable taxes) then uploading charges will be paid on pro-rata basis.

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

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

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

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Bank Agreement. Further, the processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI Master Circular no. SEBI/HO/MIRSD/POD1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable).

The Issue expenses shall be payable in accordance with the arrangements or agreements entered into by our Company with the respective Designated Intermediary.

Interim Use of Proceeds

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilisation of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

Bridge Financing Facilities

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

Monitoring Utilization of Funds

In terms of Regulation 41 of the SEBI ICDR Regulations, appointment of monitoring agency is not applicable as the proposed issue size is less than Rs. 10,000.00 Lakhs. Our Audit Committee will monitor the utilisation of the Net Proceeds and shall submit to the board. Our Company will disclose the utilisation of the Net Proceeds, including interim use under a separate head in its balance sheet until such time as the Net Proceeds remain unutilized, clearly specifying the purposes for which the Net Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Net Proceeds that have not been utilised, if any, of such currently unutilised Net Proceeds.

Pursuant to Regulation 32(3) and Part C of Schedule II, of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditors of our Company. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Fresh Offer from the objects of the Fresh Offer as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Offer from the objects of the Fresh Offer as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Directors report, after placing the same before the Audit Committee. This information will also be uploaded onto our website.

Variation in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through 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 the 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 proposal to vary the Objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

Appraisal by Appraising Agency

None of the objects of the Fresh Issue for which the Net Proceeds will be utilized have been appraised by any bank/ financial institution/any other agency.

Other Confirmations

No part of the Net Proceeds will be utilized by our Company as consideration to the Promoters, members of the Promoter Group, the Directors, or Key Managerial Personnel. Our Company has not entered into or is not planning to enter into any arrangement / agreements with the Promoter, the Directors, the Key Managerial Personnel in relation to the utilization of the Net Proceeds of the Issue. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the objects of the Fresh Issue as set out above.

We confirm that the audited financial statements of our Company for past three full financial years immediately preceding the date of filing of offer document have been provided on our website in accordance with the ICDR Regulations.

BASIS OF ISSUE PRICE

The Price Band, Floor Price and Offer Price will be determined by our Company, in consultation with the Book Running Lead Manager, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the quantitative and qualitative factors described below. Investors should also refer to "Our Business", "Risk Factors", "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 165, 29, 233 and 309, respectively, to have an informed view before making an investment decision.

Qualitative Factors

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

- In house designing, engineering and execution team;
- Strategic Location of manufacturing Units;
- Strong execution capabilities with industry experience and established track record;
- Experienced Promoters and Management Team.
- Specialised production of Stainless-Steel Pipes and Tubes.
- Good track record for the last 3 years:

(Rs. In Lakhs)

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Revenue from Operations	1,11,311.90	81,799.60	51,046.68
EBITDA[(1)]	4,684.44	3,018.11	1,991.75
EBITDA margin as of revenue from operations (%)[(2)]	4.21%	3.69%	3.90%
PAT	2,106.62	1,133.11	68.83
PAT margin (%)[(3)]	1.89%	1.39%	0.13%

(1) EBITDA has been calculated as Restated profit before tax + finance cost + depreciation and amortization.
(2) EBITDA Margin = EBITDA/ Revenue from operations.
(3) PAT Margin=PAT/Revenue from operations.

For more details on qualitative factors, refer to chapter "Our Business-Our Strengths" on page no. 168.

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Standalone Financial Statements. For more details on financial information; investors please refer the chapter titled "Financial Information" on page no. 233.

Investors should evaluate our Company taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for calculating the Issue Price are as follows:

1) Basic and Diluted Earnings / Loss per Share ("EPS") as adjusted for changes in capital:

For the Fiscal	Basic & Diluted	
	EPS (in Rs.)	Weights
2023	14.85	3
2022	7.99	2
2021	0.49	1
Weighted Average	**10.17**	

Notes:

a) *The face value of each Equity Share is Rs. 10 each.*
b) *Basic Earnings per share = Restated total comprehensive income / Weighted average number of equity*

shares outstanding during the period/year.

c) *Diluted Earnings per share = Restated total comprehensive income / Weighted average number of potential equity shares outstanding during the period/year.*

d) *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year /Total of weights.*

e) *The above statement should be read in conjunction with Significant Accounting Policies and Notes to Restated Consolidated Financial Statement of the "Financial Information" beginning on page no. 233.*

2) Price/Earning ("P/E") ratio in relation to price band of Rs. [●] to Rs. [●] per Equity Share:

Particulars	P/E at the lower end of the Price Band (no. of times)	P/E at the higher end of the Price Band (no. of times)
Based on basic and diluted EPS for Fiscal 2023	[●]	[●]
Based on Weighted Average EPS	[●]	[●]

3) Industry Peer Group P/E ratio

Particulars	P/E Ratio
Highest	70.40
Lowest	17.82
Average	44.89

Note: *The hi*

ghest and lowest industry P/E shown above is based on the peer set provided below under "Comparison with listed industry peers", which have been identified by our Company.

4) Return on Net worth (RoNW)

For the Fiscals	RoNW (%)	Weight
2023	22.60	3
2022	15.74	2
2021	1.14	1
Weighted Average	16.73	

Notes:

a) Weighted average = Aggregate of year-wise weighted Net Worth divided by the aggregate of weights i.e. [(Net Worth x Weight) for each year] / [Total of weights].

b) Return on Net Worth (%) = Total comprehensive income as restated /Net worth as restated as at period/year end.

c) "Net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, foreign currency translation reserve, write-back of depreciation as on March 31, 2023, 2022 and 2021.

5) Net Asset Value (NAV) (Face value of Rs. 10/-)

Financial Year	NAV (Rs.)
NAV as at March 31, 2023	65.71
After the Offer:	
- At the Floor price	[●]
- At the Cap Price	[●]

Notes:

a. Offer Price per Equity Share will be determined on conclusion of the Book Building Process.
b. Net asset value per share = Net worth as restated / Number of Equity Shares as at period/ year end

6) Comparison with Industry Peers

Particulars	Total income (Rs. in Lakhs)	Face Value (Rs.)	EPS Basic (Rs.)	EPS Diluted (Rs.)	P/E Ratio(2)	RON (%)(4)	NAV Per Share (Rs.)(5)
The Issuer Company							
Vibhor Steel Tubes Limited	1,11,437.82	10	14.85	14.85	[●]	22.60	65.71
Listed peers							
APL Apollo Tubes Limited	16,21,313.00	2	23.15	23.14	70.39	21.36	108.37
Hi-Tech Pipes Limited	2,38,810.94	1	3.06	2.18	27.66	9.01	32.71
Goodluck India Limited	3,08,680.16	2	33.31	33.31	17.82	14.16	227.47
Rama Steel Tubes Limited	1,33,675.42	1	1.22	1.16	28.93	10.97	5.37
Source: Restated Standalone Financial Statement of our Company as disclosed on page no. 233.							

The above Companies are manufacturing the same products as we are manufacturing, so these Companies are our peer group Companies but not competitors because these Companies are selling their product in open market and we have only 1 customer i.e. Jindal Pipes Limited & we are supplying all the finished goods/products on behalf of Jindal Pipes Limited.

For further information, kindly refer "Our Business" on page no.165.

Note:

1. The peer group figures based on audited standalone financials as on and for the year ended March 31, 2023.
2. P/E figures for the peer is computed based on closing market price as on September 27, 2023, of relevant peer companies as available at BSE, (available at www.bseindia.com) divided by Basic EPS for FY 2023 reported in the filings made with stock exchanges.
3. Based on the Offer Price to be determined on conclusion of book building process and the basic EPS of our Company
4. Return on net worth (%) = Net profit after tax * 100 / Net worth at the end of the year
5. Net Asset value per share = Net worth at the end of the year / No. of shares outstanding at the end of year

The Issue Price of Rs. [●] has been determined by our Company, in consultation with the BRLM, on the basis of the demand from investors for the Equity Shares through the Book-Building Process. Our Company and the Selling Shareholder, in consultation with the BRLM, is justified of the Issue Price in view of the above qualitative and quantitative parameters. Investors should read the abovementioned information along with "Risk Factors", "Our Business" and "Financial Information" beginning on pages 29, 165 and 233 respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in "Risk Factors" or any other factors that may arise in the future and you may lose all or part of your investments.

7) **Key Operational and Financial Performance Indicators:**

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated September 28, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this DRHP. Further, the KPIs herein have been certified by Statutory Auditors, by their certificate dated September 28, 2023.

The KPIs of our Company have been disclosed in the sections titled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators" on pages 167 and 311, respectively. We have described and defined the KPIs, as applicable, in "Definitions and Abbreviations" on page 02.

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 Exchanges or till the completion of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

Financial KPIs of our Company: Vibhor Steel Tubes Limited

(Rs In Lakhs)

Key Financial Performance	For the year ended March 31st		
	2022-2023	2021-2022	2020-2021
Revenue from operations(1)	1,11,311.90	81,799.60	51,046.68
Total Income(2)	1,11,437.82	81,848.07	51,150.97
EBITDA(3)	4,684.44	3,018.11	1,991.75
EBITDA Margin(4)	4.21%	3.69%	3.90%
PAT	2,106.62	1,133.11	68.83
PAT Margin(5)	1.89%	1.39%	0.13%
Operating cash flow	702.73	-3,454.93	4,542.00
Net worth(6)	9,319.79	7,197.29	6,048.99
Net Debt(7)	12,682.52	10,606.57	5,874.40
Debt Equity Ratio(8)	1.63	1.77	1.23
ROCE (%)(9)	16.48%	12.09%	9.90%
ROE (%)(10)	25.51%	17.11%	1.14%

11) *Revenue from operation means revenue from sales and other operating revenues.*

12) *Total Income represents the total turnover of our business i.e., Revenue from Operations and Other Income, if any.*

13) *EBITDA means Profit before depreciation, finance cost, tax and amortization.*

14) *'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.*

15) *'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.*

16) *Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, capital reserve arising on consolidation, capital redemption reserve, write-back of depreciation and amalgamation.*

17) *Net debt = non-current borrowing + current borrowing – Cash and Cash Equivalent.*

18) *Debt equity ratio means ratio of total debt (long term plus short-term including current maturity of long-term debt) and Equity Share capital plus other equity.*
19) *Return on Capital Employed is ratio of EBIT and Capital Employed. Capital Employed is Total Shareholder's Equity, Non-Current Borrowing and Short-Term Borrowing.*
20) *Return on Equity is ratio of Profit after Tax and Average Shareholder Equity.*

Explanation for KPI metrics

KPI	Explanations
Revenue from Operations	*Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.*
Total income	*Total income is used by the management to track revenue from operations and other income.*
EBITDA	*EBITDA provides information regarding the operational efficiency of the business.*
EBITDA Margin (%)	*EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.*
PAT	*Profit after tax provides information regarding the overall profitability of the business.*
PAT Margin (%)	*PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.*
Operating Cash Flows	*Operating cash flows activities provides how efficiently our company generates cash through its core business activities.*
Net Worth	*Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.*
Net Debt	*Net debt helps the management to determine whether a company is overleveraged or has too much debt given its liquid assets*
Debt-equity ratio (times)	*The debt to equity ratio compares an organization's liabilities to its shareholder's equity and is used to gauge how much debt or leverage the organization is using.*
ROE (%)	*ROE provides how efficiently our Company generates profits from shareholders' funds.*
ROCE (%)	*ROCE provides how efficiently our Company generates earnings from the capital employed in the business.*

Comparison with listed industry peer:

For the Fiscal 2023:

(Rs. In Lakhs)

Key Financial Performance	Vibhor Steel Tubes Limited	Goodluck India Limited	APL Apollo Tubes Limited	Rama Steel Tubes Limited	Hi-Tech Pipes Limited
Revenue from operations(1)	1,11,311.90	3,04,798.06	16,16,595.00	1,33,675.42	2,38,584.74
Total Income(2)	1,11,437.82	3,08,680.16	16,21,313.00	1,34,355.63	2,38,810.94
EBITDA(3)	4,684.44	21,916.50	1,06,873.00	5,990.10	9,895.74
EBITDA Margin(4)	4.21%	7.19%	6.61%	4.48%	4.15%
PAT	2,106.62	8,780.09	64,186.00	2,743.66	3,768.14
PAT Margin(5)	1.89%	2.88%	3.97%	2.05%	1.58%
Operating cash flow	702.73	9,736.33	69,007.00	-9,616.19	13,374.46
Net worth(6)	9,319.79	62,001.13	3,00,561.00	25,011.50	41,810.86
Net Debt(7)	12,682.52	58,574.23	52,045.00	18,017.22	21,394.26
Debt Equity Ratio(8)	1.63	0.96	0.29	0.77	0.56
ROCE (%)(9)	16.48%	15.32%	23.99%	12.46%	13.04%
ROE (%)(10)	22.60%	14.16%	21.36%	10.97%	9.01%

For the Fiscal 2022:

(Rs. In Lakhs)

Key Financial Performance	Vibhor Steel Tubes Limited	Goodluck India Limited	APL Apollo Tubes Limited	Rama Steel Tubes Limited	Hi-Tech Pipes Limited
Revenue from operations[(1)]	81,799.60	2,57,772.03	13,06,332.00	76,816.78	1,87,884.73
Total Income[(2)]	**81,848.07**	2,61,710.31	13,10,382.00	77,737.31	1,87,978.41
EBITDA[(3)]	3,018.11	18,688.55	98,576.00	5,111.21	10,145.50
EBITDA Margin[(4)]	3.69%	7.25%	7.55%	6.65%	5.40%
PAT	**1,133.11**	7,501.08	61,898.00	2,731.52	4,032.62
PAT Margin[(5)]	1.39%	2.91%	4.74%	3.56%	2.15%
Operating cash flow	**-3,454.93**	9,802.41	65,171.00	-3,498.14	-1,731.63
Net worth[(6)]	7,197.29	46,591.13	2,46,401.00	12,665.77	25,861.90
Net Debt[(7)]	10,606.57	57,723.46	20,415.00	11,931.06	34,742.05
Debt Equity Ratio[(8)]	1.77	1.27	0.24	1.09	1.41
ROCE (%)[(9)]	12.09%	14.95%	28.80%	17.70%	14.73%
ROE (%)[(10)]	15.74%	16.10%	25.12%	21.57%	15.59%

For the Fiscal 2021:

(Rs. In Lakhs)

Key Financial Performance	Vibhor Steel Tubes Limited	Goodluck India Limited	APL Apollo Tubes Limited	Rama Steel Tubes Limited	Hi-Tech Pipes Limited
Revenue from operations[(1)]	51,046.68	1,54,842.37	8,49,975.00	47,043.45	1,34,063.35
Total Income[(2)]	51,150.97	1,57,799.97	8,53,569.00	47,657.35	1,34,143.06
EBITDA[(3)]	1,991.75	12,236.55	71,465.00	2,586.60	7,160.05
EBITDA Margin[(4)]	3.90%	7.90%	8.41%	5.50%	5.34%
PAT	68.83	3,387.11	40,770.00	1,237.81	2,280.29
PAT Margin[(5)]	0.13%	2.19%	4.80%	2.63%	1.70%
Operating cash flow	4,542.00	4,310.73	97,711.00	2,471.94	6,411.94
Net worth[(6)]	6,048.99	38,343.94	1,69,466.00	9,993.85	20,519.33
Net Debt[(7)]	5,874.40	49,033.43	8,356.00	5,977.39	27,817.15
Debt Equity Ratio[(8)]	1.23	1.31	0.26	0.82	1.44
ROCE (%)[(9)]	9.90%	10.73%	28.64%	12.32%	12.65%
ROE (%)[(10)]	1.14%	8.83%	24.06%	12.39%	11.11%

1) *Revenue from operation means revenue from sales and other operating revenues.*

2) *Total Income represents the total turnover of our business i.e., Revenue from Operations and Other Income, if any.*

3) *EBITDA means Profit before depreciation, finance cost, tax and amortization.*

4) *'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.*

5) *'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.*

6) *Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, capital reserve arising on consolidation, capital redemption reserve, write-back of depreciation and amalgamation.*

7) *Net debt = non-current borrowing + current borrowing – Cash and Cash Equivalent.*

8) *Debt equity ratio means ratio of total debt (long term plus short-term including current maturity of long-term debt) and Equity Share capital plus other equity.*

9) *Return on Capital Employed is ratio of EBIT and Capital Employed. Capital Employed is Total Shareholder's Equity, Non-Current Borrowing and Short-Term Borrowing.*

10) *Return on Equity is ratio of Profit after Tax and Average Shareholder Equity.*

8) Weighted average cost of acquisition

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

Our Company has not issued any Equity Shares or convertible securities during the 18 months preceding the date of this Draft Red Herring Prospectus.

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

Except as stated below, there have been no secondary sale / acquisitions of Equity Shares or any convertible securities, during the 18 months preceding the date of this Draft Red Herring Prospectus:

Following transaction with consideration other than cash between the members:

Date of Transfer/ Transmission	Reason/Nature of Transfer/ Transmission	Number of Equity Shares	Nature of Consideration	Face Value (Rs.)	Transfer Price (Rs.)	% of Pre-Issue Capital
April 12, 2023	Transfer of Equity Shares by way of gift from Mr. Mukund Sagar to Mr. Ramesh Sagar	75,000	Consideration other than cash	10	Nil	0.53%
April 12, 2023	Transfer of Equity Shares by way of gift from Mr. Ramesh Sagar to Ms. Vijay Laxmi Kaushik	1,50,000	Consideration other than cash	10	Nil	1.06%
April 27, 2023	Transfer of Equity Shares by way of gift from Ms. Vanita Sharma to Ms. Kanta Sharma	2,50,000	Consideration other than cash	10	Nil	1.76%
April 27, 2023	Transfer of Equity Shares by way of gift from Ms. Kanta Sharma to Mr. Vijay Kumar Kaushik	2,50,000	Consideration other than cash	10	Nil	1.76%
May 18, 2023	Transfer of Equity Shares by way of gift from Mr. Adhir Mehta to Ms. Vijay Laxmi Kaushik	5,000	Consideration other than cash	10	Nil	0.04%
May 18, 2023	Transmission of Equity Shares from Late Shri Jagdish Chander Mehta to Ms. Vijay Laxmi Kaushik	64,000	Transmission	10	Nil	0.45%

Following transaction with cash consideration between the members:

Date of Transfer/ Transmission	Reason/Nature of Transfer/ Transmission	Number of Equity Shares	Nature of Consideration	Face Value (Rs.)	Transfer Price (Rs.)	% of Pre-Issue Capital
June 01, 2023	Transfer of Equity Shares for cash consideration from Ms. Vijay Laxmi Kaushik to Vijay Kaushik HUF	69,000	Cash	10	75	0.49%
June 01, 2023	Transfer of Equity Shares for cash consideration from Mr. Raj Krishan Bhargava to Vijay Kaushik HUF	30,000	Cash	10	75	0.21%
June 01, 2023	Transfer of Equity Shares for cash consideration from Mr. Vijay Pal Singh to Vijay Kaushik HUF	3,00,000	Cash	10	75	2.12%
June 01, 2023	Transfer of Equity Shares for cash consideration from Ms. Kiran Pundir to Mr. Vijay Kumar Kaushik	66,667	Cash	10	75	0.47%
June 01, 2023	Transfer of Equity Shares for cash consideration from Ms. Kiran Pundir to Vijay Kaushik HUF	2,53,333	Cash	10	75	1.79%
June 01, 2023	Transfer of Equity Shares for cash consideration from Mr. Sanjay Diwan HUF to Vijay Kaushik HUF	2,20,000	Cash	10	75	1.55%
June 01, 2023	Transfer of Equity Shares for cash consideration from Ms. Anita Malhotra to Vibhor Kaushik HUF	91,000	Cash	10	75	0.64%
June 01, 2023	Transfer of Equity Shares for cash consideration from Mr. Sameer Malhotra to Vibhor Kaushik HUF	1,07,000	Cash	10	75	0.75%

June 01, 2023	Transfer of Equity Shares for cash consideration from Mr. Sameer Malhotra HUF to Vijay Kaushik HUF	68,100	Cash	10	75	0.48%
June 01, 2023	Transfer of Equity Shares for cash consideration from Ms. Ashta Malhotra to Vijay Kaushik HUF	65,000	Cash	10	75	0.46%
June 01, 2023	Transfer of Equity Shares for cash consideration from Mr. Balbir Singh to Vijay Kaushik HUF	79,000	Cash	10	75	0.56%
June 01, 2023	Transfer of Equity Shares for cash consideration from Mr. Yogendra Pundir to Mr. Vijay Kumar Kaushik	49,400	Cash	10	75	0.35%
Weighted average cost of acquisition per Equity Shares					**75.00**	

c) Price Per Share based on last five primary or secondary transactions:

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

Primary transactions: There have been no primary transactions in the last three years preceding the date of this DRHP.

Secondary Transactions: Except as disclosed below, there have been no secondary transactions in the last three years preceding the date of this DRHP

Date of allotment	No. of Equity Shares allotted	Face value per Equity Share (Rs.)	Transfer price per Equity Share	Nature of allotment	Nature of consideration	Total Consideration (in Rs. lakhs)
June 01, 2023	13,98,500	10.00	75.00	Transfer	Cash	Rs. 1,048.88
Weighted average cost of acquisition per Equity Share (excluding Gifts & Bonus Shares)						**Rs. 75.00**

Gifts & Transmission not included for the calculation of weighted average cost of acquisition.

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

Types of transactions	Weighted average cost of acquisition (Rs. per Equity Share)	Floor price* (i.e. Rs. [●])	Cap price* (i.e. Rs. [●])
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.	NA	**[●]**	**[●]**
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	75.00	**[●]**	**[●]**
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(c) above	75.00	**[●]**	**[●]**

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

[●]*

* *To be included upon finalisation of the Price Band and updated in the Prospectus*

f) Explanation for Issue Price / Cap Price being [●] price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in [●] above) in view of the external factors which may have influenced the pricing of the Issue.

[●]*

* *To be included upon finalisation of the Price Band and updated in the Prospectus*

The Issue Price will be [●] times of the face value of the Equity Shares. The Issue Price of Rs. [●] has been determined by our Company in consultation with the BRLM, on the basis of the demand from investors for the Equity Shares through the Book Building Process. Our Company in consultation with the BRLM, is justified of the Offer Price in view of the above qualitative and quantitative parameters. The trading price of the Equity Shares could decline due to the factors mentioned in the section titled "Risk Factors" on page 29 or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF SPECIAL TAX BENEFITS

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS, IN INDIA.

To,

The Board of Directors,
Vibhor Steel Tubes Limited
Plot No. 2, Industrial Development Colony,
Delhi Road, Hisar, Haryana-125005, India

Dear Sirs,

Re: Statement of possible special tax benefits ("the Statement") available to Vibhor Steel Tubes Limited ("the Company") and its Shareholders prepared in accordance with the requirement under Schedule VI – Part A –Clause (9)(L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("the ICDR Regulations").

This report is issued in accordance with the terms of our engagement letter dated September 11, 2023.

We, Ashok Kumar Goyal & Co. the Statutory Auditors of the Company, have been requested by the Company to certify Statement of Special Tax benefits available to the Company and its Shareholders under the applicable laws of India.

1. The accompanying statement of possible special tax benefits (as Annexure I) available to the Company and its shareholders (hereinafter referred to as the "Statement") under the direct tax laws including the Income Tax Act, 1961 as amended by the Finance Act, 2023, and the indirect tax laws including the Central Goods and Services Tax Act, 2017 (read with Central Goods and Services Tax Rules, circulars, notifications and schemes), respective State Goods and Services Tax Act, 2017 (read with respective State Goods and Services Tax Rules, circulars, notifications and schemes), respective Union Territory Goods and Service Tax Act, 2017 (read with respective Union Territory Goods and Services Tax Rules, circulars, notifications and schemes), Integrated Goods and Services Tax Act, 2017 (read with Integrated Goods and Services Tax Rules, circulars, notifications), presently in force in India as on the date of this Statement (hereinafter referred to as the "Indian Tax Regulations") has been prepared by the management of the Company ("Management") in connection with the proposed Issue, which we have initialled for identification purposes.

Management's Responsibility

2. The preparation of this Statement as of the date of our report which is to be included in the Draft Red Herring Prospectus/Red Herring Prospectus is the responsibility of the management of the Company and has been approved by the Board of Directors of the Company at its meeting held on September 21, 2023 for the purpose set out in paragraph 9 below. The management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditor's Responsibility

3. Our work has been carried out in accordance with the Standards on Auditing, the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2019)" and other applicable authoritative pronouncements 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. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Service Engagements.

4. Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended, (the "ICDR Regulations") and the Companies Act 2013 ("Act"), it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the possible special tax benefits available to the Company and its shareholders of the Company in accordance with Indian Income Tax Regulations.

5. Our work is performed solely to assist the Management in meeting their responsibilities in relation to compliance with the Act and the Regulations in connection with the offering.

Inherent Limitations

6. We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information.

   The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue.

   Further, we give no assurance that the Revenue Authorities/ Courts will concur with our views expressed herein. Our views are based on the existing provisions of Indian Income Tax Regulations and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

   We shall not be liable to the Company for any claims, liabilities or expenses arising from facts and disclosure in statement of tax benefits determined to have resulted primarily from bad faith or intentional misrepresentation. We will not be liable to any other person in respect of this Statement.

Opinion

7. In our opinion, the Statement prepared by the Company presents, in all material respects, the possible special tax benefits available as on the date of signing of this report, to the Company and its shareholders in accordance with the Indian Income Tax Regulations. Considering the matter referred to in point no. 6 above, we are unable to express any opinion or provide any assurance as to whether:

   - The Company or its shareholders will continue to obtain the benefits as per the Statement in future; or
   - The conditions prescribed for availing the benefits per the Statement have been/ would be met with.

Restriction on Use

8. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the Draft Red Herring Prospectus prepared in connection with the Offering to be filed by the Company with the Securities and Exchange Board of India, concerned stock exchanges and Registrar of Companies, Delhi. Accordingly, this report should not be reproduced or used for any other purpose without our prior written consent.

For Ashok Kumar Goyal & Co.
Chartered Accountants
Firm Registration Number: 002777N

Sd/-
Ashok Kumar Goyal
Partner
Membership Number: 017644

UDIN: 23017644BGQNCA7149

Place: Hisar, Haryana
Date: September 28, 2023

ANNEXURE I

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO VIBHOR STEEL TUBES LIMITED ("THE COMPANY") AND ITS SHAREHOLDERS UNDER THE APPLICABLE INDIAN TAX REGULATIONS ("TAX LAWS") IN INDIA

UNDER THE DIRECT TAX LAWS

1. Special tax benefits available to the Company

i. Lower corporate tax rate - Section 115BAA of the Act

Section 115BAA of the Act has been inserted by the Taxation Laws (Amendment) Act 2019 ("the Amendment Act, w.e.f. April 1, 2020 (assessment year) granting an option to domestic companies to compute corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and cess of 4%), provided such companies do not avail the deductions/exemptions as specified in the section (e.g. additional depreciation, deductions under chapter VI-A other than provisions of Section 80JJAA and 80M, Investment allowance in backward areas, expenditure on skill development etc.)

In case a company opts for section 115BAA of the Act, provisions of Minimum Alternate Tax ["MAT"] under section 115JB of the Act would not be applicable and MAT credit of the earlier year(s) will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year.

Provided further that, where the company fails to satisfy the conditions mentioned in the section in any previous year, the option shall become invalid in respect of the assessment year relevant to the previous year and subsequent assessment years and other provisions of the Act shall apply, as if the option had not been exercised for the assessment year relevant to that previous year and subsequent assessment years.

2. Special tax benefits available to Shareholders

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholders, deduction under Section 80M of the Act would be available on fulfilling the conditions prescribed in section read with rules thereon.

In respect of non-resident shareholders, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

UNDER THE INDIRECT TAX LAWS

1. Special tax benefits available to the Company

There are no special indirect tax benefits available to the Company under Indirect Tax Laws

2. Special tax benefits available to the Shareholders

Shareholders of the Company are not eligible to special tax benefits under the provisions of the Central Goods and Services Tax Act,2017 (read with Central Goods and Services Tax Rules, circulars, notifications and schemes), respective State Goods and Services Tax Act, 2017 (read with respective State Goods and Services Tax Rules, circulars, notifications and schemes), Integrated Goods and Services Tax Act, 2017 (read with Integrated Goods and Services Tax Rules, circulars, notifications).

Noted:

- The Statement is prepared based on information available with the management of the Company and there is no assurance that:
- the Company or its shareholders will continue to obtain these benefits in future.
- the conditions prescribed for availing the benefits have been/ would be met with; and
- the revenue authorities/courts will concur with the view expressed herein.

The above views are based on the existing provisions of law and its interpretation, which are subject to change from time to time.

The above Statement of Special Tax Benefits sets out the provisions of law in a summarized manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership, and disposal of shares.

For Ashok Kumar Goyal & Co.
Chartered Accountants
Firm Registration Number: 002777N

Sd/-
Ashok Kumar Goyal
Partner
Membership Number: 017644

UDIN: 23017644BGQNCA7149

Place: Hisar, Haryana
Date: September 28, 2023

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

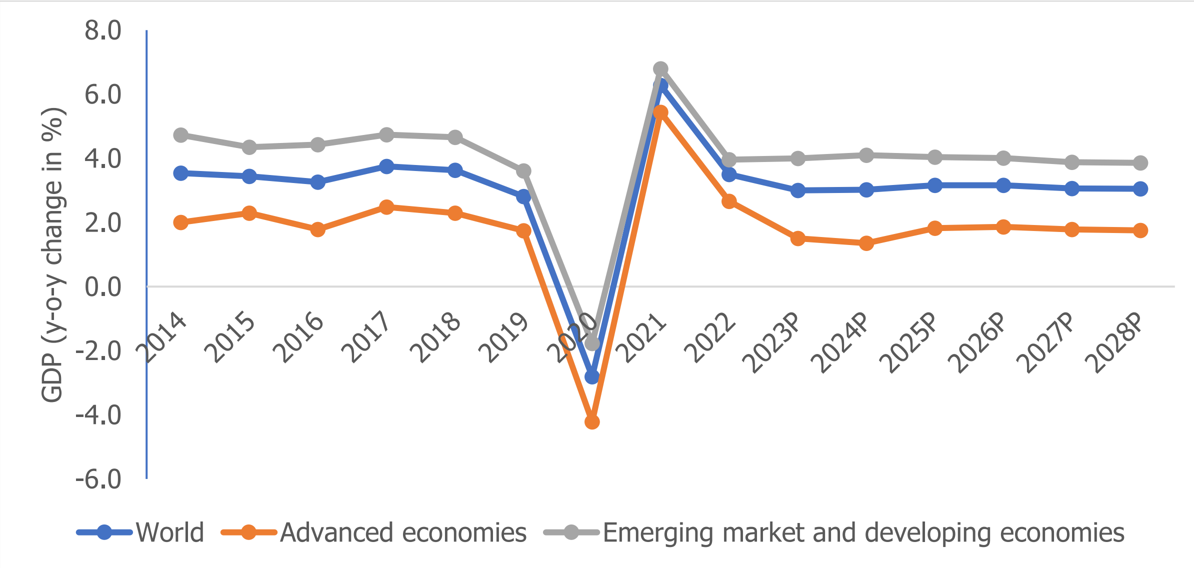
The information contained in this section is prepared by CARE Advisory Research and Training Limited (CareEdge Research) which was appointed by our Company vide engagement letter dated July 04, 2023 has been exclusively commissioned and paid for by our Company in connection with the Issue. CARE Advisory Research and Training Limited is an independent agency and has no relationship with our Company, its Subsidiary, Promoters, Directors, or the Book Running Lead Manager as on the date of this Draft Red Herring Prospectus. For risks in relation to commissioned reports, see the chapter titled Risk Factors beginning on page 29.

1. Economic Outlook

1.1 Global economy outlook

As per the International Monetary Fund (IMF)'s World Economic Outlook growth projections released in July 2023, the global economic growth for CY22[1] stood at 3.5% on a year-on-year (y-o-y) basis, down from 6.3% in CY21 due to disruptions resulting from the Russia-Ukraine conflict and higher-than-expected inflation worldwide. On the other hand, the global economic growth for CY23 is projected to slow down further to 3.0%, attributed to compressing global financial conditions, expectant steeper interest rate hikes by major central banks to fight inflation, and spill-over effects from the Russia-Ukraine conflict, with gas supplies from Russia to Europe expected to remain tightened. Whereas growth in CY24 is projected to remain broadly stable at 3.0%, with notable shifts across regions. For the next 5 years, the IMF projects world economic growth in the range of 3.0%-3.2% on a y-o-y basis.

Chart 2: Global Growth Outlook Projections (Real GDP, Y-o-Y change in %)



Notes: E- Estimated, P-Projection;
Source: IMF – World Economic Outlook, July 2023 and April 2023

Advanced Economies Group

The major advanced economies registered GDP growth of 2.7% in CY22, down from 5.4% in CY21, which is further projected to decline to 1.5% in CY23. This forecast of low growth reflects increased central bank interest rates to fight inflation and the impact of the Russia-Ukraine war. About 93% of advanced economies are projected to witness declined GDP growth in CY23. In addition, this is further expected to decline to 1.4% in CY24.

[1] CY- Calendar Year

One of the major countries from this group is the **United States**. The United States registered GDP growth of 2.1% in CY22 compared to 5.9% in CY21. Whereas, growth for CY23 and CY24 is projected at 1.8% and 1.0%, respectively. This is reflective of declining real disposable incomes and savings impacting consumer demand with higher interest rates taking a toll on spending.

Further, the **Euro Area** registered GDP growth of 3.5% in CY22 compared to 5.3% in CY21. However, the boost from the reopening of the economy after the pandemic appears to be fading. For CY23 and CY24, the growth is projected at 0.9% and 1.5%, respectively. The accelerated pace of rate increases by the Bank of England and the European Central Bank has tightened the financial conditions, resulting in the cooling of demands in the housing sector and beyond.

Emerging market and developing economies group

For the emerging market and developing economies group, GDP growth stood at 4.0% in CY22, compared to 6.8% in CY21. This growth is further projected at 4.0% in CY23 and 4.1% in CY24. The anticipated improvement in GDP growth in CY24 is attributed to the anticipation of gradual recovery. Whereas about 61% of economies, expected to progress rapidly in CY23, project stable growth. While the remaining economies, including the low-income countries, are expected to progress slower.

Further, in **China**, growth is expected to pick up to 5.2% with the full reopening in CY23 and subsequently moderate in CY24 to 4.5%. Whereas, India's GDP projections for CY23 and CY24 stand at 6.1% and 6.3%, respectively, with resilient domestic demands despite external headwinds.

Table 1: GDP growth trend comparison - India v/s Other Emerging and Developing Economies (Real GDP, Y-o-Y change in %)

	Real GDP (Y-o-Y change in %)										
	2018	2019	2020	2021	2022	2023E	2024P	2025P	2026P	2027P	2028P
India	6.5	3.9	-5.8	9.1	7.2	6.1	6.3	6.2	6.1	6.0	6.0
China	6.8	6.0	2.2	8.4	3.0	5.2	4.5	4.1	4.0	3.6	3.4
Indonesia	5.2	5.0	-2.1	3.7	5.3	5.0	5.0	5.0	5.0	5.0	5.0
Saudi Arabia	2.8	0.8	-4.3	3.9	8.7	1.9	2.8	3.0	3.0	3.0	3.0
Brazil	1.8	1.2	-3.3	5.0	2.9	2.1	1.2	1.9	2.0	2.0	2.0

E- Estimated, P- Projections; Source: IMF, World Economic Outlook Database (July 2023 and April 2023)

The **Indonesian** economy is expected to register growth of 5% both in CY23 and CY24 with a strong recovery in domestic demands, a healthy export performance, policy measures, and normalization in commodity prices. In CY22, **Saudi Arabia** was the fastest-growing economy in this peer set with 8.7% growth. The growth is accredited to robust oil production, non-oil private investments encompassing wholesale and retail trade, construction and transport, and surging private consumption. Saudi Arabia is expected to grow at 1.9% and 2.8% in CY23 and CY24, respectively. On the other hand, **Brazil** is expected to project a moderate economic growth of 2.1% in CY23 due to headwinds of inflation. However, recovery is expected in the medium term with a sound financial system, large cash buffers with the public sector, and adequate international reserves.

Despite the turmoil in the last 2-3 years, India bears good tidings to become a USD 5 trillion economy by CY27. According to the IMF dataset on Gross Domestic Product (GDP) at current prices, the GDP has been estimated to be at USD 3.4 trillion for CY22 and is projected to reach USD 5.2 trillion by CY27. India's expected GDP growth rate for coming years is almost double compared to the world economy.

Besides, India stands out as the fastest-growing economy among the major economies. The country is expected to grow at more than 6% in the period of CY24-CY28, outshining China's growth rate. Accordingly, the Indian economy is paving its way towards becoming the largest economy globally. Currently, it is the third-largest economy globally in terms of Purchasing Power Parity (PPP) with a ~7% share in the global economy, with China [~18%] on the top followed by the United States [~15%].

Purchasing Power Parity is an economic performance indicator denoting the relative price of an average basket of goods and services that a household needs for livelihood in each country. Despite COVID-19's impact, high inflationary and interest rates globally, and the geopolitical tensions in Europe, India has been a major contributor to world economic growth.

1.2 Indian Economy Outlook

1.2.1 GDP growth and Outlook

Resilience to external shocks remains critical for near-term outlook

India's GDP grew by 9.1% in FY22 and stood at Rs. 149.3 trillion despite the pandemic and geopolitical Russia-Ukraine spillovers. In Q1FY23, India recorded 13.2% y-o-y growth in GDP, largely attributed to improved performance by the agriculture and services sectors. Following this double-digit growth, Q2FY23 witnessed 6.3% y-o-y growth, while Q3FY23 registered 4.5% y-o-y growth. The slowdown during Q2FY23 and Q3FY23 compared to Q1FY23 can be attributed to the normalization of the base and a contraction in the manufacturing sector's output.

Subsequently, Q4FY23 registered broad-based improvement across sectors compared to Q3FY23 with a growth of 6.1% y-o-y. The investments, as announced in the Union Budget 2022-23 on boosting public infrastructure through enhanced capital expenditure, have augmented growth and encouraged private investment through large multiplier effects in FY23. Supported by fixed investment and higher net exports, GDP for full-year FY23 was valued at Rs. 160.1 trillion registering an increase of 7.2% y-o-y.

Furthermore, in Q1FY24, the economic growth accelerated to 7.8%. The manufacturing sector maintained an encouraging pace of growth, given the favourable demand conditions and lower input prices. The growth was supplemented by a supportive base alongside robust services and construction activities.

GDP growth outlook

- During FY24, strong agricultural and allied activity prospects are likely to boost rural demands. However, El Nino is being predicted in the current fiscal which may lead to deficit rainfall in the country and impact agricultural output. However, a rebound in contact-intensive sectors and discretionary spending is expected to support urban consumption.
- Strong credit growth, resilient financial markets, and the government's continual push for capital spending and infrastructure are likely to create a compatible environment for investments.
- External demand is likely to remain subdued with a slowdown in global activities, thereby indicating adverse implications for exports. Additionally, heightened inflationary pressures and resultant policy tightening may pose a risk to the growth potential.

Taking all these factors into consideration, in August 2023, the RBI in its bi-monthly monetary policy meeting estimated a real GDP growth of 6.5% y-o-y for FY24.

Table 2: RBI's GDP Growth Outlook (Y-o-Y %)

FY24 (complete year)	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25
6.5	8.0	6.5	6.0	5.7	6.6%

Source: Reserve Bank of India

1.2.2 Gross Value Added (GVA)

Gross Value Added (GVA) is the measure of the value of goods and services produced in an economy. GVA gives a picture of the supply side whereas GDP represents consumption.

Industry and Services sector leading the recovery charge

• The gap between GDP and GVA growth turned positive in FY22 (after a gap of two years) due to robust tax collections. Of the three major sector heads, the service sector has been the fastest-growing sector in the last 5 years.

• The **agriculture sector** was holding growth momentum till FY18. In FY19, the acreage for the rabi crop was marginally lower than the previous year which affected the agricultural performance. Whereas FY20 witnessed growth on account of improved production. During the pandemic-impacted period of FY21, the agriculture sector was largely insulated as timely and proactive exemptions from COVID-induced lockdowns to the sector facilitated uninterrupted harvesting of rabi crops and sowing of kharif crops. However, supply chain disruptions impacted the flow of agricultural goods leading to high food inflation and adverse initial impact on some major agricultural exports. However, performance remained steady in FY22.

Further, in Q1FY23 and Q2FY23, the agriculture sector recorded a growth of 2.4% and 2.5%, respectively, on a y-o-y basis. Due to uneven rains in the financial year, the production of some major Kharif crops, such as rice and pulses, was adversely impacted thereby impacting the agriculture sector's output. In Q3FY23 and Q4FY23, the sector recorded a growth of 4.7% and 5.5%, respectively, on a y-o-y basis.

Overall, the agriculture sector performed well despite weather-related disruptions, such as uneven monsoon and unseasonal rainfall, impacting yields of some major crops and clocked a growth of 4% y-o-y in FY23, garnering Rs. 22.3 trillion. In Q1FY24, this sector expanded at a slower pace of 3.1% compared to a quarter ago. Going forward, rising bank credit to the sector and increased exports will be the drivers for the agriculture sector. However, a deficient rainfall may impact the reservoir level weighing on prospects of rabi sowing. A downside risk exists in case the intensity of El Nino is significantly strong.

• The **industrial sector** projected a CAGR of 4.7% for the period FY16 to FY19. From March 2020 onwards, the nationwide lockdown due to the pandemic significantly impacted industrial activities. In FY20 and FY21, this sector felt turbulence due to the pandemic and recorded a decline of 1.4% and 0.9%, respectively, on a y-o-y basis. With the opening up of the economy and resumption of industrial activities, it registered 11.6% y-o-y growth in FY22, albeit on a lower base.

The industrial output in Q1FY23 jumped 9.4% on a y-o-y basis. However, in the subsequent quarter, the sector witnessed a sharp contraction of 0.5% due to lower output across the mining, manufacturing, and construction sectors. This was mainly because of the poor performance of the manufacturing sector, which was marred by high input costs. In Q3FY23, the sector grew modestly by 2.3% y-o-y. The growth picked up in Q4FY23 to 6.3% y-o-y owing to a rebound in manufacturing activities and healthy growth in the construction sector. Overall, the industrial sector is estimated to be valued at Rs. 45.2 trillion registering 4.4% growth in FY23.

The industrial sector grew by 5.5% in Q1FY24. The industrial growth was mainly supported by sustained momentum in the manufacturing and construction sectors. Within manufacturing (as captured by IIP numbers), industries such as pharma, non-metallic mineral products, rubber, plastic, metals, etc., witnessed higher production growth during the quarter.

• The **services sector** recorded a CAGR of 7.1% for the period FY16 to FY20, which was led by trade, hotels, transport, communication, and services related to broadcasting, finance, real estate, and professional services. This sector was the hardest hit by the pandemic and registered an 8.2% y-o-y decline in FY21. The easing of restrictions aided a fast rebound in this sector, with 8.8% y-o-y growth witnessed in FY22.

In Q1FY23 and Q2FY23, this sector registered a y-o-y growth of 16.3% and 9.4%, respectively, on a lower base and supported by a revival in contact-intensive industries. Further, the services sector continued to witness buoyant demand and recorded a growth of 6.1% y-o-y in Q3FY23. Supported by robust discretionary demands, Q4FY23 registered 6.9% growth largely driven by the trade, hotel, and transportation industries. Overall, benefitting from the pent-up demand, the service sector was valued at Rs. 20.6 trillion and registered growth of 9.5% y-o-y in FY23.

Whereas in Q1FY24, the services sector growth jumped to 10.3%. Within services, there was a broad-based improvement in growth across different sub-sectors. However, the sharpest jump was seen in financial, real estate, and professional services. Trade, hotels, and transport sub-sectors expanded at a healthy pace gaining from strength in discretionary demand. Accordingly, steady growth in various service sector indicators like air passenger traffic, port cargo traffic, GST collections, and retail credit are expected to support the services sector.

Table 3: Sectoral Growth (Y-o-Y % Growth) - at Constant Prices

At constant Prices	FY18	FY19	FY20 (3RE)	FY21 (2RE)	FY22 (1RE)	FY23 (PE)	Q1FY23	Q1FY24
Agriculture, Forestry & Fishing	**6.6**	**2.1**	**6.2**	**4.1**	**3.5**	**4**	**2.4**	**3.5**
Industry	**5.9**	**5.3**	**-1.4**	**-0.9**	**11.6**	**4.4**	**9.4**	**5.5**
Mining & Quarrying	-5.6	-0.8	-3	-8.6	7.1	4.6	9.5	5.8
Manufacturing	7.5	5.4	-3	2.9	11.1	1.3	6.1	4.7
Electricity, Gas, Water Supply & Other Utility Services	10.6	7.9	2.3	-4.3	9.9	9	14.9	2.9
Construction	5.2	6.5	1.6	-5.7	14.8	10	16	7.9
Services	**6.3**	**7.2**	**6.4**	**-8.2**	**8.8**	**9.5**	**9.4**	**10.3**
Trade, Hotels, Transport, Communication & Broadcasting	10.3	7.2	6	-19.7	13.8	14	25.7	9.2
Financial, Real Estate & Professional Services	1.8	7	6.8	2.1	4.7	7.1	8.5	12.2
Public Administration, Defence and Other Services	8.3	7.5	6.6	-7.6	9.7	7.2	21.3	7.9
GVA at Basic Price	**6.2**	**5.8**	**3.9**	**-4.2**	**8.8**	**7**	**11.9**	**7.8**

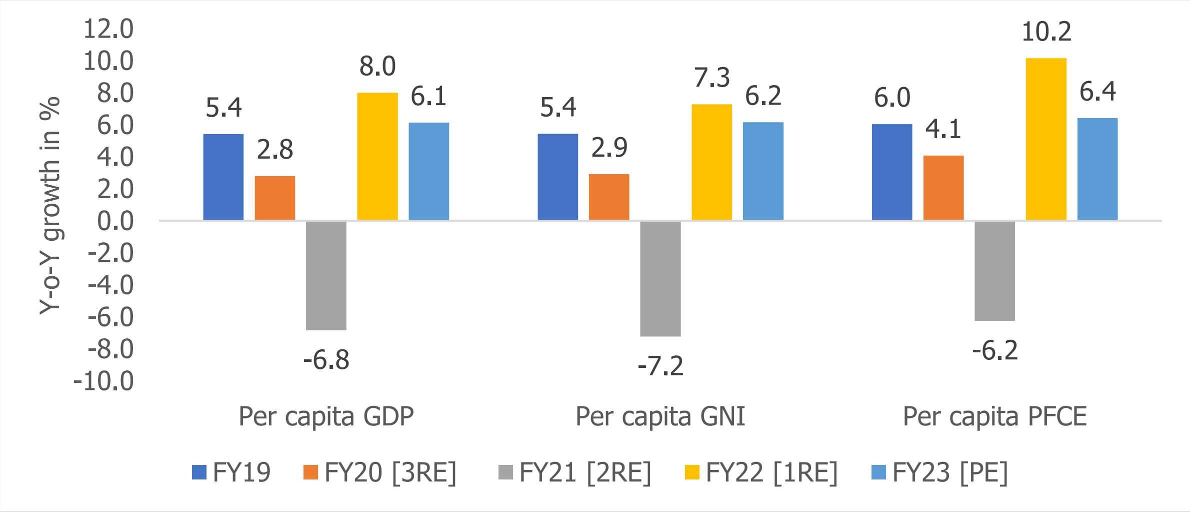
Note: 3RE – Third Revised Estimate, 2RE – Second Revised Estimates, 1RE – First Revised Estimates, PE – Provisional Estimate;
Source: MOSPI

Per capita GDP, Per Capita GNI and Per Capita PFCE

India has a population of about 1.3 billion with a young demographic profile. The advantages associated with this demographic dividend are better economic growth, rapid industrialization and urbanization.

Gross Domestic Product (GDP) per capita is a measure of a country's economic output per person. FY21 witnesses a significant de-growth due to the pandemic. However, in FY22 the economy paved its way towards recovery and the per capita GDP grew by 8.0%. This growth was moderated to 6.1% due to the correction of base effect in FY23. The Gross national income (GNI) also increased by 7.3% in FY22 and 6.2% in FY23. The per capita private final consumption expenditure (PFCE), which represents consumer spending, increased by 10.2% in FY22 and 6.4% in FY23.

Chart 3: Growth in Per Capita GDP, Income and Final Consumption (Y-o-Y growth in %)

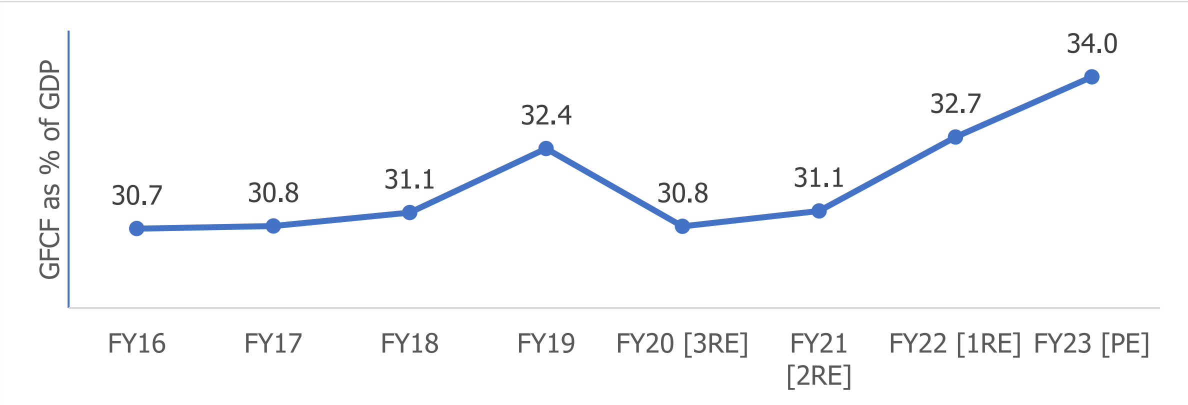


Note: 3RE – Third Revised Estimate, 2RE – Second Revised Estimates, 1RE – First Revised Estimates, PE – Provisional Estimate;
Source: MOSPI

1.2.3 Investment trend in infrastructure

Gross Fixed Capital Formation (GFCF), which is a measure of the net increase in physical assets, witnessed an improvement in FY22. As a proportion of GDP, it is estimated to be at 32.7%, which is the second-highest level in 7 years (since FY15). In FY23, the ratio of investment (GFCE) to GDP climbed up to its highest in the last decade at 34%, as per the advanced estimate released by the Ministry of Statistics and Programme Implementation (MOSPI).

Chart 4: Gross Fixed Capital Formation (GFCF) as % of GDP (At constant prices):



PE: Provisional Estimates, RE: Revised Estimate; Source: MOSPI

Overall, the support of public investment in infrastructure is likely to gain traction due to initiatives such as Atmanirbhar Bharat, Make in India, and Production-linked Incentive (PLI) scheme announced across various sectors.

1.2.4 Industrial Growth

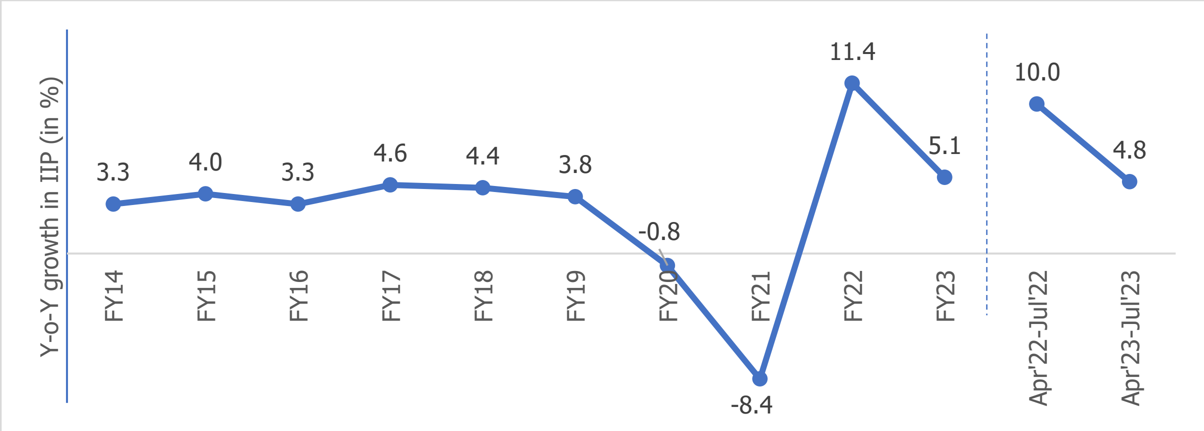
Improved Core and Capital Goods Sectors helped IIP Growth Momentum

The Index of Industrial Production (IIP) is an index to track manufacturing activity in an economy. On a cumulative basis, IIP grew by 11.4% y-o-y in FY22 post declining by 0.8% y-o-y and 8.4% y-o-y, respectively, in FY20 and FY21. This high growth was mainly backed by a low base of FY21. FY22 IIP was higher by 2.0%

when compared with the pre-pandemic level of FY20, indicating that while economic recovery was underway, it was still at very nascent stages.

During FY23, the industrial output recorded a growth of 5.1% y-o-y supported by a favourable base and a rebound in economic activities. During April 2023 and May 2023, IIP grew by 4.2% y-o-y and 5.3% y-o-y growth, respectively. This growth in April and May 2023 was aided by encouraging performance of the mining and manufacturing sectors. However, in June 2023, the industrial output slowed to 3.7% mainly due to moderation in the manufacturing sector's output. This industrial growth rebounded to 5.7% in July 2023 with improvement in the manufacturing segment.

Chart 5: Y-o-Y growth in IIP (in %)



Source: MOSPI

The rebound in industrial activity in July 2023 is encouraging. The healthy momentum recorded in the infrastructure and construction sector is likely to continue aided by the Government's focus on this segment. The consumption demand is likely to see an improvement in the upcoming festive season. However, the elevated food inflation and monsoon-related vagaries could pose a risk to consumption demand. Over a longer period of time, the unfolding of the domestic demand scenario remains critical for industrial activity. External demand is likely to remain weak and that will continue to cast a shadow on export-dependent sectors.

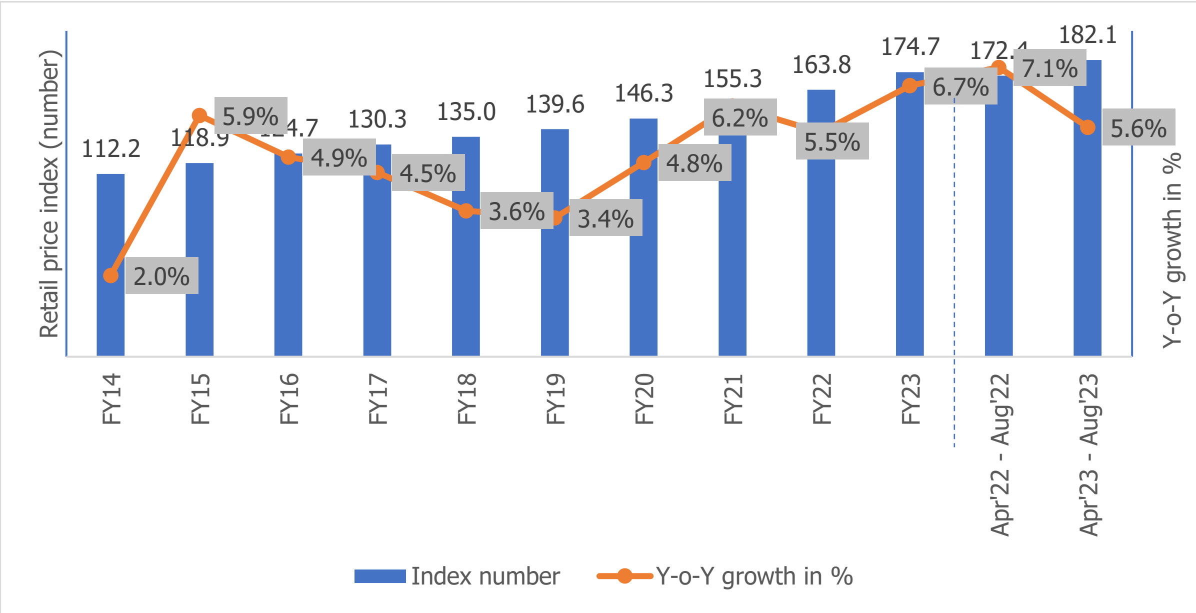
1.2.5 Consumer Price Index

India's consumer price index (CPI), which tracks retail price inflation, stood at an average of 5.5% in FY22 which was within RBI's targeted tolerance band of 6%. However, consumer inflation started to upswing from October 2021 onwards and reached a tolerance level of 6% in January 2022. Following this, CPI reached 6.9% in March 2022.

CPI remained elevated at an average of 6.7% in FY23, above the RBI's tolerance level. However, there was some respite toward the end of the fiscal wherein the retail inflation stood at 5.7% in March 2023, tracing back to the RBI's tolerance band. Apart from a favorable base effect, the relief in retail inflation came from a moderation in food inflation.

In the current fiscal FY24, the CPI moderated for two consecutive months to 4.7% in April 2023 and 4.3% in May 2023. This trend snapped in June 2023 with CPI rising to 4.9% and 7.4% in July 2023 largely due to increased food inflation. The CPI has breached the RBI's target range for the first time since February 2023. This marks the highest reading observed since the peak in April 2022 at 7.8%. The notable surge in vegetable prices and elevated inflation in other food categories such as cereals, pulses, spices, and milk have driven this increase. Further, the contribution of food and beverage to the overall inflation has risen significantly to 65%, surpassing their weight in the CPI basket. This was further moderated in August 2023 to 6.8% mainly due to government's active intervention.

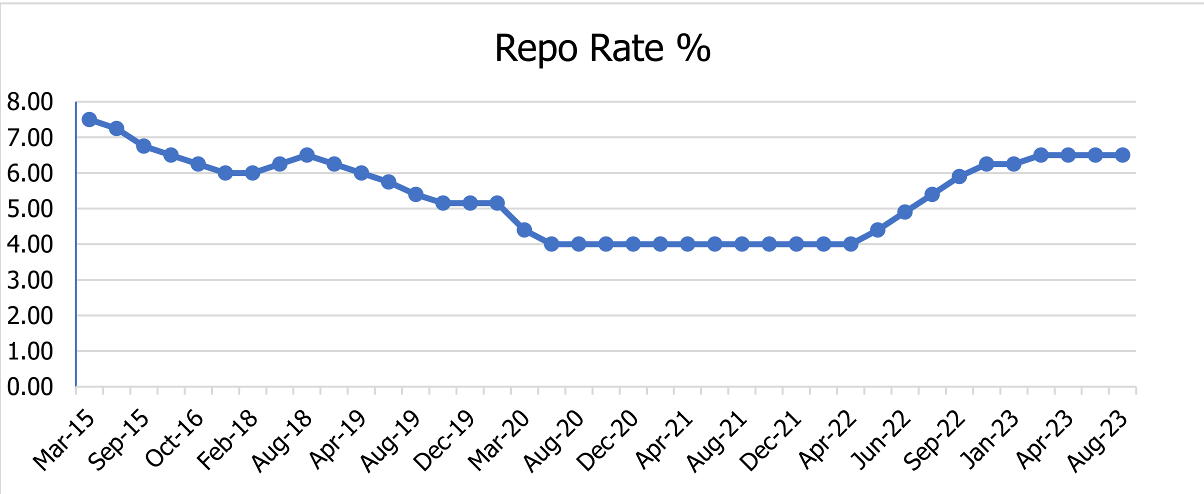
Chart 6: Retail Price Inflation in terms of index and Y-o-Y Growth in % (Base: 2011-12=100)



Source: MOSPI

The CPI is primarily factored in by RBI while preparing their bi-monthly monetory policy. The RBI has increased the repo rates with the rise in inflation in the past year from 4% in April 2022 to 6.5% in January 2023.

Chart 7: RBI historical Repo Rate



Source: RBI

However, with the inflation easing over the last few months, RBI has kept the repo rate unchanged at 6.5% in the last three meetings of the Monetary Policy Committee. At the bi-monthly meeting held in August 2023, RBI projected inflation at 5.4% for FY24 with inflation during Q2FY24 at 6.2%, Q3FY24 at 5.7%, Q4FY24 at 5.2% and Q1FY25 at 5.2%

In a meeting held in August 2023, RBI also maintained the liquidity adjustment facility (LAF) corridor by adjusting the standing deposit facility (SDF) rate of 6.25% as the floor and the marginal standing facility (MSF) at the upper end of the band at 6.75%.

Further, the central bank continued to remain focused on the withdrawal of its accommodative stance. With domestic economic activities gaining traction, RBI has shifted gears to prioritize controlling inflation. While RBI has paused on the policy rate front, it has also strongly reiterated its commitment to bringing down inflation close to its medium-term target of 4%. Given the uncertain global environment and lingering risks to inflation, the Central Bank has kept the window open for further monetary policy tightening in the future, if required.

1.2.6 Key Demographic drivers for Economic Growth

The trajectory of economic growth of India and private consumption is driven by socio-economic factors such as demographics and urbanization.

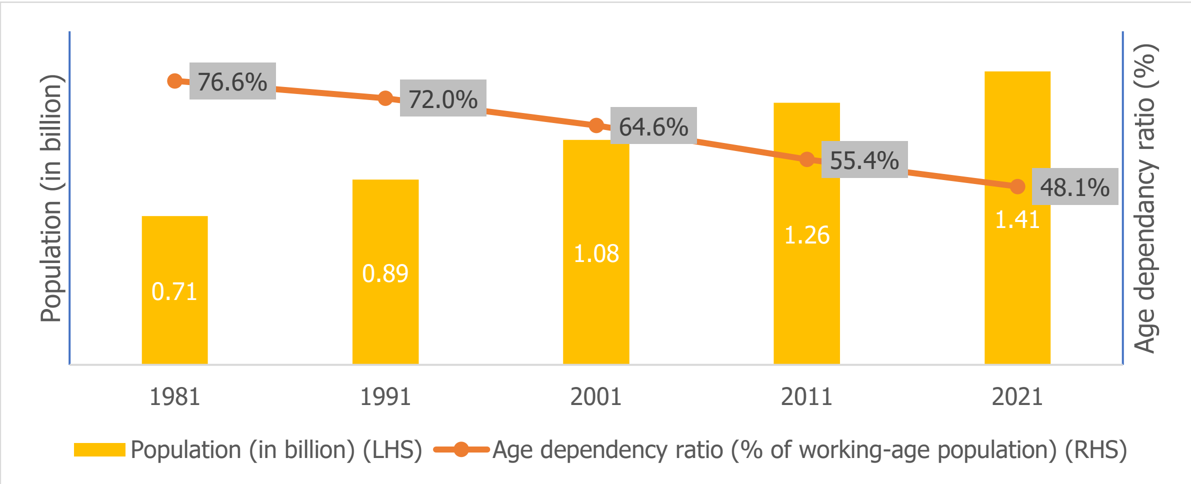
Some of the key demographic drivers are as under:

- **Growing Population and Declining Dependency Ratio:**

With 1.41 billion people, India is the second-most populous country in the world, with the population witnessing significant growth in the past few decades.

Age Dependency Ratio is the ratio of dependents to the working age population, i.e., 15 to 64 years, wherein dependents are population younger than 15 and older than 64. This ratio has been on a declining trend. It was as high as 76.6% in 1981, which has reduced to 48.1% in 2021. Declining dependency means the country has an improving share of working-age population generating income, which is a good sign for the economy.

Chart 8: Trend of India Population vis-à-vis dependency ratio

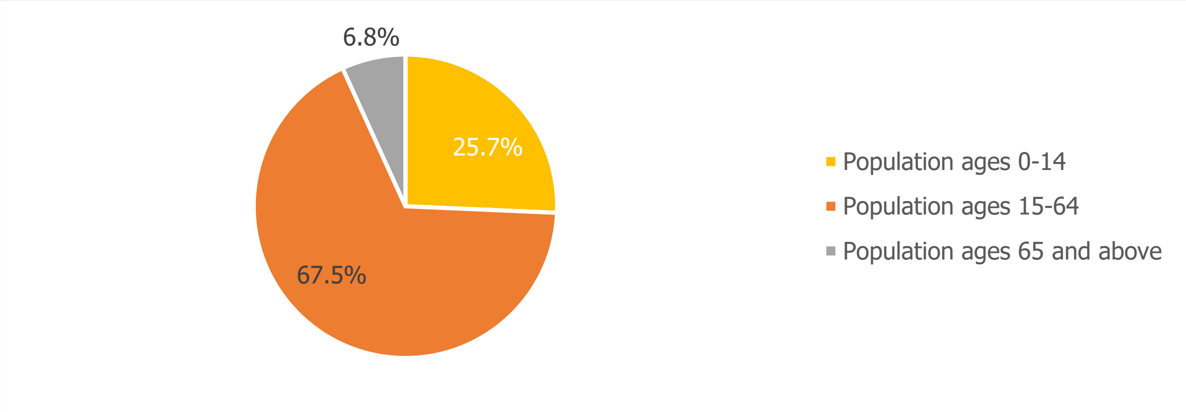


Source: World Bank Database

- **Young Population:**

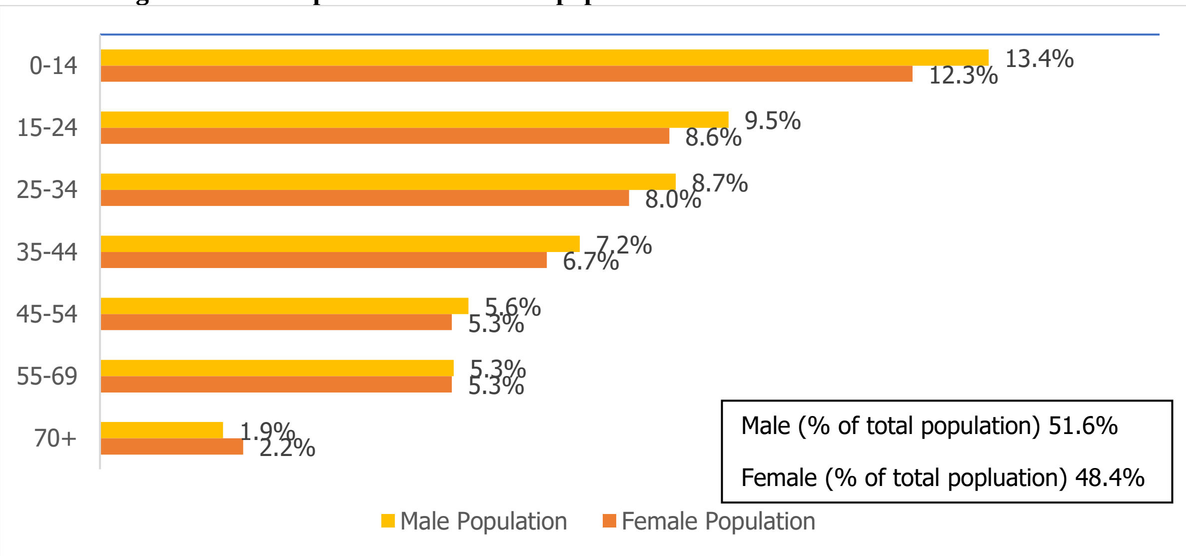
With an average age of 29, India has one of the youngest populations globally. With vast resources of young citizens entering the workforce every year, it is expected to create a 'demographic dividend'. India is home to a fifth of the world's youth demographic and this population advantage will play a critical role in economic growth.

Chart 9: Age-wise break up of Indian population



Source: World Bank Database

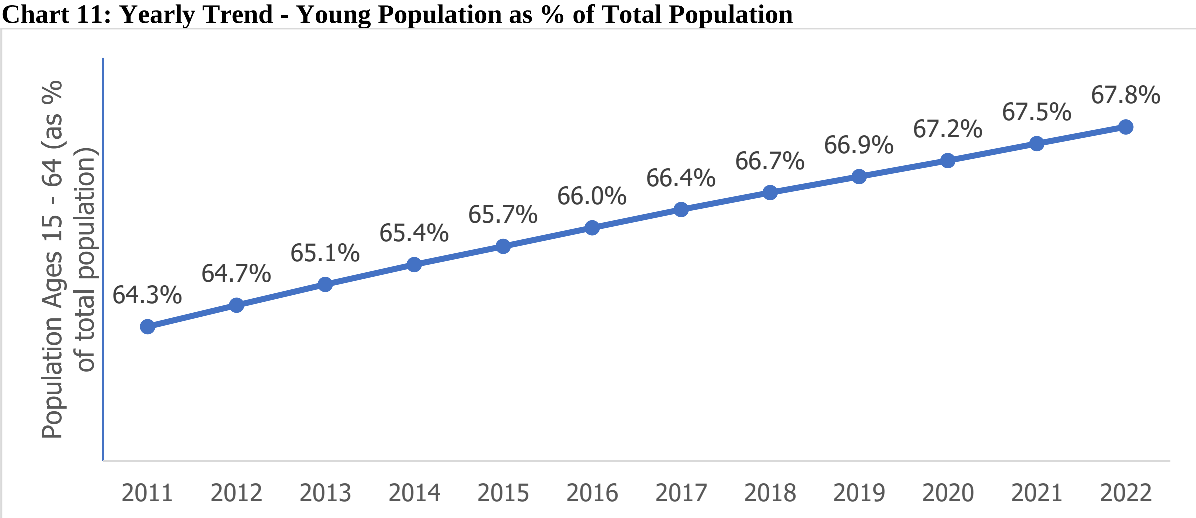
Chart 10: Age-wise break up of male and female population



Source: World Bank Database

With the rise in number of working women, increasing proportion of working population and younger age group amongst the urban population in India, the consumer demand is expected to grow in the future. The increasing focus on education among the youth will lead to a decline in dependency ratio and enhanced lifestyles. This, in turn would enhance consumer spending.

Chart 11: Yearly Trend - Young Population as % of Total Population



Source: World Bank database

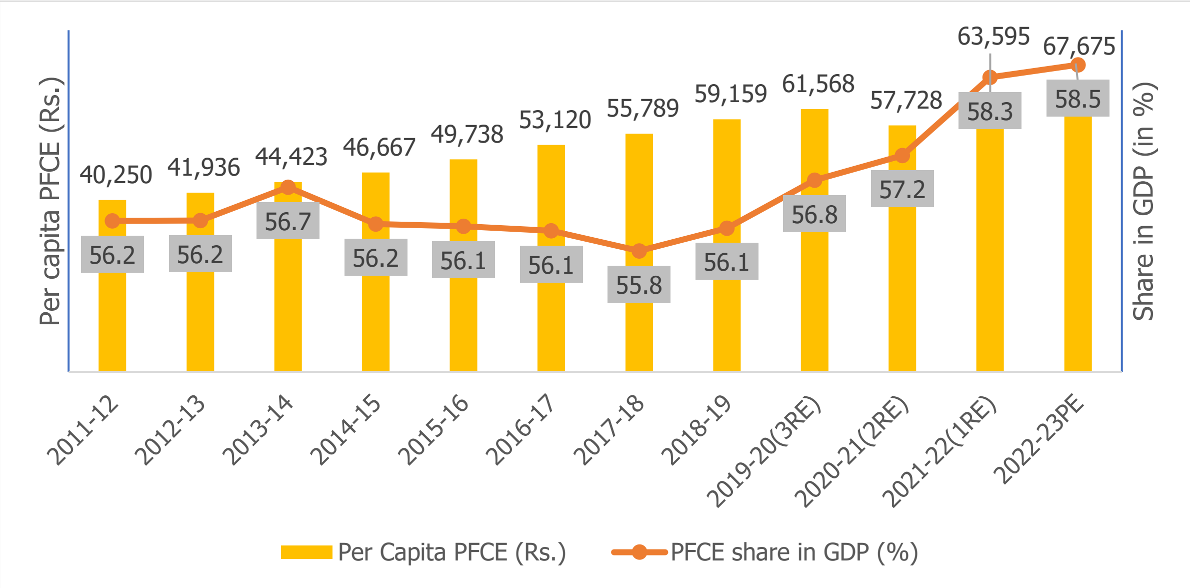
- **Growing Middle-Class**

According to the estimate of People Research on India's Consumer Economy (PRICE), the share of the middle class with an annual household income of Rs. 5-30 lakh, more than doubled from 14% in FY05 to 31% in FY21. It is projected to rise to 63% by FY47.

- **Consumer Spending**

There has been a gradual change in consumer spending behaviour. Private Final Consumption Expenditure (PFCE) which is measure of consumer spending has showcased growth in the past decade. Following chart depicts the trend of per capita PFCE:

Chart 12: Trend of Per Capita Private Final Consumption Expenditure

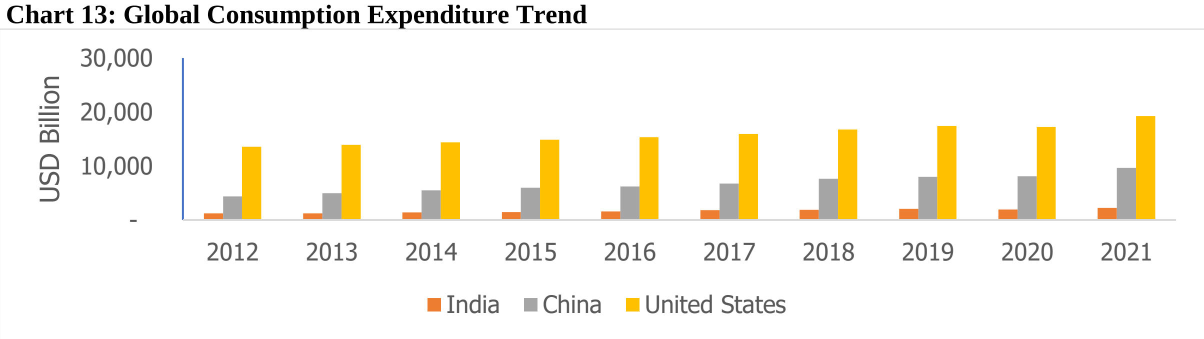


Note: 3RE – Third Revised Estimate, 2RE – Second Revised Estimates, 1RE – First Revised Estimates, PE – Provisional Estimate;
Source: MOSPI

The consumption pattern trend is also gradually moving towards higher spend on branded products and purchase from organised retail. This includes discretionary spending on food and beverages, apparel, accessories, jewellery, luxury products, consumer durables and across other discretionary categories.

When compared to the other global economies like China and United States, consumption expenditure by China accounted for about 14% of total consumption expenditure of the world in 2021, while, United States accounted for about 28% and India about 3%. The world's total consumption expenditures were valued at USD 69,472 billion in the year 2021.

Chart 13: Global Consumption Expenditure Trend



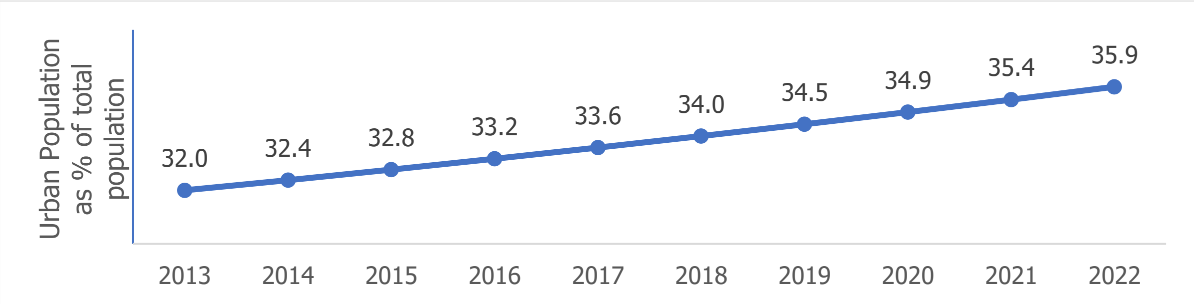
Source: World Bank Database

In the coming years, the private consumption in India is expected to be driven by revival in rural demand, the sustained buoyancy in services, especially contact-intensive sectors, and moderating inflationary pressures.

- **Urbanization**

Urbanization of India's population is growing on a larger population base. The urban population in India is estimated to have increased from 403 million (31.6% of total population) in the year 2012 to 498 million (35.4% of total population) in the year 2021. People living in tier-2 and tier-3 cities have greater purchasing power parity, high internet penetration, and increasingly brand-conscious young population. Due the rapid urbanization, there have been changes in lifestyle and working styles which has led to shift in buying behaviour pattern as well.

Chart 14: Trend of urbanisation in India



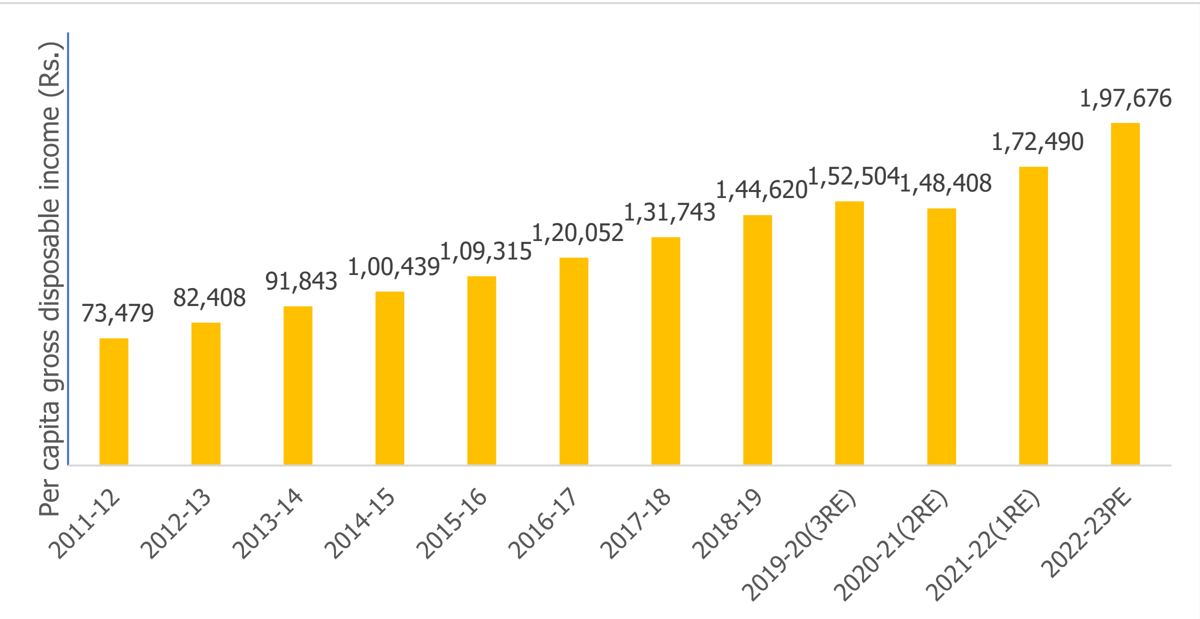
Source: World Bank Database

- **Increasing per capita disposable income**

Gross National Disposable Income (GNDI) is a measure of the income available to the nation for final consumption and gross savings. Between the period fiscal 2012 to fiscal 2023, per capita GNDI registered a CAGR of 9.4%. More disposable income drives more consumption, thereby driving economic growth.

The chart below depicts the trend of per capita GNDI in the past 12 years:

Chart 15: Trend of Per Capita Gross National Disposable Income



Note: 3RE – Third Revised Estimate, 2RE – Second Revised Estimates, 1RE – First Revised Estimates, PE – Provisional Estimate;
Source: MOSPI

1.2.7 Concluding Remarks

The major headwinds to global economic growth are escalating geopolitical tensions, volatile global commodity prices, and a shortage of key inputs. Despite the global economic growth uncertainties, the Indian economy is relatively better placed in terms of GDP growth compared to other emerging economies. It is expected to grow at 6.3% in CY24 compared to the world GDP growth projection of 3%. The bright spots for the economy are continued healthy domestic demand, support from the government towards capital expenditure, moderating inflation, and improving business confidence.

Likewise, several high-frequency growth indicators including the purchasing managers index, auto sales, bank credit, and GST collections have shown improvement in FY23. Moreover, normalizing the employment situation after the opening up of the economy is expected to improve and provide support to consumption expenditure.

Further, in line with the latest India Meteorological Department (IMD) projection, the rainfall activity has been muted during June 1, 2023 to September 20, 2023, with cumulative rainfall falling back to a 7% deficit. Also, weak-to-moderate El Nino conditions are expected to lead to a prolonged dry spell. A drop-in yield due to irregular monsoon and a lower acreage can lead to a demand-supply mismatch, further increasing the inflationary pressures on the food basket. Going ahead, consumption demand is expected to pick up during the festive season, but the quantum of rise in demand will be dependent on the extent of the impact of the irregular monsoon.

At the same time, public investment is expected to exhibit healthy growth as the government has allocated a strong capital expenditure of about Rs. 10 lakh crores for FY24. The private sector’s intent to invest is also showing improvement as per the data announced on new project investments. However, volatile commodity prices and economic uncertainties emanating from global turbulence may slow down the improvement in private CapEx and investment cycle.

Furthermore, the industry sector is expected to perform better among all sectors, as input costs are now moderating. With flagship programmes like ‘Make in India’ and the PLI schemes, the government is continuing to provide the necessary support to boost the industry sector. Similarly, the service sector is expected to see continued growth in FY24. However, some segments in the service sector, like information technology, are likely to be impacted by the slowdown in the US and European economies.

2 Global & Indian Steel Industry

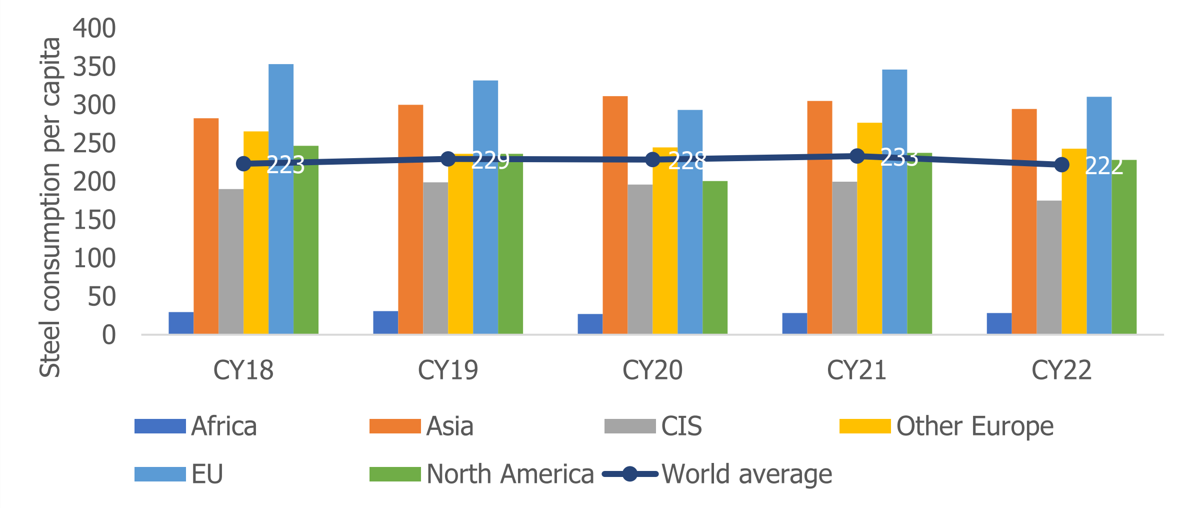
2.1 Global Steel

2.1.1 Global Steel Production

Steel is a paramount material in the fields of construction and engineering, finding widespread applications in industries such as automotive, construction, consumer goods, infrastructure, mechanical and medical equipment, packaging, and utensils, among others. Its popularity stems from its abundant availability, cost-effectiveness, exceptional strength and durability, ductility, and recyclability. According to the World Steel Association, there are more than 3,500 different grades of steel produced worldwide, each possessing unique physical, chemical, and environmental properties to suit various applications.

The global per capita consumption of steel has been on the rise and has increased to 233 kg in 2021 from 223.2 kg in 2018. However, it decreased to 222 Kg in 2022 as the demand was affected by macroeconomic factors such as global slowdown and uncertainties due to Russia-Ukraine war. The per capita consumption of EU 27 (Europe Union) was the highest at 310.3 kg in CY22 driven by high consumption in Germany, Italy, and France followed by Asia (294.7 kg) and Other Europe – United Kingdom, Turkey, and Others (242.9 kg)

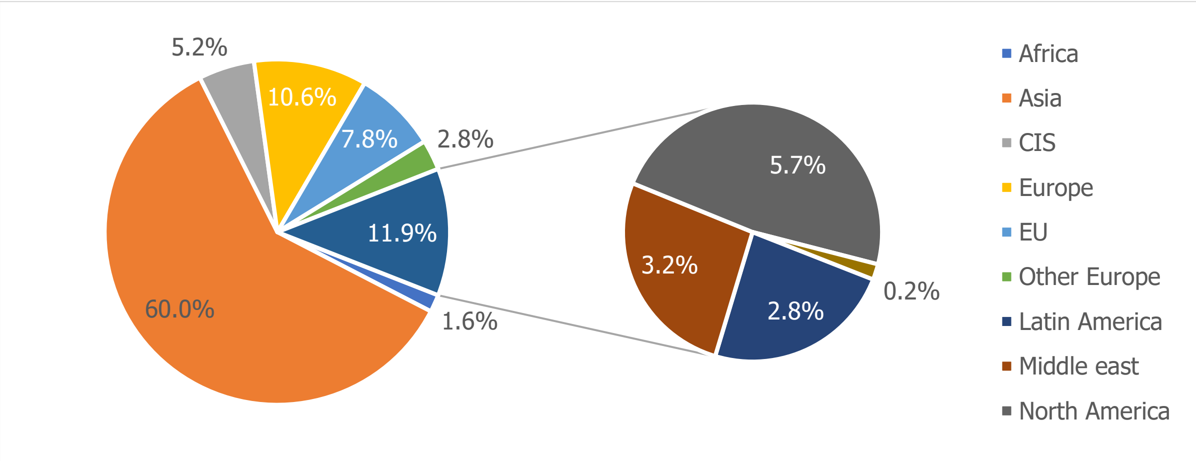
Chart 16 Global Per Capita Consumption (in kg)



Source: World Steel Association

The global steel production capacity reached 2,452.7 million tonne (MT) in CY22 from with Asia accounting for the largest share of 60%. China holds a dominant position in steelmaking capacity, production, and consumption, boasting the highest steel production capacity globally, followed by India and Japan. Additionally, the European Union, North America, Latin America, the Middle East, and Oceania also contribute significantly to the global steel production capacity.

Chart 17: Region-wise Global Capacity in CY22 (in MT)



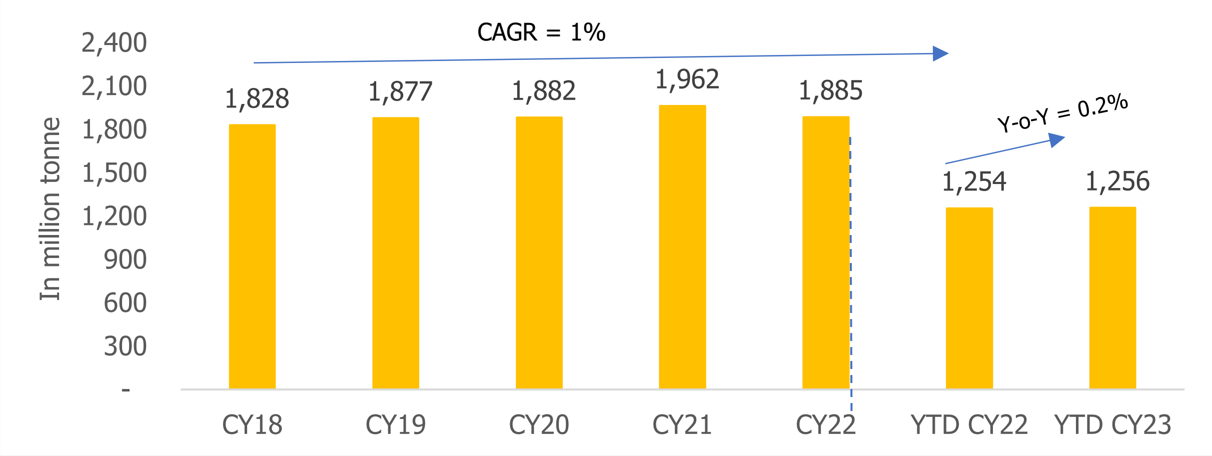
Source: Organisation for Economic Co-operation and Development (OECD)

2.1.2 Global Steel Production

Global crude steel production has grown at a 5-year CAGR of around 1% to 1,885 MT in CY22 from 1,828 MT in CY18. However, it declined by ~4% y-o-y in CY22 from 1,962 MT in CY21 due to a slowdown in China, monetary tightening in the United States and Europe, inflationary pressures which led to the rise in input costs and supply chain disruptions caused due to the Russia-Ukraine war.

During YTD CY23 (April 2023-August 2023), the production of global crude steel remained flat in corresponding to the same period in CY22.

Chart 18: **Global Crude Steel Production**

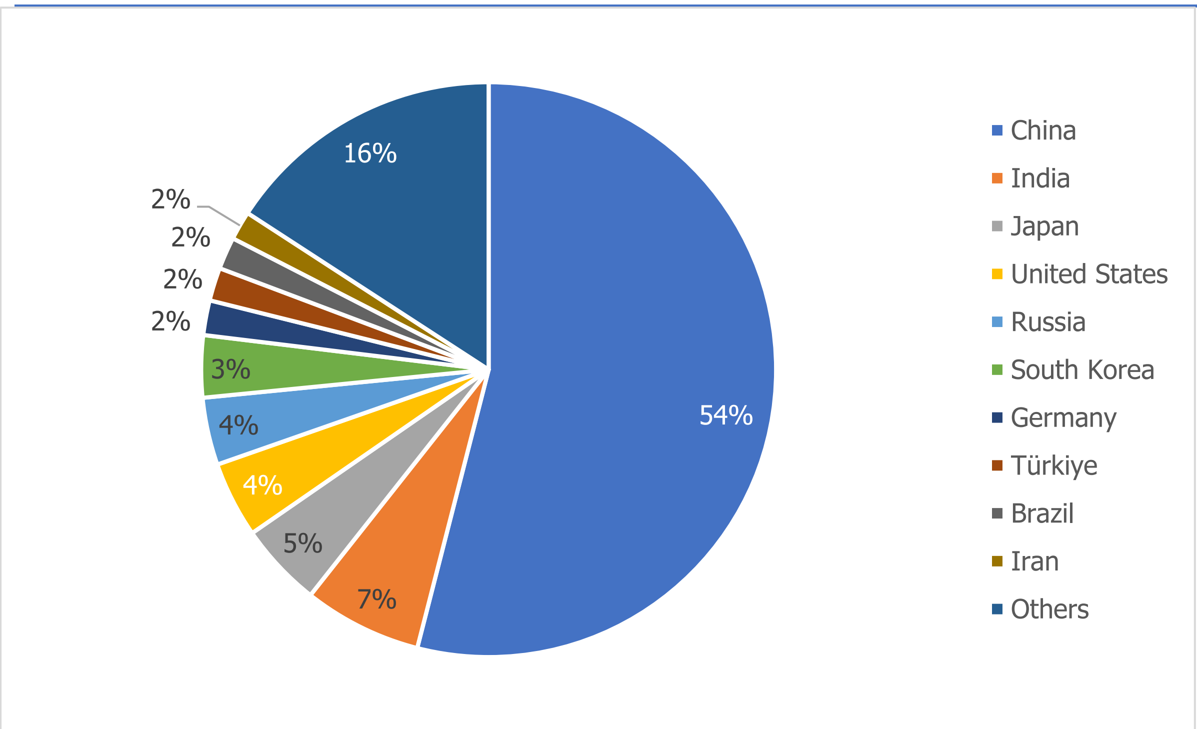


Source: World steel association
Note: YTD CY22 refers to the period from January 2022-August 2022
YTD CY23 refers to the period from January 2023-August 2023

China continued to be the largest crude steel producer in CY22 accounting for 54% share. However, Chinese production declined by 2% y-o-y to 1,018 MT in CY22 as compared to 1,035 MT in the previous year due to lockdowns and restrictions enforced in the country due to the outbreak of Covid-19 and a slowdown of its real estate market. China is also cutting down their production due to environmental concerns.

India was the second largest producer of crude steel in CY22 with a 7% share, followed by Japan with a 5% share. The USA and Russia accounted for a 4% share each in the total production during CY22.

Chart 19: Steel Production Geographical Region in CY22- 1,885 MT



Source: World Steel Association

2.1.3 Global Steel Consumption

Steel is being used in industries like energy, construction, automotive, transportation, infrastructure, packaging, and machinery. There was a strong recovery in finished steel consumption post the Covid-19 pandemic. In developed economies like USA, Europe, Japan and South Korea, the demand was driven by automotive and durable goods sector.

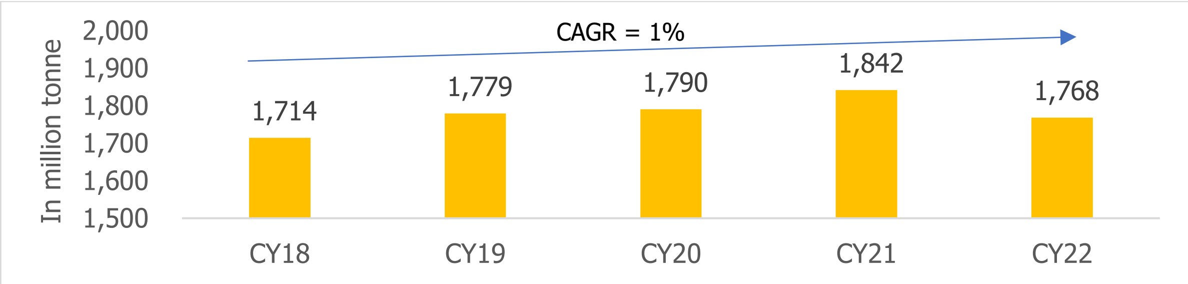
The global finished steel consumption has increased at a CAGR of nearly 1% from 1,714 MT in CY18 to 1,768 MT in CY22.

However, the global consumption of finished steel declined significantly in CY22, because global production was affected due to a slowdown in China, monetary tightening in the United States and Europe, inflationary pressures which led to the rise in input costs and supply chain disruptions caused due to the Russia-Ukraine war.

The finished steel consumption in China reduced on account movement restrictions and lockdown in the country on account of Covid-19 pandemic, environmental concerns, and target to lower carbon emission. However, the support by Chinese Government is expected to aid in the recovery of demand with the resumption of construction and real estate activities.

The consumption of finished steel in India has been robust on account of increased investment in infrastructure and policy support by the Government. Despite the inflationary pressure and uncertainties around the global economy, India witnessed a healthy demand from auto, consumer durables, capital goods and real estate sectors.

Chart 20: Global Steel Demand



Source: World Steel Association

2.2 Domestic Steel

India is the second largest steel producer in the world with an installed capacity of 154.1 MT in FY22. It is also the second-largest consumer of finished steel[2] with a consumption of 120 MT in FY23. The Indian steel sector has been able to grow over the years due to domestic availability of raw materials such as iron ore and cost-effective labour. The industry has been driven by domestic steel demand from sectors such as construction, real estate, and automobiles, while the vast coastline has enabled exports and imports, making India one of the leading countries in the global steel industry.

The per capita finished steel consumption in India was 81.1 kg in CY22, which is significantly lower than the world average of 222 kg per capita. The National Steel Policy 2017 envisages that per capita steel consumption will increase to 158-160 kg by FY31. Further, steel has an output multiplier effect of 1.4x on GDP and an employment multiplier effect of 6.8x[3] in India. Thus, the steel industry has significant domestic potential and is expected to play a key role in the future economic growth of the country.

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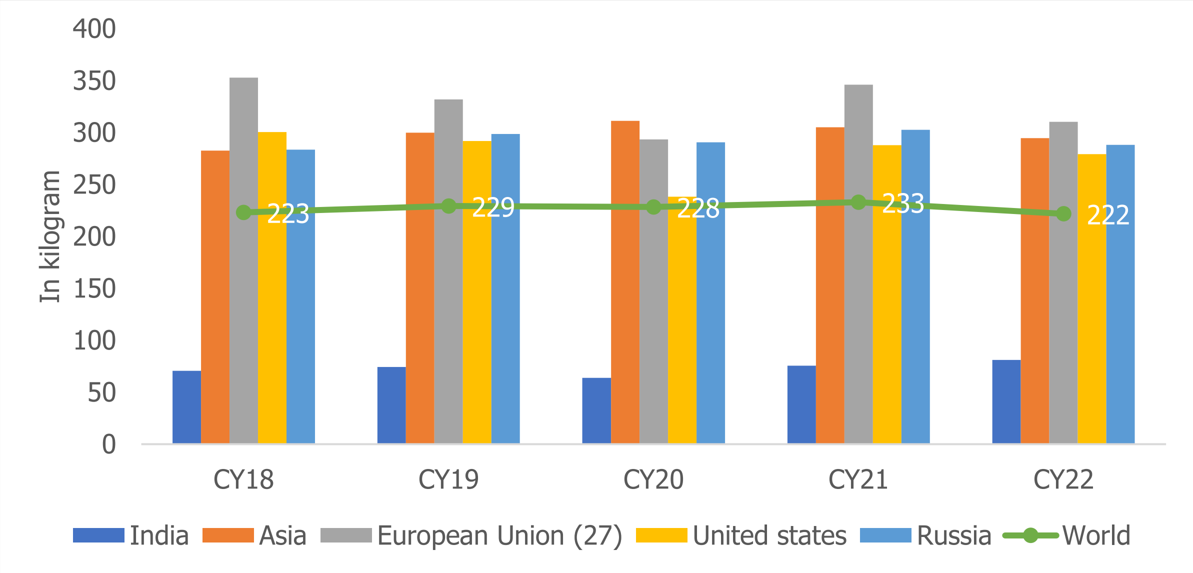
[2] Finished steel includes both long, flat products and specialty steel
[3] National Steel Policy 2017

Chart 21: Finished Steel Use Per Capita



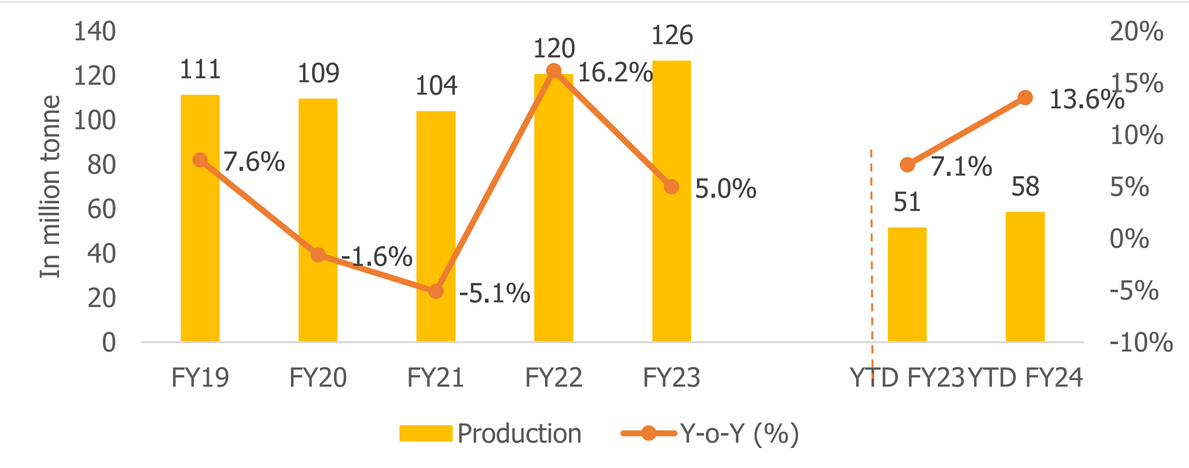
Source: World steel association

2.2.1 Domestic Crude Steel Production

Domestic crude steel production has grown at a CAGR of 3.3% in the past five years to reach 126 MT in FY23 from 111 MT in FY19. Large steel manufacturers' capacity utilization has been in the range of 80% to 90% in FY23 and all players have announced expansion of crude steel capacities. The National Steel Policy 2017 envisages achieving 300 MT of production capacity from the current level of 153-157 MT to cater to the expected demand of 230 MT by FY31.

The crude steel production in India increased by 13.6% to 58 MT in YTD FY24 (April 2023-August 2023) from 51 MT in YTD FY23 (April 2022-August 2022).

Chart 22: Domestic Crude Steel Production



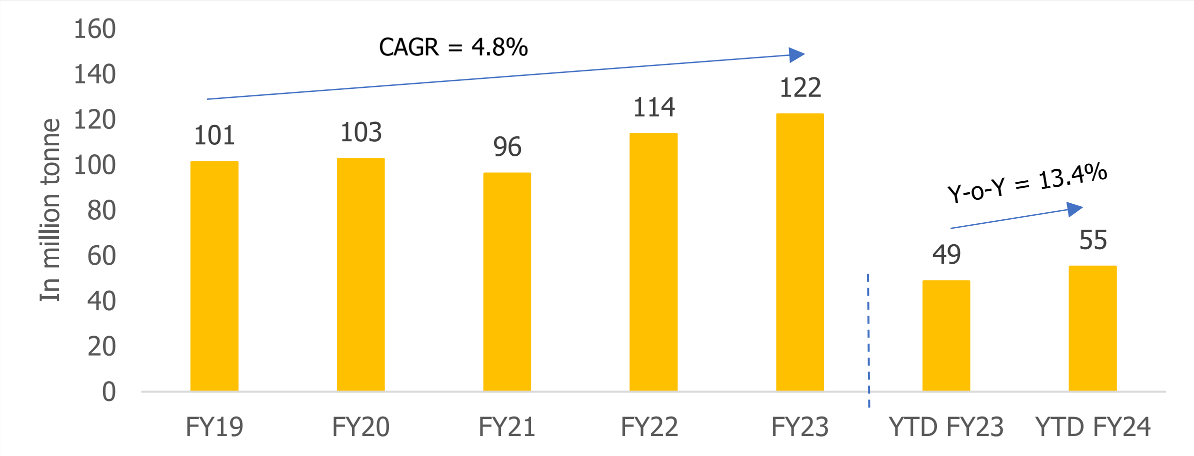
Source: CMIE
Note: YTD FY23 refers to the period from April 2022-August 2022
YTD FY24 refers to the period from April 2023-August 2023

2.2.2 Domestic Finished Steel Production and Consumption

In the last 5 years, finished steel production has grown at a CAGR of 4.8% to 122 MT in FY23 from 101 MT in FY19. The growth in production has been backed by a rise in domestic steel consumption on account of growing economic activities in the country supported by an increase in infrastructure and construction spending by the government, a rise in automobile and consumer durable demand, among others.

During YTD FY24, the production of finished steel grew by 13.4% on a y-o-y basis backed by strong demand in domestic market.

Chart 23: India's Finished Steel Production

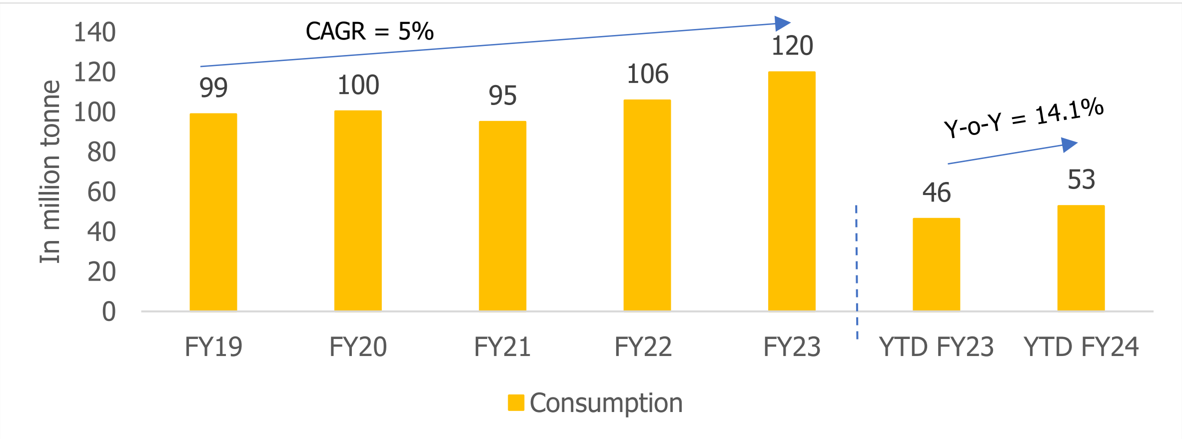


Source: CMIE
Note: YTD FY23 refers to the period from April 2022-August 2022
YTD FY24 refers to the period from April 2023-August 2023

Domestic finished steel consumption has increased at a CAGR of 5% to 120 MT in FY23 from 99 MT in FY19. After a steady increase in steel production, India observed a de-growth of 6.3% y-o-y in FY21 due to the outbreak of Covid-19 pandemic. The rebound in domestic demand from the impact of Covid-19 in previous financial years, continuous investment in infrastructure and policy support by the government, and pick-up in real estate construction during FY23 have led to an increase in consumption of finished steel to 120 MT, implying a y-o-y growth of 13.3%.

During YTD FY24, the consumption of finished steel reported a growth of 14.1% y-o-y on account of increased demand from infrastructure and real estate sectors, mainly due to pre-election year.

Chart 24: India's Finished Steel Consumption



Source: CMIE
Note: YTD FY23 refers to the period from April 2022-August 2022
YTD FY24 refers to the period from April 2023-August 2023

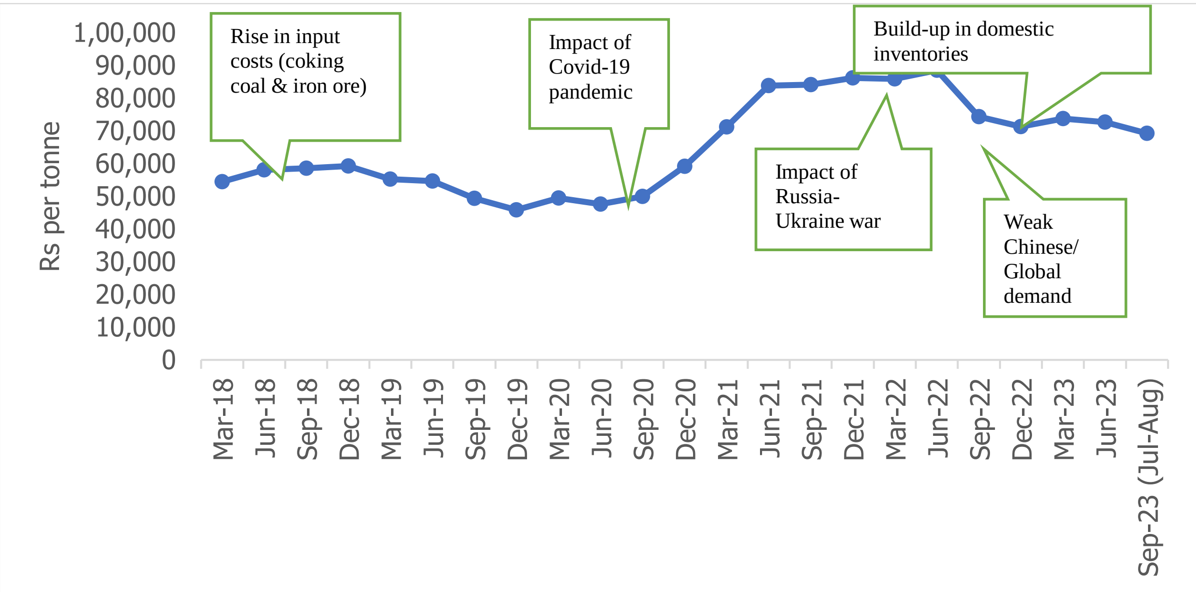
2.2.3 Price trends

Trend in Finished Steel Prices

Domestic steel prices have followed global prices directionally. Domestic steel prices remained range-bound between March 2018 to June 2019, however, they started declining thereafter as the economy was hit by the pandemic. During FY21, the average domestic finished steel prices peaked at Rs 71,157 per tonne as on March 2021. Since then, the prices increased throughout FY22 on account of a revival in domestic demand as economic activities began to pick-up after the easing of restrictions and lockdowns.

During FY22, prices were impacted by the geo-political war between Russia and Ukraine and stood at Rs 85,820 per tonne as of March 2022. The geopolitical crisis continued and the prices were further pushed to Rs. 88,498 per tonne in June 2022 quarter. The escalation in prices was also because of the rise in coking coal and iron ore prices globally. However, after a sharp rise, the prices declined by around 16% in quarter ending September 2022 as compared to the previous quarter. Furthermore, they fell to Rs 71,326 per tonne in December 2022. This decline was caused by the imposition of an export duty on a range of finished steel products from the period May 2022 to November 2022, leading to lower exports and an increase in domestic inventories. In addition to that, softening of iron ore and coking coal prices also affected the steel prices in the domestic market. Prices have remained fairly range bound between January 2023 and August 2023.

Chart 25: Domestic Average Finished Steel Prices

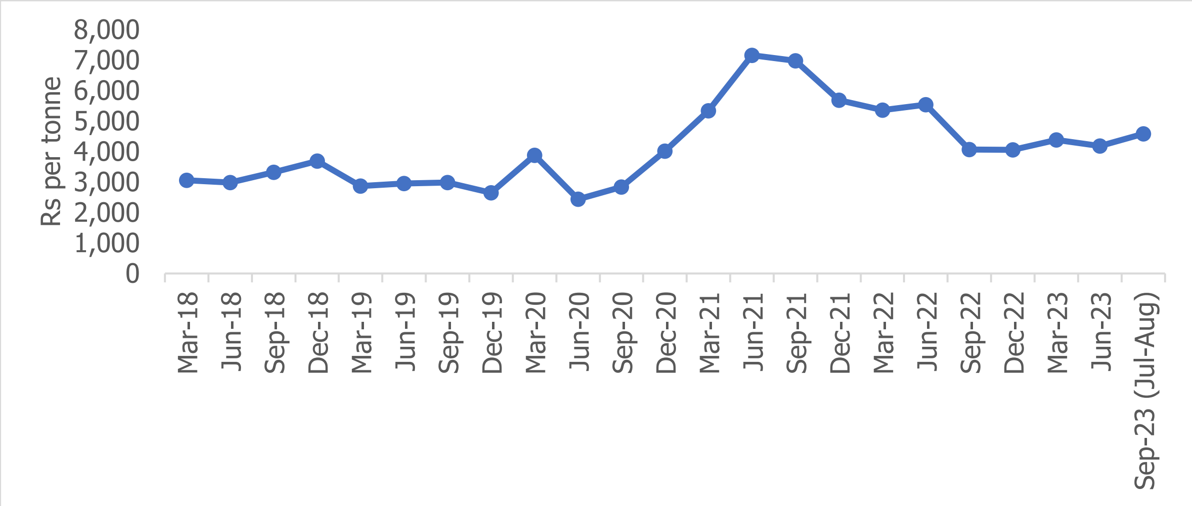


Source: CMIE

Trend in Iron Ore Prices

After the reduction in export duty on iron ore in November 2022, domestic prices began to rise. In January 2023, NMDC increased the prices for iron ore lumps and fines, which further boosted the prices. As of March 2023, iron ore prices stood at Rs. 4,383 per tonne, a growth rate of 8% as compared to December 2022. This rise in raw material prices resulted in higher domestic steel prices to Rs. 73,757 per tonne. However, the prices of iron ore observed a fall of 4.5% q-o-q in quarter ending June 2023 on account of weak global demand especially from China (the largest consumer of iron ore) as the recovery was slower than expected. As a result, the steel prices have declined by 1.6% q-o-q and 18% y-o-y in June 2023. However, the prices have been exhibiting an increasing trend during the quarter ending September 2023 (July 2023 - August 2023).

Chart 26: Domestic Iron Ore Prices



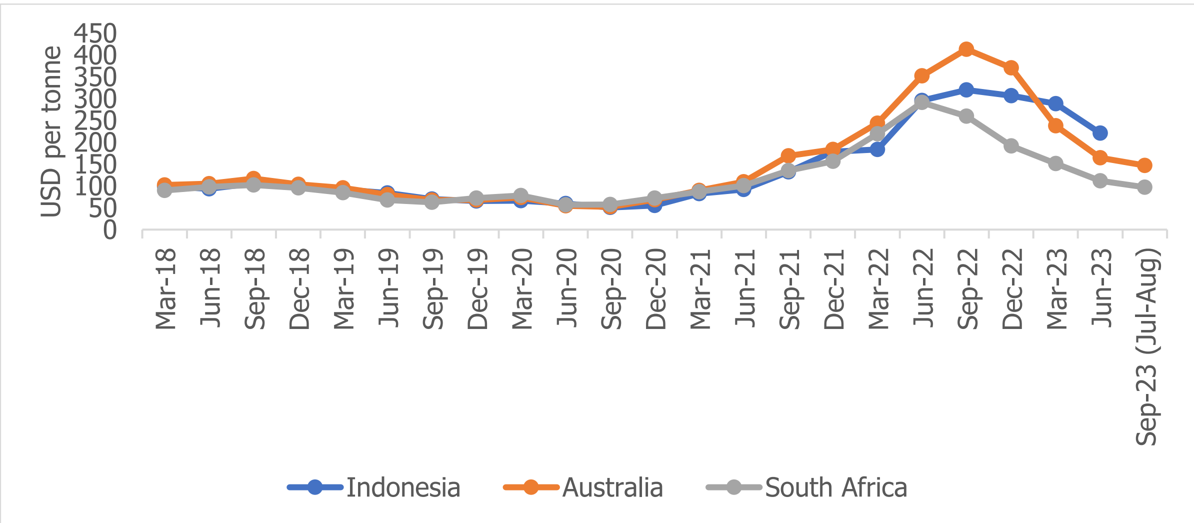
Source: CMIE

Trend in Coking Coal Prices

The international coal prices remained fairly range bound during March 2018 to September 2019. However, prices declined sharply and fell to USD 50 per tonne by August 2020 as coal demand was impacted due to Covid-19. The coal prices started rising in CY21 due to production cutbacks and supply disruptions. The coal prices also found tailwinds in the Russia-Ukraine war which commenced in February 2022, and resulted in the disruption of coal supplies to Europe.

During FY23, the average coal prices for Indonesian coal, South African coal and Australian coal were 108%, 72% and 99% higher, respectively, as compared to prices during the previous year. Coal prices have been softening since November 2022 as the increase in supplies from South Africa and Columbia has alleviated the demand crunch in European countries caused by the reduction of coal imports from Russia. These factors have led to a reduction in international coal prices. During YTD FY24 (April-August 2023), the average coal prices for South African coal and Australian coal were 65% and 61.3% lower, respectively, as compared to prices during the same time period in FY23. International coal prices of major global benchmarks are expected to be lower in FY24 compared to FY23, however, they will continue to be higher than pre-Covid years' averages as the global demand continues to remain high owing to increased demands, especially in China and India.

Chart 27: Prices of Coal



Source: World Bank, CMIE

2.2.4 Outlook

CareEdge Research estimates India's steel consumption growth rate to be healthy at 8-10% in FY24 led by improving activities in the construction sector along with sustained momentum in the real estate and automobile sectors is expected to boost the demand for steel products in the country.
As India has entered its pre-election year in 2023, the government is likely to increase investments both at the state and central levels and this is expected to augur well for the domestic steel demand.
Some of the key budgetary announcements which reflect the same are:

- An increase in allocation of capex towards infrastructure from Rs. 7.5 lakh crore to Rs. 10 lakh crore in Union Budget 2023-24
- The capital outlay of Rs. 2.4 lakh crore for Indian Railways
- 100 transport infrastructure projects
- Approval of Production Linked Incentive (PLI) Scheme for specialty steel
- Allocation towards PMAY scheme to be increased to Rs. 79,590 crore from Rs. 77,130 crore in previous budget
- Increase in allocation by Rs. 15,000 crore towards Jal Jeevan Mission

During FY23, exports witnessed a de-growth as compared to FY22. This was mainly because the government imposed export duty of 15% which made steel exports from India expensive and affected export demand. However, in November 2022, the government has withdrawn the export duty on steel products. Post removal, the exports have been rising sequentially and the full impact of the duty reversal is expected in FY24. However, exports may not reach the highs achieved in FY22 due to weak global demand and an increase in finished steel exports from China as observed from January to April 2023. Global steel prices are expected to be under pressure in the near term due to continued weakness in global steel demand and a decline in coking coal prices. Domestic prices are also expected to trend in line with global prices supported by healthy domestic demand.

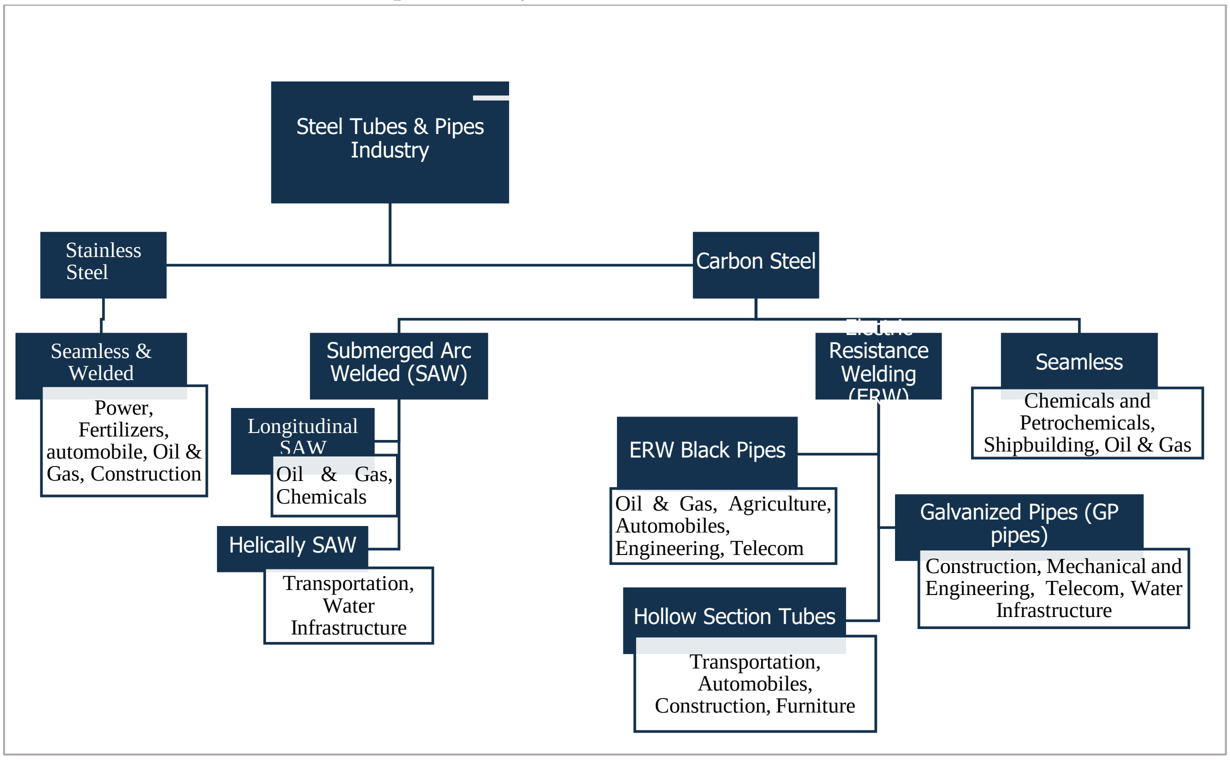
2.3 Indian Steel Pipes & Tubes

2.3.1 Overview and Trends in Industry

Steel tubes and pipes are cylindrical structures made of steel that are generally in hollow shape. However, different shapes, sizes and grades are used to cater the requirements of various industries.

India is one of the established manufacturers of steel pipes globally, which is one of the most important sub-industries of the Indian steel sector. Construction, Railways, Oil & gas, agriculture, real estate are some of the key consumers of steel pipes and tubes. Various types of steel tubes and pipes are given in the following chart.

Chart 28: Indian Steel Tubes & Pipes industry



Source: Industry sources

The usage of steel tubes and pipes is significant in construction activities and building infrastructure. These materials are used in the construction sector for creating structural elements such as columns, beams, and trusses in order to provide strength and support the formation of building. They are also used in water infrastructure such as water supply for drinking water, plumbing, drainage, and sewerage systems. Apart from this, they are also used by manufacturing sector including oil and gas pipelines, agricultural equipment, automobile components, electrical cable conduits etc.

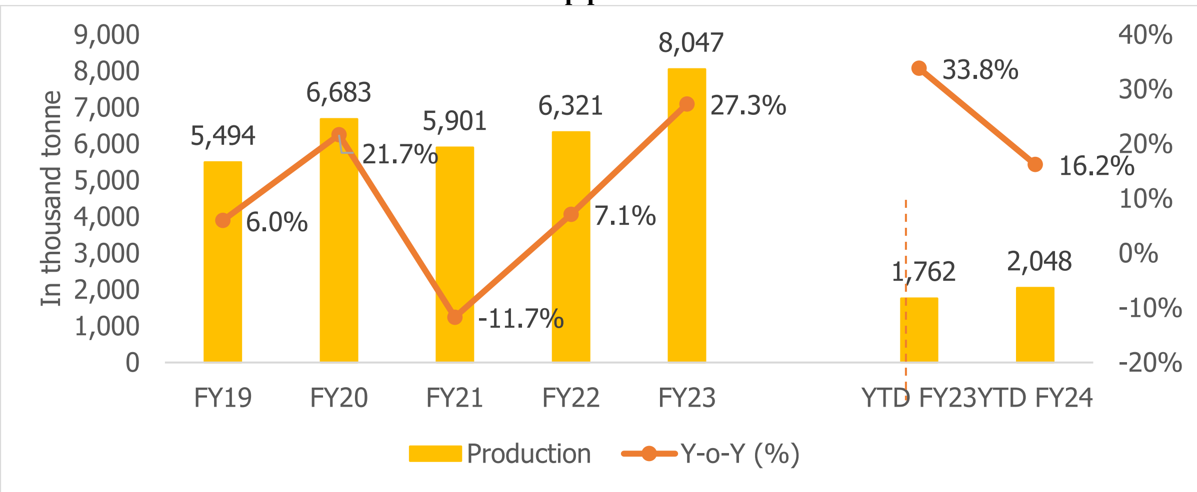
Various initiatives and policies have been adopted by the Government to promote domestic steel production through Make in India initiative and National Steel Policy (NSP) 2017. The NSP envisages development of value-added products such as alloy steel & electrical steel in the domestic market. Overall, the increase in demand for steel tubes and pipes will contribute towards the country's growth and development, making them an important element of the country's infrastructure and manufacturing sectors.

2.3.2 Domestic Production and Consumption

The production of steel tubes and pipes grew at a CAGR of about 10% in the past 5 years from FY19-FY23. Of these years, the industry has witnessed a decline only in FY21 due to the outbreak of Covid-19. During FY23, the production increased by 27.3% y-o-y backed by healthy domestic demand.

During YTD FY24, the production of steel tubes and pipes increased by 16.2% on a y-o-y.

Chart 29: Trend in Production of Steel tubes and pipes



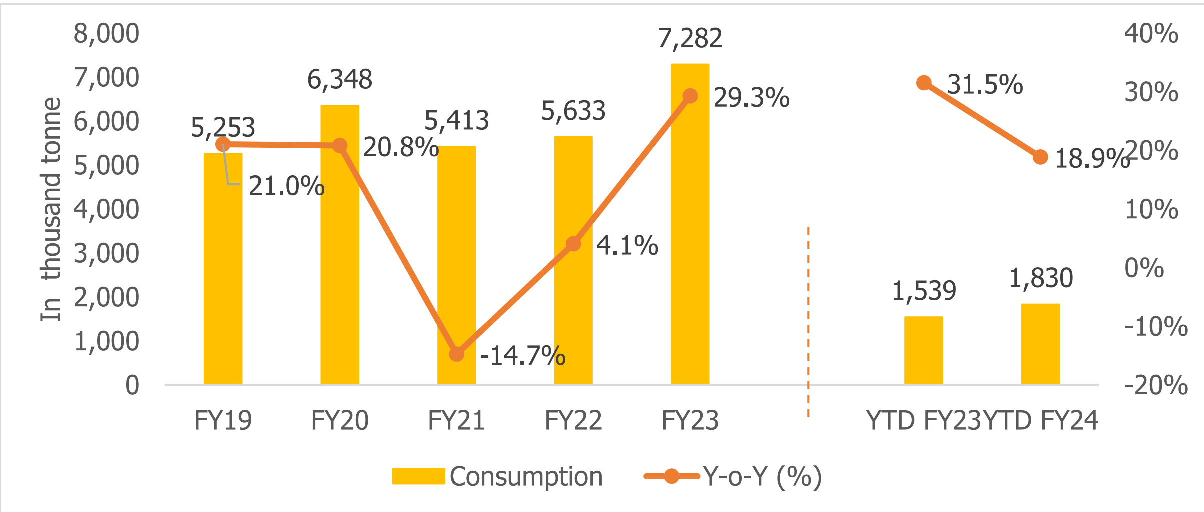
Source: CMIE
Note: YTD FY23 refers to the period from April 2022-August 2022
YTD FY24 refers to the period from April 2023-August 2023

The consumption of steel tubes and pipes in India has grown steadily at a CAGR of 8.5% from 5,253 thousand tonne in FY19 to 7,282 thousand tonne in FY23. After witnessing an uptrend till FY20, the industry observed a de-growth of 14.7% in consumption during FY21 due to the pandemic.

During FY23, the industry witnessed a strong growth of around 29.3% y-o-y in consumption on account of the factors such as improvement in construction and real estate activities, continuous investment in infrastructure and policy support by the government.

The industry has observed a growth rate of 18.9% in YTD FY24 in corresponding to the same period last year.

Chart 30: Consumption pattern of Steel tubes and pipes



Source: CMIE
Note: YTD FY23 refers to the period from April 2022-August 2022
YTD FY24 refers to the period from April 2023-August 2023

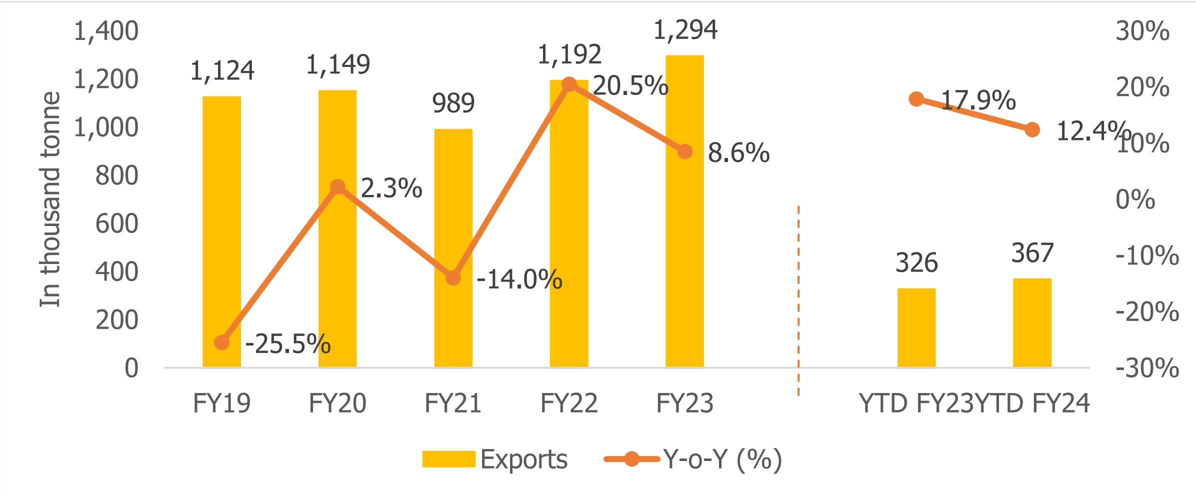
2.3.3 Trend in Exports and Imports

Exports

The exports of steel tubes and pipes have grown at a CAGR of 3.6% during the past five years from 1,124 thousand tonne in FY19 to 1,294 thousand tonne in FY23. The export market has always been on a steady rise except for FY21 as the outbound shipments were affected by the pandemic. However, they grew by 20.5% y-o-y in FY22 after the easing of lockdown and restrictions.

During FY23, Exports increased by 8.6% y-o-y. A significant y-o-y growth of 24% in outbound shipments to USA, amounting to 310 thousand tonne, led to the rise in exports during FY23. In addition to this, shipments to UAE, Canada, Indonesia and Malaysia also supported the export growth. During YTD FY24, the exports registered a growth of 12.4% on a y-o-y.

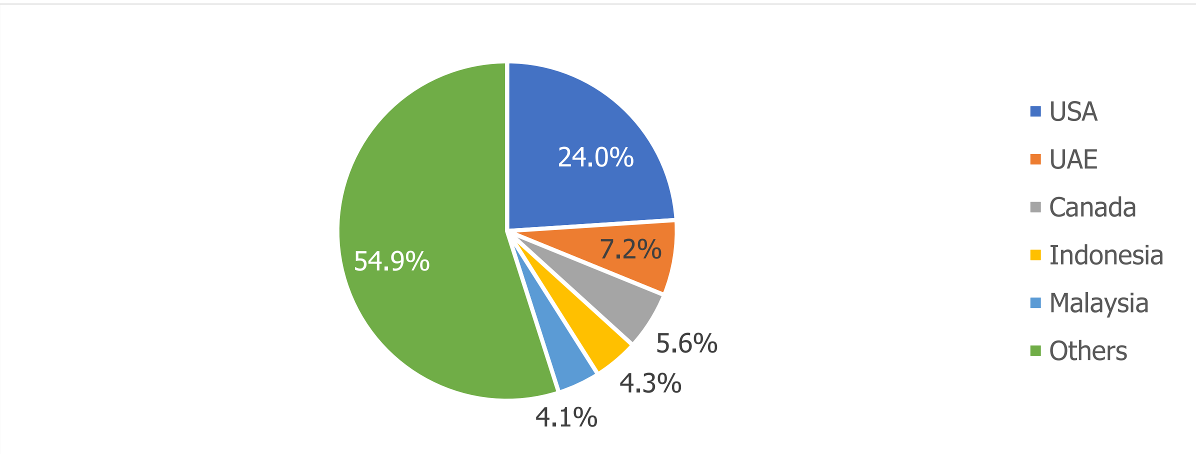
Chart 31: Exports of steel tubes and pipes



Source: CMIE
Note: YTD FY23 refers to the period from April 2022-August 2022
YTD FY24 refers to the period from April 2023-August 2023

The exports to the top 5 countries (USA, UAE, Canada, Indonesia and Malaysia) accounted for 45% of the total outbound shipments from India during FY23. USA continued to remain the top export destination with market with share of 24%. Among others, the shipments to UAE and Canada constituted 7.2% and 5.6, respectively, of the total exports from India in FY23.

Chart 32: Country-wise exports of Steel tubes and pipes in FY23



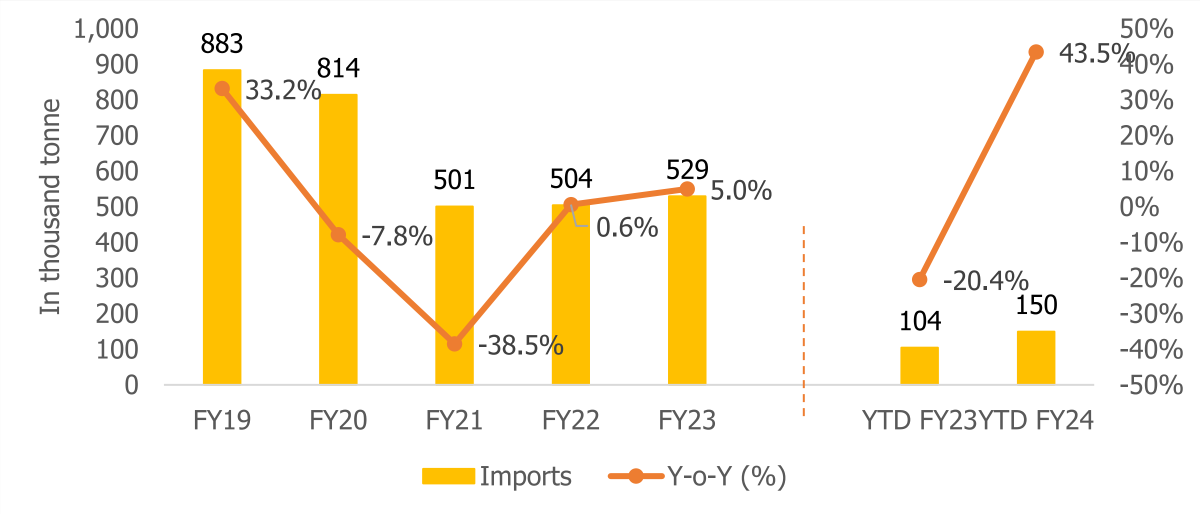
Source: CMIE

Imports

India imports steel tubes and pipes to meet the requirements of demand-supply gap in the country primarily for high temperature resistant pipes used for drilling and oil exploration, which are generally imported by the oil refineries in India.

The inbound shipments have observed a decline of 12% CAGR in the last five years from 883 thousand tonne in FY19 to 529 thousand tonne in FY23. During the past three years, the imports have remained flattish. However, the imports have increased significantly from 104 thousand tonne in YTD FY23 to 150 thousand tonne YTD FY24.

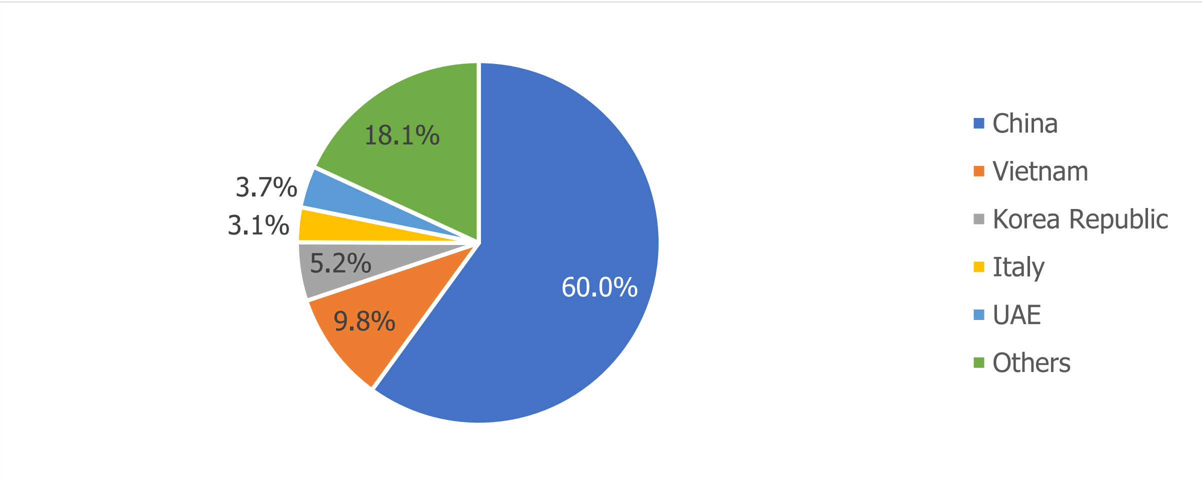
Chart 33: Imports of steel tubes and pipes



Source: CMIE
Note: YTD FY23 refers to the period from April 2022-August 2022
YTD FY24 refers to the period from April 2023-August 2023

China, Vietnam, Korea Republic, Italy and UAE are some of the leading suppliers to India with almost 82% share in the total imports in FY23. Among these contries, China continues to be the top importer to India with a share of 60%.

Chart 34: Country-wise Imports of Steel tubes and pipes in FY23



Source: CMIE

2.3.4 Outlook

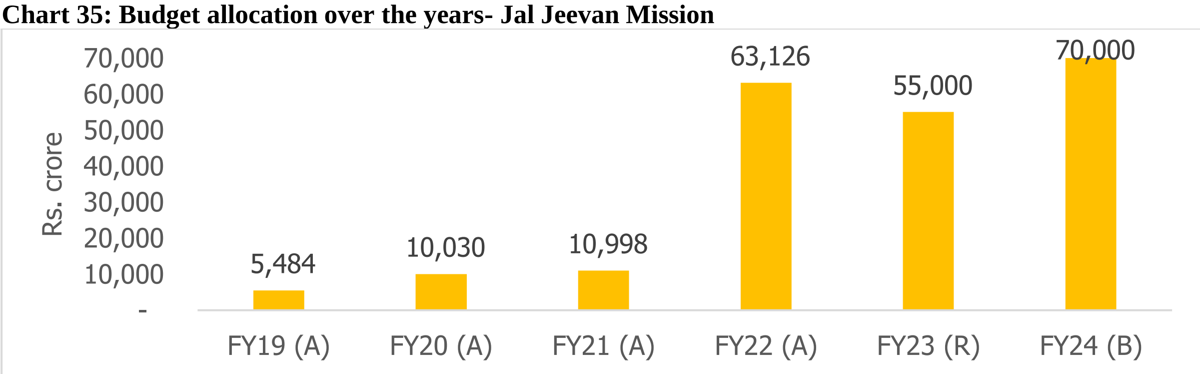
The growth momentum of the steel pipes and tubes is expected to continue in the medium term backed by rising demand from key end-user industries including oil & gas, infrastructure, real estate, etc.

- **Oil and gas:** It is expected that an increase in the length of Natural Gas pipelines by 2024-2025 will contribute towards expansion of steel pipe production. The natural gas sector that already has seen the announcement of 'One nation, one gas grid' initiative, will attract new investments in India's natural gas infrastructure. It is expected that the gas pipeline network which has already crossed 23,000 km currently, will reach to 35,000 km in the coming 4-5 years. The efforts of moving towards the gas-based economy along with implementation of city gas distribution networks is expected to augment the demand for pipes going forward. Along with this, the increase in CNG stations, bio-refineries, bio plants etc will support the infrastructure for gas.

- **Housing development:** The trend for affordable housing is picking up in India along with an increase in urban infrastructure. Rising income and employment opportunities have led to migration to urban areas thereby creating greater need for real estate in major Indian cities. There is significant thrust on providing housing for all under the Pradhan Mantri Awas Yojana (PMAY) scheme, an initiative taken by the Government to provide affordable housing to the urban poor and the scheme has been getting steady allocation under the union budget. In the latest budget 2023-24, there has been increase in allocation towards PMAY scheme to Rs. 79,590 crore from Rs. 77,130 crore in 2022-23. Further, the sustained efforts in sanctioning and completing a substantial number of houses under both PMAY-Urban and PMAY-Gramin schemes demonstrates the government's commitment towards promoting affordable housing and improving living conditions for individuals and families across the country.

- **Water and irrigation:** The demand for steel tubes and pipes will expand as there is vast usage from agriculture sector especially, for use of irrigation. The 'Atal Mission for Rejuvenation and Urban Transformation' (AMRUT) scheme, which focuses on the development of basic infrastructure in selected cities and towns, focuses on the development of water infrastructure in the sectors such as water supply, storm water drainage, sewerage and septage management, green spaces and parks, and non-motorized urban transport. In addition to that, the 'Atal Bhujal Yojana' (Atal Jal) scheme which is focused on improving ground water management through community, will also lead to infrastructure development. Another initiative 'Jal Jeevan Mission', to provide safe and adequate drinking water to all households in rural India by 2024, launched by the Government will also contribute towards the development of water infrastructure. This programme has already covered nearly 65% rural households in past 4 years. The mission has always seen a consistent allocation in budget every year. In the Union budget 2023-24, the allocation has increased to Rs. 70,000 crore from Rs. 55,000 crore(Revised estimate of 2022-23).

Chart 35: Budget allocation over the years- Jal Jeevan Mission



Source: Budget documents

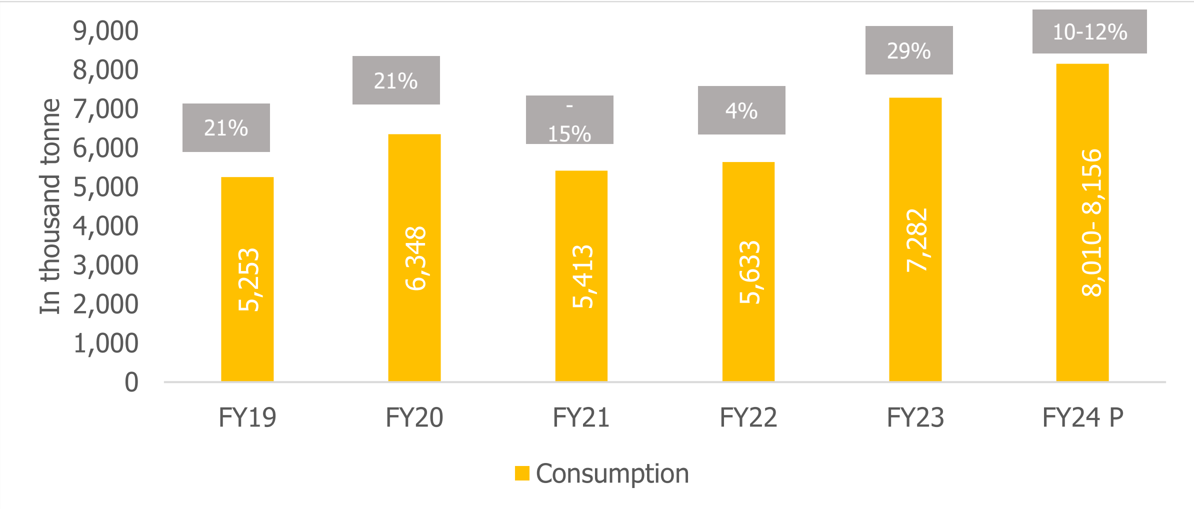
Note: A – Actual budget; R- Revised budget; B- Budgeted

- **Focus on infrastructure:** The Indian government has been focussing on development of infrastructure. Many reforms such as Make in India and production linked incentive (PLI) scheme has been set by the Government to achieve its goal of having a USD 5 lakh crore economy by 2025. In the latest budget 2023-24, the outlay in capex investment towards infrastructure has increased by 33% to Rs.10 Lakh crore from Rs. 7.5 lakh crore in 2022-23 budget. Additionally, 100 critical transport infrastructure projects for connectivity for ports, coal, steel, fertilizers and food grains sector have been announced and will likely increase the demand for tubes and pipes. These projects include an investment of Rs. 75,000 crore including Rs. 15,000 crore from private players. Along with this, the government has also announced plans to revive 50 additional airports, heliports, water aerodromes, and advance landing grounds to enhance the regional connectivity and provide accessibility to various regions. Earlier, in the budget for 2022-23, the government planned to set up 100 new airports by 2024 under Ude Desh ka Aam Naagrik (UDAN) scheme.

Further, the usage of steel pipes and tubes will be supported by demand from domestic water infrastructure, oil exploration and transportation, construction, real estate, railways (capital outlay of Rs. 2.4 lakh crore), irrigation, infrastructure and energy.

Driven by the above factors, CareEdge Research expects the domestic consumption of steel tubes and pipes to increase by 10%-12% y-o-y in the range of 8,010 to 8,156 thousand tonne during FY24.

Chart 36: Trend in consumption of steel tubes & pipes



Source: CMIE, CareEdge Research
Note: P - Projections

3 Overview on User Industry & its Market Scenario

The oil and gas industry is the largest consumer of steel tubes and pipes in India. Apart from these, they are mainly used for manufacturing, transporation and distribution purposes. Some of the other key end-user industries include automotive, railways, aircraft, agriculture, etc.

3.1 Oil & gas

Oil and gas is the largest end-user that is driving the demand for steel tubes and pipes. Refineries, pipelines, gas terminals, storage capacity, gas cylinders bottling plans, retail outlets etc., require large amount of steel pipes. Oil and gas is generally transported through steel pipelines. Further, steel tubes and pipes are widely used in this sector for drilling and extraction operations.

Natural Gas Infrastructure

Natural Gas industry in India is expected to witness substantial growth over the next decade. Driven by increasing usage across various end-user customer segments, the Government of India has come up with multiple reforms as they target to raise the share of Natural Gas in the primary energy mix to 15% by 2030 from around 7% currently (in 2019-20). This is a CAGR of around 7% for the projected period through 2030.

The sector requires significant investments in the coming years to build up terminals, pipelines, etc. As per GAIL, India will be needing an investment of about Rs. 1.6 lakh crores over the next 5-8 years to expand the natural gas infrastructure. The capacity of RLNG terminals in India is expected to increase from 42.7 MMTPA in 2021-2023 to around 83 MMTPA by 2029-30, assuming all the existing and planned terminals in India would set up as planned. Moreover, India is expected to have its first floating LNG terminals at Chhara and Jafrabad, which will possibly commence operations in the second half of FY24. Further, the increase in production and exploration activities will drive the requirement of steel pipes in the industry.

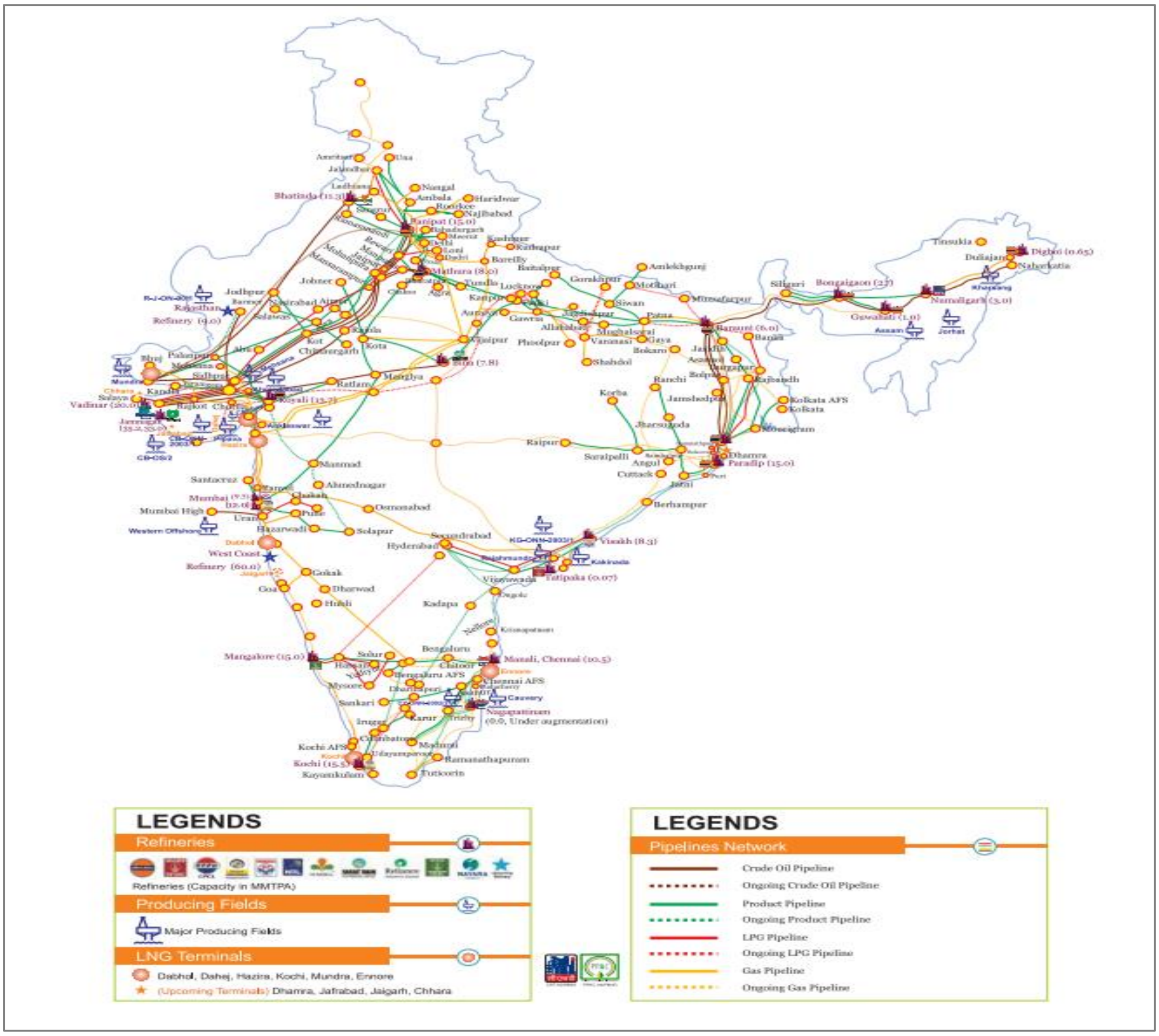
In order to create the National Gas Grid (One Nation, One Gas Grid) and increase the availability of natural gas across the country, Petroleum and Natural Gas Regulatory Board (PNGRB) has authorised approximately 33,592 km natural gas pipeline network across the country. As per Ministry of Petroleum and Natural Gas (MoPNG), 23,173 km natural gas pipelines including spur lines, tie-in connectivity, Sub-Transmission Pipelines (STPL) and dedicated pipelines are operational in India currently and a total of 12,206 km length of pipelines are under various stages of construction.

During the 26th session of the Conference of the Parties (COP26) to the United Nations Framework Convention on Climate Change (UNFCCC), which took place in Glasgow, United Kingdom, in November 2021, the Government of India has taken a target to reduce the carbon intensity of the economy by 45% and reduce the total projected carbon emission by 1 billion tonnes by 2030. The ultimate objective is to achieve a net-zero emissions target by the year 2070. The use of natural gas is also expected to receive significant impetus from the Government’s commitment towards clean energy under COP26.

Crude and Petroleum Product Pipeline Infrastructure

According to Petroleum Planning and Analysis Cell (PPAC), 10,420 km of crude oil pipeline and 22,488 km of petroleum product pipeline was operational in India as on March 31, 2023. As pipeline is more efficient mode of fuel transportation, the crude and petroleum product pipeline infrastructure is expected to be expanded to cater to the growing domestic demand.

Chart 37: Oil & Gas Map of India

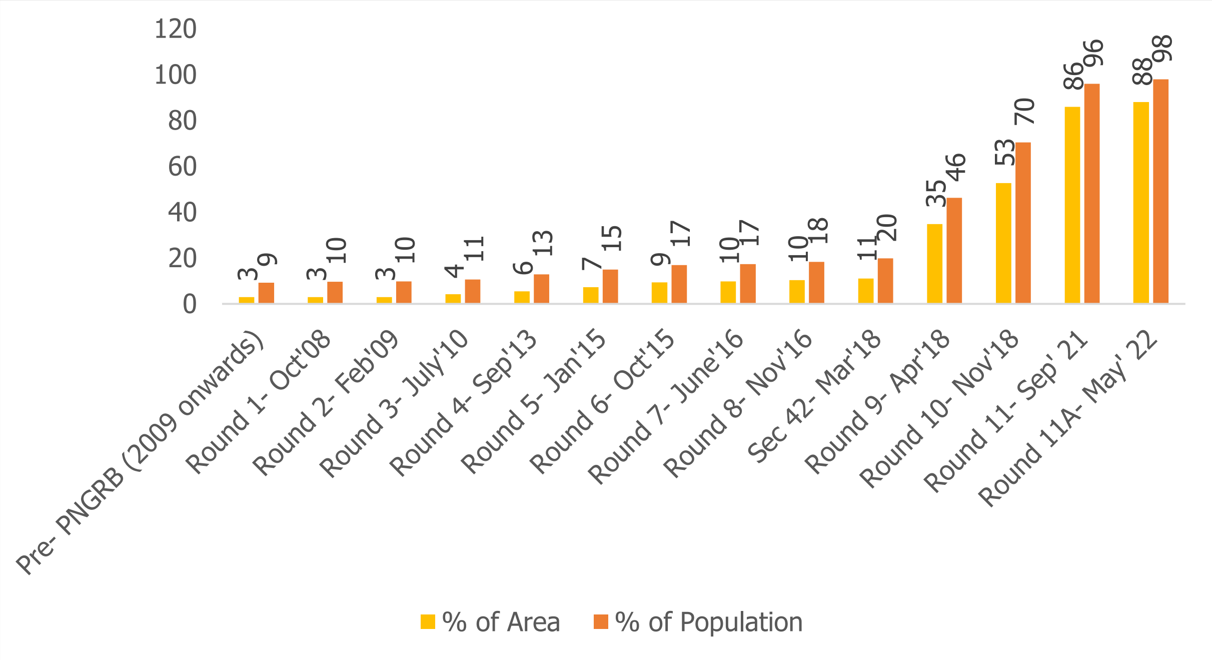


Source: PPAC

City Gas Distribution

The CGD network in India has expanded significantly in the past decade. As on December 2022, post completion of 11A CGD bidding round, 295 Geographical Areas (GAs) covering about 98% of the population and 88% of total geographical area of the country spread over around 630 districts in 28 States/UTs including all cities under these GAs, have been covered under the CGD network.

Chart 38: City Gas Authorization in India (Category-wise) (cumulative %)



Source: PNGRB

As per PPAC, there were 5,283 compressed natural gas (CNG) stations, 1.07 crore domestic piped natural gas (PNG) connections, 37,387 commercial PNG connections and 15,066 industrial PNG connections as on February 2023.

Follwing factors will drive the expansion in CGD network going forward.

- Expansion of CGD network to around 295 geographical areas post Round 11A of CGD bidding.
- Expansion of natural gas under the 12th CGD bidding round (to offer 8 geographical locations - Arunachal Pradesh, Meghalaya, Manipur, Mizoram, Nagaland, Sikkim, Union territory (UT) of Jammu & Kashmir and Ladakh).
- Industries using blast furnaces such as steel, oil refineries, long-haul transport, and heating and cooling requirement.
- Continued high requirement from the fertilizer as well as power sector.

3.2 Real Estate

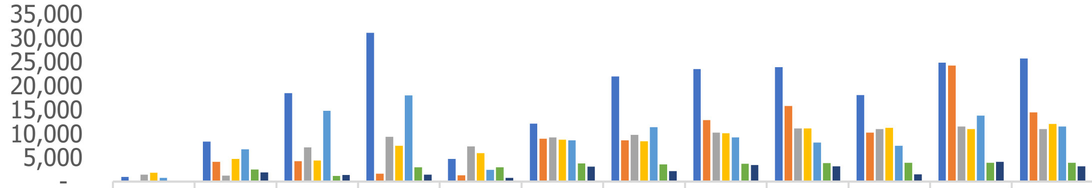
The real estate industry is one of the most crucial sectors across the globe. The industry can be further segmented into four sub-sections – housing, commercial, retail and hospitality. Of these, the residential segment contributes a majority share in the overall sector. The growth of the overall real estate industry also depends upon the growth in the corporate environment and the demand for office space, urban and semi-urban accommodations.

Residential Real estate:

The residential real estate segment was performing exceptionally well during the first half of the previous decade on account of growth in the economy and the services sector which resulted in migration to metros and propelled the demand for housing units in these areas. However, problems related to elevated property prices, delayed launches by developers and stalled projects triggered some cold feet towards the sector. From the point of view of financing too, the IL&FS crisis created problems in the NBFC sector, which is a pivotal source of funding for real estate. To add to this, the coronavirus outbreak in early 2020 and the concomitant lockdowns across the country caused acute stress to the residential real estate segment during H1CY20.

After the reopening of the economy, there has been a notable increase in demand for residential properties, primarily driven by end-users in the affordable housing segment. Foreign investments continued to flow into the sector, aided by the easing of the pandemic situation, resumption of travel, favourable policies such as tax benefits, and advantageous currency exchange rates, which have further contributed to increased investments from Non-Resident Indians (NRIs), particularly in the residential sector. During FY23, the residential real estate market witnessed steady growth with increased sales momentum supported by past inventory levels and continued new project launches specifically in the affordable and mid-size segments.

Chart 39: New launches in top 8 Indian cities in residential real estate

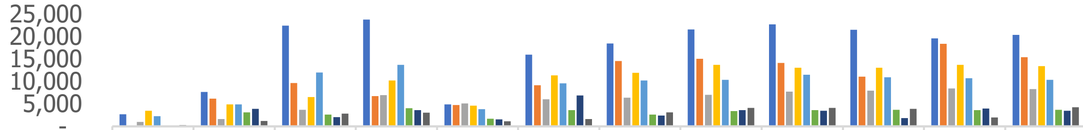


	Q1FY21	Q2FY21	Q3FY21	Q4FY21	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23
Mumbai	1,011	8,389	18,51	31,12	4,747	12,13	22,01	23,55	23,90	18,07	24,88	25,73
NCR	-	4,110	4,292	1,626	1,317	8,983	8,659	12,88	15,84	10,26	24,24	14,48
Hyderabad	1,420	1,234	7,170	9,349	7,363	9,256	9,768	10,25	11,10	11,00	11,49	10,98
Bengaluru	1,843	4,720	4,403	7,467	5,922	8,797	8,421	10,10	11,11	11,25	10,94	12,07
Pune	785	6,721	14,83	18,04	2,435	8,615	11,39	9,220	8,173	7,463	13,78	11,54
Chennai	-	2,547	1,167	2,981	2,981	3,795	3,565	3,720	3,850	3,912	3,934	3,952
Kolkata	-	1,934	1,356	1,439	756	3,128	2,187	3,473	3,213	1,531	4,113	3,178

Mumbai NCR Hyderabad Bengaluru Pune Chennai Kolkata

Source: Knight Frank & CareEdge Research

Trend in sales in top 8 cities in residential real estate
Chart 40: City-wise quarterly unit sales in residential real estate



	Q1FY21	Q2FY21	Q3FY21	Q4FY21	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23
Mumbai	2,687	7,635	22,40	23,75	4,855	15,94	18,44	21,54	22,65	21,45	19,51	20,30
NCR	-	6,147	9,641	6,731	4,743	9,101	14,49	15,01	14,08	11,01	18,34	15,39
Hyderabad	974	1,609	3,651	6,909	5,065	5,987	6,357	6,993	7,700	7,900	8,453	8,300
Bengaluru	3,484	4,912	6,490	10,21	4,593	11,33	11,88	13,66	13,01	13,01	13,67	13,39
Pune	2,235	4,918	11,95	13,65	3,821	9,565	10,17	10,30	11,49	10,89	10,71	10,36
Chennai	-	3,085	2,588	4,058	1,693	3,610	2,597	3,376	3,575	3,685	3,612	3,650
Kolkata	-	3,921	2,054	3,596	1,519	6,861	2,429	3,619	3,471	1,843	3,976	3,501
Ahmedabad	252	1,176	2,810	3,045	1,163	1,607	3,096	4,105	4,092	3,887	1,978	4,225

Mumbai NCR Hyderabad Bengaluru Pune Chennai Kolkata Ahmedabad

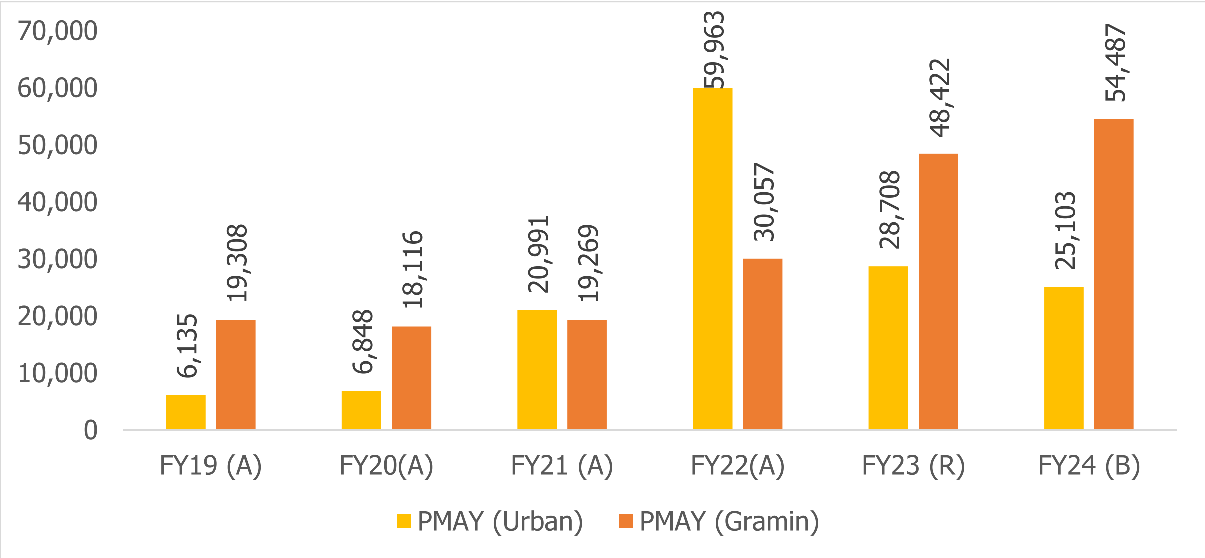
Source: Knight Frank & CareEdge Research

Outlook:

The relocations and shift in buying individuals behaviour with a desire to live in a space with modern amenities, proximity to their workplace, leisure and desire to relocate closer to extended families and friends is projected to increase the demand for projects with good architecture, uncluttered space and recreational activities for children and elderly.

Furthermore, Government's initiatives, including the Pradhan Mantri Awas Yojna (PMAY), Urban Development Plan, and the digitization of land records, have been playing a pivotal role in stimulating growth within the sector. Under the PMAY scheme of the Union Ministry of Housing and Urban Affairs, more than 1.20 crore houses have been sanctioned under the PMAY-Urban, out of which 75.31 lakhs have been completed as on 10th July 2023, and the rest are under construction. In addition to that, about 2.90 crore houses have been sanctioned under PMAY-Gramin out of which 2.32 crore have been completed.

Chart 41: Budgetary Allocation Under PMAY (Urban and Gramin)

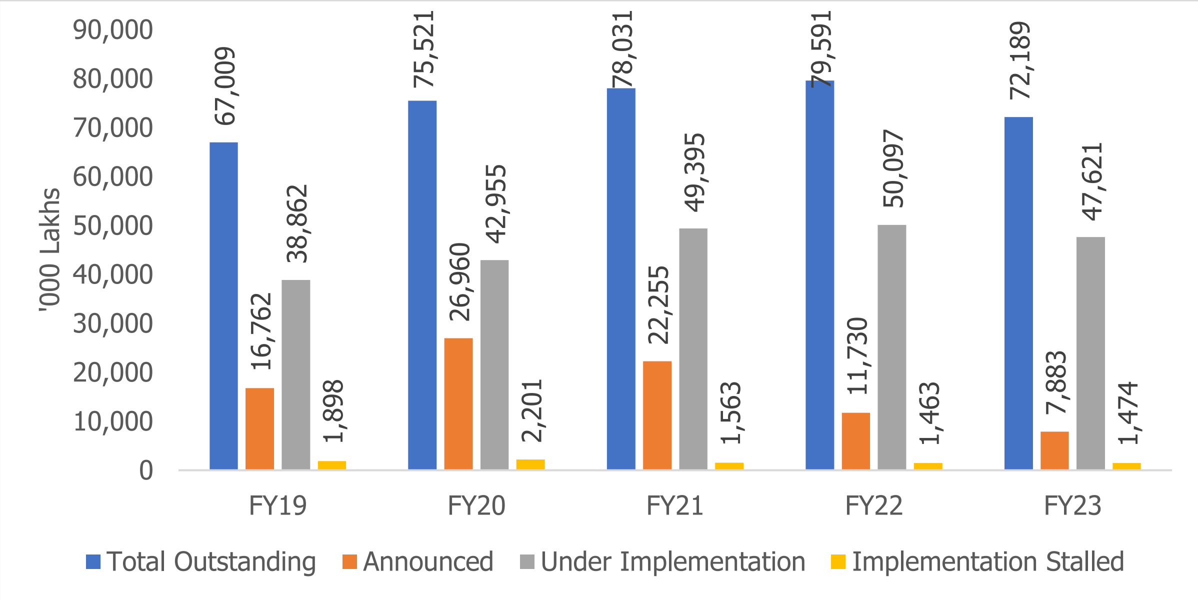


Source: Budget Documents
Note: A – Actual budget; R- Revised budget; B- Budgeted

Commercial Real estate:

The Indian real estate industry witnessed a slowdown in the years prior to the pandemic due to the general slowdown in the economy. However, this had little impact on the demand for office space. The demand for office space grew by leaps and bounds for the better part of the past decade with the unavailability of good quality supply being the only impediment to higher growth.
Growth in the office segment was aided by investors who showed great interest in the commercial space. Along with this, NRIs also started investing in this segment because of lucrative returns. An increasing number of private equity funds showed interest in the commercial office space in 2018 which was followed by the same in 2019.
With the residential real estate becoming end-user driven, the commercial real estate emerged as a more attractive investment proposition for individual investors as well as institutional funds. Due to the investment potential of commercial spaces, developers are also responding to the demand. Incidentally, a better performance of the office segment will eventually trickle to greater demand for the residential segment. As a result, the commercial space is crucial in terms of both, its impact and its linkages.

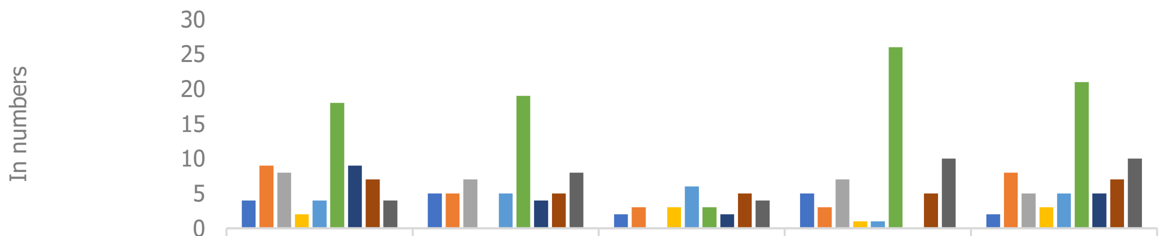
Chart 42: Trend in Investments in Commercial real estate



Source: CMIE & CareEdge Research

The chart above shows that total outstanding investments across India dipped in FY19 after growing for three consecutive years. The value of announced projects increased for three straight years from FY18 to FY20 following which it fell in FY21 due to Covid-19 related disruptions and uncertainty. During FY22, the value of projects under implementation rose to a three-year high, while the value of stalled projects remained low. In FY23, the value of announced projects dipped, but the ticket size of projects under implementation was marginally lower than FY22 as demand stabilised.

Chart 43: Trend in project completions in commercial real estate - by States



	FY19	FY20	FY21	FY22	FY23
NCT of Delhi	4	5	2	5	2
Gujarat	9	5	3	3	8
Haryana	8	7	NA	7	5
Himachal Pradesh	2	NA	3	1	3
Karnataka	4	5	6	1	5
Maharashtra	18	19	3	26	21
Rajasthan	9	4	2	NA	5
Tamil Nadu	7	5	5	5	7
Uttar Pradesh	4	8	4	10	10

NCT of Delhi Gujarat Haryana Himachal Pradesh Karnataka
Maharashtra Rajasthan Tamil Nadu Uttar Pradesh

Source: CMIE & CareEdge Research

Data in the above chart shows that project completions across major states have picked up in FY22 and FY23 with the largest number of projects being complete in Maharashtra.

Outlook:

Commercial real estate (including retail space) industry is expected to witness stable growth in the near-medium term driven by back-to-office / hybrid work trends, business growth especially in e-commerce, co-working, information technology and BFSI sectors, and rising consumer spending.

The demand for office spaces will be driven by expansion of co-working segment, increase in hiring across various sectors like IT, E-commerce etc., increased connectivity due to augmentation of infrastructure and an overall economic growth in India. Real estate companies are also focusing on tier-II and tier-III cities since they are quickly urbanizing due to lower rental cost. The sophistication of commercial real estate is also rising as a result of the incorporation of new age technologies including sensor-activated disinfectants, retina scanners for admission, digitized ventilation systems, and more.

The retail space growth will be driven by increasing disposable income, availability of wide range of brands and food options, multiple entertainment avenues, high brand consciousness, convenience, social media marketing, availability of international brands etc.

However, delay in project construction leading to cost overrun and ability of the developers to lease the ready office and retail spaces are key monitorable for the industry. Also, impact of global slowdown on IT/BPO/KPO companies which may lead to slow expansion and less demand for commercial space in India in near term.

3.3 Water infrastructure

Water infrastructure is another major end-user industry which involves usage of steel tubes and pipes. In general water infrastructure includes, drinking water facilities (treatment plants and distribution lines), sewage lines, storage tanks, dams, reservoirs etc.

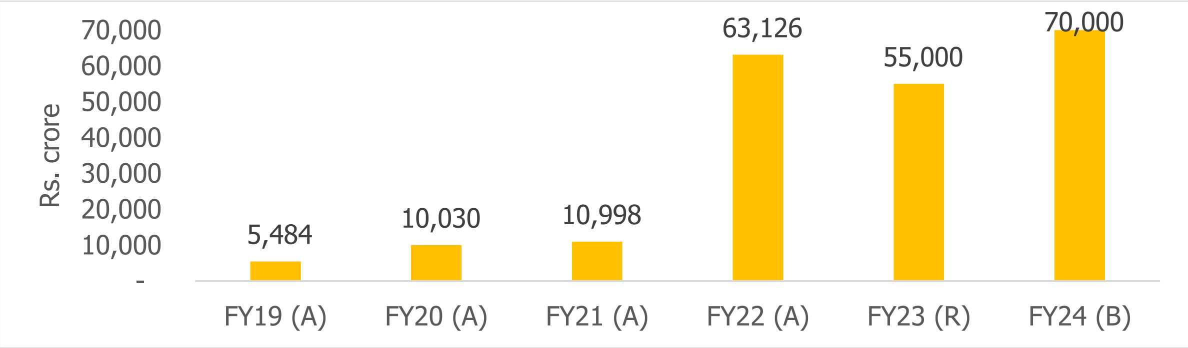
Steel pipes are considered as the most durable of all water supply pipes because of their non-corrosion properties. They can sustain high water pressure and are more readily available in longer lengths than most other pipes. Demand for steel tubes and pipes is increasing as there is continuous supply from agriculture where steel pipes are used in borewells or irrigation facility. Moreover, there is constant demand for improving water infrastructure in both rural and urban cities along with the focus to improve on the wastewater management. This is expected to augment the demand and push the volumes of galvanised pipes.

With growing urbanization, India continues to falls behind in groundwater infrastructure. Water consumption has been growing at an exponential rate on account of rising population, increase in urbanization and shift in lifestyles. Many households have acces to water for only a few hours a day. Water demand in India is expected to exceed available supply by 2030, resulting in severe water scarcity for billions of people. To ensure there is water supply which is both affordable and sustainable, Government has launched 'Atal Bhujal Yojana' (Atal Jal) to upgrade ground water management system through community participation. The major objective of this scheme is to improve the management of groundwater resources in select water stressed areas in identified states namely Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan and Uttar Pradesh.

On 15th August, 2019, "Jal Jeevan Mission" programme has been launched by the Government to provide safe and adequate drinking water to all households in rural India by 2024. The functional household tap connections as on 15th August 2019 were about 3.23 crore. This program has already connected taps to more than 19.5 crore rural households and established 12.6 crore rural household tap connections within a span of 4 years. This programme will further enhance the water infrastructure and aid in the demand for pipes in the country.

Further, the budgetary allocation trend towards this scheme is increasing and in the latest budget 2023-24, the Government has increased the allocation to Rs. 70,000 crore from 55,000 crore in the previous year. In addition to that, the Government's push towards cleanliness and sanitation will boost the water infrastructure in the country.

Chart 44: Budgetary allocation towards drinking water



Source: Budget documents

Note: A – Actual budget; R- Revised budget; B- Budgeted

3.4 Railways

Indian Railways is among the world's largest rail networks. It is the 4th largest railway system in the world behind US, Russia and China with total track length of 1,26,611 km over 68,103 km of the route along with 7,337 stations as of FY21. Steel tubes or pipes are used in applications such as rails, wagons, and coaches. The Indian railway sector has seen multiple developments in the last decade such as introduction of high-speed trains, modernization of railway stations, increase in rolling stock inventories etc.

The government has been increasing its focus on augmentation of railways to reduce cost and time of logistics and to reduce the overall carbon footprint of the country as railways are more environment friendly compared to road transport.

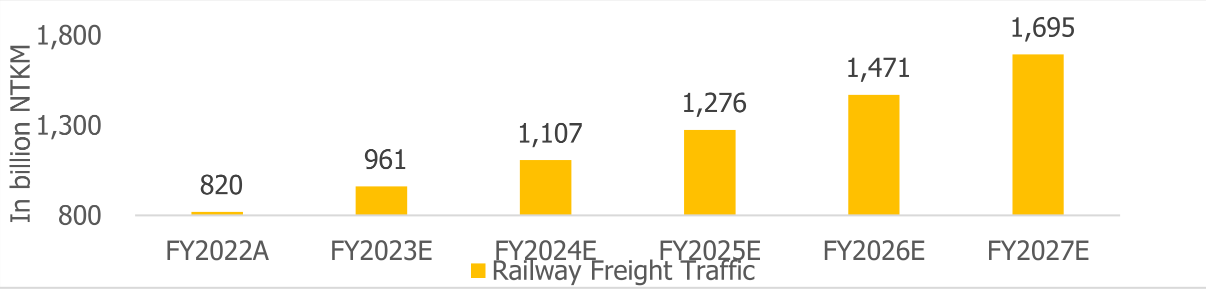
The key focus areas have been decongestion of overutilised rail network, con- struction of new lines, doubling, tripling, quadrupling of rail lines and purchase of rolling stock such as wagons, locomotives, coaches, etc.

The government proposes to launch 400 new Vande Bharat trains in the next 3 years along with development of 100 Cargo Terminals over next few years. Additionally, construction of Dedicated Freight Corridor (DFC) which are broad gauge rail networks to be utilized exclusively for freight trains will lead to in- crease in Railway's share in domestic freight movement. The western and eastern DFCs are 86% and 90% complete, respectively, and are expected to be commissioned by FY25. Also, East Coast Corridor, East- West Corridor and North-South Corridor are under the planning stage.

Moreover, Railways Station Redevelopement Programe which was launched in February 2017 to modernize the infrastructure across the nation will enhance the experience of the passengers by providing concept of intelligent building, and state of the art facilities. For this, the Government has launched 'Amrit Bharat Station Scheme' where in a total of 1,275 railway stations under 32 different states have been identified for development. This will further boost the demand for steel pipes in the economy.

Under the National Rail Plan (NRP) , the railway's share in freight transport is expected to increase to 45% by 2030 from existing 26%. This implies that the total freight transported by Indian Railways will increase to 3,000 million tonnes by FY2027 and 3,600 million tonnes by FY2030 from 1,418 million tonnes in FY2022. Further, railway freight traffic measured in Net Tonne Kilometres (NTKM) is expected to double to 1,695 billion NKTM by FY2027 from 820 billion NKTM in FY2022.

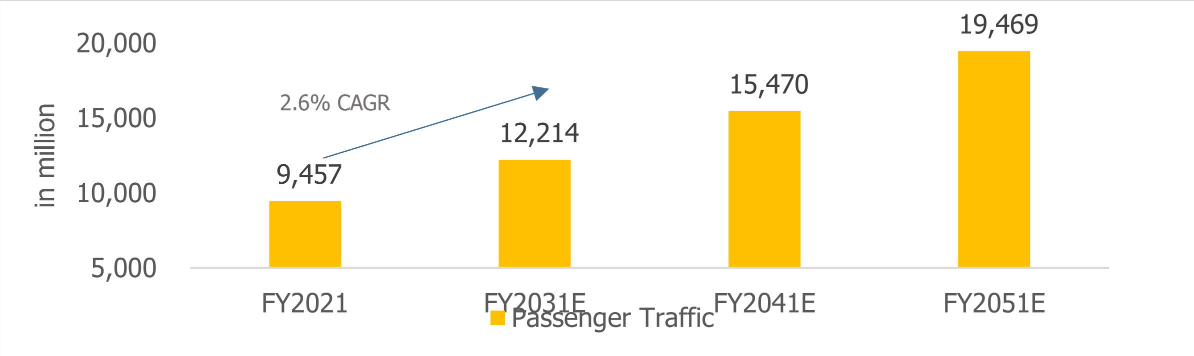
Chart 45: Trend in Indian Railway Freight Traffic



Source: Indian Railways, Report of the Committee on Mission 3000 million tonnes

The passenger traffic is expected to grow at a CAGR of 2.6% between 2021 and 2031 driven by population growth and growing workforce.

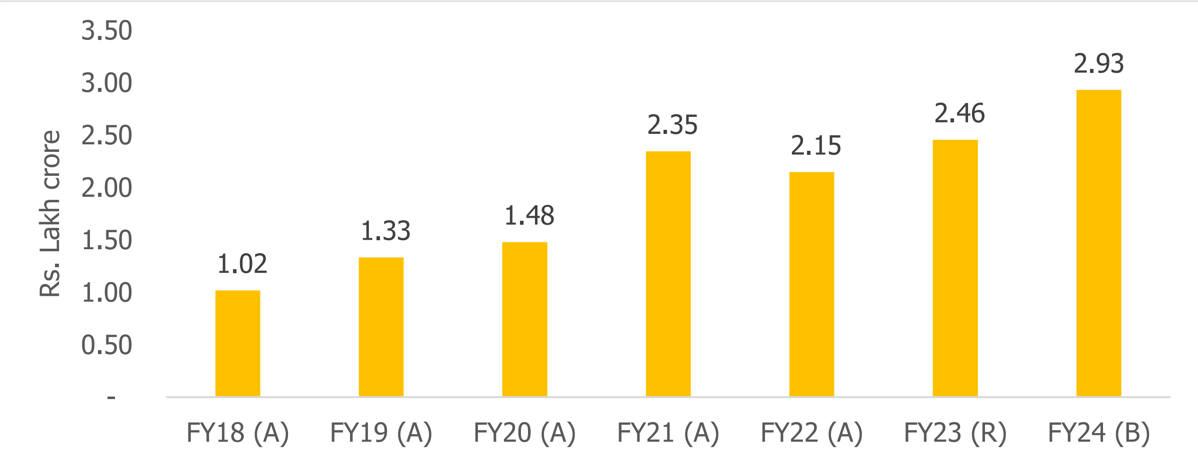
Chart 46: Projected Growth in Passenger Traffic



Source: Indian Railways, National Railway Plan

In the Union Budget 2023-24, the government has allocated Rs 2.93 lakh crore towards railways which is the highest ever allocation and an increase of 15% over previous year's allocation. The allocation towards rolling stock has more than doubled Y-o-Y to Rs 37,581 crore in the union budget 2023-24 from Rs 15,158 crore (revised budget) in 2022-23.

Chart 47: Railways- Budget Allocation over The Years



Source: Budget Documents. Note: B – Budgeted, A – Actual, R – Revised and Includes Internal and Extra Budgetary Resources (IEBR)

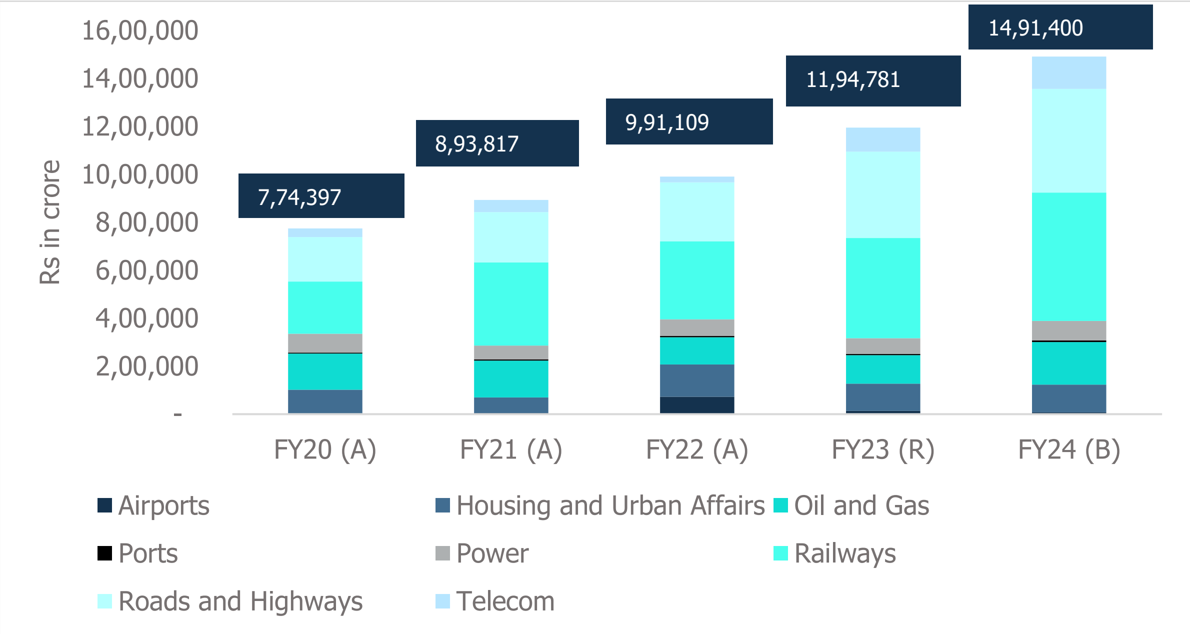
The above factors augur well for the demand of steel tubes and pipes from the Indian Railways.

4 Key Demand Drivers

- **Continued thrust on construction and infrastructure**

One of the major drivers for the steel tubes and pipes industry is the infrastructure investment thrust by the Government of India. The budgetary allocation towards infrastructure has grown at a CAGR of about 18% in the past 5 years between FY19-20 to FY23-24. In the Union Budget 2023-24, the government continued its focus on infrastructure development with the allocation of Rs 10 lakh crore towards infrastructure capital expenditure, an increase of 33% over allocation under the Union Budget 2022-23. Total allocation towards infrastructure, including investments in public enterprises, stood at Rs. 14 lakh crore, an increase of 24.8% over revised estimates of 2022-23.

Chart 48: Budget Allocation Towards Infrastructure*



Source: Union Budget 2022-23
Note: A – Actual budget; R- Revised budget; B- Budgeted
*Including investments in public enterprises

The government has expanded the National Infrastructure Policy (NIP) to 7,400 projects from 6,835 projects and announced plans for the National Monetization Pipeline and Development Finance Institution (DFI) to improve the financing of infrastructure projects.The NIP covering rural and urban infrastructure, entails investments to the tune of Rs. 111 lakh crore, which is being undertaken by the central government, state governments and the private sector during FY20-25. Moreover, the alignment of PM Gati Shakti National Master Plan and NIP will aid in debottlenecking hurdles for faster execution of projects.

- **Growth in Real Estate Absorption led by Urbanisation and Increasing Purchasing Power**

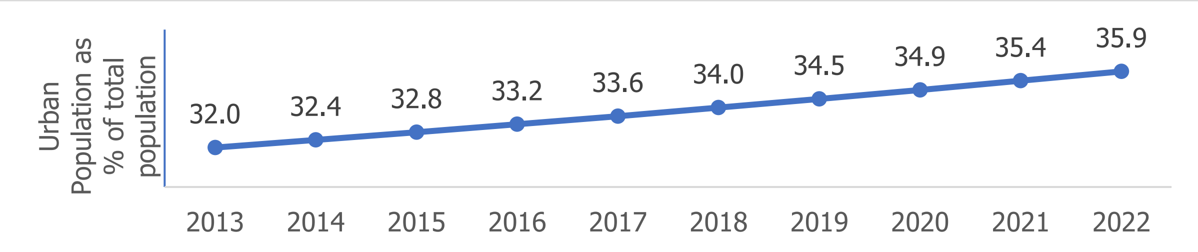
Increase in urbanization

Rapid urbanization bodes well for the sector. India is the second largest urban system in the world. Indian cities are home to about 11% of the total global urban population. Urban growth is expected to contribute to around 73% of the total population increase by 2036 according to Ministry of Health and Family Welfare (MoHFW), 2019.
According to Census of India 2011, India has an urbanization level of 31.1% which has only increased over the years. Earlier estimations indicate that about 416 million people will be added as urban dwellers in India between

2018 and 2050 according to United Nations study dated 2018 and that India will be 50% urban by 2050 according to UN-Habitat, 2017.

The growth in the urbanisation will lead to increased demand for tubular steel structures as it involves usage in the construction of buildings, pipes for water supply, improved drainage systems, waste treatment plants, elevators etc.

Chart 49: Urbanization Trend in India

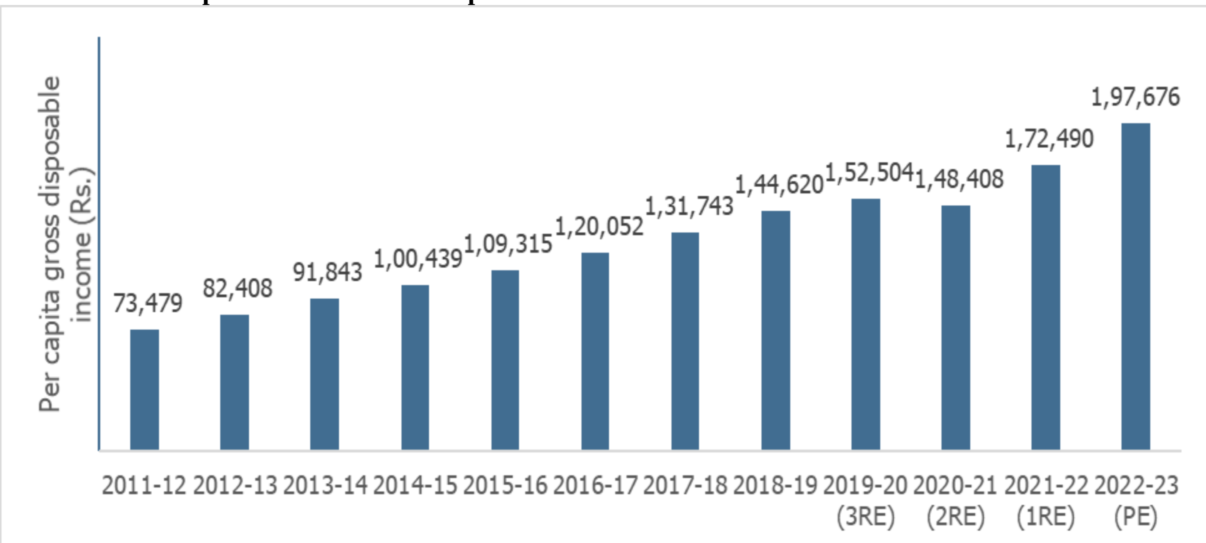


Source: World Bank Database

Increasing purchasing power

The rising disposable income, which has grown at a CAGR of 9.4% between the period FY12 to FY23, is expected to lead to increase in demand for residential real estate in India as more and more people are able to afford real estate purchases. This will lead to more consumption of steel in the country and helps the steel manufacturers to produce more steel, thus improving the demand in the steel industry.

Chart 50 : Per Capita Gross National Disposable Income



Source: MOSPI
Note: 3RE – Third Revised Estimate, 2RE – Second Revised Estimates, 1RE – First Revised Estimates, 2AE – Second Advanced Estimate;

- **Development of natural gas sector**

The government's focus on enhancing the share of natural gas in India's energy mix will increase the demand for steel pipes. Additionlly, India has taken several initiatives to develop the natural gas sector such as facilitating development of gas infrastructure including LNG terminals, long-distance transmission pipelines and city gas distribution networks. This will in turn increase the demand for steel pipes. A total of 1544 Kms of pipelines have been laid as part of the National Gas Grid in 2020. The government launched the Indian Gas Exchange (IGX), first nationwide online delivery-based gas trading platform in 2020.

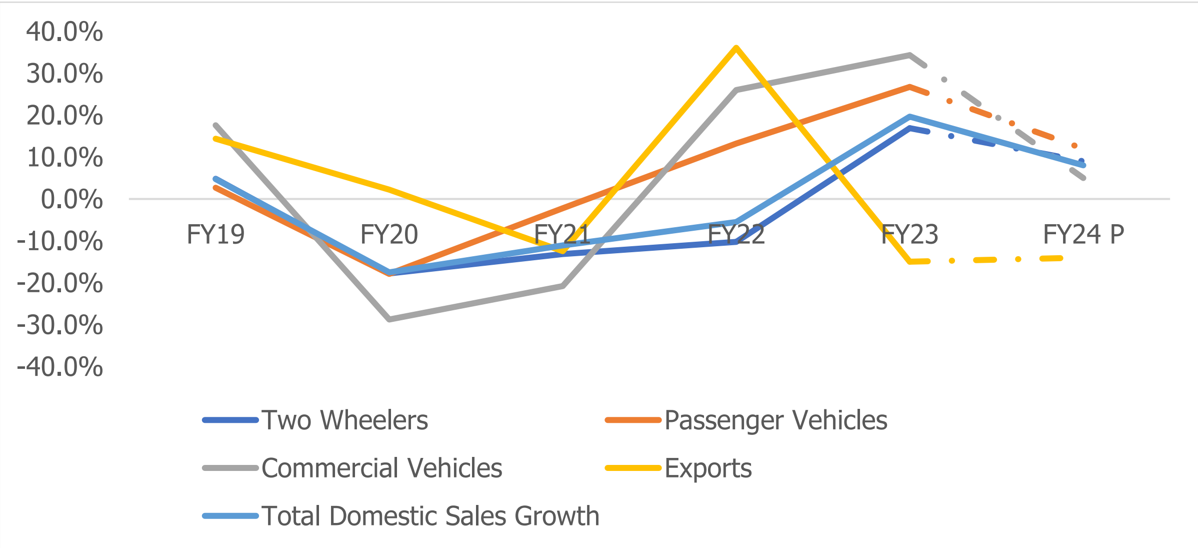
With the governments' focus on increasing the natural gas consumption, massive investments are expected in developing the natural gas infrastructure. Many infrastructural developments are in progress including expansion of LNG import capacity, addition of new gas pipelines, development of City Gas Distribution networks. As of March 2023, the total operational length of national gas pipeline network is 23,173 kms and 12,206 are under construction. The government's favorable policies will help in driving the gas demand growth over the next decade and this in turn, will boost the demand for steel.

- **Stable growth in automotive industry**

Steel tubes or pipes is used in main structure of the vehicle known as chassis and other automotive components such as control shaft tube stack pipe, shock absorber, exhaust pipe, sway bars, other vehicle accessories (side railings, bumpers, grill guards) etc.

India was the third-largest automobile market in 2022. After witnessing a de-growth due to the pandemic, the automobile sector began to recover on account of revival in economic activities. The domestic automobile sales grew by 20% y-o-y in FY23, the first full year without any impact of the pandemic after a gap of two years. The growth in sales volume across segments was supported by healthy demand in the urban areas, increasing replacement demand, growing demand for utility vehicles in the passenger vehicle segment, vehicle scrappage policy, and higher infrastructure spending. Despite inflationary pressure throughout the year, preponing purchases before the implementation of new fuel emission norms (BS-VI Phase -II), easing of semiconductor chip supply, and pent-up demand supported the sales growth. During FY23, all the categories saw double-digit growth, with two-wheelers at 17%, passenger vehicles at 27%, commercial vehicles at 34%, tractors at 12%, and 3-wheelers at 87% y-o-y growth in domestic sales.

Chart 51: Trend in Indian Automobile Industry Domestic Sales Growth



Source: CareEdge, SIAM (Society of Indian Automobile Manufacturers), TMA (Tractors Manufacturers Association), CMIE
Note: P-Projected

CareEdge Research expects the domestic automobile sales volume to grow by 7-9% in FY24 and the growth momentum is expected to continue after the robust demand (20% sales growth) seen in FY23, supported by favourable demand sentiments and various government initiatives for rural and urban development.

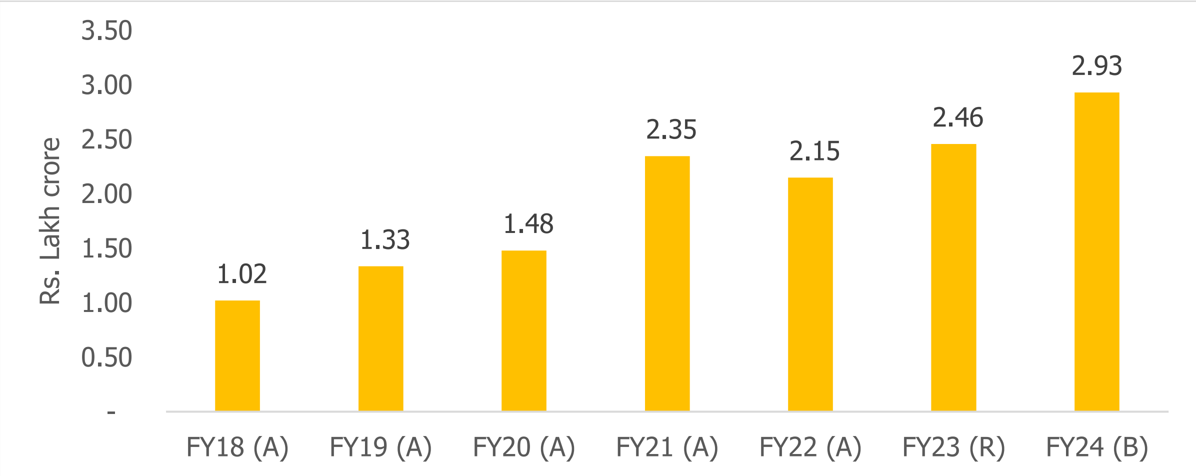
Further, the growth in the automobile sector will also be supported by electric vehicles (EV) as the shift in demand of consumers towards electric vehicles is increasing. In the Union Budget 2023-24, the allocation towards the FAME (Faster adoption and manufacturing of EVs) scheme has increased to Rs. 5,172 crore from Rs. 2,908 crore in the previous year. Further the cut in customs duty on lithium-ion batteries from 21% to 13% will also result in an increase in sales and accelerate the demand for EVs. This will aid the growth in the auto sector.

- **Growing infrastructure for Railways**

As the infrastructure expenditure to GDP multiplier is estimated to be 2.5-3.5x, the government has identified infrastructure development as a key focus area to become a USD 5 trillion economy by 2026-27. To achieve this objective, the government launched the National Infrastructure Pipeline (NIP) in 2020 which identified a group of social and economic infrastructure projects to be implemented during FY20-25. The expected capex under NIP is USD 1.4 trillion with railways having an allocation of 12%. Railways is one of the key enablers for economic growth and an investment of USD 750 billion was suggested by the government in the Union Budget 2019-20 to improve the railway infrastructure over 2018 - 2030. The budgetary allocation to Indian Railways has consistently been on a rise.

The capex for Indian Railways has increased substantially from an annual average capex of Rs. 1.02 lakh crore during FY14 to Rs. 2.93 lakh crore allocated in the 2023-24 Budget. This is the highest ever allocation and an increase of 15% over previous year's allocation.

Chart 52: Railways- Budget Allocation over The Years



Source: Budget Documents. Note: B – Budgeted, A – Actual, R – Revised and Includes Internal and Extra Budgetary Resources (IEBR)

- **Expansion of metro rail**

As of August 2022, about 775 Km of metro lines have been operationalised across 19 cities. The metro network, including regional rapid transit systems (RRTS) is proposed, to be expanded to 1,700 Km across 27 cities by 2025 and subsequently to 50 cities. The government is also proposing Metro Lite and Metro Neo lines which are suitable for smaller cities with lower peak traffic. Currently, approximately 2,500 coaches have been deployed in the operational metro lines roughly costing 32,500 Cr. 31 metro rail projects are under construction and 18 projects are under approval. As the operational metro lines are expected to increase by more than 2x over the next 4-5 years, domestic demand for metro rail rolling stock is expected to witness significant increase.

- **Others**

The growth in demand for steel tubes or pipes will also be supported by transportation, capital goods (construction, electrical equipment, machine tools, industrial machinery, plant equipment etc), aircraft components, mining activities and renewable energy projects. Further, it will also be driven by the export market which has seen a steady increase in the past few years and contributes to the overall production in the industry which has been discussed earlier in chapter 2.

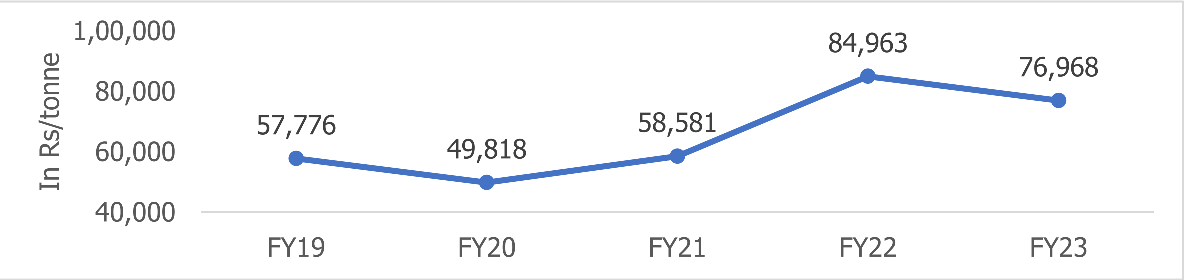
5 Challenges Faced by The Industry

- **Volatility in steel prices**

Raw materials such as stainless steel, mild steel, scrap steel etc are used in making steel tubes or pipes. The prices of steel have remained quite volatile due to geo-political tensions, weak international demand and fluctuation in raw material cost such as coking coal as discussed in earlier sections.

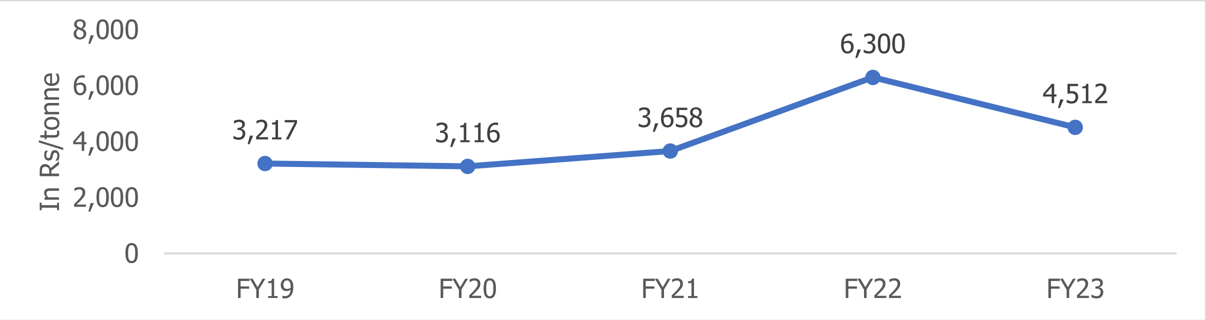
Volatility in steel prices could impacts the input cost of steel tubes and pipes manufacturers. In case of a sharp correction in steel prices, players need to sell high-cost inventory at lower prices which temporarily impacts their margin. Further if the prices remain high over a long period, the procurement from industries such as water infra, irrigation etc. gets postponed, therby impacting the demand.

Chart 53: Domestic Steel Prices



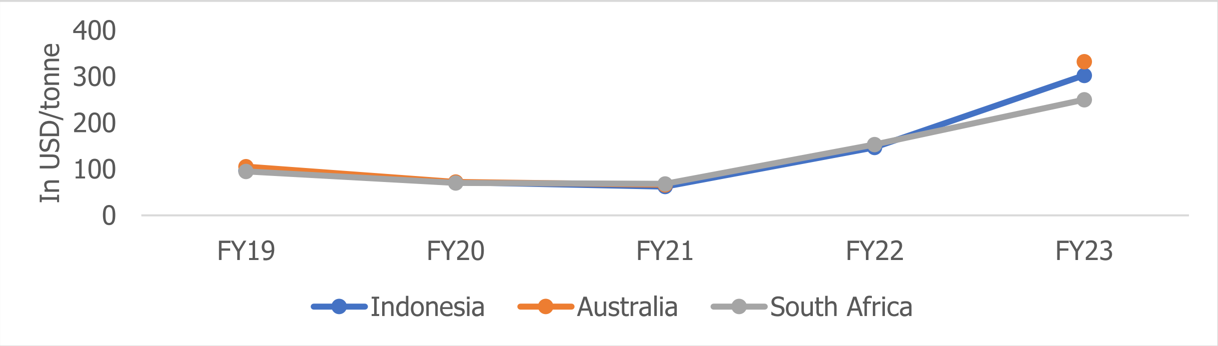
Source: CMIE

Chart 54: Iron ore prices



Source: CMIE

Chart 55: Coal prices

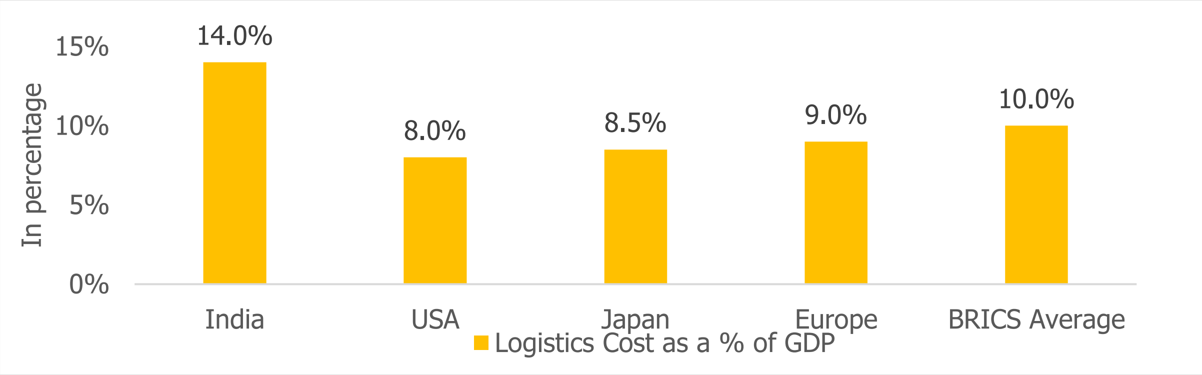


Source: CMIE

- **High logistics costs**

Logistics costs in India are significantly higher compared to global peers and account for about 14% of the GDP. The chart below shows the comparison of the share of logistics cost in GPD of India vs. developed economies.

Chart 56 : Logistics Cost as a Share of GDP

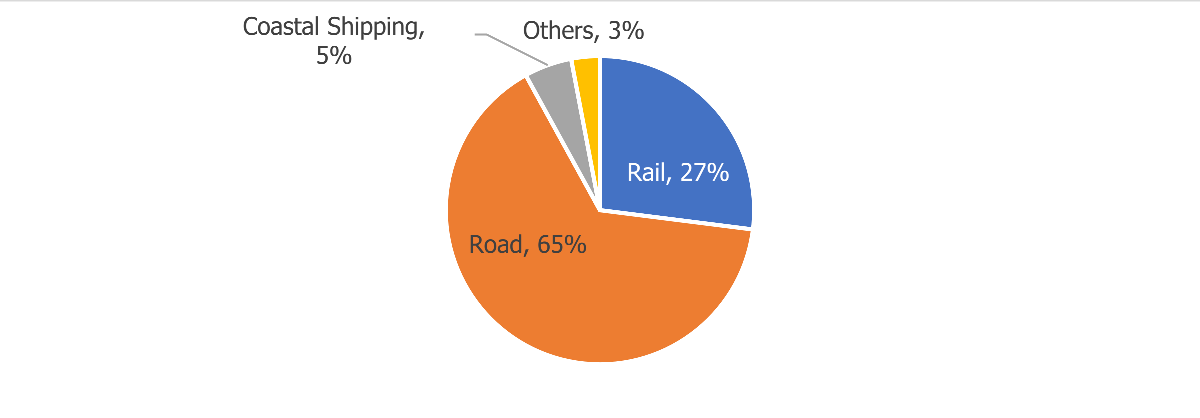


Source: Ministry of Railways, Report of the Committee on Mission 3000 million tonnes, Industry Sources

The logistics industry connects other industries to domestic and international markets, it affects the efficiency of the manufacturing global value chains, and the competitiveness of a country's economy within these value chains. Some of the reasons that can be attributed to the higher cost of logistics in India are:

- **Inter-modal mix is skewed towards road transport:** The capacity of Indian railways is constrained and there are various challenges like rake availability and delays in rake placements. Road transport is preferred compared to railways despite it being a cheaper alternative. Road transport currently has a share of about 64% in the freight movement in the country.

Chart 57: Inter-modal Mix for Freight Movement in India as on FY22



Source: National Railway Plan

- **Inefficient transport vehicles:** India has a fleet of small and inefficient trucks. The highest capacity of trucks in India is 16 tonne and 25 tonne. In countries like China, the trucks have 26-40T capacity.

- **Road Infrastructure Constraints:** Underdeveloped road infrastructure leads to inefficient movement of freight. Additionally, there is a lack of 4/6 lane roads, which further results in congestion across the key routes leading to an increase in costs.

The high cost of logistics adversely affects the global competitiveness of Indian steel tubes and pipes products.

- **Global slowdown**

According to IMF, the global economic growth for CY23 is estimated at 2.8% down from 3.4% in CY22, a de-growth of around 18%. This is largely because of the turbulence in the financial sector, geo-political tensions, supply chain disruptions, tightening monetary policies, persistent inflation and hike in interest rates. The growth of key export destinations of steel tubes and pipes such as USA and Canada are projected at 1.6% and 1.5% for CY23 as compared to 2.1% and 3.4% for CY22. Currrently, the steel tubes and pipes industry exports around 16% of its production which may get impacted owing to recession, inflationary pressures, supply chain disruptions etc. across the world.

- **Decarbonisation and environmental concerns**

The Indian steel industry is responsible for roughly 12% of India's carbon dioxide (CO_2) emissions, surpassing the global average of 7-9%[4]. The emission intensity in the Indian steel industry stands at 2.55 T/TCS[5], while the global average emission intensity is 1.91 T/TCS.

India has made a commitment to decrease the emissions intensity of its Gross Domestic Product (GDP) by 45% by 2030, compared to 2005 levels and achieve net zero by 2070. To support this target, the Ministry of Steel has committed to achieve a Net-Zero by 2070 and has taken a medium-term target to reduce the emission intensity of the steel sector to 2.4 T/TCS by 2030. These targets remain critical for steel industry players including steel pipes and tubes manufacturers for reducing the emissions within the set timelines. The reduction of emissions is also vital for the industry to maintain its competitiveness in export markets which is becoming increasingly environment conscious - Commencing from October 2023, the European Union (EU) has decided to implement Carbon Border Adjustment Mechanism (CBAM) – a tariff on carbon-intensive imports, which is aimed at preventing carbon leakage. The first phase of CBAM will cover iron & steel, cement, aluminum, fertilizer, electricity and hydrogen sectors.

6 SWOT Analysis

Strength	Weakness
• Healthy expansion plans of oil & gas pipeline infrastructure • Government thrust on infrastructure development • Increase in budgetary allocation towards infrastructure, railways etc. • Government initiatives such as 'One nation, One gas grid', 'Jal Jeeven mission' and 'Pradhan Mantri Awas Yojana' • Healthy demand from end-user segments such as real estate, water infrastructure, automobiles, railways, capital goods etc.	• High logistic costs • Recession fears and weak global demand may have impact on export growth • Increasing environmental concerns over the carbon emissions from the steel industry
Opportunity	**Threat**
• Government's focus on increasing natural gas infrastructure • Expansion of water infrastructure in India as majority of households lack access to safe water on daily basis	• Volatility in steel prices which could affect profitability of the business • Persistent inflation may result in low demand for products and cause delay in execution of projects

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[5] Tonne of CO2 equivalent per tonne of crude steel

• Significant capacity additions in power generation expected over the next 7-8 years including renewable resources	

7 Competitive Analysis of Key Listed Players

7.1 APL Apollo Tubes Ltd (APL Apollo)

Business Profile

- **Date of incorportation:** February 24, 1986
- **Brief description:** APL Apollo is a manufacturer of structural steel tubes and PVC pipe with a network of more than 800 dealers.
- **Plant location:** Uttar Pradesh, Maharashtra, Tamil Nadu, Telangana, Karnataka and Chhattisgarh.

Key Products manufactured: uPVC pipes & fittings, uPVC column pipes, SWR drainage pipes, uPVC pressure pipes, well casting pipes, underground drainage pipes, PPR-C pipes & fittings, CPVC pipes & fittings, structural steel, pre-galvanized structural steel tubes

- **Current installed capacity:**

Plants	Unit (MTPA)
All Units	1,36,000

The company has plans to increase its total capacity to 286,000 MTPA in coming 3-4 years.

Financial Profile (Standalone)

Particulars	FY21	FY22	FY23
Revenue (Rs. Crore)	6008.0	9062.4	14279.3
EBITDA Margin (%)	3.6%	4.6%	5.2%
PAT (Rs. Crore)	153.8	287.1	511.9
PAT Margin (%)	2.6%	3.2%	3.6%

Source: Company’s disclosures

7.2 Rama Steel Tubes Limited (RSTL)

Business Profile

- **Date of incorporation:** February 26, 1974
- **Brief description:** RSTL has executed more than 400 crores of projects across various sectors such as power, refinery, water distribution, highway electrification etc over the past 6 years.
- **Plant location:** Uttar Pradesh, Maharashtra and Andhra Pradesh
- **Key Products manufactured:** ERW Galvanized steel pipes and tubes, ERW Black steep pipes and tubes, scaffolding pipes and tubes, swaged poles, structural steel products, hollow sections

- **Current installed capacity:**

Plants	MTPA
Uttar Pradesh	60,000
Maharashtra	1,32,000
Andhra Pradesh	72,000

It is planning to expand its operations by making investments and manufacturing value-added products in Chhattisgarh and Nigeria in the overseas market.

Financial Profile (Standalone)

Particulars	FY21	FY22	FY23
Revenue (Rs. Crore)	325.7	517.3	1,009.9
EBITDA Margin (%)	4.8%	4.9%	3.7%
PAT (Rs. Crore)	5.4	10.5	16.5
PAT Margin (%)	1.7%	2.0%	1.6%

Source: Company's disclosures

7.3 Hi-Tech Pipes Limited

Business Profile

- **Date of incorportation:** January 02, 1985
- **Brief description:** Hi-tech pipes Ltd is a producer and marketer of steel tubes and pipes having 5 manufacturing units in India with more than 390 distributor and dealers and over 150 OEM partners.
- **Plant location:** Uttar Pradesh, Maharashtra, Gujarat and Andhra Pradesh.
- **Key Products manufactured:** Black Hollow Section and Round Pipe, Galvanised and Pre Galvanised Pipes and Cold Rolled Coils
- **Current installed capacity:**

Plants	MTPA
Uttar Pradesh (two units)	2,55,000
Gujarat	1,25,000
Andhra Pradesh	1,20,000
Maharashtra	80,000

The company has plans to expand their value added products and is tapping new opportunities in the market to achieve 1 million MTPA from 0.58 million MTPA in FY22.

Financial Profile (Standalone)

Particulars	FY21	FY22	FY23
Revenue (Rs. Crore)	1,026.5	1,511.9	1,860.6
EBITDA Margin (%)	5.1%	5.0%	-0.4%
PAT (Rs. Crore)	15.0	29.9	28.9
PAT Margin (%)	1.5%	2.0%	1.6%

Source: Company's disclosures

7.4 Hariom Pipes Industries Limited

Business Profile

- **Date of incorportation:** June 21, 2007
- **Brief description:** Hariom Pipes Industries Ltd is a steel and steel pipes manufacture in Southern India and has recently spread its distribution to Western India establishing its presence in 5 states - Maharashtra, Telangana, Andhra Pradesh, Karnataka and Tamil Nadu currently.
- **Plant location:** Telangana and Andhra Pradesh
- **Key Products manufactured:** Sponge iron, MS billets, HR strips, MS tubes & pipes, scaffolding
- **Current installed capacity:**

Plants	MTPA
Telangana	2,64,832
Andhra Pradesh	36,000

The company has plans to expand Furnace Unit capacity from 95,832 MTPA to ~1,04,500 MTPA and MS pipe manufacturing capacity from 84,000 MTPA to 1,32,000 MTPA.

Financial Profile (Standalone)

Particulars	FY21	FY22	FY23
Revenue (Rs. Crore)	254.1	430.6	643.7
EBITDA Margin (%)	13.8%	13.7%	12.8%
PAT (Rs. Crore)	15.1	32.0	46.2
PAT Margin (%)	6.0%	7.4%	7.2%

Source: Company's disclosures

7.5 Venus Pipes and Tubes Ltd

Business Profile

- **Date of incorporation:** February 17, 2015
- **Brief description:** Venus Pipes and Tubes Ltd is a manufactuer and exporter of stainless steel pipes and tubes and is mainly into producing seamless tubes/pipes and welded tubes/pipes.
  The company's products are used in various end-user industries such as chemical, engineering, fertilizers, power, food processing, pharmaceutical, paper, oil & gas, aerospace etc.
- **Plant location:** Gujarat
- **Key Products manufactured:** Sponge iron, MS billets, HR strips, MS tubes & pipes, scaffolding
- **Current installed capacity:**

Plants	MTPA
Gujarat	12,000

The company is planning to expand their capacity to 33,600 MTPA during FY24.

Financial Profile (Standalone)

Particulars	FY21	FY22	FY23
Revenue (Rs. Crore)	309.3	387.0	552.4
EBITDA Margin (%)	12.1%	13.3%	12.9%
PAT (Rs. Crore)	23.6	31.7	44.2
PAT Margin (%)	7.6%	8.2%	8.0%

Source: Company's disclosures

7.6 Good Luck India Limited

Business Profile

- **Date of incorporation:** November 06, 1986
- **Brief description:** Good Luck India Ltd is into manufacturing of wide range of engineering structure, precision/auto tubes, forging for defence and aerospace, CR products and GI pipes.
  The company's products are used across various sectors such as infra, high speed railway, specialized infrastructure, solar, aerospace and defense components.
- **Plant location:** Uttar Pradesh and Gujarat
- **Key Products manufactured:** galvanized & cold rolled coils/sheets, galvanized & black steel tubes & hollow sections, forgings & flanges, cold drawn welded & precision tubes, engineering fabricated structures, girders, boiler support structures, pipe rack structures, chimney structures and secondary support structures, and other cold rolled value added products.
- **Current installed capacity:**

Plants	MTPA
Uttar Pradesh and Gujarat	3,64,000

Financial Profile (Standalone)

Particulars	FY21	FY22	FY23
Revenue (Rs. Crore)	1,572.1	2,613.2	3,048.0
EBITDA Margin (%)	7.8%	7.2%	7.2%

PAT (Rs. Crore)	30.1	75.0	86.9
PAT Margin (%)	1.9%	2.9%	2.9%

Source: Company's disclosures

7.7 Swastik Pipe Limited (SPL)

Business Profile

- **Date of incorporation:** October 10, 1973
- **Brief description:** SPL is into manufacturing and exporting of steel pipes and tubes and supplies to various heavy engineering industries in India.
- **Plant location:** Haryana and Uttar Pradesh
- **Key Products manufactured:** ERW Black/Galvanized Steel Pipes & Tubes, ERW Section Pipe (Round Hollow Sections & Square Hollow Sections), Swaged Tubular Poles, Cold Rolled Steel (CR) Strips/Sheets, Steel Fabrication , Solar Structure and Steel Structures.
- **Current installed capacity:**

Plants	MTPA
Haryana & Uttar Pradesh	2,44,001

Financial Profile (Standalone)

Particulars	FY22	FY23
Revenue (Rs. Crore)	608.7	711.3
EBITDA Margin (%)	7.4%	4.7%
PAT (Rs. Crore)	27.9	9.1
PAT Margin (%)	4.6%	1.3%

Source: Company's disclosure

7.8 Vibhor Steel Tubes Pvt Ltd (VSTPL)

Business Profile

- **Date of incorporation:** April 16, 2003
- **Brief description:** VSTPL is a manufacturer of steel products in India and majorly supplies to west and southern market companies located in Maharashtra, Gujarat, Madhya Pradesh, Telangana, Karnataka and Tamil Nadu.
  The company's products are used in various sectors such as water transport, industrial, electric cables, agriculture, automobiles, telecom, infrastructure and oil & gas.
- **Plant location:** Maharashtra and Telangana
- **Key Products manufactured:** Electric Resistance Welded Pipes, Hot-dipped Galvanized Pipes, Hollow section pipes, Primer painted pipes
- **Current installed capacity:**

Plants	MTPA
Maharashtra	1,25,000
Telangana	96,000
Haryana	2,160

The company has plans to expand their operations by setting up manufacturing unit in Orissa upto 1,20,000 MTPA and expanding the current capacity in Telangana to 1,52,000 MTPA.

Financial Profile (Standalone)

Particulars	FY21	FY22	FY23
Revenue (Rs. Crore)	516.6	823.7	1123.8
EBITDA Margin (%)	4.2%	3.8%	4.2%

PAT (Rs. Crore)	2.9	11.0	20.9
PAT Margin (%)	0.6%	1.3%	1.9%

Source: Company's disclosures

8 Regulatory Policies/ Government Initiatives

Measures to enhance domestic production, availability of raw materials and promote trade competitiveness Anti Dumping Duty:

- In December 2022, the Indian Government has imposed an anti-dumping duty on Stainless Steel Seamless Tubes and Pipes from China which is the top exporting country for India with a share of 60% in total imports, to protect the domestic players.
- In October 2021, a notification was passed by Ministry of Finance, Government of India based on the recommendation made by Directorate General of Trade Remedies (DGTR) to extend the anti dumping duty on Stainless Steel Seamless Tubes and Pipes from China for a period of 5 years.
- The custom duty was placed on Stainless-Steel Seamless Tubes and Pipes with diameter up to and including 6 NPS, or comparable thereof in other unit of measurement, whether manufactured using hot extrusion process or hot piercing process and whether sold as hot finished or cold finished pipes and tubes, including subject goods imported in the form of defectives, non- prime or secondary grades originating in or exported from China.
- The duties levied on the products are in range from USD 114 to USD 3,801 per tonne.
- This act came effective because of continuous and massive dumping of goods from the import country despite the duties that were in effect and affected the domestic market.

Domestically Manufactured Iron & Steel Products (DMI&SP) :

- Domestically Manufactured Iron & Steel Products (DMI&SP) are those iron and steel products which are manufactured by entities that are registered and established in India, including in Special Economic Zones (SEZs). In addition, such products shall meet the criteria of domestic minimum value-addition.
- On 8 May, 2017, the policy was approved by Government which mandates to provide preference to DMI&SP, in Government Procurement in which a minimum value addition of 15% have taken place domestically. This has been revised to 20% in the revised policy dated 31 December, 2020.
- The policy is intended to encourage domestic production and consumption of steel as well as import substitution and promote growth in the industry.

Quality Control Order on Steel:

- Ministry of Steel has introduced Steel Quality Control Order (QCO) thereby banning sub-standard/ defective steel products both from domestic & imports to ensure the availability of quality steel to the industry, users and public at large.
- This measure is taken to enchance the availability of quality steel to the users. According to the Order, it is ensured that only quality steel conforming to the relevant BIS standards is made available to the end users.
- As of March 2023, the QCO covers 145 categories of steel and steel products including carbon steel, alloy steel and stainless steel. In addition, goods & articles made up of steel such as stainless-steel pipe & tubes, laminations/ cores of transformers, products of tin plate & tin free steel etc have also been notified to prevent circumvention of the Steel Quality Control Order.

National Steel Policy (NSP), 2017:

- NSP was introduced in 2017 with the objective to increase domestic steel production and consumption, produce high-quality steel and increasing India's competitiveness globally. It also focuses on cost efficiency, raw material availability and research & development to achieve the overall objectives laid out under the policy. The mission defined under NSP, 2017 is as below:

- Self-sufficiency in steel production by providing policy support & guidance to private manufacturers, MSME steel producers, and CPSEs & encourage adequate capacity additions
- Development of globally competitive steel manufacturing capabilities
- Cost-efficient production and domestic availability of iron ore, coking coal, and natural gas
- Facilitate investment in overseas asset acquisitions of raw materials
- Enhance domestic steel demand

Table 4: Target Set Under the NSP, 2017

Parameter	Projections (FY31)
Total crude steel capacity (in MTPA)	300
Total crude steel demand/production (in MTPA)	255
Total finished steel demand/production (in MTPA)	230
Sponge iron demand/production (in MTPA)	80
Pig iron demand/ production (in MTPA)	17
Per Capita Finished Steel Consumption (in kg)	160

Source: Ministry of Steel

Atma Nirbhar Bharat Policy:

- Governement initiatives such as Make in India and Atma Nirbhar Bharat which consists of 5 pillars (Economy, Infrastructure, System, Vibrant Demography and Demand) has been playing a significant role in economic development.
- In steel tubes and pipes sector, the demand for seamless and ERW pipe sectors is increasing because of these policies. According to this policy, any purchases made by PSUs must include at least 35% local value addition in the supply of pipes. This will eventually supports domestic manufacturers in the country.
- Under this policy, a stimulus of Rs. 20 lakh crore was announced by the Governemnt to aid the country to fight against Covid-19 pandemic.

Production Linked Incentive (PLI) Scheme:

- To enhance the manufacturing capabilities and export market, the government has launched PLI scheme for specialty steel under Ministry of steel during July 2021 with an budgetary outlay of Rs. 6,322 crores.
- India is dependent on specialty steel as it is used in automobiles, defence, railways, space, power and renewable energy. The usage of this steel goes into manufacturing of tubes and pipes due to its properties such as heat resistance and corrosion resistance.
- The scheme covering specialty steel grades is applicable for the following product segments below:

i. Coated/Plated Steel Products
ii. High Strength/ Wear resistant Steel
iii. Specialty Rails
iv. Alloy Steel Products and Steel wires
v. Electrical Steel

- PLI is expected to boost the production of the above products in domestic industry and reduce the dependency on imports. This will not only ensure import substitution of goods and but also encourage a growth in the exports.
- Through this scheme, the production of specialty steel grade is estimated to grow more than double by FY27 to 42.2 MT from 17.6 MT in FY20, an increase of 140%.
- This incentive scheme is also expected to attract investments of about Rs.39,625 crore by FY30 in specialty steel.

India’s Carbon Emission Reduction Targets:

- During the 26th session of the Conference of the Parties (COP26) to the United Nations Framework Convention on Climate Change (UNFCCC), which was held in Glasgow, United Kingdom, India proposed its targets for country’s transition to a clean and climate resilient economy and is expected to bring investment and new technologies for the same. The climate action plans includes 5 nectar elements (Panchamrit):

i. To reach 500GW Non-fossil energy capacity by 2030
ii. To utilize 50% of its energy requirements from renewable energy by 2030
iii. To reduce the total projected carbon emissions by 1 billion tonne by 2030
iv. To reduce the carbon intensity of the economy by 45% by 2030, over 2005 levels
v. To achieve the target of net zero emissions by 2070

Programmes/initiatives taken by the Government to aid the growth in end-user industries

- **Pradhan Mantri Awas Yojana (PMAY)**

The Pradhan Mantri Awas Yojana (PMAY) was introduced as part of the 'Housing for All' initiative with the objective of facilitating the provision of affordable housing at a reduced cost by the deadline of December, 2024. It offers various forms of support to different income groups, including interest subsidies on home loans, financial assistance for self-construction, public-private partnerships for affordable housing projects, and slum redevelopment initiatives.

The scheme also promotes the use of innovative construction technologies and the development of affordable rental housing complexes. PMAY embodies the government's commitment to ensuring housing for all and improving living conditions for people across the country.

In the Union Budget 2023-24, the government allocated Rs. 79,590 crores towards this scheme, an increase of 3% y-o-y. Under the PMAY-Urban scheme, pucca houses are provided to individuals falling within the Economically Weaker Sections/Low Income Group (EWS/LIG) and Middle-Income Group (MIG) categories, including slum dwellers. As of 10^{th} July 2023, approximately 75.31 lakh houses have been completed, around 112.22 lakh houses have commenced construction, and approximately 118.9 lakh houses have received official sanction, while the total demand stands at approximately 112.24 lakh houses.

The PMAY-Gramin scheme aims to offer pucca houses to rural individuals lacking shelter or residing in kutcha (temporary) and dilapidated housing structures. As of 20^{th} July 2023, a total of 232.05 lakh houses have been completed, indicating an 80% achievement rate in relation to the Ministry of Rural Development's (MoRD) target of 290.60 lakh houses.

- **Jal Jeevan Mission**

Jal Jeevan Mission is an initiative taken by the Government with an objective to provide safe and adequate drinking water through individual household tap connections by 2024 to all households in rural India. The programme will also focus on source sustainability measures as mandatory elements, such as recharge and reuse through grey water management, water conservation, rain water harvesting.

The main objectives of the programme are:

- To provide FHTC (Functional Household Tap Connection) to every rural household
- To prioritize provision of FHTCs in qualityaffected areas, villages in drought prone and desert areas, Sansad Adarsh Gram Yojana (SAGY) villages, etc

- To provide functional tap connection to Schools, Anganwadi centres, GP buildings, Health centres, wellness centres and community buildings
- To monitor functionality of tap connections
- To promote and ensure voluntary ownership among local community by way of contribution in cash, kind and/ or labour and voluntary labour (shramdaan)
- To assist in ensuring sustainability of water supply system, i.e. water source, water supply infrastructure, and funds for regular O&M
- To empower and develop human resource in the sector such that the demands of construction, plumbing, electrical, water quality management, water treatment, catchment protection, O&M, etc. are taken care of in short and long term
- To bring awareness on various aspects and significance of safe drinking water and involvement of stakeholders in manner that make water everyone's business

The nation has been successful in providing tap connections to nearly 65% rural households in the past 4 years. This program has already connected taps to more than 19.5 crore rural households and established 12.6 crore rural household tap connections within a span of 4 years. The mission has always seen a consistent allocation in budget every year. In the Union budget 2023-24, the allocation towards this scheme has increased by Rs. 15,000 to Rs. 70,000 crore as compared to previous budget 2022-23.

- **One Nation, One Gas Grid Project**

The main objective of the Indian government to focus on developing the Natural Gas infrastructure in the country and to implement "One Nation One Gas Grid" is to increase the share of natural gas in the Primary Energy mix. As on 31st December 2022, Petroleum and Natural Gas Regulatory Board (PNGRB) has authorized 33,592 km Natural Gas Pipeline network for the development of pipelines across the country. Out of this, 23,173 km Natural Gas Pipelines were operational and a total of 12,206 km length of pipelines were under construction. The projects are being undertaken as per the timelines approved by PNGRB.

OUR BUSINESS

Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 20 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 29 and 309, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our fiscal year ends on March 31 of each year, and references to a particular fiscal year are to the twelve months ended March 31 of that year.

We have, in this Draft Red Herring Prospectus, included various operational and financial performance indicators, some of which may not be derived from our Restated Financial Information, and may not have been subjected to an audit or review by our Statutory Auditor. For further information, see "Financial Information" on page 233. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Standalone Financial Information and other information relating to our business and operations included in this Draft Red Herring Prospectus.

Unless otherwise indicated or the context otherwise requires, the financial information for the Fiscal 2023, 2022 and 2021, included herein is derived from the Restated Standalone Financial Information, included in this Draft Red Herring Prospectus. Unless otherwise indicated or the context otherwise requires, in this section, references to "we" or "us" mean Vibhor Steel Tubes Limited For further information relating to various defined terms used in our business operations, see "Definitions and Abbreviations" on page 02.

Unless stated otherwise, industry and market data used in this section has been obtained or derived from publicly available information as well as industry publications and other sources for more information, see "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data" on page 17.

OVERVIEW

Our Company was originally incorporated as 'Vibhor Steel Tubes Private Limited' a private limited company under the Companies Act, 1956 at, pursuant to a certificate of incorporation dated April 16, 2003 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Thereafter, our Company was converted from private to public company, pursuant to a special resolution passed by the shareholders of our Company on June 14, 2023 and a fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Delhi ("RoC") on July 07, 2023. For further details on the change in the name and the registered office of our Company, see "History and Certain Corporate Matters" beginning on page 193.

Vibhor Steel Tubes Limited is manufacturers and exporters of Mild Steel/Carbon Steel ERW Black and Galvanized Pipes, Hallow Steel Pipe, Cold rolled Steel (CR) Strips/ Coils. We are 2 decades old manufacturer, exporter and supplier of steel pipes and tubes to various heavy engineering industries in India. Steel pipes and tubes can be used for many purposes such as steel pipes for frames and shafts, steel pipes for bicycle frames, steel pipes for furniture, CDW pipes for shockers, steel pipes for various structural purposes, steel pipes for various engineering purposes etc. We have a very wide range of steel pipes and tubes products. The lengths of the steel pipes & tubes in different ranges unless otherwise specified by the customers. We manufacture steel pipes and tubes in various shapes and size such square, round, rectangular and elliptical or any special shape.

We manufacture & supply the finished goods for "Jindal Pipes Limited" vide the renewed agreement dated April 01, 2023 under the brand name "Jindal Star" .

Important terms of the Agreement:

- As per the agreement selling price shall be fixed time to time as per mutual agreement depending on the prevailing market price for the end product. However, at no point in time be lower than the raw material price (steel plus consumables) plus variable costs (labour & power).
- Minimum Order: JPL will provide orders with a minimum quantity of 1,00,000 MT per annum to fill majority capacity of Unit I & Unit II of our Company.
- In the event of any shortfall in off take by the Jindal Pipes Limited or in supply by the Vibhor Steel Tubes Limited, compensation at Rs. 2,000 per MT of shortfall will be paid by the arring party. However, there will be no compensation liability once the minimum quantity of orders is achieved.
- Vibhor Steel Tubes Limited will allow turnover discount 2% of net sales price to Jindal Pipes Limited.
- The tenure of this agreement is for six years from April 01, 2023 and can be further renewed if required by both the parties.

We have an in-house quality team comprising of 627 dedicated personnel working under the overall supervision of our board of directors in different locations. Our quality control team ensures that our raw materials as well as end products are tested on all quality parameters to ensure that we are compliant with the international product standards.

Our individual Promoters, Mr. Vijay Kaushik, Mr. Vibhor Kaushik and Mrs. Vijay Laxmi Kaushik are first generation entrepreneurs, and have an average experience of approximately thirty years in mild steel and stainless steel welded pipes and tubes industry in addition to expertise in marketing, procurement, finance, accounting and customer relationship management.

The financial performance of our Company for the Fiscals 2023, 2022 and 2021, are as follows:

(Rs In Lakhs)

Key Financial Performance	For the year ended March 31st		
	2022-2023	2021-2022	2020-2021
Revenue from operations(1)	1,11,311.90	81,799.60	51,046.68
Total Income(2)	1,11,437.82	81,848.07	51,150.97
EBITDA(3)	4,684.44	3,018.11	1,991.75
EBITDA Margin(4)	4.21%	3.69%	3.90%
PAT	2,106.62	1,133.11	68.83
PAT Margin(5)	1.89%	1.39%	0.13%
Operating cash flow	702.73	-3,454.93	4,542.00
Net worth(6)	9,319.79	7,197.29	6,048.99
Net Debt(7)	12,682.52	10,606.57	5,874.40
Debt Equity Ratio(8)	1.63	1.77	1.23
ROCE (%)(9)	16.48%	12.09%	9.90%
ROE (%)(10)	25.51%	17.11%	1.14%

21) *Revenue from operation means revenue from sales and other operating revenues.*

22) *Total Income represents the total turnover of our business i.e., Revenue from Operations and Other Income, if any.*

23) *EBITDA means Profit before depreciation, finance cost, tax and amortization.*

24) *'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.*

25) *'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.*

26) *Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits*

and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, capital reserve arising on consolidation, capital redemption reserve, write-back of depreciation and amalgamation.

27) *Net debt = non-current borrowing + current borrowing – Cash and Cash Equivalent.*

28) *Debt equity ratio means ratio of total debt (long term plus short-term including current maturity of long-term debt) and Equity Share capital plus other equity.*

29) *Return on Capital Employed is ratio of EBIT and Capital Employed. Capital Employed is Total Shareholder's Equity, Non-Current Borrowing and Short-Term Borrowing.*

30) *Return on Equity is ratio of Profit after Tax and Average Shareholder Equity.*

Explanation for KPI metrics

KPI	Explanations
Revenue from Operations	*Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.*
Total income	*Total income is used by the management to track revenue from operations and other income.*
EBITDA	*EBITDA provides information regarding the operational efficiency of the business.*
EBITDA Margin (%)	*EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.*
PAT	*Profit after tax provides information regarding the overall profitability of the business.*
PAT Margin (%)	*PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.*
Operating Cash Flows	*Operating cash flows activities provides how efficiently our company generates cash through its core business activities.*
Net Worth	*Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.*
Net Debt	*Net debt helps the management to determine whether a company is overleveraged or has too much debt given its liquid assets*
Debt-equity ratio (times)	*The debt to equity ratio compares an organization's liabilities to its shareholder's equity and is used to gauge how much debt or leverage the organization is using.*
ROE (%)	*ROE provides how efficiently our Company generates profits from shareholders' funds.*
ROCE (%)	*ROCE provides how efficiently our Company generates earnings from the capital employed in the business.*

PLACE OF BUSINESS OF THE COMPANY

Unit Number	Address
Manufacturing Plant No. 1	**Vibhor Steel Tubes Limited,** Gut No 69/2, Pipe Nagar, NH 17 BKG Road, Village Sukeli, Raigad, Maharashtra-402126, India.
Manufacturing Plant No. 2	**Vibhor Steel Tubes Limited,** SY No. 515 & 516, Udithyala (V), Balanagar (M), Mahabubnagar (Dist.) Telangana-509202, India.
Warehouse	**Vibhor Steel Tubes Limited,** Plot No. 2, Industrial Development Colony, Delhi Road, Hisar, Haryana-125005, India.

Our Strengths:

1. **Association with Jindal Pipes Limited.**

   Promoters of the Company and Jindal Pipes Limited ("JPL") share common friendship from Hisar origin. The Company benefits from a long-standing relationship with JPL. It started with Job work activity which has now translated into full time production of pipes (0.5 inch to 12 inch) for JPL under brand "Jindal Star" . As per the business agreement dated renewed April 01, 2023, the Company sells all its finished product under brand name "Jindal Star" to JPL and its approved customers based on monthly card rates. As entire procurement and selling is facilitated by JPL, pricing becomes very transparent and passing of variation in raw material prices to the customers is effective.

2. **Strategic location of manufacturing Units.**

   Unit I is located at located Raigad, Maharashtra, which is the best place for export of goods, we export 100% of export sales from Unit I only. Unit II is located around seventy (70) kms from Hyderabad in the Mahabubnagar District, State of Telangana and close to Jadcherla industrial area. This proximity enables ease of logistics, power, water supply and raw materials for our operations in Unit I. Skilled personnel for Unit I also come from Hyderabad.

3. **Experienced Promoters and senior management team.**

   Our two Promoters, Mr. Vijay Kaushik and Mr. Vibhor Kaushik are qualified professionals with an individual experience of more than 4 & 2 decades respectively in the Steel Pipes & Tubes industry and have been instrumental in driving our growth since inception of our business. We believe that our management team's experience and their understanding of the industry will enable us to continue to take advantage of both current and future opportunities. A large number of our senior management personnel have worked with us for a significant period of time, resulting in effective operational coordination and continuity of business strategies. They have led the organization through acquisitions, development of new systems and components etc. For further details on education, experience and other details of our Management and our Key Managerial Personnel, kindly refer to the Section titled "Our Management" beginning on page 198.

4. **International Accreditations.**

   As we sell our product under the brand name "Jindal Star" for Jindal Pipes Limited. We follow international standard manufacturing practises and our Manufacturing Facility benefits from the quality benchmarking certifications such as (i) ISO 9001:2015 for manufacturing & supply of ERW Steel Pipes-Black & Galvanized with certificate number 10116-AQMS-0216 approved by Global Accreditation Board and International Council of Accreditation Bodies issued by Acerna Management Systems Private Limited, a third party (ii) IS 1239:2004, IS 3601:2006, IS 3589:2001 from Bureau of Indian Standards Such practices and accreditations, coupled with our technical capabilities and know-how enable us to manufacture products for both domestic and international customers.

5. **Export of finished goods**

   We export our manufactured goods for the Jindal Pipes Limited to the overseas customers. Currently we are focusing to increase our export sales.

Details of export are as under:

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Total Revenue from Operations	111,311.90	81,799.60	51,046.68
Export Sale	2,560.12	3,160.25	1,855.22
Export as % of total revenue from operation	2.30%	3.86%	3.63%

We believe that our diversified customer base provides us significant penetration in the market in which we operate and thereby hedges our business operations from potential sector specific risks, including but not limited to policy announcements, change in global markets and international relations etc.

6. Well-developed distribution and marketing network

With the help of Jindal Pipes Limited, our company has developed and implemented a wide range of networking channels throughout the industry and society to strengthen the scope of identifying core customer base and designing right marketing strategies for procurement and liaising of projects to deliver customized solutions for clients. Our distribution and marketing network ensure our product availability to our customers translating into efficient supply chain, focused customer service and short turnaround times for product delivery.

We have customers in domestic as well as in international market, as on March 31, 2023, we have exported around 10 countries across the globe. Kindly refer "Our Strategies" on page no. 170 for details of countries.

7. Integrated manufacturing facility

We do continuous endeavour to maintain the requisite infrastructure and technological up gradation for the smooth running of the manufacturing process as well as to cope with the changing market demand situation. There is a continuous change in the technology and the markets are very dynamic to the change in technology. We keep ourselves technologically upgraded with the latest machines and infrastructure.

We have well equipped machinery in all the 3 units, kindly refer "Plant & Machinery" on page no. 178 for further details of Machineries.

8. Stable Financial

Our Company maintains strong financial discipline and is regular in payment of banks interest/ instalments as well as creditors on time. Our company follows stringent financial policies. Our company has policy of having internal audits done from time to time to ensure that there is no margin of error.

Some highlights of the financials:

(Rs In Lakhs)

Key Financial Performance	For the year ended March 31st		
	2022-2023	2021-2022	2020-2021
Revenue from operations	1,11,311.90	81,799.60	51,046.68
Total Income	1,11,437.82	81,848.07	51,150.97
EBITDA	4,684.44	3,018.11	1,991.75
EBITDA Margin	4.21%	3.69%	3.90%
PAT	2,106.62	1,133.11	68.83

PAT Margin	1.89%	1.39%	0.13%

Our Strategies:

1. **Expansion of our footprint.**

We have successfully exported finished goods under the brand name "Jindal Star" around 10 countries across the globe. We plan to continue our strategy of diversifying and expanding our presence in these regions for the growth of our business. We are selective in expanding to new locations and look at new geographies where we can deliver quality products without experiencing significant delays and interruptions. Through further diversification of our operations geographically, we hope to hedge against risks of operations in only specific areas and protection from fluctuations resulting from business concentration in limited geographical areas.

The country wise export in last 3 financial years:

For the Fiscal 2023

Customer Name	Location	Total Qty MT	Amount (In Lakhs)	% of total Export
AB LYTAGRA ATEITIES PL50	Lithuania	22.62	18.51	0.78%
ANGEL STOILOV	Bulgaria	45.99	56.79	2.39%
COMIPONT S.P. A.	Italy	135.71	140.56	5.91%
DE WIT BOUWMACHINES B.V.	Netherlands	775.52	665.55	27.99%
G.B.M. BUILDING EQUIPMENTS SRL	Italy	777.71	666.84	28.05%
MACRO METAL HANDELS GESELLSCHAFT MBH	Germany	437.71	406.13	17.08%
MICK D.O.O	Croatia	250.11	263.90	11.10%
SUDFERRUM GMBH & CO. KG	Germany	45.79	38.21	1.61%
THERMOKIPIA KRITIS S.A.	Greece	126.00	121.08	5.09%
Grand Total		**2617.16**	**2,377.56**	**100.00%**

For the Fiscal 2022

Customer Name	Location	Total Qty MT	Amount (In Lakhs)	% of total Export
AIDAN O SHAUGHNESSY AND SONS LTD.	Ireland	318.79	290.48	9.11%
COMIPONT S.P.A	Italy	163.53	140.86	4.42%
DE WIT BOUWMACHINES B.V	Netherlands	838.50	786.90	24.69%
G.B.M. BUILDING EQUIPMENTS SRL	Italy	1,090.82	1,072.66	33.65%
INOXTUBO-ARTIGAS SANITATRIES	Potugal	199.92	148.15	4.65%
MACRO METAL HANDELSGESELLSCHAFT MBH	Germany	260.27	253.56	7.95%
MICK D.O.O	Croatia	246.38	230.68	7.24%
THERMOKIPIA KRITIS S.A.	Greece	262.43	264.29	8.29%
Grand Total		**3,380.64**	**3,187.58**	**100.00%**

For the Fiscal 2021

Customer Name	Location	Total Qty MT	Amount (In Lakhs)	% of total Export
AIDAN O SHAUGHNESSY AND SONS LTD.	Ireland	476.20	305.62	16.16%
DE WIT BOUWMACHINES B.V	Netherlands	1107.15	717.96	37.96%
G.B.M. BUILDING EQUIPMENTS SRL	Italy	244.06	159.06	8.41%
MICK D.O.O	Croatia	270.47	138.88	7.34%
MITSUI & CO (AUSTRALIA) LTD	Australia	68.28	34.14	1.81%
O DONNELL ENGINEERING	Ireland	76.55	53.14	2.81%
RAMA STEEL TUBES LTD.	Ireland	587.66	276.21	14.60%
THERMOKIPIA KRITIS S.A.	Greece	311.77	195.60	10.34%
UNITED METALS DMCC	United Arab Emirates	22.13	10.77	0.57%
Grand Total		**3,164.27**	**1,891.38**	**100.00%**

2. Continue to enhance our core strengths by attracting, retaining and training qualified personnel.

We believe that our ability to effectively execute and manage projects is crucial to our continued success. We understand that maintaining quality, minimising costs and ensuring timely completion of our projects depends largely on the skill and workmanship of our employees. As competition for qualified personnel increases among engineering and manufacturing companies in India, we seek to improve competitiveness by increasing our focus on training our staff. We offer our engineering and technical personnel a wide range of work experience and learning opportunities by providing them with continuous training in latest systems, techniques and knowledge upgradation.

As on September 28, 2023, we have total 636 employees including labours.

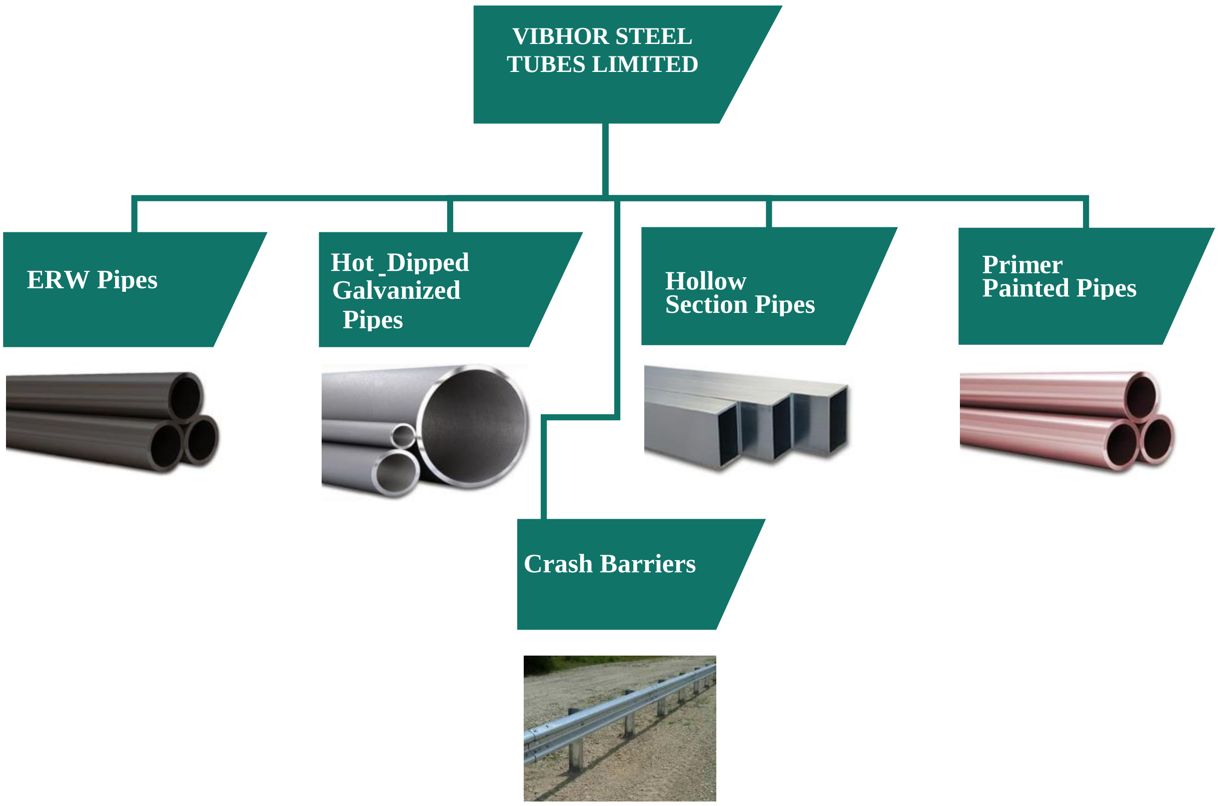
3. Continue to improve operating efficiencies through technology enhancements

Our production process is completely automated with our Manufacturing facilities, housing latest product-specific equipment and machineries that support us in manufacturing of our Products in accordance with our customer requirements. In line with our proposed expansion plans, we intend to further develop our technology systems in order to increase asset productivity, operating efficiencies and strengthening our competitive position.

4. Strengthen our Goodwill

We are in the business of manufacturing of mild steel and stainless-steel pipes/tubes since approximately last twenty years whereas our peer group industry players/competitors have the benefit of longer operating history in comparison with ours, and therefore, our brand development is at a relatively nascent stage. Considering our current market presence with our customers in diversified sectors and geographies in order to further penetrate the market, we intend to make consistent efforts to strengthen own goodwill with the help of Jindal Pipes Limited and enhance our brand visibility for attaining parity with our industry peers. Towards this end, we intend to undertake various marketing initiatives including participation in industrial trade fares, dealers meet organised by Jindal Pipes Limited. We believe that such initiatives shall improve our brand positioning, overall brand recall value and support us in our growth strategy.

Product Range:



1. **ERW ("Electric Resistance Welded") Pipes:**

The Electric Resistance Welded Pipes are manufactured from high-quality continuous cast, fully killed, control-rolled, low-carbon steel coils which are procured from trusted vendors. The raw material is turned into the final product after being processed in carefully supervised and technically digitized high-end tube mills.

The company's tubing processes ensure that ERW pipes manufactured have high strength corrosion resistance, high malleability, superior strength, sturdiness and durability as special features.

Provide a range of options in varying qualities, wall thickness, diameters and finishes depending on the requirement of the end-users.

Hot rolled coils are purchased from SAIL, JSW etc.

Applications: Water Transport, Oil. Gas & other non-toxic supplies.

2. **Hot -Dipped Galvanized Pipes:**

Corrosion resistant pipes, i.e. Galvanized Pipes are manufactured at the plant in large quantities, using high-end Zinc to coat. Having a cover of protective zinc, these pipes have maximum resistance to corrosion, increasing their life expectancy. Apart from preventing rust, this process is equally effective in dry and indoor environments.

Standard 21-foot zinc coated galvanized tubes and pipes are either threaded or welded, depending on the diameter sizes and finally undergo a heavy-duty saw cutter before moving to quality checks.

Zinc is purchased from dealers of Hindustan Zinc Limited.

Applications: Agriculture & Infrastructure.

While galvanized pipes do find their way in piping inside buildings for water supply, albeit on a lower scale in recent years, they are more popularly used as Building and structural material, Mechanical an general engineering Public transport bodies like buses, railway boogies.

In Telephone department as Conduit Pipes Handrails and replacement of existing pipes.

3. Hollow Sections Tubes:

ERW Pipes are also manufactured in Hollow sections shapes i.e. square and rectangular.

Each steel hollow section features a high strength to weight ratio that results in savings in steel costs. The sections are best suited for welding, are corrosion resistant and easily bendable which leads to the shaping and construction of aesthetically appealing structures without comprising on strength and durability.

Customers are provided with an option to primer paint the pipes for protection during storage and handling. Dura Primed primer paint is used to ensure speedy delivery while maintaining quality.

Coated pipes offer high resistance to corrosion on pipes and provide many benefits such as:

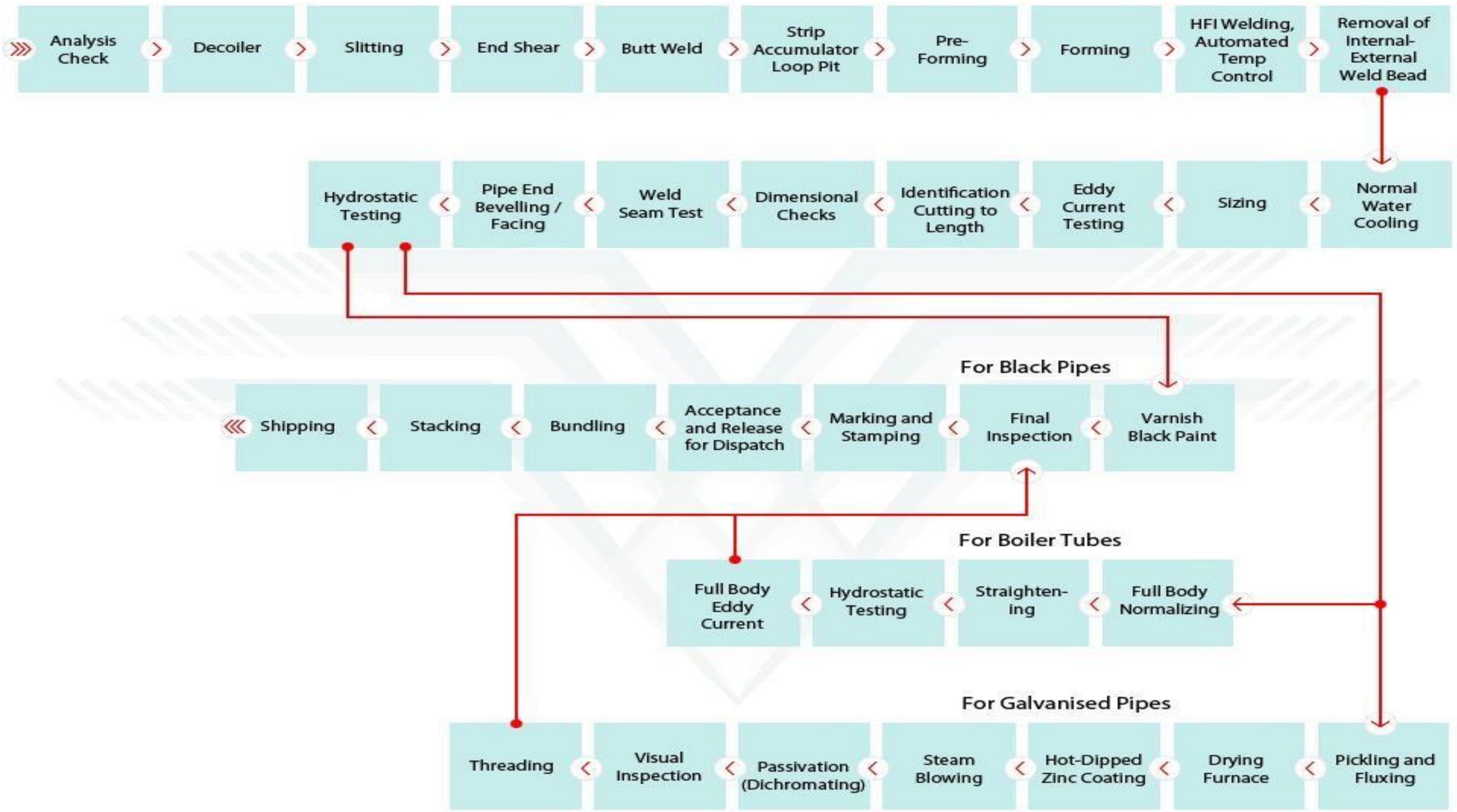
- Increased Flow Capacity
- Reduced Maintenance Cost
- Lower energy usage and Clean delivery of products

4. Crash Barrier:

Crash Barrier are manufactured through GI Mild Steel.

Applications: used in railways, highways & roads.

Manufacturing process:



Top 10 customers:

Fiscal 2023

(Rs. In Lakhs)

Name of the Customer	Amount
JINDAL PIPES LTD	1,03,142.18
G.B.M. BUILDING EQUIPMENTS SRL	666.84
DE WIT BOUWMACHINES B.V	665.55
MACRO METAL HANDELSGESELLSCHAFT MBH	406.13
KRUTHIKA TRADERS	386.55
VIBHOR STEEL TUBES (P) LTD.	377.60
MAHARASHTRA SEAMLESS LIMITED (JW)	364.61
MICK D.O.O	263.90
UNITED TRADERS	219.58
BANSAL PIPE CO	190.91

Fiscal 2022

(Rs. In Lakhs)

Name of the Customer	Amount
JINDAL PIPES LTD	73,935.39
G.B.M. BUILDING EQUIPMENTS SRL	1,072.66
MAHARASHTRA SEAMLESS LIMITED	918.03
DE WIT BOUWMACHINES B.V	786.90
MOKSHI INDUSTRIES PVT LTD	670.15
AIDAN O SHAUGHNESSY AND SONS LTD.	290.48
KANSAL STEEL SCRAPS PVT. LTD	265.95

THERMOKIPIA KRITIS S.A.	264.29
MACRO METAL HANDELSGESELLSCHAFT MBH	253.56
MICK D.O.O	230.68

Fiscal 2021

(Rs. In Lakhs)

Name of the Customer	Amount
JINDAL PIPES LIMITED	45,393.83
DE WIT BOUWMACHINES B.V.	717.96
MOKSHI INDUSTRIES PVT. LTD.	496.86
MAHARASHTRA SEAMLESS LTD	441.03
AIDAN O SHAUGHNESSY AND SONS LTD.	305.62
RAM STEEL TUBES LTD.	276.21
THERMOKIPIA KRITIS S.A.	195.60
G.B.M. BUILDING EQUIPMENTS SRL	159.06
SHAGUN STEELS	151.86
MICK D.O.O	138.88

Human Resources

We are having strong HR department, as on September 28, 2023, we had 627 permanent employees. We undertake selective and need-based recruitment every year to maintain the size of our workforce, which may otherwise decline as a result of attrition and retirement of employees. Each of our units has different manpower requirements. Based on the type of the production, the manpower is provided by our Human resource (HR) department. Most of the other workers are supervised by the Factory manager except for certain staff which is monitored by separate department's viz. quality control department and safety department.

The following table illustrates the department wise numbers of our employees as September 28, 2023.

Department	Mumbai Plant (Unit I)	Hyderabad Plant (Unit II)	Hisar Warehouse	Total
	No. of Employees			
Engineering & Maintenance	29	40	2	71
Finance & Accounts	07	03	02	12
Human Resources & Administration	36	26	01	63
Information Technology	1	0	-	1
Management	10	0	-	10
Manufacturing	166	255	5	426
Material (Purchase, Store, Dispatch)	14	16	1	31
Quality Control	8	11	-	19
Sales and Marketing	1	1	-	2
Secretarial Department	1	0	-	1
	253	**352**	**11**	**636**

Attrition rate: As on September 28, 2023, we have 636 permanent employees, and attrition rate approximately is 5%-10% the last three years.

Procurement

Our basic raw material includes HR Coils and Zinc and we procure our raw materials based on market availability, pricing and quality through domestic suppliers such as steel manufacturers, stockists and traders.

We have entered into a Memorandum of Understanding (MoU) dated April 06, 2023 with Steel Authority of India Limited ("Raw Material Supplier"), under this MoU, supplier will supply 60,000 ton HR Coils to Unit I & Unit II of Vibhor Steel Tubes Limited in fiscal 2024.

Apart from the above, we also procure majorly raw materials from JSW Steel Limited and dealers of Hindustan Zinc Limited.

Our quality control team ensures that our raw materials as well as end products are tested on all quality parameters to ensure that we are compliant with the required market standards. The raw material pricing is dependent on multiple factors including, inter-alia, global demand supply scenario, exchange rate fluctuations and import-export regulations.

The Cost of material consumed contribution is approximately Rs. 1,01,284.79 Lakhs, Rs. 74,509.60 Lakhs & Rs. 45,367.70 Lakhs which is 90.99%, 91.09% & 88.87% respectively of our revenue from operations for the fiscals 2023, 2022 and 2021 respectively on a restated basis.

Top 10 Suppliers of Raw Material:

Fiscal 2023

(Rs. In Lakhs)

Name of the Suppliers	Quantity (tn)	Amount
Steel Authority of India Limited	91187.84	55,356.67
JSW Steel Limited	66030.107	38,160.07
Bhushan Power & Steel Limited	2661.316	1,779.44
Krishna Sheet Processors Pvt Ltd	2141.588	1,385.44
Amex Resources	1863.8268	2,502.92
Jasmine Industrial Corporation	1626.525	1,132.43
Avon Steel Industries Pvt Ltd	1004	722.88
Phoenix Industries Limited (Bhiwandi)	505.905	1,417.88
Sambhv Sponge Power Pvt Ltd	428.96	278.82
Zini Metal	306.013	932.20

Fiscal 2022

(Rs. In Lakhs)

Name of the Suppliers	Quantity (tn)	Amount
Steel Authority of India Limited	105066.004	54,121.47
JSW Steel Limited	21485.001	12,127.36
Uttam Value Steels Limited	7330.38	2,920.91
Bhushan Power & Steel Limited	4320.68	1,312.73
Sarthak Ispat Pvt. Ltd.	3372.37	1,182.28
Sambhv Sponge Power Pvt Ltd	3355.3	1,465.16
Jasmine Industrial Corporation	1649.58	935.61
Krishna Sheet Processors Pvt Ltd	1314.675	692.49
Jsw Steel Coated Products Limited	1201.68	588.96

Avon Steel Industries Pvt Ltd	509.16	283.60

Fiscal 2021

(Rs. In Lakhs)

Name of the Suppliers	Quantity (tn)	Amount
Steel Authority of India Limited	74,834.00	32,425.06
JSW Steel Limited	9,862.62	4,686.99
Tata Steel Limited - Jajpur	3,646.46	1,357.26
JSW Steel Limited [Bellary]	2,228.10	1,008.78
Gulfoss International Dmcc	1,864.74	738.13
Amex Resources	615.81	1,190.29
JSW Steel Limited [Hyd.]	381.75	211.04
Navkar Metal	320.15	684.03
Hindustan Zinc Limited	243.46	531.60
Hindustan Zinc Limited4	114.75	255.51

Our Machineries

The following is a brief description of the critical machineries deployed by us in the manufacturing processes carried out at our Manufacturing facilities:

Unit I:

Sr. No.	Description	Nos.	Size / Capacity	Functional
1	Slitting Line Machine	1	1/2" to 1.1/2" 6000 MT P.M. Cutting Capacity	Cutting of Coil in Required Sizes
		1	4" to 8" 6000 MT P.M. Cutting Capacity	
2	Round Pipe Mills	1	2" to 3" Full Capacity 3000 MT P.M	Production of Pipes
3	Round Pipe Mills	1	1/2" to 1.1/2" Full Capacity 3000 MT P.M	Production of Pipes
4	Round Pipe Mills	1	4" to 8" Full Capacity 3000 MT P.M	Production of Pipes
5	Round Pipe Mills	1	3/4" to 2.1/2" Full Capacity 3000 MT P.M	Production of Pipes
6	ERW Welding Plant	2	300 KW Capacity	Welding of Pipes
		2	250 KW Capacity	
7	Pipe Straighting Machine	1	1/2" to 3" Inch	Straighting of Pipes
8	Automatic Pipe Varnish M/c	2	1No.- 4" to 8" & 1No. 1/2" to 3" 5000 MT P.M	Varnish of Pipes
9	Manual Pipe Hydro Testing Machine	1	4" to 8"	Checking of Pipe Leakage
	Automatic Pipe Hydro Testing Machine	1	1/2" to 2.1/2"	
10	Cranes	2	30 Ton Lifting Capacity	Lifting & shifting of Raw Matarial & Finished Goods
	Cranes	2	7.5 Ton Lifting Capacity	
	Cranes	1	10 Ton Lifting Capacity	

	Cranes	10	5 Ton Lifting Capacity	
11	Manual Facing Machine	01 pair	4" to 8"	Facing of Pipe ends
	Automatic Facing Machine	02 pair	1 No.- 1/2" to 2.1/2 & 1 No.- 1/2" to 1.1/2"	
12	Work Shop	3	Lathe Machine	For Maintenance of Work
	Work Shop	1	Shappe Machine	
	Work Shop	1	Band Shaw	
	Work Shop	1	Drill Machine	
13	Full G.I Plant	2	4000 MT P.M	G.I
	Automatic Threading Machine	1		Pipe Threading
	Manual Threading Machine	2		
	Band Shaw Machine	1		Cutting of Pipe in Different Sizes
14	Pipe Surfacing Machine	1	2000 MT P.M	Surfacing of Pipes
15	Powder Coating Machine	1	2000 MT P.M	Powder Coating for Gas Pipe Line
16	Roll Set Complete	1	Sizes - 1/2, 3/4, 1, 1.1/4, 1.1/2, 2, 2.1/2, 3, 4, 5, 6, 8	For Rolling

Unit II:

Sr. No.	Description	Nos.	Size / Capacity	Functional
1	Slitting Line Machine	1	12000 MT P.M. Cutting Capacity	Cutting of Coil in Required Sizes
2	Round Pipe Mills	1	1/2" to 2.1/2" Full Capacity 2500 MT P.M	Production of Pipes
3	Round Pipe Mills	1	1/2" to 3" Full Capacity 3000 MT P.M	Production of Pipes
4	Round Pipe Mills	1	4" to 12" Full Capacity 4000 MT P.M	Production of Pipes
5	Round Pipe Mills	1	4" to 14" Full Capacity 5000 MT P.M	Production of Pipes
6	ERW Welding Plant	4	300 KW Capacity each	Welding of Pipes
7	Pipe Straighting Machine	1	1/2" to 3" Inch	Straighting of Pipes
8	Automatic Pipe Varnish M/c	3	5000 MT P.M	Varnishing of Pipes
9	Pipe Hydro Testing Machine	3	2 Nos.- 1/2" to 3" & 1 No.- 4" to 12" Inch	Checking of Pipe Leakage
10	Cranes	1	30 Ton Lifting Capacity	Lifting & shifting of Raw Matarial & Finished Goods
	Cranes	9	05 Ton Lifting Capacity	
	Cranes	1	10 Ton Lifting Capacity	
11	Facing Machine	03 pair	2 Nos.- 4" to 12" & 1 No.- 1/2" to 8"	Facing of Pipe ends
12	Work Shop	5	Lathe Machine	For Maintenance of Work

	Work Shop	1	Shappe Machine	
	Work Shop	1	Band Shaw	
	Work Shop	1	Drill Machine	
13	Full G.I Plant	1	2500 MT P.M	G.I
	Automatic Threading Machine	1		Pipe Threading
	Manual Threading Machine	4		
	Band Shaw Machine	1		Cutting of Pipe in Different Sizes
14	Crash Barrier Machine	1	1500 MT P.M	Production of Crash Barrier used at Road, Highways, Flyovers
15	C Post Machine	1		
16	Roll Set Complete	1	Sizes - 1/2, 3/4, 1, 1.1/4, 1.1/2, 2, 2.1/2, 3, 4, 5, 6, 8, 10, 12	For Rolling

Utilities & Infrastructure Facilities

Water

Water requirement for each of our project is fulfilled from the nearby local area and is generally arranged by the government authorities/bodies for which the water charges are deducted from the running bills issued by us.

Power

Our Manufacturing facilities and registered office have adequate power supply position from the public supply utilities. For the Manufacturing facilities, we have a connected load of 6811 KW from Southern Power Distribution Company of T.S. Limited for Unit II and 2,885 KW from Maharashtra State Electricity Distribution Co. Limited for Unit I, we have a 24*7 power backup at our Manufacturing facilities through a DG set with a capacity of 200 KVA supporting our critical manufacturing operations.

Quality Management

We endeavour to ensure that we maintain stringent quality standards at all stages of our project. Our aim is to reduce cost and cycle times through effective and efficient use of resources. We have a team of engineers and professionals responsible for ensuring quality standards. In executing the projects, we monitor and test all materials for conformity, track non-conformities and make rectifications to ensure client satisfaction.

Health, Safety and Environment

We have obtained necessary consent & approvals from the pollution department for our all three units for operating our Manufacturing facilities, under the Water Act, Air Act and authorization under Hazardous Management Rules. For further details, see "Government and Other Approvals" beginning on page 355.

We have adopted safety procedures at our Manufacturing facilities, particularly in relation to the production, handling, storage and transportation of materials. In addition, our staff are trained for safety at work and manuals for various activities. This includes knowledge about storage, handling and disposal of materials, which they handle. We have provided necessary personal protection equipment for the safety of our workers.

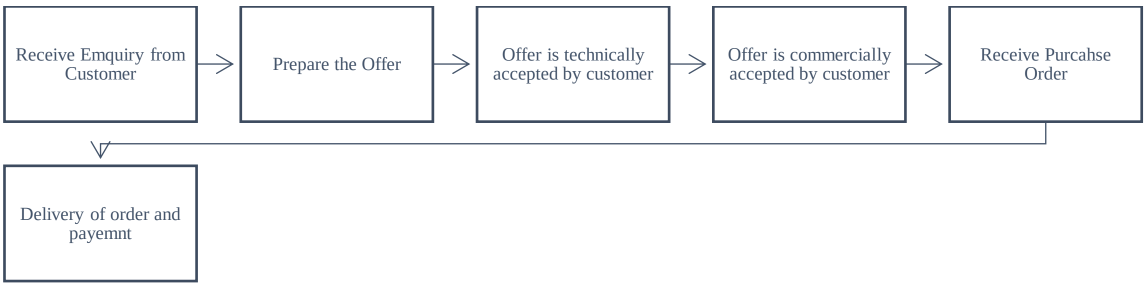
Information Technology

Our IT systems are vital to our business operations. We have a customised IT system of enterprise resource planning for our Company, which assists us in various business functions including materials management, inventory management, procurement planning, quality management, plant maintenance, finance and controlling, environment health and safety, and human resources.

Sales and Marketing

We have our in-house marketing and sales team working under the overall supervision of our Board of Directors and have a vast experience in deal origination and negotiation. The team follows a customer-centric approach and focuses on providing dedicated support for understanding customer requirements and manufacturing products.

Our sales team engages with the potential clients for their requirements and typically follows the following process:



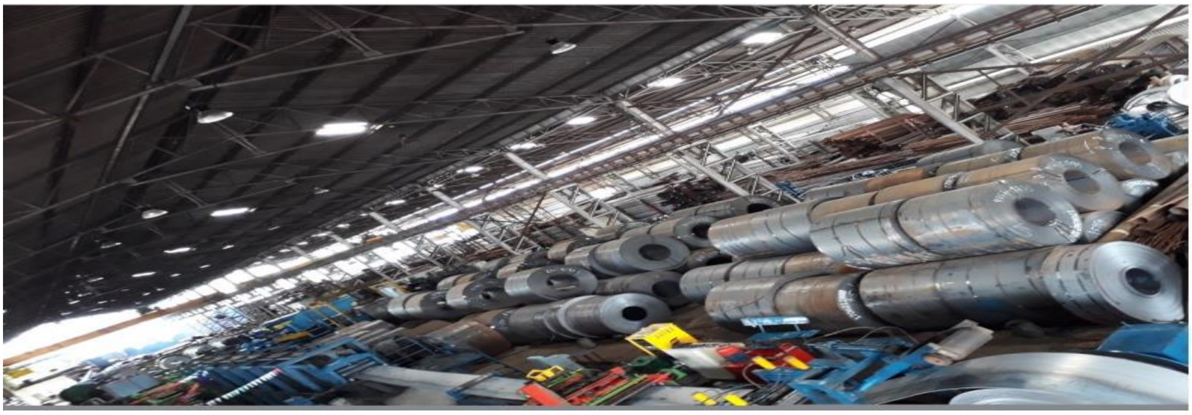
On receipt of the purchase order and prior to the delivery of order, the following indicative steps are taken by the production team:

Sr. No.	Details
1	Once the purchase order is received from the client, and if found technically and commercially compliant, a work order is prepared and sent to the planning department for further processing.
2	The planning department checks the availability of finished goods stock and allocates stock material to the relevant work order.

3	In case the finished goods stock is not available, the required raw material is checked from the raw material stock and issued to production department for production.
4	In case the raw material stock is also unavailable for a particular order, a raw material indent is created for requisition of raw material and subsequently the raw material is issued to the production department for production.
5	Production is completed by different processes like rolling, finishing, pickling etc.
6	Stringent quality control is followed during the production process by the quality control department by checking in process products at various manufacturing stages and conducting various testing.
7	Final inspection of pipes and tubes is done by the quality control department which comprises of various non-destructive and destructive tests which are generally conducted in the presence of client-nominated third-party inspection agencies.
8	After clearing quality control, all pipes and tubes are sent to dispatch department for packaging and further dispatched to various client delivery locations.

Dispatch

We have an in-house dispatch department that works with our sales team to coordinate the delivery of our Products on both ex-work/free-on-road ("FOR")/free-on-board ("FOB")/cost, insurance and freight ("CIF") basis. Further, we have sufficient storage facility at our Manufacturing facilities for the purposes of holding inventories of raw material as well as finished products.



Capacity Utilization

As on March 31, 2023, the total installed capacity of our Manufacturing facilities is as under:

Fiscal 2023

(MTPA)

Particulars	Unit I	Unit II	Total
Annual Installed Capacity (MT)	1,25,000.00	96,000.00	2,21,000.00
Actual Production	88,053.37	70,364.12	1,58,417.49
Capacity Utilisation(%)	70.44	73.30	71.68

Fiscal 2022

(MTPA)

Particulars	Unit I	Unit II	Total
Annual Installed Capacity (MT)	1,25,000.00	96,000.00	2,21,000.00
Actual Production	56,514.88	51,469.35	1,07,984.23
Capacity Utilisation(%)	45.21	53.61	48.86

Fiscal 2021

(MTPA)

Particulars	Unit I	Unit II	Total
Annual Installed Capacity (MT)	1,25,000.00	96,000.00	2,21,000.00
Actual Production	49,361.58	43,067.55	94,429.13
Capacity Utilisation(%)	39.49	44.86	41.82

Competition

We have listed competitors such as follows:

1. APL Apollo Tubes Limited
2. Hi-Tech Pipes Limited
3. Rama Steel Tubes Limited
4. Goodluck India Limited in listed

The above Companies are manufacturing the same products as we are manufacturing, so these Companies are our peer group Companies but not competitors because these Companies are selling their product in open market and we have only 1 customer i.e. Jindal Pipes Limited & we are supplying all the finished goods/products on behalf of Jindal Pipes Limited.

For further details of Peer group, kindly refer chapter titled "Basis for Issue Price" on page no. 99.

Corporate Social Responsibility

Our Company has adopted a CSR policy in compliance with the requirements of the Companies Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014. Our Company has contributed towards Corporate Social Responsibility during last three years financial years, details of which are as under:-

S. No.	FY	Amount Spend	Remarks
1.	2020-21	Rs. 42.50 Lakhs	Paid to Cow/ Animal health care and welfare etc.
2.	2021-22	Rs. 22.40 Lakhs	Paid to Cow/ Animal health care and welfare etc.
3.	2022-23	Rs. 73.09 Lakhs	Paid to Cow/ Animal health care and welfare etc.

Intellectual Property Rights:

Sr. No.	Trademark	Status
1.		Our application is under process for registration of trade mark under Trademark Act, 1999.

Immovable Properties:

As mentioned below, Company is not using any property on lease and there is no conflict between the lessor & lessee.

Sr. No.	Particulars	Nature	Status
1.	Immovable property situated at Plot No. 3, Gat 86 at Village Sukeli, Dist- Raigad, Maharashtra	Immovable Property for Factory building and Plant.	Owned
2.	Non Agricultural land situated at Gut No. 86, Hissa No. 1, Village-Sukeli, Takula- Roha, Dist. Raigad, Maharashtra	Immovable Property for Factory building and Plant.	Owned
3.	Non-Agricultural Land situated at Gat No. 69, H No., Gat No. 71, H No. 3, Gat No. 69, H No.2, Gat No. 69, H No., Gat No. 71, H No. 2, Gat No. 69, H No. 3, Gat No. 71, H No. 4, Gat No. 69, H No.4, Gat No. 71, H No.5, Gat No. 69, H No.5,and Gat No. 71, H No.1 of Village-Sukeli, Takula- Roha, Dist. Raigad, Maharashtra	Immovable Property for Factory building and Plant.	Owned
4.	Non-Agricultural Land situated at Patta No. 2604, Udithyala Village & Grampanchayath, Balanagar Mandal, Mahabubnagar District, Telangana.	Immovable Property for Factory building and Plant.	Owned
5.	Non-Agricultural Land situated at Patta No. 978, Udithyala Village & Grampanchayath, Balanagar Mandal, Mahabubnagar District, Telangana.	Immovable Property for Factory building and Plant.	Owned
6	Non –Agricultural Landed Property in Survey No. 515 and 516, to an extent of Acres 9.28 Guntas, and Acres 03.15 Gts. Forming part of Sy. No. 516 And Acres 03.36 ½ Gts. Forming part of Sy.No. 513 all lands situated at Udithyal Village, Balanagar Mandal, Mahaboobnagar District, Telangana State.	Immovable Property for Factory building and Plant.	Owned
7	Premises bearing Flat Nos. 3803, 3804, 3805 and 3806 situated at Dr. Babasaheb Ambedkar Marg, Parle Mumbai 400012, Maharashtra, India	Guest House	Rented
8	Plot No. 2, Industrial Development Colony, Delhi Road, Hisar, Haryana-125005, India.	Registered Office cum Warehouse	Rented

Insurance

Sr. No.	Description	Registration / Approval / Certificate Number	Issuing Authority	Sum Insured	% of Revenue from Operations as on March 31, 2023	Date of Issue	Date of Expiry
1.	Bharat Laghu Udyam Suraksha	OG-23-1801-4057-00000593	Bajaj Allianz General Insurance Company Limited	3,894.36 Lakh	3.50%	March 04, 2023	March 03, 2024
2.	Standard Fire and Special Perils Policy	0600020676 01 00	Tata AIG General Insurance Company Limited	6,508.41 Lakh	5.85%	February 28, 2023	February 27, 2024

KEY REGULATIONS AND POLICIES

Given below is a summary of certain relevant laws and regulations applicable to the business and operations of our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been set out in a manner to provide general information to the investors and is not exhaustive and shall not be treated as a substitute for professional legal advice.

Under the provisions of various Central Government and State Government statutes, our Company is required to obtain, and periodically renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations. For details, see *"Government and Other Approvals" on page 355.*

The statements below are based on the current provisions of Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by legislative, regulatory, administrative, quasi-judicial or judicial decisions/actions.

INDUSTRY SPECIFIC REGULATIONS

Bureau of Indian Standards Act, 2016("BIS Act")

The BIS Act provides for the establishment of the Bureau of Indian Standards ("**BIS**") for the harmonious development of the activities of standardisation, conformity assessment and quality assurance of goods, articles, processes, systems and services. The BIS Act for the functions of the BIS which includes, among others, (a) recognizing as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specifying a standard mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) undertake testing of samples for purposes other than for conformity assessment and (d) undertake activities related to legal metrology. The BIS Act empowers the Central Government in consultation with the BIS to order compulsory use of standard mark for any goods or process if it finds it expedient to do so in public interest. The BIS Act also provides the penalties in case there is a contravention of the provisions of the BIS Act.

The Legal Metrology Act, 2009 and Legal Metrology (Packaged Commodities) Rules, 2011 ("LM Rules")

The Legal Metrology Act, 2009 Act which was brought in force in 2009 repealed and replaced the Standard of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Act was enacted for establishing and enforcing uniform standards of weights and measures in order to regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. Under the Act, every manufacturer/ importer is required to obtain the prior approval of the model of a weight or a measure from the competent authority before manufacturing or importing products/ goods, etc. which are sold or distributed by weight, measure or number. The Act further empowers the Central Government to enact rules to carry out the provisions of the Act. In this regard, the LM Rules were framed which lays down specific provisions governing the packaging and labelling of commodities. These rules are applicable to packages intended for retail sale, wholesale packages and for export of packaged commodities and registration of manufacturers, packers and importers. Also, States may frame State specific rules under the Act to provide for the time limits for verification of weights and measures, maintenance of registers and records, stipulating the manner of notifying government authorities, fees for compounding of offences etc.

Further, the Legal Metrology (Government Approved Test Centre) Rules, 2013 have laid down specifications regarding verification of weights and measures specified therein by Government approved test centres.

Steel and Steel Products (Quality Control) Order, 2020 ("QC Order")

The QC Order was notified by the Ministry of Steel, Government of India, to vide Gazette Notification No. S.O 4637(E) dated December 22, 2020 to bring certain steel products under mandatory BIS certification. All manufacturers of steel and steel products are required to apply for certification and ensure compliance with the QC Order. The QC Order further provides that every steel and steel products stated therein shall bear the standard mark under a license from BIS, as provided in Bureau of Indian Standards (Conformity Assessment) Regulations, 2018.

ENVIRONMENT LAWS AND REGULATIONS

The Environment (Protection) Act, 1986 and the Environment (Protection) Rules, 1986

The Environment (Protection) Act, 1986 provides a framework for the Central Government to coordinate activities of various state and central authorities established under previous environmental laws. The Act specifies that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environment pollutants in excess of such standards as may be prescribed. The Act empowers the Central Government to make rules to prescribe standards/limits for matters *inter-alia* standards of quality of air, water or soil for various areas, maximum allowable limits of concentration of various environmental pollutants for different areas etc.

In exercise of powers conferred under the Environment Act, the Central Government notified the Environment (Protection) Rules, 1986 to prescribe standards for emission or discharge of environmental pollutants that an industry must comply with. Under the Environment Rules, every person who carries on an industry, operation or process requiring consent under Water (Prevention and Control of Pollution) Act, 1974 or Air (Prevention and Control of Pollution) Act, 1981 or the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 shall submit to the concerned State Pollution Control Board a statement for that financial year in the prescribed form.

The Environmental Impact Assessment Notification, 2006 ("EIA Notification")

The EIA Notification issued under the Environment Act and the Environment Rules, as amended from time to time, mandates the prior approval of the Ministry of Environment, Forest and Climate Change, Government of India, or State Environment Impact Assessment Authority, as the case may be for the establishment of any new project, expansion or modernisation of existing projects, change of product mixes in existing manufacturing units. The EIA Notification prescribes a stage-wise approval process for obtaining environmental clearances for projects.

The Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board ("**CPCB**") and the State Pollution Control Board ("SPCB). Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant State Pollution Control Board, which is empowered to establish standards and conditions that are required to be complied with.

The Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

The Air Act aims at the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant SPCB before establishing or operating such industrial plant. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the State Pollution Control Board.

The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 ("Hazardous Waste Rules")

The Hazardous Waste Rules were notified by the Government of India in exercise of the powers conferred under Sections 6, 8 and 25 of the Environment Protection Act, 1986 and by superseding the erstwhile Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008. The Hazardous Waste Rules were notified to ensure the safe handling, generation, processing, treatment, package, storage, transportation, use reprocessing, collection, conversion, and offering for sale, destruction and disposal of hazardous waste.

The Hazardous Waste Rules imposes an obligation on each occupier and operator of any facility generating hazardous waste to dispose any hazardous wastes in the manner prescribed in the Hazardous Waste Rules. "Hazardous Waste" in this regard, means any waste, which by reason of characteristics, such as physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive, causes danger to health, or environment. It is obligatory for each occupier and operator of any facility generating hazardous waste to obtain an approval from the relevant State Pollution Control Board for collecting, storing and treating the hazardous waste.

INDUSTRIAL, EMPLOYMENT AND LABOUR LAWS

The Public Liability Insurance Act, 1991 & the Public Liability Insurance Rules, 1991

The Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the Act has been enumerated by the government by way of a notification. Under the Act, the owner or handler is also required to take out an insurance policy insuring against liability.

In exercise of its powers conferred under Section 23 of the Act, the Government of India has notified the PLI Rules which mandates the employer to contribute towards the 'Environmental Relief Fund' with a sum equal to the premium paid on the insurance policies.

The Factories Act, 1948

The Factories Act, 1948 requires the Occupier to ensure the health, safety and welfare of all workers. The Factories Act, 1948 defines a 'factory' to cover any premises which employs ten or more workers on any day of the preceding twelve months and in which manufacturing process is carried on with the aid of power or any premises where at least twenty workers are employed in a manufacturing process. In view of the powers conferred under the Factories Act, 1948 each State Government has enacted rules for prior approval for the establishment of factories and for registration and licensing of factories.

In addition to the Factories Act, the employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following in an indicative list of labour laws which may be applicable to our Company due to the nature of our business activities:

a) The Contract Labour (Regulation and Abolition) Act, 1970
b) The Employees' Compensation Act, 1923
c) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
d) The Employees' State Insurance Act, 1948
e) The Industrial Disputes Act, 1947
f) The Industrial Employment (Standing orders) Act, 1946
g) The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986

h) The Payment of Bonus Act, 1965
i) The Minimum Wages Act, 1948
j) The Payment of Wages Act, 1936
k) The Equal Remuneration Act, 1976
l) The Maternity Benefit Act, 1961
m) The Apprentices Act, 1961
n) The Payment of Gratuity Act, 1972
o) The Trade Unions Act, 1926
p) The Sales Promotion Employees (Conditions of Service) Act, 1976
q) The Unorganised Workers Social Security Act, 2008

The Code on Wages, 2019

The Code on Wages, 2019 amalgamates, simplifies and rationalises the relevant provisions of the following four central labour enactments relating to wages, namely, (a) The Payment of Wages Act, 1936; (b) The Minimum Wages Act, 1948; (c) The Payment of Bonus Act, 1965; and (d) The Equal Remuneration Act, 1976. It is an Act to amend and consolidate the laws relating to wages and bonus and matters connected therewith or incidental thereto. The Code received the assent of the President of India on August 8, 2019 and is published in the official gazette. The Code applies to the covered employees and allows the Central Government to set a fixed floor wage taking into account minimum living standards of a worker. The Code will come into force on the date to be notified by the Government.

The Occupational Safety, Health and Working Conditions Code, 2020

Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and was published in the official gazette. The Act consolidates and amends the laws regulating the occupational safety, health and working conditions of the persons employed in an establishment. The Code amalgamates, simplifies and rationalises the relevant provisions of the following thirteen Central labour enactments namely, 1. The Factories Act, 1948; 2. The Plantations Labour Act, 1951; 3. The Mines Act, 1952; 4. The Working Journalists and other Newspaper Employees (Conditions of Service and Miscellaneous Provisions) Act, 1955; 5. The Working Journalists (Fixation of Rates of Wages) Act, 1958; 6. The Motor Transport Workers Act, 1961; 7. The Beedi and Cigar Workers (Conditions of Employment) Act, 1966; 8. The Contract Labour (Regulation and Abolition) Act, 1970; 9. The Sales Promotion Employees (Condition of Service) Act, 1976; 10. The Inter-State Migrant workmen (Regulation of Employment and Conditions of Service) Act, 1979; 11. The Cine Workers and Cinema Theatre Workers Act, 1981; 12. The Dock Workers (Safety, Health and Welfare) Act, 1986; and 13. The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The Code extends to the whole of India and covers all employees. The Code will come into force on the date to be notified by the Government.

The Code on Social Security, 2020

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and was published in the official gazette. The objective of the Code is to amend and consolidate the laws relating to social security, with the primary goal to extend social security to all employees and workers. The Code on Social Security, 2020, amalgamates, simplifies and rationalises the relevant provisions of the following nine(9) central labour enactments relating to social security, namely, (i) The Employees' Compensation Act, 1923; (ii) The Employees' State Insurance Act, 1948; (iii) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952; (iv) The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959; (v) The Maternity Benefit Act, 1961; (vi) The Payment of Gratuity Act, 1972; (vii)The Cine Workers Welfare Fund Act, 1981; (viii) The Building and Other Construction Workers Welfare Cess Act, 1996; and (ix) The Unorganised Workers' Social Security Act, 2008. The Code will come into force on the date to be notified by the Government.

The Industrial Relations Code, 2020

The Industrial Relations Code, 2020 is an Act to consolidate and amend the laws relating to Trade Unions, conditions of employment in an industrial establishment or undertaking, investigation and settlement of industrial disputes. The Industrial Relation Code 2020 amalgamates, simplifies and rationalises the relevant provisions of (a) the Trade Unions Act, 1926; (b) the Industrial Employment (Standing Orders) Act, 1946; and (c) the Industrial Disputes Act, 1947. The Code will come into force on the date to be notified by the Government.

The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986

The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 prohibits employment of children below fourteen years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. The Act regulates the conditions of work of adolescents.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 Act provides for protection to women against sexual harassment at workplace and prevention and redressal of complaints of sexual harassment. The Act defines "Sexual Harassment" to include any unwelcome sexually determined behaviour (whether directly or by implication). "Workplace" under the Act has been defined 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 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 is required to set up a "Local Complaint Committee" at the district level to investigate complaints regarding sexual harassment from establishments where internal complaints committee has not been constituted.

INTELLECTUAL PROPERTY LAWS

The Patents Act, 1970 ("Patents Act")

The Patents Act governs the registration and protection of patents in India. In addition to the broad requirement that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act also provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria. The Patents Act also prohibits any person resident in India from applying for patent for an invention outside India without making an application for the same in India. The term of a patent granted under the Patents Act is for a period of twenty years from the date of filing of the application for the patent.

The Trade Marks Act, 1999 ("Trade Marks Act")

The Trade Marks Act governs the statutory protection of trademarks and prevents the use of fraudulent marks in India. The Trade Marks Act prohibits any registration of deceptively similar trademarks. An application for registration of a trademark may be made by an individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future. Once granted, trademark registration is valid for ten years, unless cancelled. If not renewed after ten years, the mark lapses and the registration has to be restored. The Trademarks Act also provides for penalties for infringement, falsifying and falsely applying for trademarks. The Trademarks Act has been amended to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries. The Trade Marks Act also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to align the law with international practice.

The Copyright Act, 1957 ("Copyright Act")

The Copyright Act governs and deals with copyright protection in India. Under the prevalent Act, a copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph film and sound recordings. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, such copyright registration constitutes *prima facie* evidence of the particulars entered therein and may expedite infringement proceedings. Reproduction of a copyrighted work for sale or hire, issuing of copies to the public, performance or exhibition in public, making a translation of the copyrighted work, making an adaptation of thework and making a cinematograph film of the work without consent of the owner of the copyright are all acts which amount to an infringement of copyright.

The Designs Act, 2000 ("Designs Act")

The Designs Act consolidates and amends 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. In order to register a design, it must be new and original and must not be disclosed to the public anywhere in India or any other country by publication in tangible form or in any other way prior to the filing date. Additionally, a design should be significantly distinguishable from known designs or combination of known designs in order for it to be registerable.

FOREIGN TRADE REGULATIONS

Foreign Exchange Management Act, 1999 ("FEMA")

Foreign investment in Indian securities is governed by the provisions of the FEMA that replaced the erstwhile Foreign Exchange Regulation Act, 1973 and the FDI policy of the Government of India. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the government approval route, depending upon the sector in which foreign investment is sought to be made. The regulatory framework, developed over a period of time consists of Acts, regulations, press notes, press releases, and clarifications among other amendments.

The Foreign Trade (Development and Regulation) Act, 1992 and Foreign Trade (Regulation) Rules, 1993

The Foreign Trade (Development and Regulation) Act, 1992 and the Rules framed thereunder governing foreign trade in India. The Act provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. Under the Act the Government of India is empowered to make provisions *inter-alia* to prohibit, restrict and regulate exports and imports formulate and announce export and import policy. The Act prohibits a person from undertaking any import or export except under an Importer-Exporter Code member (IEC) unless exempted in that aspect.

Laws in relation to Taxation

In addition to the aforementioned legislations which are applicable to our Company, some of the tax legislations that are applicable to the operations of our Company include:

a) Income Tax Act 1961, and the Income Tax Rules, 1962, as amended by the Finance Act in the respective years;
b) Central Goods and Service Tax Act, 2017, the Central Goods and Service Tax Rules, 2017 and various state-wise legislations made thereunder;
c) The Integrated Goods and Service Tax Act, 2017; and

d) State-wise professional tax legislations.

Income Tax Act, 1961

The Income Tax Act, 1961 ("**IT Act**") is applicable to every domestic/ foreign company whose income is taxable under the provisions of the IT Act or the rules made under it, depending upon the status of its registration and the type of income involved. The IT Act provides for taxation of a person resident in India on their income and person not resident in India, on their income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the IT Act is required to comply with the provisions thereof.

Goods and Services Tax Act, 2017

Goods and Services Tax Act, 2017 ("**GST**") is an indirect tax applicable throughout India which has replaced multiple cascading taxes levied by the Central and State Governments. The application of GST is governed primary by the Central Goods and Services Tax Act, 2017; the Integrated Goods and Services Tax Act, 2017. The Parliament has the exclusive power to levy integrated GST (IGST) on Inter-State trade or commerce (including imports) in goods or services. GST is governed by a GST Council, with its Chairman being the Finance Minister of India.

General Laws

The Consumer Protection Act, 2019

The Consumer Protection Act, 2019 repeals the earlier Consumer Protection Act, 1986. The Act was enacted to provide simpler and quicker access to redress consumer grievances. The Act *inter alia* seeks to promote and protect the interests of consumers against deficiencies and defects in goods or services, secure the rights of a consumer against unfair trade practices, by manufacturers, service providers and traders.

The Consumer Protection Act, 2019 also provides for the establishment of a Central Consumer Protection Authority to regulate matters relating to violation of rights of consumers, unfair trade practices and false or misleading advertisements which are prejudicial to the interests of public and consumers and to promote, protect and enforce the rights of consumers as a class. The Act provides for settlement of disputes by way of mediation in case there is a possibility of settlement at the stage of admission of complaint or at any later stage, if acceptable to both parties. The Act contemplates a mediation cell attached to each district, state and National Commission for expedited resolution of consumer disputes.

The Competition Act, 2002

The Competition Act, 2002, as amended from time to time, aims to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of the consumers and to ensure freedom of trade in India. The Competition Act deals with prohibition of anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act. The Act establishes the Competition Commission of India ("**Commission**") which is responsible for eliminating practices having adverse effect on competition, promoting and sustaining competition, protecting interest of consumers and ensuring freedom of trade.

The Companies Act, 2013 ("Companies Act")

The Companies Act, 2013, was introduced replacing the erstwhile Companies Act, 1956. The provision of the Companies Act applies to all the companies incorporated either under this Act or under the previous law. The Companies Act deals with matters *inter-alia* incorporation of companies and the procedure for incorporation and post-incorporation along with conversion of a private company into a public company and *vice versa*. In case of public company, a company can be formed by seven or more persons and by two or more persons in case of private company. Further significant amendments have been introduced in the Companies Act on matters *inter-alia* corporate social responsibility, disclosure under board report, general meetings etc.

The Indian Contract Act, 1872

The Indian Contract Act, 1872 occupies the most important place in Commercial Law. The objective of the Contract Act is to ensure that the rights and obligations arising out of a contract are honoured and that legal remedies are made available to those who are affected due to violation of such rights and obligations.

Indian Stamp Act, 1899

The Indian Stamp Act, 1899 prescribes the rates for the stamping of documents and instruments by which any right or liability is, or purports to be, created, transferred, limited, extended, extinguished or recorded. Under the Indian Stamp Act, 1899, an instrument not 'duly stamped' cannot be accepted as evidence by civil court, an arbitrator or any other authority authorized to receive evidence.

The Registration Act, 1908

The Registration Act, 1908 was introduced to provide for the public registration of documents so as to give information to people regarding legal rights and obligations arising or affecting a particular property, and to perpetuate documents which may afterwards be of legal importance, and also to prevent fraud.

The Negotiable Instruments Act, 1881

In India, the laws governing monetary instruments such as cheques are contained in the Negotiable Instruments Act, 1881. The Act provides effective legal provision to restrain persons from issuing cheques without having sufficient funds in their account and 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.

Punjab Shops and Establishments Act, 1958 as applicable to the State of Haryana

The provisions of Punjab Shops and Establishments Act, 1958 are applicable to the State of Haryana, where the head office of our Company is located. The Act regulates the working and employment conditions of the workers employed in shops and establishments and provides for fixation of working hours, leave, termination of service, and other rights and obligations of the employers and employees.

HISTORY AND CERTAIN CORPORATE MATTERS

BRIEF HISTORY OF OUR COMPANY

Our Company was originally incorporated as 'Vibhor Steel Tubes Private Limited' a private limited company under the Companies Act, 1956 at, pursuant to a certificate of incorporation dated April 16, 2003 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Thereafter, our Company was converted from private to public company, pursuant to a special resolution passed by the shareholders of our Company on June 14, 2023 and a fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Delhi ("RoC") on July 07, 2023.

Our Company's Corporate Identity Number is U27109HR2003PLC035091.

Our Company has 08 Shareholders as on the date of filing of this Draft Red Herring Prospectus. For further information, please see the chapter titled "Capital Structure" on page no. 74.

CORPORATE PROFILE OF OUR COMPANY

For information on our Company's business profile, activities, services and managerial competence, please see "Our Management", "Our Business" and "Industry Overview" on page nos. 198, 165 and 114, respectively.

CHANGES IN THE REGISTERED OFFICE OF THE COMPANY SINCE INCORPORATION

Except as provided below, there have been no changes in the registered office of our Company:

Effective Date	Details of change in the address of the Registered Office	Reason for change
August 17, 2023	The registered office of our Company was changed from 2139/1553, Thandi Sarak, Hisar, Haryana-125001, India to Plot No. 2, Industrial Development Colony, Delhi Road, Hisar, Haryana-125005, India.	For operational efficiency

MAIN OBJECTS OF OUR COMPANY

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

1. To carry on the business of manufacturers, assemblers, fitters, engineers, erectors, founder, smelters, refiners, makers, miners, workers, repairers, import and export agents, representatives, contractors and dealers, of and in forging casting of steel, stainless and special steels, alloys and ferrous and non-ferrous metals, auto parts tools and implements, dies,jigs, steel pipes and tubes and pipe fitting, iron and steel products, cast iron and steel and tubular structural.

2. To manufacture, produce, design, buy, sell, import, export or otherwise deal in all kinds of tubes, pipes, sheets, pipe fittings, components, accessories whether made of steel alloys, stainless steel, plastics or any other metal (ferrous and non-ferrous) or substance or material, and to act as and/or carry on the business of galvanisers, Jappeners, re-rollers, annealors electroplaters and to manufacture, produce, process, design, repair, convert, buy, sell, import, export, or otherwise deal in all such products, their by-products and allied commodities and deals in raw materials thereof.

3. To carry on the business of manufacturers, processors, importers, exporters, of and dealers in all kinds of ferrous and non-ferrous metals means for any industrial or non-industrial use whatsoever and to carry on the business in cold or hot rolling, re-rolling, sliting, edge-mining,sheeting, stemping, pressing, extruding, forging, drawing, flattening, straightening, heat treatment of all kinds of steel and other metals or any other

kind of steel and other metals or any other kind of strips, sheets, foils, tapes, wires, rods. Plates and any other sections, shapes or forms.

4. To carry on business of all or any kind of iron and steel, founders, steel melters, steel makers, steel shapers and manufacturers, mechanical engineers and fabricators, contractors tool makers, brass founders, metal workers, manufacturers of steel, metal and malleable grey, casting including ferrous, non-ferrous, special and alloy steel, spring steel, forging quality, steel manufacturers, processors of all types of forged components and accessories alloys, nuts,bolts, steel rounds, nails tools, all types of hard-ware items, plat makers, wire drawers, tube manufacturers, galvanisers, Jappeners, re-rollers, annealors, enamellers and electroplaters and to buy, take on lease or hire sell, import, export, manufacture, process, repair, convert, let on hire, otherwise deal in such products, raw materials, stores, packing materials by products andallied commodities machineries, rolling, stock implements, tools, tensils, ground tools materials and conveniences of all kinds and generally to carry on the said business in all or any of its branches.

5. To carry on the business of manufacture of all types of steel tubes and s tainless steel and pipes.

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY IN LAST 10 YEARS

The following changes have been made in the Memorandum of Association of our Company in last ten (10) years:

Date of Meeting	Type of Meeting	Nature of Meeting
June 14, 2023	Extraordinary General Meeting	**Alteration of the Capital Clause** Clause V of the Memorandum of Association was amended to reflect the increase in the Authorized Share Capital of our Company from Rs. 145,000,000 divided into 14,500,000 Equity shares of Rs. 10/- each to Rs. 200,000,000 divided into 20,000,000 Equity shares of Rs. 10/- each.
June 14, 2023	Extraordinary General Meeting	**Change in Status of the Company** Clause I of the Memorandum of Association of the Company was amended upon conversion from Private Limited Company to Limited Company.
March 20, 2017	Extraordinary General Meeting	**Alteration of the Capital Clause** Clause V of the Memorandum of Association was amended to reflect the increase in the Authorized Share Capital of our Company from Rs. 135,000,000 divided into 13,500,000 Equity shares of Rs. 10/- each to Rs. 145,000,000 divided into 14,500,000 Equity shares of Rs. 10/- each.
December 18, 2015	Extraordinary General Meeting	**Alteration of the Capital Clause** Clause V of the Memorandum of Association was amended to reflect the increase in the Authorized Share Capital of our Company from Rs. 105,000,000 divided into 10,500,000 Equity shares of Rs. 10/- each to Rs. 135,000,000 divided into 13,500,000 Equity shares of Rs. 10/- each.
May 08, 2015	Extraordinary General Meeting	**Alteration of the Capital Clause** Clause V of the Memorandum of Association was amended to reflect the increase in the Authorized Share Capital of our Company from Rs. 100,000,000 divided into 10,000,000 Equity shares of Rs. 10/- each to Rs. 105,000,000 divided into 10,500,000 Equity shares of Rs. 10/- each.

March 25, 2014	Extraordinary General Meeting	**Alteration of the Capital Clause** Clause V of the Memorandum of Association was amended to reflect the increase in the Authorized Share Capital of our Company from Rs. 65,000,000 divided into 6,500,000 Equity shares of Rs. 10/- each to Rs. 100,000,000 divided into 10,000,000 Equity shares of Rs. 10/- each.

MAJOR EVENTS IN THE HISTORY OF OUR COMPANY

Year	Major Events/ Milestone Achievement
2003	Our Company was incorporated as "Vibhor Steel Tubes Limited".
2004	Mills were made operative with production capacity of 25,000 MTPA.
2007	Capacity doubled to 60,000 MTPA.
2008	New factory unit I having 8" mill & a new galvanized line was set up.
2011	Company manufactured 90,000 MTPA with help of advanced tube mill imported from Australia and state of the art slitting line from USA.
2013	Started exporting to Egypt.
2017	Factory set up in Telangana with capacity of 96,000 MTPA (Unit -II).
2018	Size 12" Tube mill has been started at Telangana Unit in the year 2018 and our Unit-II has executed turnover Rs. 11,300.00 Lakhs.
2019	Company has achieved a Turnover of more than Rs. 500 crores.
2022	Company has added a new plant in Hisar, Haryana (Unit -III) and started the production of SS Pipe.
2022	Company has achieved a Turnover of more than Rs. 800 crores and our profit has also increased to Rs. 1,148.30 Lakhs.
2023	Company has achieved a Turnover of more than Rs. 1,100 crores and our profit has also increased by more than 80%.
2023	Company has added the production of two new products i.e., Square Pipe and crash barriers.
2023	Company has acquired the land in Orrisa for setting up a new plant (Unit -IV)

LOCK-OUT AND STRIKES

There have been no instances of strikes or lock-outs at any time in our Company as on the date of this Draft Red Herring Prospectus. For more details please see "Risk Factors" beginning on page no 29.

SIGNIFICANT FINANCIAL OR STRATEGIC PARTNERSHIPS

Our Company has not entered into any Significant Financial or Strategic Partnerships except as entered in its normal course of business.

TIME/COST OVERRUN IN SETTING UP PROJECTS

There have been no time or cost overruns pertaining in the setting up of projects by our Company since incorporation.

LAUNCH OF KEY SERVICES, ENTRY INTO NEW GEOGRAPHIES OR EXIT FROM EXISTING MARKETS

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, see "*Major Events / Milestone / Achievements*" on page no. 194.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/ BANKS

There have not been any defaults or rescheduling of borrowings from financial institutions/banks by our Company.

CHANGES IN THE ACTIVITIES OF OUR COMPANY DURING THE LAST FIVE YEARS

There have been no changes in the activities of our Company since its date of incorporation which may have had a material adverse effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

MATERIAL ACQUISITIONS OF BUSINESSES OR DIVESTMENT OF BUSINESS / UNDERTAKINGS,MERGERS, AMALGAMATION OR REVALUATION OF ASSETS, IF ANY IN LAST 10 YEARS

There are no mergers, amalgamation, revaluation of assets etc. with respect to our Company in the last 10 (ten) years. Further we had not acquired / sold any businesses / undertakings in last 10 (ten) years from the date of this Draft Red Herring Prospectus.

OUR HOLDING COMPANY

We do not have a holding company as on the date of this Draft Red Herring Prospectus.

OUR JOINT VENTURES

We do not have any Joint Ventures as on the date of this Draft Red Herring Prospectus.

OUR SUBSIDIARIES

We do not have a Subsidiary company as on the date of this Draft Red Herring Prospectus.

AGREEMENTS WITH KEY MANAGERIAL PERSONNEL OR A DIRECTOR OR PROMOTERS OR ANY OTHER EMPLOYEE OF THE COMPANY

Except as following, there are no agreements entered into by key managerial personnel or a Director or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Name of the Director	Date of Agreement	Remarks
Mr. Vijay Kaushik	September 18, 2023	Service Agreement between Chairman & Company.
Mr. Vibhor Kaushik	September 18, 2023	Service Agreement between Managing Director & Company.
Ms. Vijay Laxmi Kaushik	September 18, 2023	Service Agreement between Whole time Director & Company.
Ms. Pratima Sandhir	September 18, 2023	Service Agreement between Whole time Director & Company.

GUARANTEES GIVEN BY PROMOTERS

As on the date of this Draft Red Herring Prospectus, no guarantee has been issued by Promoters except as disclosed in the "*Financial Indebtedness*" on page no. 306.

AGREEMENTS WITH STRATEGIC PARTNERS, JOINT VENTURE PARTNERS AND/OR FINANCIAL PARTNERS AND OTHER AGREEMENTS

Our Company has not entered into any other subsisting material agreements including with strategic partners, joint venture partners, and/or financial partners other than in the ordinary course of business of our Company.

ARTICLE OF ASSOCIATION

None of the "Article of Association" are contrary to the Securities Laws and Companies Act, 2013.

SPECIAL RIGHTS

None of the special rights available to the Promoters/Shareholders (except for nominee/nomination rights and information rights) would survive post listing of the Equity Shares of the Company and same shall cease to exit or shall expire/waived off immediately before or on the date shares are allotted to public shareholders in IPO, without requiring any further action.

INTER-SE AGREEMENTS /ARRANGEMENTS

There are no inter-se agreements / arrangements and clauses / covenants which are material and are adverse / pre-judicial to the interest of the minority / public shareholders entered into by the Company, Promoters and Shareholders with respect to the Company. Further, there are no other agreements, deed of assignments, acquisition agreements, shareholders' agreements, inter-se agreements, agreements of like nature entered into by the Company, Promoters and Shareholders with respect to the Company.

REVALUATION OF ASSETS

Our Company has not revalued its assets in the 10 years preceding the date of this Draft Red Herring Prospectus.

OUR MANAGEMENT

BOARD OF DIRECTORS

In terms of our Articles of Association, our Company is required to have not less than 3 directors and not more than 15 directors. As on the date of this Draft Red Herring Prospectus we have 10 (Ten) Directors on our Board.

The following table sets forth details regarding our Board of Directors as on the date of this Draft Red Herring Prospectus:

#	Name, Father's/Husband`s Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment / Change in Current Designation	Other Directorships
1	**Name:** Mr. Vijay Kaushik **Age:** 70 years **Father's Name:** Late Ram Narain Kaushik **Designation:** Chairman cum Executive Director **Address:** 2139/1553, Thandi Sarak, Hisar, Haryana-125001, India **Term:** 5 years **Nationality:** Indian **Occupation:** Business **DIN:** 02249672	Originally appointed as Executive Director on February 26, 2009. Further Re-designated as Chairman cum Executive Director for a term of 5-year w. e. f. August 28, 2023	1. Jindal Drilling and Industries Limited 2. RN Securities Private Limited
2	**Name:** Mr. Vibhor Kaushik **Age:** 40 years **Father's Name:** Mr. Vijay Kaushik **Designation:** Managing Director **Address:** 1807/1808, Ashok Tower, Dr. Ambedkar Road, Parel east, Mumbai-400012, India **Term:** 5 Years **Nationality:** Indian **Occupation:** Business **DIN:** 01834866	Originally appointed as Executive Director w.e.f. April 17, 2003 Further Re-appointed as Managing Director for ~~a~~ term of 5-year w. e. f. August 28, 2023	1. Sudha Apparels Limited 2. Stable Trading Co. Limited 3. Daniel Vyapaar Private Limited

3	**Name:** Ms. Vijay Laxmi Kaushik **Age:** 67 years **Husband's Name:** Mr. Ashish Tomar **Designation:** Whole-time Director **Address:** 2139/1553, Thandi Sarak, Hisar, Haryana-125001, India **Term:** 5 Years **Nationality:** Indian **Occupation:** Business **DIN:** 09777840	Originally appointed as Executive Director w.e.f. August 28, 2005 Further Re-appointed as Whole Time Director for ~~a~~ term of 5-year w. e. f. August 28, 2023	1. RN Securities Private Limited
4	**Name:** Ms. Pratima Sandhir **Age:** 40 years **Husband's Name:** Mr. Praduman Kumar Sandhir **Designation:** Whole-time Director **Address:** 1807/1808, Ashok Tower, Dr. Ambedkar Road, Parel east, Mumbai-400012, India **Term:** 5 Years **Nationality:** Indian **Occupation:** Business **DIN:** 07756142	Originally appointed as Executive Director w.e.f. April 11, 2016 Further Re-appointed as Whole Time Director for ~~a~~ term of 5-year w. e. f. August 28, 2023	NIL
5	**Name:** Mr. Pankaj Kumar Rai **Age:** 33 years **Father's Name:** Mr. Vishwnath Ray **Designation:** Executive Director **Address:** 208/H-2, NH 17, BKG Road, Maharashtra Seamless Limited, Sukeli, Pipe Nagar, Raigarh, Maharashtra-402126, India **Term:** Retire by Rotation **Nationality:** Indian **Occupation:** Business	Originally appointed as Executive Director w.e.f. February 13, 2020	NIL

	DIN: 08697130		
6	**Name:** Mr. Shiv Kumar Singhal **Age:** 62 years **Father's Name:** Late Shri Sumer Chand Singhal **Designation:** Independent Director **Address:** 1604, Raheja Eternity A-Wing, Magathane Village, Off Western Expree Highway, Thakur Village near Brodway Theatre, Mumbai-400066, India **Term:** 5 years **Nationality:** Indian **Occupation:** Business **DIN:** 00940261	Originally appointed as Independent Director w.e.f. August 14, 2023	1. Jindal Drilling and Industries Limited 2. Maharashtra Seamless Limited 3. Jindal Premium Connections Private Limited 4. Dytop Commodeal Limited 5. Brahma Dev Holding and Trading Limited 6. Sigma Infrastructure Private Limited
7	**Name:** Mr. Abhiram Tayal **Age:** 70 years **Father's Name** Mr. Baldev Tayal **Designation:** Independent Director **Address:** House No. 90 D, Ward No. 01, Raghu Nath Bhawan, Kath, Mandi Road, Hisar, Haryana-125001, India **Term:** 5 years **Nationality:** Indian **Occupation:** Business **DIN:** 00081453	Originally appointed as Independent Director w.e.f. August 28, 2023	1. Jindal Saw Limited 2. Hexa Tradex Limited 3. Hisar Metal Industries Limited
8	**Name:** Mr. Sanjeev Gupta **Age:** 55 years **Father's Name** Mr. Devki Nandan Gupta **Designation:** Independent Director **Address:** House No. 19, Sector 9-11, Hisar, Haryana-125001, India **Term:** 5 years	Originally appointed as Independent Director w.e.f. August 14, 2023	1. Askwheels LLP 2. Opulent Automobiles Private Limited 3. Telmos Automobiles Private Limited

	Nationality: Indian **Occupation:** Professional **DIN:** 00945812		
9	**Name:** Mr. Ashwani Kumar Garg **Age:** 61 years **Father's Name** Mr. Mohan Lal Garg **Designation:** Independent Director **Address:** House No. 15, U. E-2, Hisar, Haryana-125001, India **Term:** 5 years **Nationality:** Indian **Occupation:** Professional **DIN:** 00387749	Originally appointed as Independent Director w.e.f. August 14, 2023	1. Kern Seedtech Private Limited 2. Super Seeds Private Limited 3. Shisht Seeds (OPC) Private Limited 4. Neev Seeds Private Limited 5. Chint Purni Durga Films LLP
10	**Name:** Mr. Vikram Grover **Age:** 32 years **Father's Name** Mr. Mohan Lal Grover **Designation:** Independent Director **Address:** 5H/11, Near Mittal Complex, NIT Faridabad, Haryana-121001, India **Term:** 5 years **Nationality:** Indian **Occupation:** Professional **DIN:** 09692781	Originally appointed as Independent Director w.e.f. August 14, 2023	1. Virtualsoft Systems Limited

BRIEF BIOGRAPHIES OF OUR DIRECTORS

Mr. Vijay Kaushik, aged 70 years is the Promoter and is currently designated as Chairman and Director of our Company. He was appointed as the Director on the Board of our Company February 26, 2009. Born in Hisar, Haryana, India on November 18, 1953 he did his schooling in Hisar and a full-time graduation from Government College Hisar in 1972 and subsequently he did LLB from Delhi University in 1975. His Father was a renowned criminal lawyer of Haryana, Pune and Rajasthan.

Before stepping into current Business, he did practice as a lawyer with his father for 3 years from 1975 to 1978. Then started business as manufacturer in 1978 in manufacturing of Harrow Disc Agriculture, coal rolling of stainless-steel coils and steel pipes and he has more than 40 years of experience in manufacturing business. He has the experience of more than 20 years in the Line of ERW Pipes and tubes. He is also a director in Jindal Drilling and Industries Ltd, (A flagship company of DP Jindal Group), is a world renowned and illustrious company in the field of oil drilling. In last 20 years he has developed well established network and contact in this field. He has in depth knowledge of the product, Demand & supply, market and industry dynamics. He handles sourcing, finance function for the company.

Mr. Vibhor Kaushik, aged 40 years is the Promoter and is currently designated as Managing Director of our Company. He was appointed as the Director on the Board of our Company on April 17, 2003. Born in Hisar, Haryana, India on February 04, 1983 he did his schooling in Hisar and he is qualified electrical engineering from the university of Arizona State University (USA) in 2006.

He has been managing the factory from the last 17 years as a managing director. The factory performance and capacity has increased multiple folds after his presence in the factory. At the time of his joining to the factory the capacity was 12,000 MT per annum. He has taken the capacity to over 2,21,000 MT per annum. After Increasing the production capacity by nearly 19-fold in just 17 years, he his ambition is to take company global. Being Managing Director, he has been very successfully managing all Company Plant's operations, staff and ventures in order to maintain and grow the Business. After having technical expertise required in Production and domestic sales, he is now looking to develop to explore export market. He has commissioned Telangana project in record time successfully.

Ms. Vijay Laxmi Kaushik, aged 67 years and is currently designated as Whole Time Director of our Company. Born in Gurgaon, Haryana, India on March 05, 1956 she did her schooling in Gurgaon and a full-time graduation from Government college Gurgaon in 1976. She is a Whole time Director of the company. She has goods interpersonal skill and also helps in the administration of the company.

Ms. Pratima Sandhir, aged 40 years and is currently designated as Whole Time Director of our Company. Born in Hisar, Haryana, India on November 29, 1983. She did her schooling in Hisar and a full-time graduation in Journalism and Communication. She is a Whole Time Director of the company. She has goods interpersonal skill and also helps in the finance and administration of the Company.

Mr. Pankaj Kumar Rai, aged 33 years and is currently designated as Executive Director of our Company. Born in Samastipur, Bihar, India on November 11, 1989. He did his schooling from Dhamoun high school, Bihar in 2006 and a full-time graduation in B.A (History, Economics, Pol. science) from Bihar University, Patna in 2012. He has been associated with our Company since August 2012. He is responsible for handling and managing the daily operations of our Company. He has been the Director of our Company since February, 2020. He has an experience of more than 16 years in Steel Industry. He was previously associated with Maharashtra Seamless Ltd., Bhushan Power & Steel Ltd. He has in depth knowledge of the product, Demand & supply, market and industry dynamics. He has been managing the factory from the last 11 years. Under his experience our Company has successfully completed cost effective projects. His such vast & great experience has grown the company at very large level & made very reputed & believable image of the company.

Mr. Shiv Kumar Singhal, aged 62 years and is currently designated as Non-Executive Independent Director of our Company. He is an experienced professional with highly efficient management skills. He is a Qualified Fellow member of the Institute of Company Secretaries of India (ICSI) and a Graduate in Commerce from Meerut University. He is currently working in Maharashtra Seamless Limited (D.P Jindal Group) as President Commercial from 1989 and has more than 34 years of experience in the Steel Industry.

Mr. Abhiram Tayal, aged 70 years and is currently designated as Non-Executive Independent Director of our Company. He is a graduate from Punjab University, Chandigarh has experience of over 46 years. He is a Promoter & Managing Director of Hisar Metal Industries Limited, a BSE & NSE listed Company. He has an extremely rich experience in the Steel industry and has a nature of expertise in specific functional area of Technical and Operational Management.

Mr. Sanjeev Gupta, aged 55 years and is currently designated as Non-Executive Independent Director of our Company. He is a B-Tech in Mechanical Engineer from NIT Kurukshetra. He is a promotor and Director in Telmos and Opulent Automobiles and also having a vast knowledge and experience in the Automobile sector for more than 20 years.

Mr. Ashwani Kumar Garg, aged 61 years and is currently designated as Non-Executive Independent Director of our Company. He is a postgraduate in MA Economics and has an experience for more than 30 years in Seeds sector.

Mr. Vikram Grover, aged 32 years and is currently designated as Non-Executive Independent Director of our Company. Mr. Vikram Grover is a Company Secretary and has vast expertise of over 10 years in financial management, business planning, due diligence, business development, Secretarial matters, capital raising, business structuring, investor relations, FEMA Matters, taxation, Intellectual property rights, listing, delisting people development and strategic planning. Mr. Vikram started his career in 2011 with the APL machinery Private limited as Account and admin officer. He moved to ORRIS group as a management trainee. He was instrumental in transforming Real Estate and education business. He moved to Spectrum Renewable Energy Private Limited as Company secretary and Compliance officer where he was involved from the Secretarial phase of its Legal and compliance area. He was responsible for compliance, setting up of business process and system, legal matters. Mr. Vikram founded M/s Vikram Grover and Company in January 2019 a Company Secretary and Corporate Consulting firm (Popularly Known as VGC). He is fellow member of ICSI and law Graduate and has a Masters' Degree in Commerce. He is also a member of the Institute of Social Auditors of India (ISAI). He is a Motivator, Entrepreneur, Innovator, Blogger, Research Enthusiast. He has delivered various sessions at various seminars of The Institute of Company Secretaries of India (ICSI). He was elected as Member of Management committee of Faridabad Chapter of ICSI for the term 2018-2022 and 2023-2026. He has also been chosen as Chairperson of student committee of Faridabad Chapter of ICSI in 2020. He was elected as treasurer of Faridabad Chapter of ICSI for the year 2020 and secretary for the year 2021 and currently he is elected as Vice Chairman of Faridabad Chapter of ICSI for the year 2022 and 2023. Further, he is also a member of Special task force committee on Company law of ICSI at central level and member of study circle committee of NIRC of ICSI for the year 2023.

RELATIONSHIP BETWEEN OUR DIRECTORS

There is no relationship between Promoter of our Company with other Directors except as described below:

Name of Director	Designation	Relation
Mr. Vijay Kaushik	Chairman cum Executive Director	Father of our Promoter cum Managing Director – Mr. Vibhor Kaushik Husband of our Whole Time Director- Mrs. Vijay Laxmi Kaushik Father-in-Law of our Whole Time Director-Mrs. Pratima Sandhir
Mr. Vibhor Kaushik	Managing Director	Son of our Promoter, Chairman cum Executive Director – Mr. Vijay Kaushik Son of our Whole Time Director- Mrs. Vijay Laxmi Kaushik Husband of our Whole Time Director-Mrs. Pratima Sandhir
Ms. Vijay Laxmi Kaushik	Whole Time Director	Wife of our Promoter, Chairman cum Executive Director – Mr. Vijay Kaushik Mother of our Promoter cum Managing Director – Mr. Vibhor Kaushik Mother-in-Law of our Whole Time Director-Mrs. Pratima Sandhir
Ms. Pratima Sandhir	Whole Time Director	Husband of our Promoter cum Managing Director – Mr. Vibhor Kaushik Daughter-in-Law of our Promoter, Chairman cum Executive Director – Mr. Vijay Kaushik Daughter-in-Law of our Whole Time Director-Mrs. Vijay Laxmi Kaushik

CONFIRMATIONS

As on the date of this Draft Red Herring Prospectus:

1. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors were selected as a director or member of senior management.
2. The directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
3. None of the Directors are categorized as a wilful defaulter or fraudulent borrower, as defined under Regulation 2(1)(lll) of SEBI ICDR Regulations.
4. None of our Directors have interest in any property acquired by our Company within two years of the date of this Draft Red Herring Prospectus.
5. None of our Directors are or were directors of any listed Company whose shares have been/were suspended from trading by any of the stock exchange(s) during his/her tenure in that Company in the last five years or delisted from the stock exchange(s) during the term of their directorship in such companies.
6. None of our Directors have been declared as fugitive economic offenders as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations, nor have been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
7. None of the Promoter or Directors has been or is involved as a promoter or director of any other Company which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

REMUNERATION / COMPENSATION OF DIRECTORS

The compensation package payable to the Directors from F.Y. 2023-24 onwards as resolved in the Extra-Ordinary General Meeting held on September 21, 2023 is stated hereunder:

Mr. Vijay Kaushik: -

The total remuneration payable to Mr. Vijay Kaushik, Promoter and Chairman cum Executive Director, shall be a sum of Rs. 15.75 Lakhs per month w.e.f. August 28, 2023.

Mr. Vibhor Kaushik: -

The total remuneration payable to Mr. Vibhor Kaushik, Promoter and Managing Director, shall be a sum of Rs. 18.25 Lakhs per month w.e.f. August 28, 2023.

Ms. Vijay Laxmi Kaushik: -

The total remuneration payable to Ms. Vijay Laxmi Kaushik, Whole Time Director, shall be a sum of Rs. 13.00 Lakhs per month as approved by the time of her appointment w.e.f. August 28, 2023.

Ms. Pratima Kaushik: -

The total remuneration payable to Ms. Pratima Kaushik, Whole Time Director, shall be a sum of Rs. 15.50 Lakhs per month as approved by the time of her appointment w.e.f. August 28, 2023.

No remuneration is paid to the Non-Executive Directors.

Remuneration paid to the Directors during the previous F.Y is as follows:

(Rs. In Lakhs)

Sr. No.	Name	Designation	Remuneration Paid for FY 2022-23
1.	Mr. Vijay Kaushik	Chairman cum Executive Director	162.00
2.	Mr. Vibhor Kaushik	Managing Director	192.00
3.	Mrs. Vijay Laxmi Kaushik	Whole Time Director	132.00
4.	Mrs. Pratima Sandhir	Whole Time Director	162.00

5.	Mr. Pankaj Kumar	Executive Director	6.84

Our Company has not paid and will not be paying any remuneration to the Independent Directors of our company except the applicable sitting fee and reimbursement of expenses as per the Companies Act, 2013.

Pursuant to the resolution passed by the Board of Directors of our Company on August 28, 2023, the Non-Executive Independent Directors of our Company would be entitled to a sitting fee of Rs. 10,000 for attending every meeting of Board and Rs. 5,000 for committee meeting.

SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares.

The following table details the shareholding of our Directors as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital*
1.	Mr. Vijay Kaushik	39,95,430	28.17%	[●]
2.	Mr. Vibhor Kaushik	34,70,874	24.47%	[●]
3.	Mrs. Vijay Laxmi Kaushik	42,95,763	30.29%	[●]
4.	Mrs. Pratima Sandhir	3,38,500	2.39%	[●]

**will be updated prior filing the Prospectus with RoC.*

INTERESTS OF DIRECTORS

All of our Directors may be deemed to be interested to the extent of fees payable, if any to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable, if any to them under our Articles of Association, and/or to the extent of remuneration paid to them for services rendered as an officer or employee of our Company. Some of our Directors may be deemed to be interested to the extent of interest paid on any loan or advances provided to our company, any Body corporate including companies and firms and trusts, in which they are interested as directors, members, partners or trustees.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as directors, members, Promoter, and /or trustees pursuant to this Issue. All of our Directors may also be deemed to be to them interested to the extent of any dividend payable and other distributions in respect of the said Equity Shares, if any.

Except as stated in this chapter “Our Management” described herein to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business.

Our Directors are not interested in the appointment of or acting as Book Running Lead Manager, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

No sum has been paid or agreed to be paid to our directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce them to become, or to qualify them as, a director, or otherwise for services rendered by them by such firm or company, in connection with the promotion or formation of our Company.

Except Mr. Vijay Kaushik, Mr. Vibhor Kaushik and Mrs. Vijay Laxmi Kaushik, who are the Promoters of our Company, none of the other Directors are interested in the promotion of our Company.

No loans have been availed by our Directors from our Company.

INTEREST IN THE PROMOTION AND FORMATION OF OUR COMPANY

As on the date of this Draft Red Herring Prospectus, except Mr. Vijay Kaushik, Mr. Vibhor Kaushik and Mrs. Vijay Laxmi Kaushik, who are the Promoters of our Company, none of our other Directors and Key Managerial Personnel are interested in the promotion of our Company. For further details, see “Our Promoters and Promoter Group” on page 220.

PROPERTY INTEREST

Except as stated/referred to in the heading titled "*Land & Properties*" mentioned in the chapter "*Our Business*" beginning on page 184, our Directors have not entered into any contract, agreement or arrangements during the preceding two years from the date of this Draft Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

CHANGES IN OUR BOARD OF DIRECTORS

The Changes in the Board of Directors of our Company in the three years preceding the date of this Draft Red Herring Prospectus are as follows:

Name	Date of event	Nature of event	Reason
Mr. Vijay Kaushik	August 28, 2023	Re-designated as Chairman cum Executive Director	To ensure better Corporate Governance and compliance with Companies Act, 2013
Mr. Vibhor Kaushik	August 28, 2023	Re-appointed as Managing Director	
Ms. Vijay Laxmi Kaushik	August 28, 2023	Re-Appointed as Whole Time Director	
Ms. Partima Sandhir	August 28, 2023		
Mr. Abhiram Tayal	August 28, 2023	Appointment as Independent Director	
Mr. Ashwani Kumar Garg	August 14, 2023		
Mr. Shiv Kumar Singhal	August 14, 2023		
Mr. Sanjeev Gupta	August 14, 2023		
Mr. Vikram Grover	August 14, 2023		

BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at Extra-Ordinary General Meeting of our Company held on June 14, 2023 consent of the members of our Company was accorded to the Board of Directors of our Company pursuant to Section 180 (1)(c) of the Companies Act, 2013 for borrowing, from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) may exceed in the aggregate, the paid-up capital of our Company and its free reserves, provided however, the total amount so borrowed in excess of the aggregate of the paid-up capital of our Company and its free reserves shall not at any time exceed Rs. 500.00 Crores.

CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act with respect to corporate governance, provisions of SEBI LODR Regulations to the extent applicable to the entity whose shares are listed on Stock Exchange and shall be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchange. We are in compliance with the requirements of the applicable regulations, including SEBI LODR Regulations, SEBI ICDR Regulations and the Companies Act in respect of corporate governance including constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act and SEBI LODR Regulations. The Board functions either as a full board or through various committees constituted to oversee specific functions.

Our Company stands committed to good Corporate Governance practices based on the principles such as accountability, transparency in dealing with our stakeholders, emphasis on communication and transparent report.

Our Board functions either as a full Board or through the various committees constituted to oversee specific operational areas. As on the date of this Draft Red Herring Prospectus, our Company has Ten (10) Directors, one (1) is Managing Director, One (1) is Chairman cum Executive Director, Two (2) are Women Whole time Director. One (1) is Executive Director and Five (5) are Independent Directors.

Committees of the Board

In addition to the committees of our Board detailed below, our Board may from time to time, constitute committees for various functions.

Following are the details of various committees of the Board:

A. Audit Committee
B. Stakeholders Relationship Committee
C. Nomination and Remuneration Committee
D. CSR Committee
E. IPO Committee
F. Risk Management Committee

A) Audit Committee

The Audit Committee (the "Committee") has constituted by the Board of Directors at their meeting held on September 21, 2023 in accordance with the Section 177 of the Companies Act, 2013 and Rule 6 of the Companies (Meeting of board and its powers) Rule, 2014.

Composition of Audit Committee:

Name of the Director	Status	Nature of Directorship
Mr. Ashwani Kumar Garg	Chairperson	Independent Director
Mr. Sanjeev Gupta	Member	Independent Director
Mr. Vibhor Kaushik	Member	Managing Director

The Company Secretary of our Company shall serve as the secretary of the Audit Committee.

Meeting of the Audit Committee and relevant quorum

1. The Audit Committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings.
2. The quorum for meetings of the committee shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.
3. The audit committee at its discretion shall invite the finance director or head of the finance function, head of internal audit and a representative of the statutory auditor and any other such executives to be present at the meetings of the committee.

The scope of Audit Committee shall include but shall not be restricted to the following:

1. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
2. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
3. Examination of the financial statement and the auditors' report thereon;
4. Approval or any subsequent modification of transactions of the company with related parties;
5. Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
6. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
7. Formulation of a policy on related party transactions, which shall include materiality of related party transactions and making of omnibus approval of related party transactions;
8. Reviewing, with the management, the annual financial statements and auditors report thereon before submission to the board for approval, with particular reference to:
   i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
   ii. Changes, if any, in accounting policies and practices and reasons for the same;
   iii. Major accounting entries involving estimates based on the exercise of judgment by management;

iv. Significant adjustments made in the financial statements arising out of audit findings;
v. Compliance with listing and other legal requirements relating to financial statements;
vi. Disclosure of any related party transactions;
vii. Modified opinion(s) in the draft audit report;

9. Reviewing, with the management, the quarterly, half yearly and Annual financial statements before submission to the Board for approval;
10. 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;
11. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
12. Approval or any subsequent modification of transactions of the listed entity with related parties includes omnibus approval for related parties transactions subject to conditions as specified under rules;
13. Scrutiny of inter-corporate loans and investments;
14. Valuation of undertakings or assets of the Company, wherever it is necessary;
15. Evaluation of internal financial controls and risk management systems;
16. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
17. 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;
18. Discussion with internal auditors of any significant findings and follow up there on;
19. 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;
20. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
21. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
22. To oversee and review the functioning of the vigil mechanism pursuant the provisions of Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with sub-section 9 and 10 of Section 177 of the Companies Act, 2013, which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases
23. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
24. To investigate any other matters referred to by the Board of Directors;
25. Carrying out any other function as is mentioned in the terms of reference of the audit Committee.
26. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rs.100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
27. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee enjoys following powers:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise if it considers necessary.

The Audit Committee shall mandatorily review the following information:

i) Management discussion and analysis of financial condition and results of operations;
ii) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
iii) Management letters / letters of internal control weaknesses issued by the statutory auditors;
iv) Internal audit reports relating to internal control weaknesses; and
v) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
vi) Statement of deviations: (a) half yearly statement of deviation(s) submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations. (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The Chairman of the committee has to attend the Annual General Meetings of the Company to clarifications on matters relating to the audit.

B) **Stakeholders Relationship Committee**

The Stakeholders Relationship Committee has constituted by the Board of Directors at their meeting held on September 21, 2023 in accordance with the Section 178(5) of the Companies Act 2013.

Composition of Stakeholders Relationship Committee

Name of the Director	Status	Nature of Directorship
Mr. Vikram Grover	Chairman	Independent Director
Ms. Vijay Laxmi Kaushik	Member	Whole-time Director
Mr. Vibhor Kaushik	Member	Managing Director

The Company Secretary of the Company will act as the Secretary of the Committee.

Meetings of the Stakeholders Relationship Committee

1. The Committee is required to meet at least once a year.
2. The quorum necessary for a meeting shall be two members present.

SCOPE OF THE STAKEHOLDERS RELATIONSHIP COMMITTEE

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

1. Resolving the grievances of the security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services rendered by the registrar and share transfer agent and to recommend measures for overall improvement in the quality of investor services;

4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and
5. Formulate procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
6. Approve, register, refuse to register transfer or transmission of shares and other securities;
7. Sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
8. Allotment and listing of shares;
9. Authorise affixation of common seal of the Company;
10. Issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
11. Approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
12. Dematerialize or rematerialize the issued shares;
13. Ensure proper and timely attendance and redressal of investor queries and grievances;
14. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
15. Advising for giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
16. Carry out any other functions contained in the Companies Act, 2013 (including Section 178) and/or equity listing agreements (if applicable), as and when amended from time to time;
17. Further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s); and
18. Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

***C)* Nomination and Remuneration Committee**

The Nomination and Remuneration Committee has constituted by the Board of Directors at their meeting held on September 21, 2023 in accordance with the Section 178 of the Companies Act 2013.

<u>Composition of Nomination and Remuneration Committee</u>

Name of the Director	Status	Nature of Directorship
Mr. Abhiram Tayal	Chairman	Independent Director
Mr. Ashwani Kumar Garg	Member	Independent Director
Mr. Sanjeev Gupta	Member	Independent Director

The Company Secretary of our Company acts as the Secretary to the Committee.

<u>Meeting of Nomination and Remuneration Committee and Relevant Quorum</u>

1. The Committee is required to meet at least once a year.
2. The quorum necessary for a meeting of the Corporate Social Responsibility Committee shall be two members or one third of the members, whichever is greater.

<u>Role of Nomination and Remuneration Committee are:</u>

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended

to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

   a. Use the services of an external agencies, if required;
   b. Consider candidates from a wide range of backgrounds, having due regard to diversity; and
   c. Consider the time commitments of the candidates.

3. Formulation of criteria for evaluation of Independent Directors and the Board;
4. Devising a policy on Board diversity;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks
8. Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.

D) **CSR Committee**

The Corporate Social Responsibility Committee was constituted by a meeting of our Board held on September 21, 2023. The members of the Corporate Social Responsibility Committee are:

Name of Director	Position in the Committee	Designation
Ms. Partima Sandhir	Chairman	Whole-time Director
Mr. Vikram Grover	Member	Independent Director
Mr. Shiv Kumar Singhal	Member	Independent Director

The scope and functions of the Corporate Social Responsibility Committee of our Company are in accordance with Section 135 of the Companies Act, 2013 and the applicable rules thereunder, and have been set out below:

1) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII of the Act;
2) formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:
   a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
   b) the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;
   c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
   d) monitoring and reporting mechanism for the projects or programmes; and e. details of need and impact assessment, if any, for the projects undertaken by the company;
3) recommend the amount of expenditure to be incurred on the CSR activities; and
4) monitor the Corporate Social Responsibility Policy of the company from time to time.

E) **IPO Committee**

The IPO Committee was constituted by a meeting of our Board held on September 21, 2023. The members of the IPO Committee are:

Name of Director	Position in the Committee	Designation
Mr. Vibhor Kaushik	Chairman	Managing Director
Ms. Pratima Sandir	Member	Whole Time Director
Mr. Sanjeev Gupta	Member	Independent Director

The scope and functions of the IPO Committee are as follows:

1. to decide, negotiate and finalise the pricing, the terms of the issue of the Equity Shares and all other related matters regarding the Pre-IPO Placement, if any, including the execution of the relevant documents with the investors, in consultation with the book running lead managers appointed in relation to the Issue ("**BRLM**");
2. to decide in consultation with the BRLM the actual size of the Issue and taking on record the number of equity shares (the "Equity Shares"), and/or reservation on a competitive basis, and/or any rounding off in the event of any oversubscription and/or any discount to be offered to retail individual bidders or eligible employees participating in the Issue and all the terms and conditions of the Issue, including without limitation timing, opening and closing dates of the Issue, price band, allocation/allotment to eligible persons pursuant to the Issue, including any anchor investors, and to accept any amendments, modifications, variations or alterations thereto;
3. to appoint, instruct and enter into agreements with the BRLM, and in consultation with BRLM appoint and enter into agreements with intermediaries, co-managers, underwriters, syndicate members, brokers, escrow collection bankers, auditors, independent chartered accountants, refund bankers, registrar, grading agency, industry expert, legal counsels, depositories, printers, monitoring agency advertising agency(ies), and any other agencies or persons (including any successors or replacements thereof) whose appointment is required in relation to the Issue and to negotiate and finalize the terms of their appointment, including but not limited to execution of the mandate letters and offer agreement with the BRLM, and the underwriting agreement with the underwriter, and to terminate agreements or arrangements with such intermediaries;
4. to make any alteration, addition or variation in relation to the Issue, in consultation with the BRLM or SEBI or such other authorities as may be required, and without prejudice to the generality of the aforesaid, deciding the exact Issue structure and the exact component of issue of Equity Shares;
5. to finalise, settle, approve, adopt and arrange for submission of the Red Herring Prospectus ("RHP"), the red herring prospectus ("RHP"), the Prospectus, the preliminary and final international wrap and any amendments, supplements, notices, clarifications, reply to observations, addenda or corrigenda thereto, to appropriate government and regulatory authorities, respective stock exchanges where the Equity Shares are proposed to be listed ("Stock Exchanges"), the Registrar of Companies, West Bengal at Kolkata ("Registrar of Companies"), institutions or bodies;
6. to invite the existing shareholders of the Company to participate in the Issue and offer for sale of the Equity Shares held by them at the same price as in the Issue;
7. to take all actions as may be necessary and authorised in connection with the offer for sale and to approve and take on record the approval of the selling shareholder for offering their Equity Shares in the offer for sale and the transfer of Equity Shares in the offer for sale;
8. to issue advertisements in such newspapers and other media as it may deem fit and proper, in consultation with the relevant intermediaries appointed for the Issue in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), Companies Act, 2013, as amended and other applicable laws;
9. to decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any, and on permitting existing shareholders to sell any Equity Shares held by them;
10. to open separate escrow accounts as the escrow account to receive application monies from anchor investors/ underwriters in respect of the bid amounts and a bank account as the refund account for handling refunds in relation to the Issue and in respect of which a refund, if any will be made;
11. to open account with the bankers to the Issue to receive application monies in relation to the Issue in terms of Section 40(3) of the Companies Act, 2013, as amended;
12. to negotiate, finalise, sign, execute and deliver or arrange the delivery of the offer agreement, syndicate agreement, share escrow agreement, escrow and sponsor bank agreement, underwriting agreement, agreements with the registrar to the Issue, monitoring agency and the advertising agency(ies) and all other agreements, documents, deeds, memorandum of understanding and other instruments whatsoever with the registrar to the Issue, legal advisors, auditors, Stock Exchanges, BRLM and other agencies/ intermediaries in connection with Issue with the power to authorize one or more officers of the Company to execute all or any of the aforesaid documents;

13. to make any applications, seek clarifications, obtain approvals and seek exemptions, if necessary, from the Stock Exchange, the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI"), Registrar of Companies, and such other statutory and governmental authorities in connection with the Issue, as required by applicable law, and to accept, on behalf of the Board, such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, exemptions, permissions and sanctions as may be required, and wherever necessary, incorporate such modifications / amendments as may be required in the RHP, RHP and the Prospectus;
14. to make in-principle and final applications for listing and trading of the Equity Shares on one or more stock exchanges, to execute and to deliver or arrange the delivery of the equity listing agreement(s) or equivalent documentation to the Stock Exchanges and to take all such other actions as may be necessary in connection with obtaining such listing;
15. to determine and finalize, in consultation with the BRLM, the price band for the Issue and minimum bid lot for the purpose of bidding, any revision to the price band and the final Issue price after bid closure, and to finalize the basis of allocation and to allot the Equity Shares to the successful allottees and credit Equity Shares to the demat accounts of the successful allottees in accordance with applicable laws and undertake other matters in connection with or incidental to the Issue, including determining the anchor investor portion, in accordance with the SEBI ICDR Regulations;
16. to issue receipts/allotment advice/confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorise one or more officers of the Company to sign all or any of the aforementioned documents;
17. to approve the code of conduct, suitable insider trading policy, whistle blower/vigil mechanism policy, risk management policy and other corporate governance requirements considered necessary by the Board or the IPO Committee or as required under applicable law;
18. to seek, if required, the consent and waivers of the parties with whom the Company has entered into various commercial and other agreements such as Company's lenders, joint venture partners, all concerned governmental and regulatory authorities in India or outside India, and any other consents that may be required in connection with the Issue in accordance with the applicable laws;
19. to determine the price at which the Equity Shares are offered, allocated, transferred and/or allotted to investors in the Issue in accordance with applicable regulations in consultation with the BRLM and/or any other advisors, and determine the discount, if any, proposed to be offered to eligible categories of investors;
20. to settle all questions, difficulties or doubts that may arise in relation to the Issue, as it may in its absolute discretion deem fit;
21. to do all acts and deeds, and execute all documents, agreements, forms, certificates, undertakings, letters and instruments as may be necessary for the purpose of or in connection with the Issue;
22. to authorize and approve the incurring of expenditure and payment of fees, commissions, brokerage and remuneration in connection with the Issue;
23. to withdraw the RHP or RHP or to decide not to proceed with the Issue at any stage, in consultation with the BRLM and in accordance with the SEBI ICDR Regulations and applicable laws;
24. to submit undertaking/certificates or provide clarifications to the SEBI, Registrar of Companies and the relevant stock exchange(s) where the Equity Shares are to be listed; and
25. to authorize and empower officers of the Company (each, an "Authorized Officer(s)"), for and on behalf of the Company, to execute and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the Authorized Officer(s) consider necessary, appropriate or advisable, in connection with the Issue, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreement(s) with the stock exchange(s), the registrar agreement and memorandum of understanding, the depositories' agreements, the offer agreement with the BRLM (and other entities as appropriate), the underwriting agreement, the syndicate agreement with the BRLM and syndicate members, the stabilization agreement, the share escrow agreement, the cash escrow and sponsor bank agreement, confirmation of allocation notes, allotment advice, placement agents, registrar to the Issue, bankers to the Company, manager, underwriters, escrow agents, accountants, auditors, legal counsel, depositories,

advertising agency(ies), syndicate members, brokers, escrow collection bankers, auditors, grading agency, monitoring agency and all such persons or agencies as may be involved in or concerned with the Issue, if any, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Issue by the BRLM and to do or cause to be done any and all such acts or things that the Authorized Officer(s) may deem necessary, appropriate or desirable in order to carry out the purpose and intent of the foregoing resolutions for the Issue; and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer(s) shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing.

F) **Risk Management Committee**

The Risk Management Committee was constituted by a meeting of our Board held on September 21, 2023. The members of the Risk Management Committee are:

Name of Director	Position in the Committee	Designation
Mr. Vibhor Kaushik	Chairman	Managing Director
Mr. Vijay Kumar Kaushik	Member	Chairman & Director
Mr. Shiv Kumar Singhal	Member	Independent Director

The scope and functions of the Risk Management Committee of our Company are in accordance with Regulation 21 of the SEBI Listing Regulations and the applicable rules thereunder, and have been set out below:

1) To formulate a detailed risk management policy which shall include:

    a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, environmental social and governance related risks), information, cyber security risks or any other risk as may be determined by the Committee.
    b) Measures for risk mitigation including systems and processes for internal control of identified risks.
    c) Business continuity plan.

2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3) To co-ordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per framework laid down by the board of directors;
4) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
5) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
6) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
7) To approve major decisions affecting the risk profile or exposure and give appropriate directions;
8) To consider the effectiveness of decision-making process in crisis and emergency situations;
9) To balance risks and opportunities;
10) To generally, assist the Board in the execution of its responsibility for the governance of risk;
11) To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
12) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee; and
13) Any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the SEBI Listing regulations.

The quorum of the Risk Management Committee is either two members or one-third of the members of the Risk Management Committee, whichever is higher, including at least one member of the Board of Directors, being in attendance.

The Risk Management Committee is required to meet at least twice in a year and not more than 180 days may elapse between the two meetings.

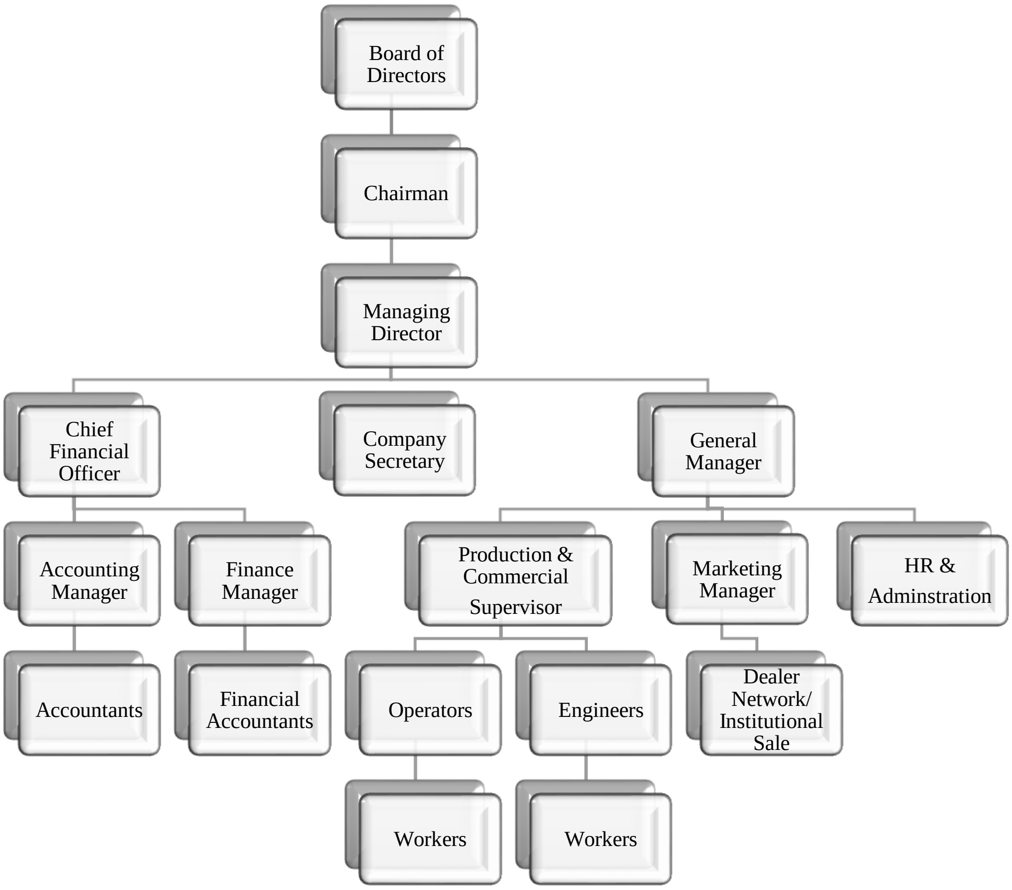
The Risk Management Committee has powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

Provided that u/s 134(3)(n) of the Companies Act, 2013, the Board Report must contain a statement indicating the development and implementation of a Risk Management Policy for the company, including the identification of risks that may pose a threat to the existence of company. Further u/s 177(4)(vii) of the Companies Act, 2013 the Audit Committee has an obligation to evaluate the company's internal financial controls and risk management systems. In addition to this, Part II of Schedule IV of the Companies Act, 2013 requires an Independent director of a company to bring an independent judgment to the board deliberations regarding the risk management systems of the company.

POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

The provisions of Regulation 9(1) of the SEBI PIT Regulations will be applicable to our Company immediately upon the listing of its Equity Shares on the NSE & BSE. We shall comply with the requirements of the SEBI PIT Regulations on listing of Equity Shares on stock exchange. Further, Board of Directors on their meeting dated September 21, 2023 have formulated and adopt the code of conduct to regulate, monitor and report trading by its employees and other connected persons. The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

ORGANISATIONAL STRUCTURE



KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

Details of Key Managerial Personnel of our Company as per the Companies Act 2013 -

Mr. Vibhor Kaushik (Managing Director)

Mr. Vibhor Kaushik, aged 40 years is the Promoter and is currently designated as Managing Director of our Company. He was appointed as the Director on the Board of our Company on April 17, 2003. Born in Hisar, Haryana, India on February 04, 1983 he did his schooling in Hisar and he is qualified electrical engineering from the university of Arizona State University (USA) in 2006.

He has been managing the factory from the last 17 years as a managing director. The factory performance and capacity has increased multiple folds after his presence in the factory. At the time of his joining to the factory the capacity was 12,000 MT per annum. He has taken the capacity to over 2,21,000 MT per annum. After Increasing the production capacity by nearly 19-fold in just 17 years, he his ambition is to take company global. Being Managing Director, he has been very successfully managing all Company Plant's operations, staff and ventures in order to maintain and grow the Business. After having technical expertise required in Production and domestic sales, he is now looking to develop to explore export market. He has commissioned Telangana project in record time successfully.

Mr. Anil Jain (Chief Financial Officer)

Mr. Anil Jain is the Chief Financial Officer of our Company. He has been associated with our Company since October 2022. He is responsible for handling the financial operations of our Company. He holds a bachelor of commerce, accounting degree from MDS University. He is also a member of Institute of Chartered Accountant of India (ICAI). He has been the Chief Financial Officer of our Company since June, 2023 and has experience in finance and auditing. He has an experience of more than 20 years in field of finance. He was previously associated with OSAW Agro Industries Pvt. Ltd, BIBA Apparels Pvt. Ltd. and HKS Automobiles Pvt. Ltd. As Chief Financial Officer at VSTL, he is responsible for overseeing all financial aspects of the company, including tracking cash flow and analysing the company's financial strengths and weaknesses. With his extensive background in finance and business, he is well-equipped to provide strategic guidance that will drive the company's growth and success.

Overall, our CFO's unique blend of technical and business skills, combined with his deep experience in finance and auditing, make him an exceptional leader who is well-suited to guide our organization through the challenges and opportunities of the business landscape.

Mr. Lovkesh (Company Secretary & Compliance Officer)

Mr. Lovkesh Papneja is the Company Secretary & Compliance Officer of our Company. He holds a Graduation degree from Kurukshetra University. He is also a member of the Institute of Company Secretaries of India. He has about 2 years of experience in Secretarial, Legal and Listed Compliances. Prior to joining our Company, he was working with Intertrust Group, Gurgaon.

Remuneration paid to the KMPs during the previous F.Y is as follows:

(Rs. In Lakhs)

Sr. No.	Name	Designation	Remuneration Paid for FY 2022-23
1.	Mr. Vibhor Kaushik	Managing Director	192.00
2.	Mr. Anil Kumar Jain	Chief Financial Officer	6.95 (*Appointed on Oct 01,2022*)
3.	Mr. Nikunj Haresh Gatecha	Company Secretary & Compliance Officer (Resigned w.e.f. from June 26, 2023)	1.80
4.	Mr. Lovkesh Papneja	Company Secretary & Compliance Officer	Since he was appointed as on June 27, 2023, no remuneration has been paid for the said period.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

There is no family relationship between the Key Managerial Personnel.

FAMILY RELATIONSHIPS OF DIRECTORS WITH KEY MANAGERIAL PERSONNEL

There is no family relationship between the Directors of our Company and the Key Managerial Personnel of our Company except as described below:

Name of Director	Designation	Relation
Mr. Vijay Kaushik	Promoter & Chairman cum Executive Director	Father of our Promoter cum Managing Director – Mr. Vibhor Kaushik
Ms. Vijay Laxmi Kaushik	Whole time Director	Mother of our Promoter cum Managing Director – Mr. Vibhor Kaushik

Ms. Pratima Sandhir	Whole time Director	Wife of our Promoter cum Managing Director – Mr. Vibhor Kaushik

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

None of the KMPs hold any Equity shares of our Company as on the date of this Draft Red Herring Prospectus except the following:

Sr. No.	Name of the Shareholder	Designation	No. of Shares held
1.	Mr. Vibhor Kaushik	Managing Director	34,70,874
2.	Mr. Anil Jain	Chief Financial Officer	-
3.	Mr. Lovkesh	Company Secretary & Compliance Officer	-

BONUS OR PROFIT-SHARING PLAN OF THE KEY MANAGERIAL PERSONNEL

Our Company has not entered into any bonus or profit-sharing plan with any of the Key Managerial Personnel.

LOANS TO KEY MANAGERIAL PERSONNEL

No loans and advances have been given to the Key Managerial Personnel as on the date of this Draft Red Herring Prospectus.

INTEREST OF KEY MANAGERIAL PERSONNEL

The key managerial personnel of our Company do not have any interest in our Company other than to the extent of the 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 and to the extent of Equity Shares held by them in our Company, if any.

Except as disclosed in this Draft Red Herring Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration, reimbursement of expenses, lease rent on vehicles and interest on loan, if any.

Our Key Managerial Personnel have no interest in any property acquired by our Company within two years of the date of this Draft Red Herring Prospectus.

CHANGES IN KEY MANAGERIAL PERSONNEL DURING LAST THREE (3) YEARS

The changes in the key managerial personnel in the last three years are as follows:

Name of Key Managerial Personnel	Designation	Date of Event	Reason
Mr. Anil Jain	Chief Financial Officer	June 27, 2023	Appointment of Chief Financial Officer
Mr. Lovkesh	Company Secretary & Compliance Officer	June 27, 2023	Appointment of Company Secretary and Compliance Officer
Mr. Vibhor Kaushik	Managing Director	August 28, 2023	Change in Designation as Managing Director
Mr. Nikunj Haresh Gatecha	Company Secretary & Compliance Officer	June 26, 2023	Resignation from the post of Company Secretary and Compliance Officer

Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.

ESOP/ESPS SCHEME TO EMPLOYEES

Presently, our company does not have any ESOP/ESPS Scheme for employees.

PAYMENT OR BENEFIT TO OUR OFFICERS

Except as disclosed in the chapter titled "*Financial Statements*" beginning on page 233, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

FRAUDULENT BORROWERS

Our Directors and promoters / promoter group are not declared as "Fraudulent Borrowers" by the lending banks or financial institutions or consortium, in terms of RBI master circular dated July 01, 2016.

STRUCK-OFF COMPANIES BY ROC

We hereby confirm that none of the directors, promoter and promoter group persons is appearing in the list of directors of struck-off companies by ROC/ MCA and neither the promoter group companies and group companies is appearing in the list of struck-off companies by ROC/ MCA.

OUR PROMOTERS AND PROMOTERS GROUP

OUR PROMOTERS

Mr. Vijay Kaushik, Mr. Vibhor Kaushik, Mrs. Vijay Laxmi Kaushik and M/s Vijay Kaushik HUF are the Promoters of our Company. Our Promoters are currently holding an aggregate of 1,32,46,500 Equity Shares, aggregating to 93.40% of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company. For further details, see "Capital Structure" on page no. 74.

The details of our Promoters are as under:

<table>
<tr><th colspan="2">Mr. Vijay Kaushik</th></tr>
<tr><td></td><td>Vijay Kaushik, aged 70 years is the Promoter and Chairman of our Company.

For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements, see the chapter titled "Our Management" on page no. 198.

Date of Birth: November 18, 1953

Nationality: Indian

PAN: AHCPK8583H

Residential Address: 1553, Moti Nagar, Thandi Sarak, Hisar, Haryana – 125001, India</td></tr>
<tr><th colspan="2">Mr. Vibhor Kaushik</th></tr>
<tr><td></td><td>Vibhor Kaushik, aged 40 years is the Promoter and Managing Director of our Company.

For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements, see the chapter titled "Our Management" on page no. 198.

Date of Birth: February 04, 1983

Nationality: Indian

PAN: AKFPK2457A

Residential Address: C – 1807/1808, Ashok Tower, Dr. Ambedkar Road, Parcel East, Mumbai, Maharashta – 400012, India</td></tr>
</table>

Mrs. Vijay Laxmi Kaushik	
	**Vijay Laxmi Kaushik**, aged 67 years is the Promoter and Whole Time Director of our Company. For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements, see the chapter titled "Our Management" on page no. 198. Date of Birth: March 05, 1956 Nationality: Indian PAN: ARHPK9236A Residential Address: 1553, Moti Nagar, Thandi Sarak, Hisar, Haryana – 125001, India
M/s. Vijay Kaushik HUF	
Vijay Kaushik HUF came into existence on November 16, 1978 and Mr. Vijay Kaushik is its Karta with Mrs. Vijay Laxmi Kaushik and Mr. Vibhor Kaushik, as its Coparceners. PAN: AAJHV4649F As on the date of this Draft Red Herring Prospectus, Vijay Kaushik (HUF) holds 14,84,433 Equity Shares, representing 10.47% of the pre-issued, subscribed and paid-up equity share capital of our Company.	

Change in Control of our Company

There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

Experience of our Promoters in the business of our Company

For details in relation to experience of our Promoters in the business of our Company, please see "Our Management" on page no. 198.

Material Guarantees

Except as disclosed below, Other than the guarantees provided by our Promoters in relation to certain of our borrowings as and when required, our Promoters have not given any material guarantees to any third parties as on the date of this Draft Red Herring Prospectus. For details of our borrowings see, "Financial Indebtedness" and "Restated Standalone Financial Statements" beginning on pages no. 306 and 233.

Sr. No.	Bank Name	Guarantee
1	Yes Bank Limited	Unconditional and Irrevocable personal guarantee of Vijay Kaushik, Vijay Luxmi Kaushik, Vibhor Kaushik and Pratima Sandhir till the tenor of the facility.

There are no any other clauses/covenants in the guarantee agreements, which are material as on the date of Draft Red Herring Prospectus.

Interest of our Promoters

Our Promoters are interested in our Company to the extent that he has promoted our Company and to the extent of his shareholding in our Company, his directorship in our Company and the dividends payable and any other distributions in respect of their respective shareholding in our Company. Our Promoters are also interested to the extent of shareholding of his relatives in our Company. For further details of the shareholding of our Promoters in our Company, see "Capital Structure - Build-up of the Promoters' shareholding in our Company" beginning on page 77.

Additionally, our Promoters may be interested in transactions entered into by our Company with other entities (i) in which our Promoters hold shares, or (ii) controlled by our Promoters.

For further details of interest of our Promoters in our Company, see "Financial Information" – "Related party transactions" on page 307.

Our Promoters may also be deemed to be interested to the extent of the remuneration, benefits and reimbursement of expenses payable to them as Directors on our Board. For further details, see "Our Management" on page 198. Except Mr. Vijay Kaushik, Mr. Vibhor Kaushik, M/s Vijay Kaushik HUF and Mrs. Vijay Laxmi Kaushik who are the Promoters of our Company, none of our other Directors or Group Companies has any interest in the promotion of our Company.

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to any firm or company in cash or shares or otherwise by any person either to induce him to become, or to qualify him as a directors, promoters or otherwise for services rendered by such Promoters or by such firm or company, in connection with the promotion or formation of our Company.

Except to the extent of their Directorship and shareholding in our Group Companies, our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company. For further details, see "Our Management" beginning on page 198.

Except as disclosed in Intellectual property under chapter titled "Our business" on page no. 165. Our Promoters are not interested in any other entity which holds any intellectual property rights that are used by our Company.

Interest of Promoters in the Property, land, construction of building and supply of machinery

Except as stated in the section "Our Business" and "Financial Information", beginning on page nos. 165 and 233, respectively, our Promoters are not interested in the properties acquired by our Company within the preceding three years from the date of this Draft Red Herring Prospectus or proposed to be acquired by it, or in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery, other than in the normal course of business.

Payment of Amounts or Benefits to the Promoters or Promoters Group During the last two years

Except as stated in the section "Related Party Transactions - Financial Information" on page no. 307, there has been no payment of benefits paid or given to our Promoters or Promoters Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any amount or benefit to our Promoters or members of our Promoters Group. The remuneration to the Promoters is being paid in accordance with their respective terms of appointment.

OUR PROMOTERS GROUP

In addition to our Promoters, the following individuals, companies, partnerships and HUFs, etc. form part of our Promoters Group in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations:

A. Natural Persons who are Part of the Promoters Group

The following individuals form part of our Promoters Group:

Name of Promoter	Designation	Relation
Mr. Vijay Kaushik	Chairman cum Executive Director	Father of our Promoter cum Managing Director – Mr. Vibhor Kaushik Husband of our Promoter cum Whole Time Director- Mrs. Vijay Laxmi Kaushik
Mr. Vibhor Kaushik	Managing Director	Son of our Promoter, Chairman cum Executive Director – Mr. Vijay Kaushik Son of our Promoter cum Whole Time Director- Mrs. Vijay Laxmi Kaushik
Ms. Vijay Laxmi Kaushik	Whole Time Director	Wife of our Promoter, Chairman cum Executive Director – Mr. Vijay Kaushik Mother of our Promoter cum Managing Director – Mr. Vibhor Kaushik

B. Individuals forming part of our Promoter Group

The individuals forming a part of our Promoter Group are as follows:

Sr. No.	Relationship	Mr. Vijay Kaushik	Mr. Vibhor Kaushik	Mrs. Vijay Laxmi Kaushik
1.	Father	Mr. Ram Narain Kaushik	Mr. Vijay Kaushik	Mr. Prem Sagar Vasishta
2.	Mother	Smt. Gaindi Devi	Ms. Vijay Laxmi Kaushik	Ms. Vidya Devi
3.	Spouse	Mrs. Vijay Laxmi Kaushik	Mrs. Pratima Sandhir	Mr. Vijay Kaushik
4.	Brother	Late Shri Balraj Kaushik	N.A.	Mr. Ramesh Vasishta
5.	Sister	Ms. Kanta Sharma & Ms. Usha Sharma	Shagun	N.A.
6.	Children	Mr. Vibhor Kaushik & Ms. Shagun	Mr. Vyom Kaushik & Mr. Vishank Kaushik	Mr. Vibhor Kaushik & Ms. Shagun
7.	Spouse Father	Mr. Prem Sagar Vasishta	Mr. Parduman Kumar Sandhir	Mr. Ram Narain Kaushik
8.	Spouse Mother	Ms. Vidya Devi	Mrs. Pankaj Sandhir	Smt. Gaindi Devi
9.	Spouse Brother	Mr. Ramesh Vasishta	Mr. Pranav Sandhir	Late Shri Balraj Kaushik
10.	Spouse Sister	N.A.	N.A.	Ms. Kanta Sharma & Ms. Usha Sharma

C. Companies / Corporate Entities Forming Part of the Promoters Group

The following Companies/ JV/ Trusts/ Partnership firms/HUFs or Sole Proprietorships are forming part of our Promoters Group.

Indian Companies (Body Corporate, Trust, LLP, HUF, Firm and JVs)

Sr. No.	Name of Promoters Group Entity/ Company
1.	R.N. Securities Private Limited
2.	Shagun Steels (Partnership Firm)
3.	Orbit Tubes (Partnership Firm)
4.	Monach farm (Partnership Firm)
5.	Vijay Kaushik-HUF
6.	Vibhor Kaushik-HUF

D. Companies related to our Promoter Company;

Nature of Relationship	Name of Entities
Subsidiary or holding company of Promoter Company	NA
Any Body corporate in which promoter (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the promoter (Body Corporate).	NA
Any Body corporate in which a group or individuals or companies or combinations thereof which hold 20% or more of the equity share capital in that body corporate also hold 20% or more of the equity share capital of the issuer.	NIL

Companies with which the Promoters has disassociated in the last three years

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Draft Red Herring Prospectus except for resigning from the board of certain Promoters Group companies.

Shareholding of the Promoters Group in our Company

For details of shareholding of members of our Promoters Group as on the date of this Draft Red Herring Prospectus, please see the chapter titled "Capital Structure – Notes to Capital Structure" beginning on page no. 75**.**

Confirmations and Undertakings

We confirm that the Permanent Account Number, Bank Account number, Passport number, Aadhaar card number and driving license number of our Promoters have been submitted to the Stock Exchange(s) at the time of filing of this Draft Red Herring Prospectus.

Our Promoters and the members of our Promoters Group have confirmed that they have not been identified as wilful defaulters or a fraudulent borrower by the RBI or any other governmental authority.

Our Promoters has not been declared as a fugitive economic offender under the provisions of section 12 of the Fugitive Economic Offenders Act, 2018.

None of (i) our Promoters and members of our Promoters Group or persons in control of or on the boards of bodies corporate forming part of our Group Companies (ii) the Companies with which any of our Promoters are or were associated as a promoters, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

Outstanding Litigation

There is no outstanding litigation against our Promoters except as disclosed in the section titled “Risk Factors” and chapter titled “Outstanding Litigation and Material Developments” beginning on page no. 29 and 345 respectively.

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations and pursuant to the resolution passed by our Board at its meeting held on September 21, 2023 the term “group companies”, includes (i) such companies with which there were related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and (ii) any other companies considered material by the board of directors of the relevant issuer company.

Accordingly, all such companies with which our Company had related party transactions as per the Restated Consolidated Financial Statements, as covered under the relevant accounting standard (i.e. Ind AS 24) have been considered as group companies in terms of the SEBI ICDR Regulations.

Accordingly, in terms of the policy adopted by our Board of Directors for determining group companies (other than Joint Venture & Subsidiaries), we have set out below the details of our Group Companies. Our Board of Directors has also approved that, as on the date of the aforesaid resolution, there are no other group companies of our Company other than the companies disclosed below:

- R.N. Securities Private Limited
- Shagun Steels (Partnership Firm)
- Orbit Tubes (Partnership Firm)
- Monach Farm (Partnership Firm)
- Vijay Kaushik- HUF
- Vibhor Kaushik-HUF

In accordance with the SEBI ICDR Regulations, certain financial information in relation to our Group Companies for the previous three financial years, extracted from their respective audited financial statements (as applicable) are available at the websites indicated below.

Our Company is providing links to such website solely to comply with the requirements specified under the SEBI ICDR Regulations.

DETAILS OF OUR GROUP COMPANIES

1. R.N. Securities Private Limited (RNSPL)

RNSPL was incorporated on August 27, 2013 under the provisions of Companies Act, 1956. The Registered Office of RNSPL is situated at 1553, Moti Nagar Thandi Sarak, Hisar-125001, Haryana, India, The CIN of RNSPL is U74900HR2012PTC046023

RNSPL major objects as per its memorandum of association are as follows:-

- To carry on the business to investment and to acquire and hold and otherwise deal in shares, stocks, debentures and such other securities.
- To carry on the business of merchant banking in all aspects.
- To lend money on security.
- To draw, accept, endorse, discount, buy, sell and dell in bill of exchange and such other negotiable instruments.
- To carry on business as share and stock broker, dealers of any/and/or all Stock Exchange setup in India, underwriters, sub-underwriters, agents and sun brokers, for holding and dealing in shares and all kind of securities.

Audited Financial Information

The details of the reserves (excluding revaluation reserves), sales, profit/ (loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share derived from the audited financial statements of EIPL for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 in terms of the SEBI ICDR Regulations are available on its website at https://www.vstlindia.com/.

Key financials:

(Rs in Lakhs)

S. No.	Particulars	31.03.2023 (Audited)	31.03.2022 (Audited)	31.03.2021 (Audited)
1	Share Capital	1.00	1.00	1.00
2	Other Equity/Reserve & Surplus	8.91	8.97	9.03
3	Net Worth	9.91	9.97	10.03
4	Total Income	-	-	-
5	Profit Before Tax	(0.06)	(0.06)	(0.06)
6	Tax	-	-	-
7	Profit After Tax	(0.06)	(0.06)	(0.06)
8	Earning Per Shares (In Rs.)	(0.62)	(0.62)	(0.62)
9	Net Asset Value (In Rs.)	89.10	89.70	100.30

Shareholding Pattern of the Company:

S. No.	Name of Shareholders	No. of Shares	%
1	Vijay Kaushik	5,000	50.00
2	Vijay Laxmi Kaushik	5,000	50.00
Total		**10,000**	**100.00**

2. Shagun Steels (Partnership Firm)

Shagun Steels was incorporated on December 07, 2012 under the provisions of The Partnership Act, 1932. The Registered Office of Shagun Steels is situated at 2, Industrial Development Colony, Delhi Road, Hisar, Haryana. PAN no of Shagun Steels is ABOFS5236P.

The Firm carries on the business of trading, manufacturing, processing or otherwise deals in Stainless Steel / ERW Block and Galvanised Steel Pipes, MS Tor, MS Ingots etc. The partners may do any other business by mutual consent provided the same is not against of the Government or against Public Policy,

Audited Financial Information

The details of the Partner's Capital, Total Revenue (Including Other Income) and Net Profit attributable to Partners derived from the audited financial statements of Shagun Steels for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 in terms of the SEBI ICDR Regulations are available on its website at https://www.vstlindia.com/.

Key financials:

(Rs in Lakhs)

S. No.	Particulars	31.03.2023 (Audited)	31.03.2022 (Audited)	31.03.2021 (Audited)
1.	Partner's Capital	38.60	(0.26)	(12.69)
2.	Sales	1.80	1.20	391.08
3.	Net Profit attributable to Partners	(0.01)	(0.01)	7.03

Profit Sharing Ratio of the Partnership Firm:

S. No.	Name of Partners	Profit Sharing Ratio (%)
1.	Vijay Kaushik	40.00
2.	Vijay Laxmi Kaushik	40.00
3.	Vibhor Kaushik	20.00
Total		**100.00**

Note: As on the date of filing of Draft Red Herring Prospectus the Partnership Firm has discontinued its business.

3. Orbit Tubes (Partnership Firm)

Orbit Tubes was incorporated on September 14, 2020 under the provisions of The Partnership Act, 1932. The Registered Office of Orbit Tubes is situated at Plot no. 2, Industrial Development Colony, Delhi ROA, Hisar. PAN no. of Orbit Tubes is AAHFO0464F.

The Firm carries on the business of manufacturing and marketing of Stainless Steel SS Round Pipes and Square Pipes. The partners may do any other business by mutual consent provided the same is not against of the Government or against Public Policy.

Audited Financial Information

The details of the Partner's Capital, Total Revenue (Including Other Income) and Net Profit attributable to Partners derived from the audited financial statements of Orbit Tubes for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 in terms of the SEBI ICDR Regulations are available on its website at https://www.vstlindia.com/.

Key financials:

(Rs in Lakhs)

S. No.	Particulars	31.03.2023 (Audited)	31.03.2022 (Audited)	31.03.2021 (Audited)
1.	Partner's Capital	**(733.18)**	198.74	165
2.	Sales	1342.13	2496.58	0.00
3.	Net Profit attributable to Partners	**(21.71)**	0.00	0.00

Profit Sharing Ratio of the Partnership Firm:

S. No.	Name of Partners	Profit Sharing Ratio (%)
1.	Vijay Kaushik	50.00
2.	Mukul Sagar Vasistha	50.00
Total		**100.00**

Note: As on the date of filing of Draft Red Herring Prospectus the Partnership Firm has discontinued its business.

4. Monarch Farm (Partnership Firm)

Monarch Farm was incorporated on January 20, 2023 under the provisions of The Partnership Act, 1932. The Registered Office of Monarch Farm situated at Opp. Saraswati College, Tosham Road, Hisar, Haryana. PAN no of Monarch Farm is AAWFM6517G.

The Firm carries on the business of real estate, development of industrial plots and development of residential and commercial sited individually and in partnership with others. The partners may do any other business by mutual consent provided the same is not against of the Government or against Public Policy,

Audited Financial Information

The details of the Partner's Capital, Total Revenue (Including Other Income) and Net Profit attributable to Partners derived from the audited financial statements of Monarch Farm for the financial years ended March 31, 2023 in terms of the SEBI ICDR Regulations are available on its website at https://www.vstlindia.com/.

Key financials:

(Rs in Lakhs)

S. No.	Particulars	31.03.2023 (Audited)
1.	Partner's Capital	810.93
2.	Sales	0.00
3.	Net Profit attributable to Partners	0.00

Profit Sharing Ratio of the Partnership Firm:

S. No.	Name of Partners	Profit Sharing Ratio (%)
1.	Mukesh Garg HUF	20.00
2.	Vijay Kaushik	40.00
3.	Pawan Agarwal	5.00
4.	Ashok Kumar Agarwal	5.00
5.	Manoj Kumar Lohia	30.00
Total		**100.00**

5. Vijay Kaushik- HUF

Vijay Kaushik- HUF incorporated under the provisions of Income Tax Act, 1961. The Registered Office of Vijay Kaushik- HUF situated at B-112, Shivalik, Near Malviya Nagar-110017, New Delhi, India. PAN no of Vijay Kaushik- HUF is AAJHV4649F.

The HUF carries on the business of investments in stock, shares, bonds and such other securities.

Financial Information

The details of the Total Income and Taxes Paid derived from the Income Tax Return Acknowledgement of Vijay Kaushik- HUF for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 in terms of the SEBI ICDR Regulations are available on its website at https://www.vstlindia.com/.

Key financials:

(Rs in Lakhs)

S. No.	Particulars	31.03.2023 (Audited)	31.03.2022 (Audited)	31.03.2021 (Audited)
1.	Total Income	17.88	15.01	13.40
2.	Taxes Paid	3.70	2.13	1.83

Karta of the HUF: Vijay Kaushik is the karta of Vijay Kaushik- HUF

6. Vibhor Kaushik-HUF

Vibhor Kaushik- HUF incorporated under the provisions of Income Tax Act, 1961. The Registered Office of Vibhor Kaushik- HUF situated at B-112 , Shivalik, Near Malviya Nagar-110017, New Delhi, India,. PAN no of Vibhor Kaushik- HUF is AAJHV4648E.

The HUF carries on the business of investments in stock, shares, bonds and such other securities.

Financial Information

The details of the Total Income and Taxes Paid derived from the Income Tax Return Acknowledgement of Vibhor Kaushik- HUF for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 in terms of the SEBI ICDR Regulations are available on its website at https://www.vstlindia.com/.

Key financials:

(Rs in Lakhs)

S. No.	Particulars	31.03.2023 (Audited)	31.03.2022 (Audited)	31.03.2021 (Audited)
1.	Total Income	20.89	18.90	16.87
2.	Taxes Paid	3.94	3.45	3.02

Karta of the HUF: Vibhor Kaushik is the karta of Vibhor Kaushik- HUF

INTEREST OF GROUP COMPANIES

None of our Group Companies have any interest in the promotion of our Company.

None of our Group Companies are interested in the properties acquired by our Company in the three years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

None of our Group Companies are interested in any transactions for the acquisition of land, construction of building or supply of machinery etc.

COMMON PURSUITS AMONG GROUP COMPANIES WITH OUR COMPANY

No Group Company as on the date of filing of Draft Red Herring Prospectus is engaged in the similar line of business as our Company. Our Company has not adopted any measures for mitigating such conflict situations which may arise in the future.

Further, some of Group Companies may be empowered under their respective constitutional documents, to undertake a similar line of business, currently there is no conflicting interest arising out of such the common pursuits. We shall adopt necessary procedures and practices as permitted by law to address any instances of conflict of interest, if and when they may arise.

RELATED BUSINESS TRANSACTION WITHIN THE GROUP COMPANIES AND SIGNIFICANCE ON FINANCIAL PERFORMANCE OF OUR COMPANY

For details pertaining to business transactions, of our Company with our Group Companies, please refer "*Related Party Transactions*" beginning on page no. 307.

BUSINESS INTEREST OF GROUP COMPANIES

Except in the ordinary course of business and as stated in "*Restated Financial Statements – Related Party Disclosure (Ind As-24)*" on page 307, our Group Company does not have any business interest in our Company.

LITIGATION

Except as disclosed on page no. 345, there has been no material litigation in the group companies, which may directly or indirectly affect our Company.

CONFIRMATION

Our Group Companies do not have any securities listed on any stock exchanges. Further, our Group Companies have not undertaken any public or rights issue of securities in the three years preceding the date of this Draft Red Herring Prospectus.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board of Directors and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act.

Declaration of dividend, if any, will depend on a number of factors, including but not limited to the capital expenditure requirements, profit earned during the financial year and profit available for distribution, working capital requirements, business expansion and growth, additional investment in subsidiary, cost of borrowing, economic environment, capital markets, and other factors considered by our Board. The Articles of Association also provides discretion to our Board to declare and pay interim dividends.

Our Company has not declared any dividends in: (i) the last three Fiscals; and (ii) the period between April 1, 2023 and the date of filing this Draft Red Herring Prospectus. There is no guarantee that any dividends will be declared or paid in the future. For details of risks in relation to our capability to pay dividend see "Risk Factors – Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures and are also prohibited by the terms of our financing arrangements".

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum of Association and Articles of Association and provisions of SEBI Listing Regulations and other applicable laws.

INDEPENDENT AUDITOR'S REPORT

As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

To
The Board of Directors,
VIBHOR STEEL TUBES LIMITED
(Formerly known as "Vibhor Steel Tubes Private Limited")
Plot No. 2, Industrial Development Colony, Delhi Road
Hisar Haryana 125005 India

1. We have examined the attached Restated Standalone Financial Statements of **VIbhor Steel Tubes Limited** (formerly known as "Vibhor Steel Tubes Private Limited") (hereinafter referred as the "Company" or "Issuer") comprising of Restated Standalone Statement of Assets and Liabilities as at March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Standalone Statement of Profit and Loss (including other comprehensive income), the Restated Standalone Statement of Changes in Equity, the Restated Standalone Cash Flow Statement for the year ended March 31, 2023, March 31, 2022 and March 31, 2021, the Summary Statement of Significant Accounting Policies to the Restated Standalone Financial Statements (collectively, the "Restated Standalone Financial Statements"), as approved by the Board of Directors of the Company at their meeting held on September 21, 2023 for the purpose of inclusion in the Draft Red Herring Prospectus **("RHP")** prepared by the Company in connection with its proposed Initial Public Offer of equity shares **("IPO")** prepared in terms of the requirements of:

   a) Section 26 of Part I of Chapter III of the Companies Act,2013 as amended **("the Act")** read with Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules,2014 (the "**Rules**").

   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time pursuant to the provisions of the Securities and Exchange Board of India ,1992 **("the SEBI 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 Standalone Financial Statements for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India, National Stock Exchange of India Limited, BSE Limited, and Registrar of Companies, NCT of Delhi and Haryana in connection with the proposed IPO. The Restated Financial Information have been prepared by the Management of the company. The responsibility of the respective Board of Directors of the company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Statements. The respective Board of Directors are also responsible for identifying and ensuring that the company complies with the Act, ICDR Regulations and the Guidance Note read with the SEBI Communication, as applicable.

3. We have examined such Restated Standalone Financial Information taking into consideration:

   a) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

   b) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

c) 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.

4. These Restated Financial Information have been prepared and compiled by the management from:

   a) The Audited Standalone financial statements of the company for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 are prepared in accordance with accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act,(" Indian GAAP") read with the Companies (Accounting Standards) Rules, 2015,as amended which have been approved by the Board of Directors at their meetings held on July 05, 2023, September 21, 2022 and November 26, 2021 respectively.

   b) The Standalone Financial Statements of the company for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 were audited by M/s. Singla Shubham & Company for the year ended March 31, 2023, March 31, 2022 and March 31, 2021.

5. Our Work has been carried out in accordance with the Standards on Auditing under section 143 (10) of the Act, Guidance Note on reports in company Prospectus (Revised 2016) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India and pursuant to the requirements of Section 26 of the Act read with applicable rules and ICDR Regulations. This work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the ICDR Regulations in connection with the issue.

Opinion

6. In accordance with the requirements of Section 26 of Part I of Chapter III of the Act read with the Rules, the ICDR Regulations and the Guidance Note, we have examined the Restated Standalone Financial Information of the company which have been arrived after making adjustments and regrouping /reclassifications, which in our opinion were appropriate, and have been fully described in Annexure VI: Notes on Restatement Adjustments to audited Standalone financial statements and based on our examination, we report that :

   i. The Restated Standalone Statement of Assets and Liabilities of the Company, as at March 31, 2023, March 31, 2022 and March 31, 2021 examined by us, as set out in Annexure I to this report, have been arrived at after making adjustments and regrouping/ reclassifications as in our opinion were appropriate.

   ii. The Restated Standalone Statement of Profit and Loss of the Company, for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 examined by us, as set out in Annexure II to this report, have been arrived at after making adjustments and regrouping / reclassifications as in our opinion were appropriate and more fully described in Annexure VI.

   iii. The Restated Standalone Statement of Cash Flows of the Company, for the year ended March 31, 2023, March 31, 2022 and March 31, 2021, examined by us, as set out in Annexures III to this report, have been arrived at after making adjustments and regrouping /reclassifications as in our opinion were appropriate and more fully described in Annexure VI.

   iv. The Restated Standalone Statement of Changes in Equity of the Company for the year ended March 31,2023, March 31,2022 and March 31, 2021 examined by us, as set out in Annexure IV to this report, have been arrived at after making adjustments and regrouping / reclassifications as in our opinion were appropriate.

7. Based on the above and according to the information and explanations given to us, we further report that the Restated Standalone Financial Information of the Company, as attached to this report and as mentioned in paragraph 7 above, read with Notes on Adjustments for Restatement of Standalone Profit and Loss (Annexure VI), Significant Accounting Policies and Notes forming part of the Financial Information (Annexure V) have been prepared in accordance with the Act, the Rules, and the ICDR Regulations and ;

   a. Have been made after incorporating adjustments for the changes in accounting policies of the company in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting years;

   b. Have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate;

   c. There are no qualifications in the Auditor's Report on the audited Standalone financial statements of the company as at March 31,2023, March 31,2022, and March 31,2021 which require an adjustment; and

   d. There are no extra-ordinary items that needs to be disclosed separately.

8. We have also examined the following Restated financial information of the company set out in the Annexures prepared by the Management and approved by the Board of Directors year ended March 31, 2023, March 31, 2022 and March 31, 2021.

1.	Restated Summary Statement of Notes to Restated Summary Statements	Annexure 5
2.	Restated Summary Statement of Restated Adjustments	Annexure 6
3.	Restated Statement of Property, Plant & Equipment	Annexure 7
4.	Restated Summary Statement of Other Non-Current Financial Assets	Annexure 8
5.	Restated Summary Statement of Other Non-Current Assets	Annexure 9
6.	Restated Summary Statement of Inventories	Annexure 10
7.	Restated Summary Statement of Trade Receivables	Annexure 11
8.	Restated Summary Statement of Cash and Cash Equivalents	Annexure 12
9.	Restated Summary Statement of Bank Balances other than Cash and Cash Equivalents	Annexure 13
10.	Restated Summary Statement of Other Financial Assets	Annexure 14
11.	Restated Summary Statement of Current Tax Assets (Net)	Annexure 15
12.	Restated Summary Statement of Other Current Assets	Annexure 16
13.	Restated Summary Statement of Equity Share Capital	Annexure 17
14.	Restated Summary Statement of Other Equity	Annexure 18
15.	Restated Summary Statement of Borrowings (Non-Current)	Annexure 19
16.	Restated Summary Statement of Long Term Provisions	Annexure 20
17.	Restated Summary Statement of Deferred Tax Liabilities (Net)	Annexure 21
18.	Restated Summary Statement of Short-Term Borrowings	Annexure 22
19.	Restated Summary Statement of Trade Payables	Annexure 23
20.	Restated Summary Statement of Other Current Financial Liabilities	Annexure 24
21.	Restated Summary Statement of Other Current Liabilities	Annexure 25
22.	Restated Summary Statement of Short-Term Provisions	Annexure 26
23.	Restated Summary Statement of Current Tax liability (Net)	Annexure 27
24.	Restated Summary Statement of Revenue from Operations	Annexure 28
25.	Restated Summary Statement of Other Income	Annexure 29
26.	Restated Summary Statement of Cost of Raw Material consumed	Annexure 30
27.	Restated Summary Statement of Changes in Inventories of Finished goods	Annexure 31
28.	Restated Summary Statement of Employee Benefit Expense	Annexure 32

29.	Restated Summary Statement of Finance Costs	Annexure 33
30.	Restated Summary Statement of Depreciation and Amortisation Expenses	Annexure 34
31.	Restated Summary Statement of Other Expenses	Annexure 35
32.	Restated Summary Statement of Tax Expense	Annexure 36
33.	Restated Summary Statement of Other comprehensive income	Annexure 37
34.	Restated Summary Statement of Payable to Payable to Micro, Small And Medium Enterprises	Annexure 38
35.	Restated Summary Statement of Earnings Per Share	Annexure 39
36.	Restated Summary Statement of Related Party Transactions	Annexure 40
37.	Restated Summary Statement of Corporate Social Responsibility (CSR)	Annexure 41
38.	Restated Summary Statement of First Time Adoption of Ind AS and Correction of Prior Period Errors	Annexure 42
39.	Restated Summary Statement of Segment Information	Annexure 43
40.	Restated Summary Statement of Contingent Liabilities	Annexure 44
41.	Restated Summary Statement of Employee Benefit Obligations	Annexure 45
42.	Restated Summary Statement of Financial Instruments	Annexure 46
43.	Restated Summary Statement of Financial Risk Management and Capital management	Annexure 47
44.	Restated Summary Statement of Reconciliation of Liabilities Arising from Financing Activities	Annexure 48
45.	Restated Summary Statement of Financial Ratios	Annexure 49
46.	Restated Summary Statement of Additional Regulatory Information	Annexure 50
47.	Restated Summary of Capitalisation Statement	Annexure 51
48.	Restated Statement of Financial Indebtedness	Annexure 52
49.	Restated Statement of Dividend	Annexure 53
50.	Restated Summary Statement of Tax Shelters	Annexure 54

9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. Our report is intended solely for use of the management for inclusion in the Offer Document to be filed with Securities and Exchange Board of India, National Stock Exchange of India Limited, BSE Limited, and Registrar of Companies, Delhi and Haryana in connection with the proposed IPO of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For M/s Ashok Kumar Goyal & Co.
Chartered Accountants
Firm Registration Number: 002777N
Peer Review Number: 014029

Sd/-
Ashok Kumar Goyal
Partner
M. No.: 017644

UDIN: 23017644BGQNCF5216
Place: Hisar
Date: September 28, 2023

Vibhor Steel Tubes Limited

(Formerly known as "Vibhor Steel Tubes Private Limited")

Annexure 1

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. In Lakhs)

Particulars	Annexure	As at March 31,2023	As at March 31,2022	As at March 31,2021
ASSETS				
(A) Non-Current Assets				
(a) Property, Plant and Equipment	**7**	5,433.30	4,986.01	5,202.75
(b) Financial Assets				
(i) Others	**8**	70.65	50.98	64.48
(c) Other Non-Current Assets	**9**	713.26	141.88	35.83
Total Non-Current Assets(A)		**6,217.22**	**5,178.89**	**5,303.07**
(B) Current Assets				
(a) Inventories	**10**	12,029.86	10,121.11	5,105.69
(b) Financial Assets				
(i) Trade receivables	**11**	5,444.81	4,481.12	3,928.24
(ii) Cash and cash equivalents	**12**	943.38	1,258.10	581.46
(iii) Bank Balances other than Cash and Cash Equivalents above	**13**	1,611.86	840.46	965.67
(iv) Others	**14**	891.57	612.60	785.26
(c) Current Tax Assets (net)	**15**	0.00	0.00	44.87
(d) Other current assets	**16**	2,224.30	2,361.27	579.12
Total Current assets (B)		**23,145.78**	**19,674.67**	**11,990.30**
TOTAL ASSETS(A+B)		**29,363.00**	**24,853.56**	**17,293.37**
EQUITY AND LIABILITIES				
(A) Equity				
(a) Equity Share Capital	**17**	1,418.30	1,418.30	1,418.30
(b) Other Equity	**18**	7,901.49	5,778.99	4,630.69
Total Equity (A)		**9,319.79**	**7,197.29**	**6,048.99**
Liabilities				
(B) Non-Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	**19**	1,351.34	1,424.35	756.54
(b) Provisions	**20**	92.02	83.64	80.78
(c) Deferred tax liabilities (Net)	**21**	155.00	163.87	176.00
Total Non-Current Liabilities (B)		**1,598.35**	**1,671.86**	**1,013.32**
(C) Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	**22**	13,886.42	11,280.78	6,664.99
(ii) Trade Payables	**23**			

(A) total outstanding dues of micro enterprises and small enterprises; and				
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises.		4,161.74	4,264.64	3,291.21
(iii) Other Financial Liabilities	**24**	134.02	172.72	108.11
(b) Other current liabilities	**25**	176.55	219.49	161.70
(c) Provisions	**26**	13.69	6.42	5.04
(d) Current Tax Liabilities (net)	**27**	72.44	40.36	0.00
Total Current Liabilities(C)		**18,444.86**	**15,984.41**	**10,231.05**
Total liabilities(B+C)		**20,043.21**	**17,656.27**	**11,244.37**
TOTAL EQUITY AND LIABILITIES (A+B+C)		**29,363.00**	**24,853.56**	**17,293.37**

The above statement should be read with the Annexure 5: Company Overview & Significant Accounting policies and explanatory notes to the Restated Ind AS Summary Statement, Annexure 6: Statement of Restated Adjustments to audited financial statements and Annexures 7-63: Notes to Restated Ind AS Summary Statements.

As per our Report of even date

For and on behalf of the Board

For M/s Ashok Kumar Goyal & Co.
Chartered Accountants
Firm Registration Number: 002777N

Sd/-
Vijay Kaushik
Chairman & Director
DIN: 02249672

Sd/-
Vijay Laxmi Kaushik
Whole Time Director
DIN: 02249677

Sd/-
Ashok Kumar Goyal
Partner
M. No.: 017644

Sd/-
Anil Jain
Chief Financial Officer
M. No.: 541530

Sd/-
Lovkesh
Company Secretary
M. No.: A68975

UDIN: 23017644BGQNCF5216
Place: Hisar
Date: September 28, 2023

Vibhor Steel Tubes Limited

(Formerly known as "Vibhor Steel Tubes Private Limited")

Annexure 2

RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS

(Rs. In Lakhs)

Particulars	Annexure	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2021
Revenue:				
I. Revenue from Operations (Net)	28	1,11,311.90	81,799.60	51,046.68
II. Other income	29	125.92	48.46	104.29
III. Total revenue (I+II)		**1,11,437.82**	**81,848.07**	**51,150.97**
IV. Expenses:				
Cost of Raw material consumed	30	1,06,510.20	75,177.24	41,734.66
Changes in inventories of finished goods	31	(5,225.42)	(667.64)	3,633.04
Employee benefit expenses	32	1,751.66	1,497.60	1,361.40
Finance costs	33	1,225.57	869.80	917.29
Depreciation and Amortization	34	636.51	612.09	658.46
Other expenses	35	3,716.94	2,822.77	2,430.12
Total Expenses (IV)		**1,08,615.46**	**80,311.85**	**50,734.97**
Restated Profit before Taxes (V)=(III)-(IV)		**2,822.36**	**1,536.22**	**416.00**
VI. Tax Expense				
(a) Current Tax	36	723.13	420.34	171.17
(b) Deferred taxes expense/(credit)	21	(7.39)	(17.24)	176.00
Restated Profit for the period/ year (VII)= (V)-(VI)		**2,106.62**	**1,133.11**	**68.83**
VIII. Other Comprehensive Income (OCI)				
(a) Items that will not to be reclassified to profit and loss:				
(i) Remeasurement gain/ (loss) on defined benefit obligation	37	14.39	20.28	**-**
(ii) Income Tax relating to items that will not be reclassified to profit and loss	37	1.48	(5.11)	**-**
Restated Total Comprehensive Income for the period (IX) (VII+VIII)		**2,122.50**	**1,148.30**	**68.83**
Restated Earnings per Equity Share (Face Value: Rupees 10)				
- Basic		14.85	7.99	0.49
- Diluted		14.85	7.99	0.49

The above statement should be read with the Annexure 5: Company Overview & Significant Accounting policies and explanatory notes to the Restated Ind AS Summary Statement, Annexure 6: Statement of Restated Adjustments to audited financial statements and Annexures 7-63: Notes to Restated Ind AS Summary Statements.

As per our Report of even date

For and on behalf of the Board

For M/s Ashok Kumar Goyal & Co.
Chartered Accountants
Firm Registration Number: 002777N

Sd/-
Vijay Kaushik
Chairman & Director
DIN: 02249672

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Chief Financial Officer
M. No.: 541530

Sd/-
Lovkesh
Company Secretary
M. No.: A68975

UDIN: 23017644BGQNCF5216
Place: Hisar
Date: September 28, 2023

Vibhor Steel Tubes Limited
(Formerly known as "Vibhor Steel Tubes Private Limited")

Annexure 3

RESTATED SUMMARY STATEMENT OF CASH FLOWS

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit/ (Loss) before Exceptional items and Tax	2,822.36	1,536.22	416.00
Non-cash adjustments:			
Add: Depreciation and amortisation expenses	636.51	612.09	658.46
Add: Provision for Grautity	30.04	24.52	85.82
Add: Finance Costs	1,225.57	869.80	917.29
Less: Interest Income	(121.34)	(80.47)	(82.43)
Less: Profit on Sale of Property, Plant and Equipment	-0.38	0.00	0.00
Operating profit before working capital changes	**4,592.75**	**2,962.16**	**1,995.15**
Changes in Working Capital :			
(Increase)/ Decrease in Inventories	(1,908.74)	(5,015.42)	3,442.53
(Increase)/Decrease in Trade Receivables	(963.69)	(552.88)	360.69
(Increase)/Decrease in Other Current Assets	136.97	(1,782.15)	307.13
(Increase)/Decrease in Other Financial Assets	(278.96)	172.66	(137.18)
Increase/(Decrease) in Trade Payables	(102.90)	973.43	(1,079.46)
Increase/(Decrease) in Other Current Liabilities	(42.94)	57.79	(120.06)
Increase/(Decrease) in Other Financial Liabilities	(38.70)	64.62	88.80
Increase/(Decrease) in Other Assets	(270.71)	(180.10)	(31.75)
Cash generated from operations	**1,123.07**	**(3,299.92)**	**4,825.85**
Income tax (Refund)/ paid during the year	(420.34)	(155.01)	(283.86)
Net cash from operating activities (A)	**702.73**	**(3,454.93)**	**4,542.00**
B. CASH FLOW FROM INVESTING ACTIVITIES			
Interest Income	121.34	80.47	82.43
Purchase of Property, Plant and Equipment and Capital Work in Progress	(1,086.02)	(395.35)	(180.42)
Sale of Property, Plant and Equipment	2.60	0.00	0.00
(Increase)/Decrease in Other Non Current Assets	(19.67)	13.51	8.50
(Increase)/Decrease in Other Non Current Financial Assets	(571.38)	(106.05)	0.00
			-
Net cash from investing activities (B)	**(1,553.12)**	**(407.42)**	**(89.49)**
C. CASH FLOW FROM FINANCING ACTIVITIES			
Finance Cost	(1,225.57)	(869.80)	(917.29)
Proceeds/(Repayment) from Short-Term Borrowings	2,605.63	4,615.79	(32.24)
Proceeds/(Repayment) of Long-term Borrowings	(73.01)	667.81	(2,699.05)
Net cash from financing activities (C)	**1,307.06**	**4,413.80**	**(3,648.58)**

Net increase in cash and cash equivalents (A+B+C)	**456.69**	**551.43**	**803.93**
Cash and cash equivalents at the beginning of the year	2,098.56	1,547.13	743.20
Cash and cash equivalents at the end of the year	**2,555.24**	**2,098.56**	**1,547.13**

The above statement should be read with the Annexure 5: Company Overview & Significant Accounting policies and explanatory notes to the Restated Ind AS Summary Statement, Annexure 6: Statement of Restated Adjustments to audited financial statements and Annexures 7-63: Notes to Restated Ind AS Summary Statements.

As per our Report of even date

For and on behalf of the Board

For M/s Ashok Kumar Goyal & Co.
Chartered Accountants
Firm Registration Number: 002777N

Sd/-
Vijay Kaushik
Chairman & Director
DIN: 02249672

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Company Secretary
M. No.: A68975

UDIN: 23017644BGQNCF5216
Place: Hisar
Date: September 28, 2023

Vibhor Steel Tubes Limited
(Formerly known as "Vibhor Steel Tubes Private Limited")

Annexure 4

RESTATED STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

Particulars	Amount (Rs. In Lakhs)
Balance as at April 1,2021	1,418.30
Changes in equity share capital during the year	-
Balance as at March 31,2022	1,418.30
Changes in equity share capital during the year	-
Balance as at March 31,2023	1,418.30

B. Other Equity

Particulars	Retained Earnings	Other Comprehensive Income (Remeasurement of Defined Benefit Obligation)	Total
Balance as at April 1, 2021	**4,630.69**	-	**4,630.69**
Profit for the year	1,133.11	-	1,133.11
Remeasurement of defined benefit obligations	-	15.18	15.18
Within SOCE transfer	-	-	0.00
Balance as at March 31, 2022	**5,763.81**	**15.18**	**5,778.99**
Balance as at April 1, 2022	**5,763.81**	**15.18**	**5,778.99**
Profit for the year	2,106.62	-	2,106.62
Remeasurement of defined benefit obligations	-	15.88	15.88
Within SOCE transfer	15.18	(15.18)	-
Balance as at March 31, 2023	**7,885.61**	**15.88**	**7,901.49**

Nature and purpose of reserves:

Retained earnings represents unallocated/un-distributed profits of the Company. The amount that can be distributed as dividend by the Company as dividends to its equity shareholders is determined based on the separate financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, amount reported above are not distributable in entirety.

Other comprehensive income consists of remeasurement of defined benefit liability and debt instruments measured through other comprehensive income, net of taxes.

Vibhor Steel Tubes Limited
(Formerly known as "Vibhor Steel Tubes Private Limited")

ANNEXURE 5

1. COMPANY OVERVIEW

Vibhor Steel Tubes Limited' was incorporated on April 16, 2003 with Registrar of Companies (ROC), Delhi under the provisions of Companies Act 1956 .Thereafter conversion of the Company from Private to Public Company pursuant to a special resolution passed by the shareholders of our Company on June 14, 2023 and a fresh certificate of incorporation consequent to change of name from Vibhor Steel Tubes Private limited to Vibhor Steel Tubes Limited was issued by Registrar of Companies, Delhi on July 07, 2023 The Company's Corporate Identity Number is U27109HR2003PLC035091. The company is engaged in the business of manufacturing of ERW Pipes & Tubes, Galvanized Pipes & Tubes and Crash Barriers.
The Registered office of company is situated at Plot No. 2, Industrial Development Colony, Delhi Road, Hisar Haryana-125005 India

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The Restated Financial statements (FS) of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

For all periods up to and including the year ended March 31, 2021, the company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements for the year ended March 31, 2023 are the first the company has prepared in accordance with Ind-AS.

The company has consistently applied the accounting policies used in the preparation of its opening IND-AS Balance Sheet at April 1, 2021 throughout all periods presented, as if these policies had always been in effect and are covered by IND AS 101 ''First-time adoption of Indian Accounting Standards''. The transition was carried out from accounting principles generally accepted in India (''Indian GAAP'') which is considered as the previous GAAP, as defined in IND AS 101. The reconciliation of effects of the transition from Indian GAAP on the equity as at April 1, 2021 and March 31, 2022 and on the net profit and cash flows for the year ended March 31, 2022 is disclosed in Annexure 38 to these financial statements.

2.2 STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

2.3 USE OF ESTIMATES

The preparation of the financial statements is in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates.

The estimates and underlying assumptions are reviewed on going concern basis.

Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period. If the revision affects both current and future period, the same is recognised accordingly.

2.4 SIGINIFICANT ACCOUNTING POLICIES

i) CURRENT V/S NON-CURRENT CLASSIFICATION

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Based on the nature of service and the time between rendering of services and their realization in cash and cash equivalents, 12 months has been considered by the company for the purpose of current / non-current classification of assets and liabilities.

ii) FUNCTIONAL AND PRESENTATION CURRENCY

Amounts in the financial statements are presented in Indian Rupee in lakhs rounded off to two decimal places as permitted by Schedule Ill to the Act.

iii) PROPERTY, PLANT AND EQUIPMENT (PPE):

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably PPE is stated at original cost net of tax/duty credits availed, if any less accumulated depreciation and cumulative impairment, if any All directly attributable costs related to the acquisition of PPE and, borrowing costs case of qualifying assets are capitalised in accordance with the Company's accounting policy.

Under the previous GAAP, property, plant and equipment were carried at historical cost less depreciation and impairment losses, if any. On transition to Ind AS, the company has availed the optional exemption under Ind AS 101 and accordingly it has used the carrying value as at the date of transitions as the deemed cost of the property, plant & equipment under Ind AS.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in Depreciation is recognised using written down value method so as to write off the cost of the assets (other than freehold land and capital work-in-progress) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

Depreciation on additions to deductions from, owned assets is calculated pro rata to the period of use.

PPE is de recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition is recognised in the Statement of Profit and Loss in the same period.

The estimated useful lives, residual values and depreciation method are reviewed at each financial year end and the effect of any change is accounted for on prospective basis.

The carrying amount of the all property, plant and equipment are derecognized on its disposal or when no future economic benefits are expected from its use or disposal and the gain or loss on de-recognition is recognized in the statement of profit & loss.

iv) FINANCIAL INSTRUMENTS-INITIAL RECOGNITION, SUBSEQUENT MEASUREMENT AND IMPAIRMENT

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

(a) Initial recognition and measurement:

All financial assets are recognised initially at fair value and, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial

(b) Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

: Financial assets at fair value

: Financial assets at amortised cost

(c) Classification:

The company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(d) Financial assets measured at amortised cost:

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely for payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the Statement of profit and loss. This category generally applies to trade and other receivables.

(e) Financial assets measured at fair value through other comprehensive income (FVTOCI):

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

(f) Financial assets measured at fair value through profit or loss (FVTPL):

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

(g) Investment in Equity Instruments:

Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as FVTOCI. Fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to profit or loss.

(h) Derecognition of Financial assets:

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the company has transferred its rights to receive cash flows from the asset, if an entity transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it shall recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation shall be recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset shall be recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

(i) Impairment of Financial assets:

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments and trade receivables. For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition.

Financial Liabilities

(a) Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(b) Classification & Subsequent measurement:

If a financial instrument that was previously recognised as a financial asset is measured at fair value through profit or loss and its fair value decreases below zero, it is a financial liability measured in accordance with IND AS. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term.

The company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(c) Loans and Borrowings:

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. After initial recognition Gain and Liabilities held for Trading are recognised in statement of profit and Loss Account.

(d) Derecognition of Financial Liabilities:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis to realise the asset and settle the liability simultaneously.

Subsequent recoveries of amounts previously written off are credited to Other Income.

v) CASH AND CASH EQUIVALENTS

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

vi) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

(a) General

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, the amount of a provision shall be the present value of expense expected to be required to settle the obligation Provisions are therefore discounted, when effect is material, The discount rate shall be pre-tax rate that reflects current market assessment of time value of money and risk specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

(b) Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Annexures to the Financial Statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, Contingent assets are not recognised, but are disclosed in the notes. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

vii) SHARE CAPITAL AND SECURITIES PREMIUM

Ordinary shares are classified as Equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as securities premium.

viii) REVENUES

(a) Sale of products/goods

Revenue from sale of product/goods is recognized at the point in time when control of asset is transferred to the customer, generally on the delivery of the product/goods and there is no uncertainty in receiving the same and there is reasonable assurance that the Company will comply with the conditions attached to them.

The Company considers whether there are other promises in the contracts that are separate performance obligations to which a portion of the transaction price needs to be allocated. ln determining the transaction price for the sale of products/goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Variable consideration: lf the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Some contracts for the sale of Products/Goods provide customers with a right of return and volume rebates. The rights of return and volume rebates give rise to variable consideration.

Contract Balances: If an entity performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the entity shall present the contract as a contract asset, excluding any amounts presented as a receivable. A contract asset is an entity's right to consideration in exchange for goods or services that the entity has transferred to a customer. Similarly, an entity shall recognize contract liability when there is an entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or an amount of consideration is due) from the customer.

Trade credit: ln case of exceptional trade credit agreed with the customers which contain a significant financing component, the transaction price for such trade receivables are discounted, using the rate that would be reflected in a separate financing transaction between the Company and its customers at transaction inception, to take into consideration the significant financing component.

The Company identifies contract assets when the right to consideration in exchange for goods or services transferred to a customer is conditioned on something other than the passage of time and identifies contract liabilities when there is an obligation to transfer goods or services to a customer for which the Company has received consideration.

(b) Sale of services

Revenue from rendering of services is recognised over time as the customer receives the benefit of the Company's performance and the Company has an enforceable right to payment for services transferred.

(c) Other Income

- Interest income

Interest income is recognised on a time proportion basis.

ix) TAXATION

(a) Current tax

Current tax is expected tax payable on the taxable income for the year, using the tax rate enacted at the reporting date, and any adjustment to the tax payable in respect of the earlier periods.

Current tax assets and liabilities are offset where the company has legal enforceable right to offset and intends either to settle on net basis, or to realize the assets and settle the liability simultaneously.

(b) Deferred tax

Deferred tax is recognized for all taxable temporary differences and is calculated based on the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the assets can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(C) Current and Deferred Tax for the Year

Current and deferred tax are recognized in the statement of profit & loss, except when they relates to items that are recognized in other comprehensive income or directly in equity, in which case, the current tax and deferred tax is recognized directly in other comprehensive income or equity respectively.

x) EARNING PER SHARE

Basic Earnings Per Share is computed by dividing the net profit attributable to the equity shareholders of the company to the weighted average number of Shares outstanding during the period & Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders of the company after adjusting the effect of all dilutive potential equity shares that were outstanding during the period. The weighted average number of shares outstanding during the period includes the weighted average number of equity shares that could have issued upon conversion of all dilutive potential.

xi) COMMITMENTS

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

(i) estimated amount of contracts remaining to be executed on capital account and not provided for

(ii) uncalled liability on shares and other investments partly paid;

(iii) funding related commitment to subsidiary

xii)EMPLOYEE BENEFITS

The company provides for the various benefits plans to the employees. These are categorized into Defined Benefits Plans and Defined Contributions Plans. Defined contribution plans includes the amount paid by the company towards the liability for Provident fund to the employees provident fund organization and Employee State Insurance fund in respect of ESI and defined benefits plans includes the retirement benefits, such as gratuity.

a. In respect Defined Contribution Plans, contribution made to the specified fund based on the services rendered by the employees are charged to Statement of Profit & Loss in the year in which services are rendered by the employee.

b. Liability in respect of Defined Long Term benefit plan is determined at the present value of the amounts payable determined using actuarial valuation techniques performed by an independent actuarial at each balance sheet date using the projected unit credit methods. Re-measurement, comprising actuarial gain and losses, the effects of assets ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of Financial Position with a charge or credit recognized in other comprehensive income in the period in which they occur. Past Service cost is recognized in the statement of profit & loss in the period of plan amendment.

c. Liabilities for short term employee benefits are measured at undiscounted amount of the benefits expected to be paid and charged to Statement of Profit & Loss in the year in which the related service is rendered.

xiii) INVENTORIES

Raw materials, work in progress, stores, traded and finished goods

Inventories are valued at the lower of cost (First in First Out - FIFO basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes cost of purchase,all charges in bringing the goods to the point of sale, including indirect levies, transit insurance and receiving charges. Finished goods include appropriate proportion of overheads and, where applicable.

Rejection and scrap

Rejection and scrap are valued at net realisable value.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

ix) LEASES

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Short-term leases and leases of low-value assets

The Company has elected not to recognize right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

x) FOREIGN CURRENCY REINSTATEMENT AND TRANSLATION

a) Functional and presentation currency

Standalone financial statements have been presented in Indian Rupees (INR), which is the Company's functional and presentation currency.

b) Transactions and balances

Transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items are measured in terms of historical cost in foreign currencies and are therefore not retranslated.

xi) DERIVATIVE FINANCIAL INSTRUMENTS:

The Company uses derivative financial instruments, such as forward contracts to hedge its foreign currency exposure. The recognizing of the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

Fair value hedge

The Company designates derivative contracts or non-derivative financial assets/ liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortized to Statement of Profit and Loss over the period of maturity.

xii) BORROWING COSTS

a) Borrowing costs that are attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

b) All other borrowing costs are recognized as expense in the period in which they are incurred.

xii) FAIR VALUE MEASUREMENT

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

2.5) CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

In the process of applying the company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statement:

(i) Property, plant and equipment

On transition to Ind AS, the company has adopted optional exemption under IND AS 101 for fair valuation of property, plant and equipment. and investment properties.The company appointed external adviser to assess the fair value, remaining useful lives and residual value of property, plant and equipment. Management believes that the assigned fair value, useful lives and residual value are reasonable.

(ii) Income Taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

(iii) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/ litigations against the company as it is not possible to predict the outcome of pending matters with accuracy.

(iv) Allowance for uncollectable accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

2.6) STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1, Presentation of Financial Statements – This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors – This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

Ind AS 12, Income Taxes – This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

ANNEXURE 6: STATEMENT OF RESTATED ADJUSTMENTS

Reconciliation of Total Comprehensive Income

(Rs. In Lakhs)

Sr. No.	Particulars	Note	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2021
I)	**Net Profit attributable to equity shareholders (as per audited financial statements) (A)**		2091.41	1100.85	287.12
II)	**IND AS Adjustments:**				
	(i) Reversal of sales as per Ind AS 115	1	140.89	(75.72)	(65.17)
	(ii) Revaluation of forward contracts at fair value	2	10.16	(19.64)	8.31
	(iii) Recognition of closing stock and opening stock on sales reversed	1	(107.03)	52.31	54.73
	(iv) Recognition of interest and processing charges of term loans	3	(0.71)	-	-
	Total (B)		**43.31**	**(43.05)**	**(2.13)**
III)	**Material Restatement Adjustments**				
	(i) Provision for Gratuity Expense	4	(30.04)	(24.52)	(85.82)
	(ii) Actuarial (Gain)/ Loss on Defined Benefit Plan	4	15.88	15.18	-
	(iii) Prior Period Expenses (Deferred Tax)	5	2.46	145.49	(176.00)
	(iv) Reversal of excess tax provision	6	-	(45.66)	45.66
	(v) Rent expense classfied as security deposit	7	(0.51)	0.00	0.00
	Total (C)		**(12.22)**	**90.49**	**(216.16)**
IV)	**Restated Total Comprehensive Income attributable to equity holders of the company as per Restated Statement of Profit and Loss (A+B+C)**		**2122.50**	**1148.29**	**68.83**

Note:

1. Under Indian GAAP, export sales made were recognized in books of account on invoicing basis. Under IND AS; sales have been recognized as per the criteria defined under Ind AS 115 and sales for which the LEO date is after 31st March is being reversed and recognized in next financial year. Similarly, sales reveresd in last year has been recognized.

2. Under Indian GAAP, Forward Contract revalued using Spot rate as at Balance Sheet date. Forward contracts outstanding at the yearend has been revalued as per fair value hedge as defined in Ind AS 109

3. Term loans has been recognised at Amortised Cost as per Ind AS 109

4. Provision for Gratuity Expense for the years ended March 31,2022 and March 31,2021 were not created. As on Ind AS Transition date, same has been created and accounted for as per valuation report obtained by an independent actuary for the respective years. Consequent impact on Actuarial Gain/Loss on Defined benefit plan has been accounted for.

5. The various transitional adjustments have deferred tax implications which have been accounted for by the Company. Deferred tax adjustment has been recognised in relation to the underlying transaction either in retained earnings or other comprehensive income, on the date of transition.

6. 'Upto March 31,2021, company had not created deferred tax arising as a result of timings difference between Written Down value (WDV) of Property, Plant and Equipment as per Companies Act,2013 and Income Tax Act,1961. As on Ind AS Transition date, deferred tax on timings difference between Written Down value (WDV) of Property, Plant and Equipment as per Companies Act,2013 and Income Tax Act,1961 has been created.

7. The Statement of Profit and Loss for the years ended March 31,2022 and March 31,2021 includes amount paid/ provided for shortfall/ excess current tax arising upon filing of tax returns, return etc. which have been adjusted in the respective year/s to which they relate. Further, it includes` current tax and deferred tax on all other restated adjustments.

Part B: Material Regrouping

Appropriate regroupings have been made in the Restated Ind AS Summary Statement of Assets and Liabilities, Restated Ind AS Summary Statement of Profit and Loss and Restated Ind AS Summary Statement of Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per Ind AS financial information of the Company for the year ended March 31,2023 prepared in accordance with Schedule III of Companies Act, 2013, requirements of Ind AS 1 and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2018, as amended.

Part C: Non-Adjusting items

There are no audit qualifications for the respective year/period, which require any adjustments in the Restated Ind AS Summary Statements.

Vibhor Steel Tubes Limited
(Formerly known as "Vibhor Steel Tubes Private Limited")
ANNEXURE 7: PROPERTY, PLANT & EQUIPMENT

(Rs. In Lakhs)

Particulars	Freehold Land	Building	Plant & Machinery	Vehicles	Office Equipment	Computer	Furniture & Fixture	Total
Gross Block								
Balance as at April 1, 2021	**279.32**	**2929.48**	**5486.86**	**228.32**	**31.82**	**31.27**	**74.18**	**9061.24**
Additions for the period	-	24.74	359.02	-	2.75	0.48	8.36	395.35
2.00	-	-	-	-	-	-	-	-
Balance as at April 1, 2022	**279.32**	**2954.22**	**5845.88**	**228.32**	**34.57**	**31.75**	**82.54**	**9456.59**
Additions for the period	-	44.31	868.82	159.14	0.48	12.15	1.12	1086.02
Disposals	-	-	-	8.56	-	-	-	8.56
Balance as at March 31, 2023	**279.32**	**2998.52**	**6714.70**	**378.90**	**35.05**	**43.90**	**83.66**	**10534.05**
Accumulated Depreciation								
Balance as at April 1, 2021	**-**	**1033.40**	**2579.99**	**151.40**	**20.25**	**25.27**	**48.17**	**3858.49**
Deductions/adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation for the year	0.00	167.34	413.91	20.28	2.54	2.41	5.61	612.09
Balance as at April 1, 2022	**-**	**1,200.75**	**2,993.89**	**171.69**	**22.79**	**27.68**	**53.78**	**4470.58**
Deductions/adjustments	-	-	-	6.34	-	-	-	**6.34**
Depreciation for the year	-	159.21	441.79	24.23	2.36	3.36	5.56	**636.51**
Balance as at March 31, 2023	**-**	**1359.95**	**3435.68**	**189.57**	**25.16**	**31.04**	**59.34**	**5100.75**
Net Block								
Balance as at April 1, 2021	279.32	1896.07	2906.87	76.92	11.57	6.00	26.00	**5202.75**
Balance as at March 31,2022	279.32	1753.47	2851.98	56.64	11.78	4.07	28.75	**4986.01**
Balance as at March 31, 2023	279.32	1638.57	3279.01	189.33	9.89	12.86	24.31	**5433.30**

Note:

1. The company has elected to continue with the carrying amount of all its property, Plant and Equipment net of Revaluation reserve as at the transition date i.e., 1st April,2021 measured as per the previous GAAP and use that carrying amount as its deemed cost as of the transition date.

2. For Reconciliation of Ind AS and previous GAAP refer (note no.42)

ANNEXURE 8: OTHER NON-CURRENT FINANCIAL ASSETS

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Security Deposits	70.65	50.98	64.48
Total	**70.65**	**50.98**	**64.48**

ANNEXURE 9: OTHER NON-CURRENT ASSETS

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
(Unsecured considered good, unless otherwise stated) Capital Advances	713.26	141.88	35.83
Total	**713.26**	**141.88**	**35.83**

ANNEXURE 10: INVENTORIES

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Raw-material	2915.70	6268.74	1979.42
Finished Goods	8898.85	3673.43	3005.79
Stores & Spares	215.31	178.94	120.48
Total	**12029.86**	**10121.11**	**5105.69**

Note: Inventories have been pledged as security towards Company's borrowings from banks

ANNEXURE 11: TRADE RECEIVABLES

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Trade receivables considered good-	0.00	0.00	0.00
Trade receivables considered good-	5444.81	4481.12	3928.24
Trade receivables which have	0.00	0.00	0.00
Trade receivables - unsecured credit	0.00	0.00	0.00
Total	**5444.81**	**4481.12**	**3928.24**

Trade Receivables ageing schedule

(Rs. In Lakhs)

Particulars	Outstanding for following Periods from due date of Payment					
	Less than 6 Months	6 Months -1 year	1 Year - 2 year	2 Year - 3 year	More than 3 years	Total
As at March 31,2023						
(i) Undisputed Trade Receivables - considered good	5,167.09	260.94	14.39	1.78	0.61	5444.81
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total	**5,167.09**	**260.94**	**14.39**	**1.78**	**0.61**	**5,444.81**
As at March 31, 2022						
(i) Undisputed Trade Receivables - considered good	4,454.91	0.07	18.83	0.22	7.09	4481.12
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total	**4,454.91**	**0.07**	**18.83**	**0.22**	**7.09**	**4,481.12**
As at April 1, 2021						
(i) Undisputed Trade Receivables - considered good	3,911.50	9.28	0.83	-	6.63	3928.24
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-

(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total	**3,911.50**	**9.28**	**0.83**	**-**	**6.63**	**3,928.24**

ANNEXURE 12: CASH AND CASH EQUIVALENTS

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Balances with Banks			
- In Current Account	105.96	0.62	283.54
- in Deposits with original maturity of	831.58	1253.85	296.37
Cash in Hand	5.84	3.64	1.55
Total	**943.38**	**1258.10**	**581.46**

ANNEXURE 13: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Balances in fixed deposit accounts with original maturity more than 3 months but less than 12 months	1611.86	840.46	965.67
Total	**1611.86**	**840.46**	**965.67**

ANNEXURE 14: OTHER FINANCIAL ASSETS

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Security Deposit	0.50	20.00	-
Export Incentives receivable	11.77	43.59	54.80
Discount Receivables	879.30	549.01	730.46
Total	**891.57**	**612.60**	**785.26**

ANNEXURE 15: CURRENT TAX ASSETS (NET)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Tax paid (Net of provision)	0.00	0.00	0.00
Total	**0.00**	**0.00**	**0.00**

ANNEXURE 16: OTHER CURRENT ASSETS

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Unsecured, considered good:			
Advance to Suppliers	974.81	1288.96	332.80
Balance with Indirect tax revenues authorities	1213.30	999.97	147.45
Balance with Direct tax revenues authorities	12.71	45.41	5.21
Hedge Instrument	0.00	0.00	8.31
Prepaid Expenses	23.14	15.73	78.33
Advance to Employees	0.02	4.17	0.33
Others	0.31	7.02	6.69
Total	**2224.30**	**2361.27**	**579.12**

Vibhor Steel Tubes Limited
(Formerly known as "Vibhor Steel Tubes Private Limited")

ANNEXURE 17: EQUITY SHARE CAPITAL

(a) Equity Share Capital

Particulars	As at March 31, 2023		As at March 31, 2022		As at April 1, 2021	
	Number of Shares	Amount (In Lakhs)	Number of Shares	Amount (In Lakhs)	Number of Shares	Amount (In Lakhs)
Authorised Capital	14,500,000	1,450.00	14,500,000	1,450.00	14,500,000	1,450.00
1,45,00,000 Equity Shares of Rupees 10.00 each	14,500,000	1,450.00	14,500,000	1,450.00	14,500,000	1,450.00
Issued Capital	14,183,000	1,418.30	14,183,000	1,418.30	14,183,000	1,418.30
1,41,83,000 Equity Shares of Rupees 10.00 each	14,183,000	1,418.30	14,183,000	1,418.30	14,183,000	1,418.30
	14,183,000	1,418.30	14,183,000	1,418.30	14,183,000	1,418.30
Subscribed and Fully Paid-up Capital	14,183,000	1,418.30	14,183,000	1,418.30	14,183,000	1,418.30

(b) Reconciliation of the number of shares and amount outstanding as at March 31, 2023, March 31, 2022 and April 1, 2021

Particulars	As at March 31, 2023		As at March 31, 2022		As at April 1, 2021	
	Number of Shares	Amount (In Lakhs)	Number of Shares	Amount (In Lakhs)	Number of Shares	Amount (In Lakhs)
Equity Share Capital						
Outstanding at the beginning of the year	14,500,000	1,450.00	14,500,000	1,450.00	14,500,000.00	1,450.00
Add: Allotted during the year	-	-	-	-	-	-
Less: Deletion during the year	-	-	-	-	-	-
Balance as at the end of the year	**14,500,000**	**1,450.00**	**14,500,000**	**1,450.00**	**14,500,000**	**1,450.00**

(c) Detail of shareholder holding more than 5% shares of the Company:

Particulars	As at March 31, 2023		As at March 31, 2022		As at April 1, 2021	
	Number of Shares	% of Holding	Number of Shares	% of Holding	Number of Shares	% of Holding
Mr. Vijay Kaushik	3,629,363	25.59%	3,629,363	25.59%	3,629,363	25.59%
Mrs. Vijay Lakshmi Kaushik	4,145,763	29.23%	4,145,763	29.23%	4,145,763	29.23%
Mr. Vibhor Kaushik	3,470,874	24.47%	3,470,874	24.47%	3,470,874	24.47%

(d) Shares held by promoters of the company

Particulars	As at March 31, 2023		As at March 31, 2022		As at April 1, 2021	
	Number of Shares	% of Holding	Number of Shares	% of Holding	Number of Shares	% of Holding
Mr. Vijay Kaushik	3,629,363	25.59%	3,629,363	25.59%	3,629,363	25.59%
Mrs. Vijay Lakshmi Kaushik	4,145,763	29.23%	4,145,763	29.23%	4,145,763	29.23%
Mr. Vibhor Kaushik	3,470,874	24.47%	3,470,874	24.47%	3,470,874	24.47%

(a) Right, preference and restrictions attached to shares Equity Shares

The Company has only one class of equity shares having a par value of INR 10.00 per share. Each Shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amount, in proportion of their shareholding.

ANNEXURE 18: OTHER EQUITY

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(a) Retained Earnings			
Balance at the beginning of the financial year	5,763.81	4,630.69	4848.99
Ind AS adjustments	0.00	0.00	(218.30)
Addition during the financial year	2,106.62	1,133.11	0
Transfers during the year	15.18	0	0
Total (a)	**7,885.61**	**5,763.81**	**4630.69**
(b) Other comprehensive Income			
Balance at the beginning of the financial year	15.18	0	0
Addition during the financial year	15.88	15.18	0
Transfers during the year	-15.18	0	0
Total (b)	**15.88**	**15.18**	**0**
Total (a+b)	**7,901.49**	**5,778.99**	**4630.69**

Nature and purpose of reserves:

Retained earnings represents unallocated/un-distributed profits of the Company. The amount that can be distributed as dividend by the Company as dividends to its equity shareholders is determined based on the separate financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus amount reported above are not distributable in entirety.

Other comprehensive income consists of remeasurement of defined benefit liability and debt instruments measured through other comprehensive income, net of taxes.

ANNEXURE 19 BORROWINGS (Non-current)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Secured			
Term Loan from Banks	1,239.28	1,421.13	733.74
Vehicle Loan from Bank and Financial Institutions	112.06	3.22	22.80
Total	**1,351.34**	**1,424.35**	**756.54**

(Rs. In Lakhs)

Nature of security and terms of repayment for secured loan is as below:	As at March 31, 2023		As at March 31, 2022		As at April 1, 2021	
Particulars	**Non Current Borrowings**	**Current Borrowings**	**Non Current Borrowings**	**Current Borrowings**	**Non Current Borrowings**	**Current Borrowings**
Tem Loan Facilities are secured by first pari passu charges through equitable mortage of the company land and building situated at Gut No 69 and 71, Gut No 86/1 & 2, Gut No 86/2, Gut no. 69/1(Part) & 66, Vill Sukeli Tehsil- Roha Dist. Raigarh, Flat No. 1801, adm. 1362 sq. ft carpet area along with adm, 316 sq. ft. of Terrace and flower bed area 18th Floor, E wing, Building known as The Springs situated at Plot No.4, Sector -20, village kalamboli, Panvel, constructed on land bearing Plot No.4, Sector-20, Village Kalamboli, Survey No. 513, 515, 516, situated at Udithyal Village, Balanagar Mandal, Mahaboob Nagar District, current assets and movable assets. The loan outstanding is repayable in 67 monthly installments commencing from April 2022 and ending in October 2027. Applicable rate of interest 9.75% (March 31, 2022 : 8.75%, March 31,2021 : 8.85%)	222.13	50.10	270.69	45.87	316.56	42.00
Tem Loan Facilities are sceured by first pari passu charges through equitable mortage of the company land and building situated at Gut No 69 and 71, Gut No 86/1 & 2, Gut No 86/2, Gut no. 69/1(Part) & 66, Vill Sukeli Tehsil- Roha Dist. Raigarh, Flat No. 1801, adm. 1362 sq. ft carpet area along with adm, 316 sq. ft. of Terrace and flower bed area 18th Floor, E wing, Building known as The Springs situated at Plot No.4, Sector -20, village kalamboli, Panvel, constructed on land bearing Plot No.4, Sector-20, Village Kalamboli, Survey No. 513, 515, 516, situated at Udithyal Village, Balanagar Mandal, Mahaboob Nagar District, current assets and movable assets. The loan outstanding is repayable in 67 monthly installments commencing from April 2023 and ending in October 2027. Applicable rate of interest 9.75% (March 31, 2022 : 8.75% March 31,2021 : 8.85%)	163.49	36.88	199.22	33.76	232.99	30.91

Tem Loan Facilities are sceured by first pari passu charges through equitable mortage of the company land and building situated at Gut No 69 and 71, Gut No 86/1 & 2, Gut No 86/2, Gut no. 69/1(Part) & 66, Vill Sukeli Tehsil- Roha Dist. Raigarh, Flat No. 1801, adm. 1362 sq. ft carpet area along with adm, 316 sq. ft. of Terrace and flower bed area 18th Floor, E wing, Building known as The Springs situated at Plot No.4, Sector -20, village kalamboli, Panvel, constructed on land bearing Plot No.4, Sector-20, Village Kalamboli, Survey No. 513, 515, 516, situated at Udithyal Village, Balanagar Mandal, Mahaboob Nagar District, current assets and movable assets. The loan outstanding is repayable in 67 monthly installments commencing from April 2023 and ending in October 2027. Applicable rate of interest 9.75% (March 31, 2022 : 8.75%, March 31,2021 : 8.85%)	-	-	-	184.20	184.20	294.54
Tem Loan Facilities are sceured by first pari passu charges through equitable mortage of the company land and building situated at Gut No 69 and 71, Gut No 86/1 & 2, Gut No 86/2, Gut no. 69/1(Part) & 66, Vill Sukeli Tehsil- Roha Dist. Raigarh, Flat No. 1801, adm. 1362 sq. ft carpet area along with adm, 316 sq. ft. of Terrace and flower bed area 18th Floor, E wing, Building known as The Springs situated at Plot No.4, Sector -20, village kalamboli, Panvel, constructed on land bearing Plot No.4, Sector-20, Village Kalamboli, Survey No. 513, 515, 516, situated at Udithyal Village, Balanagar Mandal, Mahaboob Nagar District, current assets and movable assets. The loan outstanding is repayable in 55 monthly installments commencing from April 2023 and ending in October 2027. Applicable rate of interest 8.85% (March 31, 2022 : 7.75%,)	853.67	98.44	951.22	-	-	-
Repayable in 60 monthly instalments aggregating to ` 30 lakhs. The Interest is payable on monthly basis and the rate of interest is 8.70% per annum.	-	-	-	1.96	1.96	6.93
Repayable in 36 monthly instalments aggregating to ` 4.89 lakhs. The Interest is payable on monthly basis and the rate of interest is 8.65% per annum.	-	-	-	1.50	1.50	1.65

Repayable in 60 monthly instalments aggregating to 12.50 lakhs. The Interest is payable on monthly basis and the rate of interest is 9.50% per annum.	-	-	-	-	-	1.55
Repayable in 60 monthly instalments aggregating to 76 lakhs. The Interest is payable on monthly basis and the rate of interest is 7.76% per annum.	-	-	-	15.06	15.06	16.85
Repayable in 36 monthly instalments aggregating to 3.77 lakhs. The Interest is payable on monthly basis and the rate of interest is 15.77% per annum.	-	-	-	-	-	0.69
Repayable in 60 monthly instalments aggregating to 5.50 lakhs. The Interest is payable on monthly basis and the rate of interest is 8% per annum.	2.10	1.12	3.22	1.02	4.24	0.96
Repayable in 60 monthly instalments aggregating to 7.09 lakhs. The Interest is payable on monthly basis and the rate of interest is 13% per annum.	-	-	-	-	-	0.44
Repayable in 46 monthly instalments aggregating to 9.54 lakhs. The Interest is payable on monthly basis and the rate of interest is 11.01% per annum.	-	-	-	0.19	-	0.19
Repayable in 48 monthly instalments aggregating to 3.50 lakhs. The Interest is payable on monthly basis and the rate of interest is 8.49% per annum.	-	-	-	-	-	0.10
Repayable in 36 monthly instalments aggregating to 4 lakhs. The Interest is payable on monthly basis and the rate of interest is 14% per annum.	-	-	-	0.04	0.04	0.14
Repayable in 36 monthly instalments aggregating to 4.50 lakhs. The Interest is payable on monthly basis and the rate of interest is 14% per annum.	-	-	-	-	-	1.10
Repayable in 36 monthly instalments aggregating to 10 lakhs. The Interest is payable on monthly basis and the rate of interest is 6.80% per annum.	5.31	3.33	-	-	-	-
Repayable in 36 monthly instalments aggregating to 7 lakhs. The Interest is payable on monthly basis and the rate of interest is 6.87% per annum.	3.71	2.33	-	-	-	-

Repayable in 84 monthly instalments aggregating to 117.90 lakhs. The Interest is payable on monthly basis and the rate of interest is 7.80% per annum.	98.34	13.70	-	-	-	-

Vibhor Steel Tubes Limited
(Formerly known as "Vibhor Steel Tubes Private Limited")
(All amounts in Indian Rupees Lacs, unless otherwise stated)

ANNEXURE 20: LONG TERM PROVISIONS

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Provision for Gratuity	92.02	83.64	80.78
Grand Total	**92.02**	**83.64**	**80.78**

ANNEXURE 21: DEFERRED TAX LIABILITIES (NET)
Component of deferred tax assets and liabilities are :

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Deferred Tax Assets on account of:			
Provision for Employee benefits	30.23	27.77	21.60
Total deferred tax Assets (A)	**30.23**	**27.77**	**21.60**
Deferred Tax Liabilities on account of:			
Property, Plant and Equipment's	181.60	186.54	197.60
Actuarial Gain on defined benefit plan	3.62	5.11	-
Total deferred tax Liabilities (B)	**185.23**	**191.64**	**197.60**
Disclosed as Deferred Tax Liabilities (Net - B-A)	**155.00**	**163.87**	**176.00**

(Rs. In Lakhs)

Movement in deferred tax liabilities / asset	As at April 1, 2020	Recognised in profit & loss	Recognised in other comprehensive income	As at April 1, 2021
Deferred Tax Assets (A)				
Provision for Gratuity	-	21.60	-	21.60
Total	**-**	**21.60**	**-**	**21.60**
Deferred Tax Liabilities (B)				
Property, Plant and Equipment's	-	197.60	-	197.60
	-	**197.60**	-	**197.60**
Disclosed as Deferred Tax Liabilities (Net - B-A)	**-**	**176.00**	-	**176.00**

(Rs. In Lakhs)

Movement in deferred tax liabilities / asset	As at April 1, 2021	Recognised in profit & loss	Recognised in other comprehensive income	As at March 31, 2022
Deferred Tax Assets (A)				
Provision for Gratuity	21.60	6.17	-	27.77
Total	**21.60**	**6.17**	**0.00**	**27.77**
Deferred Tax Liabilities (B)				
Property, Plant and Equipment's	197.60	(11.06)	-	186.54
Actuarial Gain on defined benefit plan	-	-	5.10	5.10
	197.60	**(11.06)**	**5.10**	**191.64**
Disclosed as Deferred Tax Liabilities (Net - B-A)	**176.00**	**(17.24)**	**5.10**	**163.87**

(Rs. In Lakhs)

Movement in deferred tax liabilities / asset	As at April 1, 2022	Recognised in profit & loss	Recognised in other comprehensive income	As at March 31, 2023
Deferred Tax Assets (A)				
Provision for Gratuity	27.77	2.46	-	30.23
Total	**27.77**	**2.46**	-	**30.23**
Deferred Tax Liabilities (B)				
Property, Plant and Equipment's	186.54	(4.93)	-	181.60
Actuarial Gain on defined benefit plan	5.10	-	(1.47)	3.63
	191.64	**(4.93)**	**(1.47)**	**185.23**
Disclosed as Deferred Tax Liabilities (Net - B-A)	**163.86**	**(7.39)**	**(1.47)**	**155.00**

ANNEXURE 22: SHORT-TERM BORROWINGS

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Secured			
Loans repayable on Demand from Banks*	6,332.20	5,953.42	1,046.94
Current maturity of Non current borrowing	204.02	283.61	398.06
Unsecured			
Channel Finance			
i) From Banks	1,503.39	1,185.01	3,490.63
ii) From Other Financial Institutions	3,780.71	2,015.07	-
Loan From Corporate Body **	1,683.13	1,586.15	1,481.83
Loan from Related Party ** (Refer ANNEXURE 40)	382.97	257.53	247.53
Total	**13,886.42**	**11,280.78**	**6,664.99**

*Working capital Facilities of Vibhor Steel Tubes Pvt Ltd from bank are sceured by first pari passu charges on entire present and future current assets and second charge on presend and future movable fixed asset of the company situated at Gut No 69 and 71, Gut No 86/1 & 2, Gut No 86/2, Gut no. 69/1(Part) & 66, Vill Sukeli Tehsil- Roha Dist. Raigarh, Flat No. 1801, adm. 1362 sq. ft carpet area along with adm, 316 sq. ft. of Terrace and flower bed area 18th Floor, E wing, Building known as The Springs situated at Plot No.4, Sector -20, village kalamboli, Panvel, constructed on land bearing Plot No.4, Sector- 20, Village Kalamboli, Survey No. 513, 515, 516, situated at Udithyal Village, Balanagar Mandal, Mahaboob Nagar District, current assets and movable assets.

**Repayment terms for these loand are not specifically stated.

ANNEXURE 23: TRADE PAYABLES

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Total outstanding dues to micro enterprises and small enterprises (Refer ANNEXURE 42)	-	-	-
Total outstanding dues to other than micro enterprises and small enterprises	4161.74	4264.64	3291.21
TOTAL	**4161.74**	**4264.64**	**3291.21**

(Rs. In Lakhs)

As at March 31,2023

Particulars	Outstanding for following periods from due date of Payment				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
MSME	-	-	-	-	-
Total outstanding dues of creditors other than MSME	4159.78	1.96	-	-	4161.74
Disputed dues-MSME	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-
TOTAL	**4159.78**	**1.96**	**-**	**-**	**4161.74**

(Rs. In Lakhs)

As at March 31,2022

Particulars	Outstanding for following periods from due date of Payment				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
MSME	-	-	-	-	**-**
Total outstanding dues of creditors other than MSME	4258.72	5.92	-	-	4264.64
Disputed dues-MSME	-	-	-	-	**-**
Disputed dues of creditors other than MSME	-	-	-	-	**-**
TOTAL	**4258.72**	**5.92**	**-**	**-**	**4264.64**

As at April 1,2021					
					(Rs. In Lakhs)
Particulars	**Outstanding for following periods from due date of Payment**				**Total**
	Less than 1 Year	**1 - 2 Years**	**2 - 3 Years**	**More than 3 Years**	
MSME	-	-	-	-	-
Total outstanding dues of creditors other than MSME	3291.21	-	-	-	3291.21
Disputed dues-MSME	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-
TOTAL	**3291.21**	-	-		**3291.21**

ANNEXURE 24: OTHER CURRENT FINANCIAL LIABILITIES

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Expenses Payable	134.02	172.72	108.11
Total	**134.02**	**172.72**	**108.11**

ANNEXURE 25: OTHER CURRENT LIABILITIES

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Advances from customers and others	132.64	78.01	103.93
Hedge Instrument	1.17	11.33	-
Statutory Remittances	42.74	130.15	57.77
Total	**176.55**	**219.49**	**161.70**

ANNEXURE 26: SHORT-TERM PROVISIONS

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Provision for Gratuity	13.69	6.42	5.04
Total	**13.69**	**6.42**	**5.04**

ANNEXURE 27: CURRENT TAX LIABILITY (NET)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Tax paid (Net of provision)	72.44	40.36	0.00
Total	**72.44**	**40.36**	**0.00**

ANNEXURE 28: REVENUE FROM OPERATIONS

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Sale of products (after sales discount)			
a) Domestic Sale	108,406.59	77,785.99	48,687.80
b) Export Sale	2,560.12	3,160.25	1,855.22
c) Job Work charges	327.40	815.83	441.03
Other Operating Revenues			
Export incentive	17.79	37.53	62.63
Total	**111,311.90**	**81,799.60**	**51,046.68**

ANNEXURE 29: OTHER INCOME

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Interest from FDR	117.16	79.01	68.77
Interest for delayed payment made by customers	0.00	0.00	12.18
Interest from electricity security	1.77	1.46	1.48
Interest on Income Tax Refund	2.41	-	-
Foreign Exchange Fluctuation	1.22	-32.01	21.61
Profit on sale of Property, plant and equipment	0.38	0.00	0.00
Foreign Exchange Fluctuation (Net)	2.97	0.00	0.25
Total	**125.92**	**48.46**	**104.29**

ANNEXURE 30: COST OF RAW MATERIAL CONSUMED

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Inventory of raw material at the beginning of	6,268.74	1,979.42	1,548.51
Add: Purchases (after adjusting discount received)	103,157.16	79,466.56	42,165.58
Less: Inventory at the end of the year	2,915.70	6,268.74	1,979.42
Total	**106,510.20**	**75,177.24**	**41,734.66**

ANNEXURE 31: CHANGES IN INVENTORIES OF FINISHED GOODS

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
As at the end of the reporting period/year			
Finished Goods	8,898.85	3,673.43	3,005.79
(A)	**8,898.85**	**3,673.43**	**3,005.79**
As at the beginning of the reporting period/year			
Finished Goods	3,673.43	3,005.79	6,638.83
(B)	**3,673.43**	**3,005.79**	**6,638.83**
Total (B-A)	**(5,225.42)**	**(667.64)**	**3,633.04**

ANNEXURE 32: EMPLOYEE BENEFIT EXPENSE

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	1,475.83	1,304.20	1,103.45
Contribution to provident and other funds	75.75	50.16	46.23
Staff Welfare expenses	170.04	118.72	125.90
Gratuity Expense	30.04	24.52	85.82
Total	**1,751.66**	**1,497.60**	**1,361.40**

ANNEXURE 33: FINANCE COSTS

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Interest to Bank	834.85	560.39	578.27
Interest on Unsecured Loans	92.37	96.57	171.25
Other Financial charges	298.35	212.83	167.77
Total	**1,225.57**	**869.80**	**917.29**

ANNEXURE 34: DEPRECIATION AND AMORTISATION EXPENSES

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Property, Plant and Equipment	636.51	612.09	658.46
Total	**636.51**	**612.09**	**658.46**

ANNEXURE 35: OTHER EXPENSES

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Advertisement & Business Promotion Expenses	91.67	89.38	78.93
Consumption of Spares and Stores	1,761.82	1,109.35	1,248.04
Travelling & Conveyance Expenses	99.93	18.38	17.36
Loading & unloading expenses	120.41	90.62	72.23
Repairs & Maintenance Expense	102.64	80.26	78.83
Miscellaneous Expenses	23.25	5.30	17.55
Insurance	11.82	12.36	9.43
Legal and Professional charges	35.83	77.62	45.37
Power & Fuel	838.32	533.88	435.12
Printing and Stationery	3.14	3.01	4.10
Rent paid	47.79	34.72	45.66
Rates, Fees & Taxes	125.28	101.66	26.91
Testing and Calibration Expenses	8.43	10.18	10.11
Vehicle Running and Maintenance Expenses	29.31	17.03	12.86
Payment to Auditors*	0.90	0.90	0.90

Telephone, Internet & Postage Expenses	4.40	4.30	6.04
Freight Outward	240.58	509.49	20.16
Import / Export Expenses	89.73	80.28	197.78
Corporate Social Responsibility Expenses	42.50	22.39	73.09
Wastage & Disposal Expenses	39.19	21.67	29.66
Total	**3,716.94**	**2,822.77**	**2,430.12**
Payment to auditors*	**Year ended March 31, 2023**	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Audit fee	0.90	0.90	0.90
Other matters	-	-	-
Total	**0.90**	**0.90**	**0.90**

ANNEXURE 36: TAX EXPENSES

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Income Tax relating to current year	723.13	420.34	155.01
Income Tax relating to previous years	0.00	0.00	16.16
Total	**723.13**	**420.34**	**171.17**
Deferred tax expenses	(7.39)	(17.24)	176.00
Total tax expense	**715.74**	**403.11**	**347.17**

B) Reconciliation of effective tax rate*

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax	2,822.36	1,536.22	-
Applicable tax rate	25.17%	25.17%	
Computed tax expenses	710.33	386.64	
Tax effect of:			
Taxable income	1.86	15.38	
Expenses disallowed	5.31	11.06	
Other Allowances	(10.06)	-	
Interest on Income Tax	15.69	7.26	
Current tax provision (A)	**723.13**	**420.34**	
Incremental deferred tax liability on account of property, plant and equipment	(4.93)	(11.06)	
Incremental deferred tax liability/(asset) on account of financial assets and other items	(2.46)	(6.17)	
Change in deferred tax (B)	**(7.39)**	**(17.24)**	

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Tax expense recognized in statement of Profit or Loss (A+B)	**715.74**	**403.11**	-
Effective tax rate	**25.36%**	**26.24%**	-

*The company has opted for new tax regime under Section 115BAA from FY 2020-21.

(Rs. In Lakhs)

Annexure No 37: Other comprehensive income			
(A) (i) Items that will not be reclassified to			
Remeasurements of the defined benefit	14.39	20.28	-
(ii) Income tax relating to items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit obligation	1.48	- 5.11	-

ANNEXURE 38: PAYABLE TO MICRO, SMALL AND MEDIUM ENTERPRISES

Details dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period/ year			
-- Principal amount due to micro and small enterprises	-	-	-
-- Interest due on above	-	-	-
ii)The amount of interest paid by the buyer in terms of section 16, of the MSMED Act,2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period/ year	-	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year)but without adding the interest specified under MSMED Act, 2006	-	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting period/ year	-	-	-
v) The amount of further interest remaining due and payable even in the succeeding years,until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-	-

Based on the balance confirmations received by the Company, there are no interest for delayed payment of MSMED.

ANNEXURE 39: EARNINGS PER SHARE

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Restated profit after tax attributable to the equity	210,662,420	113,311,348	6,882,967
holders (INR in lacs) (A)			
Weighted average number of shares considered for	14,183,000	14,183,000	14,183,000
calculating basic EPS (B)			
Weighted average number of shares considered for	14,183,000	14,183,000	14,183,000
calculating diluted EPS (C)			
Nominal value of shares (Rupees)	10.00	10.00	10.00
Basic earnings per share (Rupees) (D) = (A)/(B)	14.85	7.99	0.49
Diluted earnings per share (Rupees) (E) = (A)/(C)	14.85	7.99	0.49

ANNEXURE 40: RELATED PARTY TRANSACTIONS

(Rs. In Lakhs)

A. List of the related parties and nature of relationship with whom transactions have taken place during the respective year		
Description of Relationship		**Name of The Party**
(a)	**Key Managerial Personnel (KMP)**	Mr. Vijay Kaushik (Director)
		Mr. Vijay Laxmi Kaushik (Director)
		Mr. Pratima Sandhir (Director)
		Mr. Vibhor Kaushik (Director)
		Mr. Pankaj Kumar (Director)
		Mr. Anil Jain (Chief Financial Officer) ^
		Mrs. Aditi Shrenik Prasad (Company Secretary) *
		Mr. Nikunj Haresh Gatecha (Company Secretary) **
		Mr. Lovkesh Papneja (Company Secretary) ***
(b)	**Company/Firm which are directly controlled by directors**	Orbit Tubes
		Sudha Apparels Limited
		Vibhor Kaushik HUF
		Vijay Kaushik HUF

^ *Appointed on Oct 1,2022*

* *From Nov 13,2019 to Jan 31,2021*

** *From July 13,2021 to June 26,2023*

*** *Appointed on June 27,2023*

Apart from these, there is a common director in RN Securities Private Limited

B.	**Related Party Transactions and Balances**			(Rs. In Lakhs)
S. No.	**Particulars**	**Year ended March 31, 2023**	**Year ended March 31, 2022**	**Year ended March 31, 2021**
I.	***Transactions during the year***			
(i)	**Purchases and Job Work**			
	Orbit Tubes	870.40	-	-
(ii)	**Loan Taken**			
	Mr. Vijay Kaushik	828.47	13.32	160.00
	Mr. Vibhor Kaushik	172.15	52.47	64.28
	Mrs. Vijay Laxmi Kaushik	55.00	74.11	6.95
	Mrs. Pratima Sandhir	67.34	23.00	0.64
	Vijay Kaushik HUF	3.70	66.00	-
(iii)	**Repayment of Loan taken**			
	Mr. Vijay Kaushik	557.89	55.36	210.69
	Mr. Vibhor Kaushik	182.49	71.24	67.97
	Mrs. Vijay Laxmi Kaushik	111.14	19.75	37.80
	Mrs. Pratima Sandhir	80.00	1.00	7.66
	Vijay Kaushik HUF	69.70	68.30	0.00
	Vibhor Kaushik HUF	-	67.00	0.00
(iv)	**Salary paid**			
	Mr. Vijay Kaushik	162.00	162.00	120.00
	Mr. Vibhor Kaushik	192.00	192.00	120.00
	Mrs. Vijay Laxmi Kaushik	132.00	132.00	90.00
	Mrs. Pratima Sandhir	162.00	162.00	90.00
	Mr. Pankaj Kumar	6.84	5.44	4.45
	Mr. Anil Jain	6.95	-	-
	Mrs. Aditi Shrenik Prasad	-	-	2.00
	Mr. Nikunj Haresh Gatecha	1.80	1.28	-
	Mr. Lovkesh Papneja	-	-	-

II.	***Outstanding Payables***			
	Loan from Related parties			
	Sudha Apparels Limited	-	-	187.37
	Mr. Vijay Kaushik	294.54	23.96	66.00
	Vijay Kaushik HUF	-	66.00	68.30
	Mr. Vibhor Kaushik	15.17	25.51	44.28
	Vibhor Kaushik HUF	63.75	63.75	67.00
	Mrs. Vijay Laxmi Kaushik	0.17	56.31	1.95
	Mrs. Pratima Sandhir	9.34	22.00	0.00

ANNEXURE 41: CORPORATE SOCIAL RESPONSIBILITY (CSR)

Information in respect of CSR Expenditure required to be spent by the company

(Rs. In Lakhs)

Particulars	As at March 31,2023	As at March 31,2022	As at March 31,2021
Gross Amount required to be spent by the company during the year	19.95	14.86	21.96
Amount of expenditure incurred	42.50	22.40	73.09
Shortfall at the end of the period/year	NIL	NIL	NIL
Total of previous period/year shortfall	NIL	NIL	NIL
Reason for shortfall	NIL	NIL	NIL
Nature of CSR Activities	Cow/ Animal health care and welfare etc.	Cow/ Animal health care and welfare etc.	Cow/ Animal health care and welfare etc.

ANNEXURE 42: FIRST TIME ADOPTION OF IND AS AND CORRECTION OF PRIOR PERIOD ERRORS

These are the company's first financial statements prepared in accordance with Ind AS.

The Accounting policies set out in Annexure 5 have been applied in preparing the financial statements for the year ended March 31,2023, the comparative information presented in these financial statements for the year ended March 31,2022 and in the preparation of an opening Ind AS balance sheet at April 1,2021 (the Company's date of transition) .In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules,2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

A) Exceptions applied

Ind AS 101 allows first time adopters certain exceptions from the respective application of certain requirements under Ind AS.

The mandatory exceptions include the following:

I. Derecognition of financial assets and financial liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

II. Classification and measurement of Financial assets

IND AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

III. **Estimates**

Estimates made in accordance with previous GAAP at the date of transition to Ind AS should be considered unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01,2021 are consistent with the estimates as at the same date made in conformity with previous GAAP. Consequently, the company has applied the above requirement prospectively.

B) The Company has applied the following optional exemptions:

Deemed Cost

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities, if any.

Accordingly, the company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value.

B) **Reconciliations from previous GAAP**

The following reconciliations provide a quantification of the effect of differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS101 whereas the notes explain the significant differences thereto.

(i) Balance sheet reconciliations as of April 1 ,2021
(ii) Balance sheet reconciliations as of March 31,2022
(iii) Reconciliations of total equity as at March 31, 2022 and April 1, 2021
(iv) Reconciliations of statement of profit and loss for the year ended March 31,2021
(v) Reconciliations of total comprehensive income for the year ended March 31, 2022 and March 31,2021

(i) Balance sheet reconciliation as on April 1,2021

(Rs. In Lakhs)

Particulars	Notes to Reconciliation	Regrouped IGAAP	IND AS Adjustments	IND AS
(A) ASSETS				
Non-current Assets				
(a) Property, Plant and Equipment		5202.75	-	5202.75
(b) Financial Assets			-	
(i) Others		64.48	-	64.48
(c) Other Non Current Assets		35.83	-	35.83
Total non-current assets(A)		**5303.07**	**-**	**5303.07**
			-	
(B) Current Assets			-	
(a) Inventories	1	5050.96	54.73	5105.69
(b) Financial Assets			-	
(i) Trade receivables	1	3993.40	-65.17	3928.24
(ii) Cash and cash equivalent		581.46	-	581.46
(iii) Bank Balances other than Cash and Cash Equivalents		965.67	-	965.67
(iv) Others		785.26	-	785.26

(c) Current Tax Assets(Net)		0.00	44.87	44.87
(d) Other current assets	2	570.81	8.31	579.12
Total Current assets(B)		**11947.57**	**42.73**	**11990.30**
TOTAL ASSETS(A+B)		**17250.64**	**42.73**	**17293.37**
			-	
EQUITY AND LIABILITIES			-	
(A) Equity			-	
(a) Equity share capital		1418.30	-	1418.30
(b) Other equity		4848.99	-218.30	4630.69
Total equity(A)		**6267.29**	**-218.30**	**6048.99**
			-	
Liabilities			-	
(B) Non-current liabilities			-	
(a) Financial liabilities			-	
(i) Borrowings		756.54	-	756.54
(b) Long term provisions	3	-	80.78	80.78
(c) Deferred tax liabilities (Net)	4	-	176.00	176.00
Total non-current liabilities(B)		**756.54**	**256.78**	**1013.32**
			-	
(C) Current liabilities			-	
(a) Financial liabilities			-	
(i) Borrowings	5	6664.99	0.00	6664.99
(ii) Trade Payables			-	
(A) total outstanding dues of micro enterprises and small enterprises; and			-	
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		3291.21	-	3291.21
(iii) Other Financial Liabilities		108.11	-	108.11
(b) Other current liabilities		161.70	-	161.70
(c) Short term provisions	3	-	5.04	5.04
(d) Liabilities for current tax (Net)		0.79	-0.79	0.00
Total current liabilities(C)		**10226.80**	**4.25**	**10,231.05**
Total liabilities(B+C)		**10983.35**	**261.03**	**11244.37**
TOTAL EQUITY AND LIABILITIES(A+B+C)		**17250.64**	**42.73**	**17,293.37**

STATEMENT OF CHANGE IN EQUITY AS AT APRIL 1, 2021

A. EQUITY SHARE CAPITAL

(Rs. In Lakhs)

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
1,418.30	-	1,418.30

B. OTHER EQUITY

(Rs. In Lakhs)

Particulars	Retained Earning	Other Comprehensive Income	Total other Equity
Balance at the beginning of the year	**4,848.99**	0.00	**4,848.99**
Changes on account of reversal of sales as per Ind AS 115	-65.17	0.00	-65.17
Changes on account of Hedge Instrument	8.31	0.00	8.31
Changes on account of recognition of remeasurement of Defined Benefit Obligation	-85.82	0.00	-85.82
Changes on account of recognition of Deferred Tax Expense	-176.00	0.00	-176.00
Changes on account of reversal of excess of income tax provision recognized	45.65		45.65
Balance at the end of the reporting period	**4,575.96**	**0.00**	**4,575.96**

Principal Difference Between Ind AS and Indian GAAP

Measurement and recognition difference for year ended April 1, 2021

1. Financial Instrument

Trade Receivables

Under Indian GAAP, export sales made were recognized in books of account on invoicing basis.
Under IND AS; sales have been recognized as per the criteria defined under Ind AS 115 and sales for which the LEO date is after 31st March is being reversed and recognized in next financial year.

2. Other Current Assets

Under Indian GAAP, Forward Contract revalued using Spot rate as at Balance Sheet date. Forward contracts outstanding at the year end has been revalued as per fair value hedge as defined in Ind AS 109

3. Remeasurement of Defined Benefit Obligation

Re-measurement of the defined benefit plans were not recognized earlier which has now been recognized as a part of employee benefit expenses in profit or loss account.

4. Deferred Tax

The company has not accounted for deferred tax earlier which has been recognized now on the various temporary taxable differences for which adjustments between Indian GAP and Ind AS at the tax rate at which they are expected to be reversed.

(ii) **Balance sheet reconciliation as on March 31, 2022**				(Rs. In Lakhs)
Particulars	**Notes to Reconciliation**	**Regrouped IGAAP**	**IND AS Adjustments**	**IND AS**
(A) ASSETS				
Non-current Assets				
(a) Property, Plant and Equipment		4986.01	-	4986.01
(b) Financial Assets				
(i) Others		50.98	-	50.98
(c) Other Non Current Assets		141.88	-	141.88
Total non-current assets(A)		**5178.87**		**5178.89**
(B) Current Assets				
(a) Inventories	1	10014.08	107.03	10121.11
(b) Financial Assets				
(i) Trade receivables	1	4622.01	-140.89	4481.12
(ii) Cash and cash equivalent		1258.10	-	1258.10
(iii) Bank Balances other than Cash and Cash Equivalents		840.46	-	840.46
(iv) Others		612.61	-	612.60
(d) Other current assets		2361.28	-	2361.27
Total Current assets(B)		**19708.54**		**19674.67**
TOTAL ASSETS(A+B)		**24887.41**	**-33.85**	**24853.56**
EQUITY AND LIABILITIES				
(A) Equity				
(a) Equity share capital		1418.30	-	1418.30
(b) Other equity		5949.84	-170.86	5778.99
Total equity(A)		**7368.14**	**-170.86**	**7197.29**
Liabilities				
(B) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	5	1423.65	0.70	1424.35
(b) Long term provisions	2		83.64	83.64
(c) Deferred tax liabilities (Net)	3	128.25	35.62	163.87
Total non-current liabilities(B)		**1551.90**	**119.96**	**1671.86**
(C) Current liabilities				
(a) Financial liabilities				
(i) Borrowings		11280.78	0.00	11280.78
(ii) Trade Payables				
(A) total outstanding dues of micro enterprises and small enterprises; and				
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		4264.64	-	4264.64

(iii) Other Financial Liabilities		172.72	-	172.72
(b) Other current liabilities	4	208.16	11.33	219.49
(c) Short term provisions	2	-	6.42	6.42
(d) Liabilities for current tax (Net)		40.36	-	40.36
Total current liabilities(C)		**15966.66**	**17.75**	**15984.41**
Total liabilities(B+C)		**17518.56**	**137.71**	**17,656.27**
TOTAL EQUITY AND LIABILITIES(A+B+C)		**24886.70**	**-33.15**	**24,853.56**

STATEMENT OF CHANGE IN EQUITY AS AT MARCH 31, 2022

A. EQUITY SHARE CAPITAL

(Rs. In Lakhs)

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
1,418.30	-	1,418.30

B. OTHER EQUITY

(Rs. In Lakhs)

Particulars	Retained Earning	Other Comprehensive Income	Total other Equity
Balance at the beginning of the year	**5,949.84**	0.00	**5,949.84**
Changes on account of reversal of sales as per Ind AS 115	-33.85	0.00	**-33.85**
Changes on account of Hedge Instrument	-11.33	0.00	**-11.33**
Changes on account of recognition of remeasurement of Defined Benefit Obligation	-105.24	15.18	**-90.06**
Changes on account of Deferred Tax Expense	-35.62	0.00	**-35.62**
Balance at the end of the reporting period	**5,763.80**	**15.18**	**5,778.98**

Principal Difference Between Ind As and Indian GAAP

Measurement and recognition difference for year ended March 31, 2022

1. Inventories/Financial Instrument

Trade Receivables

Under Indian GAAP, export sales made were recognized in books of account on invoicing basis.

Under IND AS; sales has been recognized as per the criteria defined under Ind AS 115 and sales for which the LEO date is after 31st March is being reversed and recognized in next financial year. Similarly, sales reversed in last year has been recognized.

2. Remeasurement of Defined Benefit Obligation

Re-measurement of the defined benefit plans were not recognized earlier which has now been recognized as a part of employee benefit expenses in profit or loss account.

3. Deferred Tax

The company has accounted for deferred tax on the various adjustments between Indian GAP and IND AS at the tax rate at which they are expected to be reversed.

4. Other Current Liabilities

Under Indian GAAP, Forward Contract revalued using Spot rate as at Balance Sheet date. Forward contracts outstanding at the year end has been revalued as per fair value hedge as defined in Ind AS 109

5. Borrowings

Vehicle term loans has been recognized at Amortized Cost as per Ind AS 109.

(ii) Reconciliations of statement of profit and loss for the year ended March 31,2022

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2022	IND AS Adjustments	IND AS	Remarks
Income				
Revenue from operations	81,826.93	(27.33)	81,799.60	Sales revaluation at RBI rate and reversal of sales whose LEO date is after Ind AS 115
Other income	116.49	(68.03)	48.46	Sales revaluation loss and valuation of otstanding forward contracts at fair value
Total Income	**81,943.42**	**(95.36)**	**81,848.07**	
Expenses:				
Cost of Raw material consumed	75,177.24	-	75,177.24	
Changes in inventories of finished goods	(615.34)	(52.31)	(667.64)	Closing stock of sales reversed
Employee benefit expenses	1,473.08	24.52	1,497.60	Recognition of remeasurement of defined benefit obligation
Finance costs	869.80	-	869.80	
Depreciation and Amortization	612.09	-	612.09	
Other expenses	2,822.77	-	2,822.77	
Total expenses	**80,339.64**	**-27.79**	**80,311.85**	
Profit/(Loss) before tax and exceptional item	1,603.79	(67.57)	1,536.22	
Exceptional items	-	-		

Profit before Tax	**1,603.79**	**(67.57)**	**1,536.22**	
Tax expense:				
Income Tax	374.68	45.66	420.34	Excess income tax provision made last year reversed in 2021
Deferred tax	128.25	(145.49)	(17.24)	Temporary differences reversed
Total Tax Expense	**502.94**	**(99.83)**	**403.11**	
Profit/(Loss) for the period	**1,100.85**	**32.26**	**1,133.11**	
	-	-	-	
Other Comprehensive Income (OCI)				
(a) Items that will not to be reclassified to profit and loss:				
(i) Remeasurement gain/ (loss) on defined benefit obligation	-	20.28	20.28	Recognition of remeasurement of defined benefit obligation
(ii) Income Tax relating to items that will not be reclassified to profit and loss	-	(5.11)	(5.11)	
Total Comprehensive Income for the period	**-**	**15.18**	**15.18**	

ANNEXURE 43: SEGMENT INFORMATION

The company is engaged in the business of steel ERW Black and Galvanised Pipes & Tubes. Information is reported to and evaluated regularly bythe Coperational Decision Maker (CODM) i.e. Managing Director for the purpose of resource allocation and assessing performance focuses on the business as whole. The CODM reviews the Company's performance focuses on the analysis of profit before tax at an overall entity level. Accordingly, there is no other separate reportable segment as defined by IND AS 108 "Operating Segments".

ANNEXURE 44: CONTINGENT LIABILITIES

(Rs. In Lakhs)

Particulars	**As at**		
	March 31, 2023	**March 31, 2022**	**April 1, 2021**
A) Disputed claims/levies in respect of Value Added Tax / Sales Tax:			
- Reversal of input tax credit	-	-	-
- Regular / Provisional Assessment	404.55	404.55	277.16
(The dispute is regarding rate of tax on GI and ERW Pipes and Tubes and enhancement of turnover and taxable turnover on account of allegation of sales suppression for the AY 2016-17 and April 2016 to June 2016 however, the case was finalized in the favour			

of the assesses in FY 2023-24)			
Total	**404.55**	**404.55**	**277.16**

ANNEXURE 45: EMPLOYMENT BENEFIT OBLIGATIONS

(Rs. In Lakhs)

Particulars	As at March 31,2023		
	Current	Non-Current	Total
Gratuity			
Present value of defined benefit obligation	13.69	92.02	105.71
Total employee benefit obligations	**13.69**	**92.02**	**105.71**

Particulars	As at March 31,2022		
	Current	Non Current	Total
Gratuity			
Present value of defined benefit obligation	6.42	83.64	90.06
Total employee benefit obligations	**6.42**	**83.64**	**90.06**

Particulars	As at April 1,2021		
	Current	Non Current	Total
Gratuity			
Present value of defined benefit obligation	5.04	80.78	85.82
Total employee benefit obligations	**5.04**	**80.78**	**85.82**

(a) Defined Benefit Plans Gratuity

The Company operates a defined benefit gratuity plan for its employees. The gratuity scheme provides for lump sum payment to vested employees at retirement/death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of 6 months subject to a limit of INR 20.00 lakhs (March 31, 2022: INR 20.00 lakhs and April 1, 2021: INR 20.00 lakhs)

Movement of defined benefit obligation:

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Opening defined benefit obligation (A)	90.06	85.82	-
Service cost	23.51	18.72	19.15
Past service cost	-	-	66.67
Interest cost	6.54	5.80	-
Expected return on plan assets			-
Total amount recognised in profit or loss (B)	120.10	110.34	85.82
Remeasurements			
Effect of change in financial assumptions	(1.11)	(5.31)	-
Effect of change in demographic assumptions	-	-	
Effect of experience adjustments	(13.29)	(14.97)	-

Total amount recognised in other comprehensive income (C)	(14.39)	(20.28)	-
Closing defined benefit obligation (A+B+C)	**105.71**	**90.06**	**85.82**

ii) Net benefit asset/ (liability) recognised in the balance sheet			(Rs. In Lakhs)
Particulars	**Year ended March 31, 2023**	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Present value of defined benefit obligation at the end of the period	105.71	90.06	85.82
Less: Fair value of plan assets at the end of the period	-	-	-
Net benefit liability/(asset)	**105.71**	**90.06**	**85.82**

iii) Principal assumptions used in determining gratuity obligations for the Company's plan are shown below:

(Rs. In Lakhs)

Particulars	**Year ended March 31, 2023**	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Discount Rate	6.76%	6.76%	6.76%
Salary Growth Rate	5.00%	5.00%	5.00%
Expected Rate of Return on Plan Assets	N.A	N.A	N.A
Normal Age of Retirement	58 years	58 years	58 years
Withdrawal Rate	10.00%	10.00%	10.00%
Mortality Table	100% Indian Assured Lives Mortality (2012-14) Ultimate	100% Indian Assured Lives Mortality (2012-14) Ultimate	100% Indian Assured Lives Mortality (2012-14) Ultimate

Notes :

(1) The discount rate is based on the prevailing market yield of Indian Government Securities as at Balance Sheet date for the estimated term of obligation.

(2) The estimate of future salary increase considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(v) Sensitivity Analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is :

(Rs. In Lakhs)

Particulars	**Year ended March 31, 2023**	**Year ended March 31, 2022**	**Year ended March 31, 2021**
(a) Impact of Discount rate on defined benefit obligation			
Increased by 0.50%	(5.54)	(4.99)	(5.10)
Decreased by 0.50%	6.09	5.50	5.64
(b) Impact of Salary Escalation rate on defined benefit obligation			
Increased by 0.50%	6.20	5.59	5.71

Decreased by 0.50%	(5.69)	(5.12)	(5.21)
(c) Impact of Withdrawal rate on defined benefit obligation			
Increased by 1.00%	-	-	-
Decreased by 1.00%	-	-	-

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method i.e. projected unit credit method has been applied as that used for calculating the defined benefit liability recognised in the balance sheet.

v) **Risk Exposure**

The defined benefit obligations have the undermentioned risk exposures:

Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary Inflation risk: Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal , disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

Investment risk : The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to high quality corporate bond yields; if the return on plan asset is below this rate, it will create a plan deficit.

vi) **Defined benefit liability and employer contributions**

The weighted average duration of the defined benefit obligation is 33.14 years (March 31, 2022: 31.91 years and March 31,2021: 31.80 years).

The expected maturity analysis of undiscounted gratuity is as follows:

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Less than a year	13.69	6.42	5.04
Between 1 - 2 years	4.45	8.74	2.97
Between 2 - 3 years	3.44	2.69	7.66
Between 3 - 4 years	3.82	2.80	3.01
Between 4 - 5 years	5.81	3.84	2.88
Beyond 5 years	74.50	65.57	64.25

c) Defined Contribution Plan:

The Company has a defined contribution plan in respect of provident fund. Contributions are made to provident fund and employees state insurance in India for employees at the rate as prescribed in the regulations. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The Company has recognized the following amounts towards defined contribution plan in the Statement of Profit and Loss –

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Employer's Contribution to Provident Fund and other funds	75.75	21.25	50.16

Included in 'Contribution to provident and other funds' under Employee Benefits Expense (Refer ANNEXURE 29)

ANNEXURE 46: FINANCIAL INSTRUMENTS

Fair value of financial assets and liabilities

The fair value of the financial assets and liabilities are included at the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements are set out below.

The carrying value and fair value of financial instruments by categories as of March 31, 2023 were as follows:

(INR in lacs)

Particulars	Amortised cost	Fair value	Total Carrying value	Total Fair value
Assets:				
Non-Current				
Other financial assets	70.65	-	70.65	70.65
Current				
Trade receivables	5,444.81	-	5,444.81	5,444.81
Cash and cash equivalents	2,555.24	-	2,555.24	2,555.24
Other financial assets	891.57	-	891.57	891.57
Total				
Liabilities:				
Non-Current				
Borrowings	1,351.34	-	1,351.34	1,351.34
Current				
Borrowings	13,886.42	-	13,886.42	13,886.42
Trade payables	4,161.74	-	4,161.74	4,161.74
Other financial liabilities	134.02	-	134.02	134.02
Total				

The carrying value and fair value of financial instruments by categories as of March 31, 2022 were as follows:

(Rs. In Lakhs)

Particulars	Amortised cost	Fair value	Total Carrying value	Total Fair value
Assets:				
Non Current				
Other financial assets	50.98	-	50.98	50.98
Current				
Trade receivables	4,481.12	-	4,481.12	4,481.12
Cash and cash equivalents	2,098.56	-	2,098.56	2,098.56
Other financial assets	612.60	-	612.60	612.60
Total				
Liabilities:				
Non Current				
Borrowings	1,424.35	-	1,424.35	1,424.35
Current				
Borrowings	11,280.78	-	11,280.78	11,280.78
Trade payables	4,264.64	-	4,264.64	4,264.64
Other financial liabilities	172.72	-	172.72	172.72
Total				

The carrying value and fair value of financial instruments by categories as of March 31, 2021 were as follows:

(Rs. In Lakhs)

Particulars	Amortised cost	Fair value	Total Carrying value	Total Fair value
Assets:				
Non Current				
Other financial assets	64.48	-	64.48	64.48
Current				
Trade receivables	3,928.24	-	3,928.24	3,928.24
Cash and cash equivalents	1,547.13	-	1,547.13	1,547.13
Other financial assets	785.26	-	785.26	785.26
Total				
Liabilities:				
Non Current				
Borrowings	756.54	-	756.54	756.54
Current				
Borrowings	6,664.99	-	6,664.99	6,664.99
Trade payables	3,291.21	-	3,291.21	3,291.21
Other financial liabilities	108.11	-	108.11	108.11
Total				

The following methods and assumptions were used to estimate the fair values:

1. The carrying amount of Trade receivables, Trade payables and Cash & cash equivalent are considered to be the same as their values due to their short-term nature.

2. The carrying amount of the financial assets and liabilities carried at amortised cost is considered a reasonable approximation of fair value.

3. The Investment in Mutual Fund and Non-Convertible Debentures is measured at NAV, being the fair value as on reporting date.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets and liabilities

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable either directly or indirectly

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

ANNEXURE 47

A) FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities comprise loans, borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds investments.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings.

The Company has no direct exposure to foreign currency risk.

-Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company's policy is to borrow funds at fixed and floating rate of interest.

(b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including investments, deposits with banks and financial institutions and other financial instruments.

(i) Trade receivables

Customer credit risk is managed by the Company's established policies, procedures and controls relating to customer credit risk management. Credit quality of a customer is assessed based on an individual credit limits and are defined in accordance with management's assessment of the customer. Outstanding customer receivables are regularly monitored. The concentration of credit risk is limited due to the fact that the customer base is large. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The Company uses ageing buckets and provision matrix for the purpose of computation of expected credit loss. The provision rates are based on past trend of recoverability. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

(ii) Financial instruments and bank deposits

Credit risk from balances with banks is managed by the management in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties based on limits defined by the management. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

(c) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and finance leases. The Company closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents and sufficient committed fund facilities, will provide liquidity.The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The carrying amounts are assumed to be reasonable approximation of fair value.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(Rs. In Lakhs)

Particulars	Next 12 months	1 to 5 years	> 5 years	Total
March 31,2023				
Borrowings	13,886.42	1,351.34	-	15,237.75
Trade payables	-	-	-	-
Other financial liabilities	-	-	-	-
March 31,2022				
Borrowings	11,280.78	1,424.35	-	12,705.13
Trade payables	-	-	-	-
Other financial liabilities	-	-	-	-
April 1, 2021				
Borrowings	6,664.99	756.54	-	7,421.53
Trade payables	-	-	-	-
Other financial liabilities	-	-	-	-

B) Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 0% and 25%. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

(Rs. In Lakhs)

Particulars	As at		
	March 31, 2023	March 31,2022	April 1, 2021
Borrowings [including current borrowings (refer Annexure 18 and 20)]	15,237.75	12,705.13	7,421.53
Less: Cash and cash equivalents (refer Annexure 12)	943.38	1,258.10	581.46
Net debt (A)	**16,181.13**	**13,963.23**	**8,002.99**
Equity (refer Annexure 16 and 17)	9,319.79	7,197.29	6,048.99
Total capital (B)	**9,319.79**	**7,197.29**	**6,048.99**
Capital and net debt (C = A+B)	**25,500.92**	**21,160.52**	**14,051.99**
Gearing ratio (D = A/C)	**0.63**	**0.66**	**0.57**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

ANNEXURE 48: RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

(Rs. In Lakhs)

Particulars	Opening Balance as at April 1, 2021	Net Cash Flow	Closing Balance as at March 31, 2022
Non- Current Borrowings	80.78	2.86	83.64
Current Borrowings	5.04	1.38	6.42
Total liabilities from financing activities	**85.82**	**4.24**	**90.06**

(Rs. In Lakhs)

Particulars	Opening Balance as at April 1, 2022	Net Cash Flow	Closing Balance as at Sep 30, 2022
Non- Current Borrowings	83.64	8.37	92.02
Current Borrowings	6.42	7.28	13.69
Total liabilities from financing activities	**90.06**	**15.65**	**105.71**

ANNEXURE 49: FINANCIAL RATIOS

Particulars	Methodology	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
1	**Current Ratio**			
	Current Ratio = Current Assets/Current Liabilities	1.25	1.23	1.17
	% change from previous year	1.95%	5.03%	
2	**Debt-Equity Ratio**			
	Debt-Equity Ratio = Net Debt/Net Worth	1.63	1.77	1.23
	% change from previous year	-7.38%	43.88%	
3	**Debt Service Coverage Ratio**			
	Debt Service Coverage Ratio = EBITDA/Net Debt	0.29	0.22	0.25
	% change from previous year	30.36%	-10.16%	
	The ratio has increased from 22% in March 2022 to 29% mainly due to increase in Earning during the year			
4	**Return on Equity Ratio**			
	Return on Equity Ratio= Profit after tax/Average Net worth	0.26	0.17	0.01
	% change from previous year	49.10%	1394.99%	
	The ratio has increased from 17% in March 2022 to 26% mainly due to increase in Earning during the year			
5	**Inventory turnover ratio**			
	Inventory turnover ratio= Cost of Goods sold/Average Inventory	9.49	10.61	8.08
	% change from previous year	-10.49%	31.30%	
6	**Trade receivables turnover ratio**			
	Trade receivables turnover ratio= Net sales/Average Trade receivable	22.43	19.45	12.02
	% change from previous year	15.29%	61.92%	

7	**Trade Payables turnover ratio**			
	Trade Payables turnover ratio= Total Consumption /Trade Payable	25.3	19.9	11.8
	% change from previous year	27.04%	68.21%	
	The ratio has increased from 19.9% in March 2022 to 25.3% mainly increase in consumption in term of value due to higher sales volume during the year			

Particulars	Methodology	As at March 31, 2023	As at March 31, 2022	As at March 31, 2022
8	**Net capital turnover ratio**			
	Net capital turnover ratio= Net sales/Net worth	11.37	11.37	8.44
	% change from previous year	5.09%	34.68%	
9	**Net Profit Ratio**			
	Net Profit Ratio= Profit after tax/Net sales	0.019	0.014	0.001
	% change from previous year	36.62%	927.34%	
	The ratio has increased from 1.4% in March 2022 to 1.9% mainly due to increase in Earning during the year			
10	**Return on capital employed**			
	Return on capital employed= EBIT/Average capital employed	0.17	0.13	0.08
	% change from previous year	28.33%	68.50%	
	The ratio has increased from 17% in March 2023 to 13% due to increase in EBIT of the company			
11	**Return on investment**			
	Return on investment= (Interest income, net gain on sale of investments and net fair value gain over average investments)/Average investment*100	Not applicable	Not applicable	Not applicable
	Quoted			
	% change from previous year			
	Reason for change more than 25%			
	Unquoted			
	% change from previous year			
	Reason for change more than 25%			

Explanation of formulas used in calculating ratios

(1) Net debt includes borrowings (long term and short term) net of cash & cash equivalents and bank balances.
(2) Earnings available for debt service includes profit after tax, finance costs, depreciation and other non-cash expense.
(3) Debt service includes finance costs paid and principal repayment of borrowings (long term and short term).
(4) Earning before interest and taxes includes Profit before tax plus finance cost.
(5) Capital employed includes Tangible net worth (Total assets - total liability - intangible assets), net debt deferred tax liability

Note : Revenue growth resulting in increase in profits along with higher efficienc
improvement has resulted improvement in the ratios.

ANNEXURE 50: ADDITIONAL REGULATORY INFORMATION

(i) The title deeds of the Immovable Properties are held in the name of the Company.

(ii) The company does not have any Investment Property; hence disclosure not applicable.

(iii) The Company has not revalued its Property, Plant and Equipment, hence the disclosure regarding valuation not applicable.

(iv) The Company has not revalued its Intangible Assets, hence the disclosure regarding valuation not applicable.

(v) No loans or advances has been granted to the promoters, directors, KMP's and the related parties (as defined under Companies Act, 2013), hence disclosure not applicable.

(vi) The Company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 and no proceeding has been initiated or is pending against the Company for holding any benami property.

(vii) <u>Borrowings from banks or finacial institutions on the basis of security of current assets:</u>

(a) the quaterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with books of accounts.

(viii) The company has not been declared as a wilful defaulter by any bank or financial Institution or other lender.

(ix) The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(x) Neither charges nor satisfaction is yet to be registered with ROC beyond the statutory period.

(xi) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(xiii) The company has not applied for any Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013.

(xiv) **<u>Utilization of Borrowed Funds and Share Premium:</u>**

(a) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries).

(b) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party).

(xv) The Company has not surrendered or disclosed any income during the year in the tax assessments under the Income Tax Act, 1961.

(xvi) The company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

ANNEXURE 51: RESTATED SUMMMARY OF CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at March 31,2023, derived from our Restated Financial Statements, and as adjusted for the Offer. This table should be read in conjunction with the sections titled "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Restated Financial Statements" and "Risk Factors".

(Rs. In Lakhs)

Particulars	Pre-Issue (as at March 31,2023)	Post - Issue
Total Borrowings:		
Non-Current Borrowings (A)	1,351.34	-
Current borrowings(B)	13,886.42	-
Total borrowings (C)	15,237.75	-
Shareholder's fund (Net worth)		
Share capital	1,418.30	-
Other Equity	7,901.49	-
Total shareholder's fund (Net worth) (D)	9,319.79	-
Ratio: Non-current Borrowings (including current maturities of borrowings) (A+B)/Total Equity (D)	1.63	-
Ratio: Total Borrowings (C)/Total Equity (D)	1.63	-

These amounts (as adjusted for issue) are not determinable at this stage pending the completion of the issue and hence the same have not been provided in the above statement.

Notes:

1 *Short-term borrowings are debts which are due for repayment within 12 months from reporting period ended March 31,2023.*

2 *Long-term borrowings are considered as borrowing other than short-term borrowing.*

3 *The amounts disclosed above are based on the Restated Summary Statements.*

ANNEXURE 52: RESTATED STANDALONE STATEMENT OF FINANCIAL INDEBTEDNESS

(Rs. In Lakhs)

S No.	Lender Name	Whether Secured?	Repayment Schedule	Outstanding as on March 31,2023
1	Sudha Apparels Limited	Unsecured	Repayable on Demand	-
2	Mr. Vijay Kaushik	Unsecured	Repayable on Demand	294.54
3	Vijay Kaushik HUF	Unsecured	Repayable on Demand	-
4	Mr. Vibhor Kaushik	Unsecured	Repayable on Demand	15.17
5	Vibhor Kaushik HUF	Unsecured	Repayable on Demand	63.75
6	Mrs. Vijay Laxmi Kaushik	Unsecured	Repayable on Demand	0.17
8	Mrs. Pratima Sandhir	Unsecured	Repayable on Demand	9.34

ANNEXURE 53: RESTATED STATEMENT OF DIVIDEND

(Rs. In Lakhs)

Particulars	As at		
	March 31,2023	March 31,2022	April 11,2021
Share capital			
Equity Share Capital	1,418.30	1,418.30	1,418.30
Dividend on equity shares	-	-	-
Dividend in %			
Interim Dividend	NIL		
Final Dividend			

ANNEXURE 54: RESTATED SUMMARY STATEMENT OF TAX SHELTERS

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Profit / (loss) before tax, as Restated (A)	**2,822.36**	**1,536.22**	**416.00**
Tax Rate - Statutory rate (B)	25.17%	25.17%	25.17%
Tax thereon (including surcharge and education cess)			
Tax as per actual rate on profits (D= A*B)	710.33	386.64	104.70
Total Income Tax	**710.33**	**386.64**	**104.70**
Timing Differences			
Difference between book depreciation and tax depreciation	19.98	43.96	48.63
Others	1.11	-	-
Total Timing Differences (E)	**21.09**	**43.96**	**48.63**
Total Adjustments (E)	21.09	43.96	48.63
Tax on Adjustments (F=E*B)	5.31	11.06	12.24
Taxable Restated Profit (G=A+E)	**2,843.45**	**1,580.18**	**464.63**
Calculated tax liability on taxable profits (H=G*B)	**715.64**	**397.70**	**116.94**

Notes:

1. The timing differences have been computed based on the items considered in final / provisional return of income filed/to be filed for the tax year ending immediately after the respective accounting year as the accounting year followed is different from the tax year.

2. Statutory tax rate includes applicable surcharge, education cess and higher education cess of the year concerned.

3. The above statement should be read with the Annexure 5: Company Overview & Significant Accounting policies and explanatory notes to the Restated Ind AS Summary Statement, Annexure 6: Statement of Restated Adjustments to audited financial statements and Annexures 7-63 : Notes to Restated Ind AS Summary Statements.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization for the last 3 financial years, on the basis of amounts derived from our Restated Standalone Financial Information, and as adjusted for the Offer and on the basis of Certificate dated September 28, 2023 issued by our Statutory Auditor M/s Ashok Kumar Goyal & Co., Chartered Accountants. This table should be read in conjunction with the sections titled "Risk Factors", "Restated Standalone Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", on pages 29, 233 and 309, respectively.

(in Rs. Lacs)

Particulars	March31, 2021	March 31, 2022	March31, 2023	Adjusted for the Proposed Issue*
Total Borrowings:				
Non-current borrowings (A)	756.54	1424.35	1351.34	1351.34
Current Borrowing (B)	6,664.99	11,280.78	13,886.42	13,886.42
Total borrowings (C)	**7,421.53**	**12,705.13**	**15,237.76**	**15,237.76**
Shareholder's fund (Net worth):				
Equity share capital	1,418.30	1,418.30	1,418.30	*
Other equity	4,630.69	5,778.99	7,901.49	*
Total Shareholder's Fund (D)	**6,048.99**	**7,197.29**	**9,319.79**	*****
Ratio: Non-current Borrowings (including current maturities of borrowings) (A)/Total Equity (D)	0.125	0.198	0.145	*
Ratio: Total Borrowings (C)/Total Equity (D)	1.227	1.765	1.635	*

These amounts (as adjusted for issue) are not determinable at this stage pending the completion of the issue and hence the same have not been provided in the above statement.

Notes:

1. *Short-term borrowings are debts which are due for repayment within 12 months from reporting period.*
2. *Long-term borrowings are considered as borrowing other than short-term borrowing.*
3. *The amounts disclosed above are based on the Restated Summary Statements.*

OTHER FINANCIAL INFORMATION

The accounting ratios derived from our Restated Standalone Financial Information are given below, on the basis of Certificate dated September 28, 2023 issued by our Statutory Auditor M/s Ashok Kumar Goyal & Co., Chartered Accountants.

(Rs. in lacs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2023
Revenue from Operations	51,046.68	81,799.60	1,11,311.90
YoY growth in Revenue from Operations (%)	**N.A.**	**60.24%**	**36.08%**
Restated Profit for the period/ year (A) (Rs. in Lacs)	68.83	1,133.11	2,106.62
Weighted average number of shares considered for calculating basic EPS (B)	1,41,83,000	1,41,83,000	1,41,83,000
Weighted average number of shares considered for calculating diluted EPS (C)	1,41,83,000	1,41,83,000	1,41,83,000
Basic earnings per share (Rupees) (D) = (A)/(B)	**0.49**	**7.99**	**14.85**
Diluted earnings per share (Rupees)(E) = (A)/(C)	**0.49**	**7.99**	**14.85**
Total Equity excluding Non-Controlling Interest (A) (Rs. in Lacs)	**6,048.99**	**7,197.29**	**9,319.79**
Restated Profit for the period/ year (B) (Rs. in Lacs)	68.83	1,133.11	2,106.62
Return on net worth (C = B/A) (%)	**1.14%**	**15.74%**	**22.60%**
Total Equity excluding Non-Controlling Interest (A) (Rs. in Lacs)	**6,048.99**	**7,197.29**	**9,319.79**
Weighted average number of shares considered for calculating basic EPS (B)	1,41,83,000	1,41,83,000	1,41,83,000
Weighted average number of shares considered for calculating diluted EPS (C)	1,41,83,000	1,41,83,000	1,41,83,000
Net Asset Value per Equity Share (basic) (D = A/B) (in Rs.)	**42.65**	**50.75**	**65.71**
Net Asset Value per Equity Share (diluted) (E = A/C)	**42.65**	**50.75**	**65.71**
EBITDA	**1,991.75**	**3,018.11**	**4,684.44**
Adjusted EBITDA	**1,887.46**	**2,969.65**	**4,558.52**
Adjusted EBITDA Margin (%)	**3.70%**	**3.63%**	**4.10%**

1. *Revenue from operations is the revenue generated by us and is comprised of (as set out in the Restated Financial Information.*
2. *Year-on-year growth in revenue from operations based on Rs. revenue.*
3. *Profit for the period/year is our profit for the period/year as set out in the Restated Consolidated Financial Information.*
4. *Profit Margin for the period/year represents the profit for the period/year as a percentage of our revenue from operations.*
5. *EBITDA is calculated as profit before exceptional items and tax plus finance cost, depreciation and amortization expenses.*
6. *Adjusted EBITDA is calculated as EBITDA less other income.*
7. *Adjusted EBITDA Margin is the percentage of adjusted EBITDA divided by revenue from operations.*
8. *Basic EPS is calculated as profit for the year/period attributable to owners of our Company divided by the weighted average number of Equity Shares outstanding during the year/period.*
9. *Diluted EPS is calculated as profit for the year/period attributable to owners of our Company divided by the weighted average number of Equity Shares outstanding during the year/period and the weighted average number of Equity Shares that could have been issued upon conversion of all dilutive potential Equity Shares.*

10. *Return on Net Worth (%) =* Restated Profit for the period/ year *divided by the Net Worth at the end of the respective year/period attributable to the owners of our Company.*
11. *NAV per Equity Share (in Rs.) is computed as net worth at the end of the period/ year / weighted average number of equity shares outstanding at the end of the period/ year.*
12. *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 the 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.*

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of our Company for Financial Years 2023, 2022 and 2021 ("Audited Financial Statements") are available on our website at https://www.vstlindia.com/. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document or recommendation or solicitation to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Financial Statements should not be considered as part of information that any investor should consider when subscribing for or purchasing any securities of our Company and should not be relied upon or used as a basis for any investment decision. None of our Company or any of its advisors, nor BRLM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from reliance placed on any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as per the requirements under applicable Accounting Standards, *i.e.*, Ind AS 24 - Related Party Disclosures, read with the SEBI ICDR Regulations for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 and as reported in the Restated Consolidated Financial Information, see "*Related Party Disclosures*" on page 307.

FINANCIAL INDEBTEDNESS

Our Company has certain loans sanctioned in the ordinary course of its business for the purposes of meeting working capital requirements and capital expenditure requirements. Our Board is empowered to borrow monies as may be required for the purpose of the business of our Company, in accordance with Section 179 and Section 180 of the Companies Act and our Articles of Association.

The following table sets forth details of the aggregate outstanding borrowings of our Company, on a Standalone basis, as on March 31, 2023, on the basis of Certificate dated September 28, 2023 issued by our Statutory Auditor M/s Ashok Kumar Goyal & Co., Chartered Accountants.

Category of borrowing	Sanctioned Amount as on March 31, 2023 (Rs. in Lacs)	Outstanding amount as on March 31, 2023 (Rs. in Lacs)
Fund based limits	3,750.00	2,793.34
Channel Funding	5,250.00	5,249.00
Total Fund Based (A)	**9,000.00**	**8,042.34**
Non-fund based limits	-	-
Bank Guarantee	10,400.00	3,842.49
Letter of Credit		3,538.86
Total Non-fund based limits (B)	**10,400.00**	**7,381.35**
Total (A) + (B)	**19,350.00**	**15,423.69**

The Company has intimated lenders, to the extent required under the agreements entered into between us and such lender, in connection with the Offer and activities in connection thereof.

RESTATED STANDALONE STATEMENT OF FINANCIAL INDEBTEDNESS

(Rs. In Lakhs)

Sr. No	Lender Name	Whether Secured?	Repayment Schedule	O/s as on 31.03.2021	O/s as on 31.03.2022	O/s as on 31.03.2023
1	Sudha Apparels Limited	Unsecured	Repayable on demand	187.37	-	-
2	Mr. Vijay Kaushik	Unsecured	Repayable on demand	66.00	23.96	294.54
3	Vijay Kaushik HUF	Unsecured	Repayable on demand	68.30	66.00	-
4	Mr. Vibhor Kaushik	Unsecured	Repayable on demand	44.28	25.51	15.17
5	Vibhor Kaushik HUF	Unsecured	Repayable on demand	67.00	63.75	63.75
6	Mrs. Vijay Laxmi Kaushik	Unsecured	Repayable on demand	1.95	56.31	0.17
7	Mrs. Pratima Sandhir	Unsecured	Repayable on demand	9.34	22.00	-

RELATED PARTY TRANSACTIONS

(Rs. In Lakhs)

A. List of the related parties and nature of relationship with whom transactions have taken place during the respective year		
Description of Relationship		**Name of The Party**
(a)	**Key Managerial Personnel (KMP)**	Mr. Vijay Kaushik (Director)
		Mr. Vijay Laxmi Kaushik (Director)
		Mr. Pratima Sandhir (Director)
		Mr. Vibhor Kaushik (Director)
		Mr. Pankaj Kumar (Director)
		Mr. Anil Jain (Chief Financial Officer) ^
		Mrs. Aditi Shrenik Prasad (Company Secretary) *
		Mr. Nikunj Haresh Gatecha (Company Secretary) **
		Mr. Lovkesh Papneja (Company Secretary) ***
(b)	**Company/Firm which are directly controlled by directors**	Orbit Tubes
		Sudha Apparels Limited
		Vibhor Kaushik HUF
		Vijay Kaushik HUF

^ Appointed on Oct 1,2022

** From Nov 13,2019 to Jan 31,2021*

*** From July 13,2021 to June 26,2023*

**** Appointed on June 27,2023*

Apart from these, there is a common director in RN Securities Private Limited

B.	**Related Party Transactions and Balances**			(Rs. In Lakhs)
S. No.	**Particulars**	**Year ended March 31, 2023**	**Year ended March 31, 2022**	**Year ended March 31, 2021**
I.	***Transactions during the year***			
(i)	**Purchases and Job Work**			
	Orbit Tubes	870.40	-	-
(ii)	**Loan Taken**			
	Mr. Vijay Kaushik	828.47	13.32	160.00
	Mr. Vibhor Kaushik	172.15	52.47	64.28
	Mrs. Vijay Laxmi Kaushik	55.00	74.11	6.95
	Mrs. Pratima Sandhir	67.34	23.00	0.64
	Vijay Kaushik HUF	3.70	66.00	-
(iii)	**Repayment of Loan taken**			
	Mr. Vijay Kaushik	557.89	55.36	210.69
	Mr. Vibhor Kaushik	182.49	71.24	67.97
	Mrs. Vijay Laxmi Kaushik	111.14	19.75	37.80
	Mrs. Pratima Sandhir	80.00	1.00	7.66
	Vijay Kaushik HUF	69.70	68.30	0.00
	Vibhor Kaushik HUF	-	67.00	0.00

(iv)	**Salary paid**			
	Mr. Vijay Kaushik	162.00	162.00	120.00
	Mr. Vibhor Kaushik	192.00	192.00	120.00
	Mrs. Vijay Laxmi Kaushik	132.00	132.00	90.00
	Mrs. Pratima Sandhir	162.00	162.00	90.00
	Mr. Pankaj Kumar	6.84	5.44	4.45
	Mr. Anil Jain	6.95	-	-
	Mrs. Aditi Shrenik Prasad	-	-	2.00
	Mr. Nikunj Haresh Gatecha	1.80	1.28	-
	Mr. Lovkesh Papneja	-	-	-
II.	***Outstanding Payables***			
	Loan from Related parties			
	Sudha Apparels Limited	-	-	187.37
	Mr. Vijay Kaushik	294.54	23.96	66.00
	Vijay Kaushik HUF	-	66.00	68.30
	Mr. Vibhor Kaushik	15.17	25.51	44.28
	Vibhor Kaushik HUF	63.75	63.75	67.00
	Mrs. Vijay Laxmi Kaushik	0.17	56.31	1.95
	Mrs. Pratima Sandhir	9.34	22.00	0.00

MANAGEMENTS' DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations is based on, and should be read in conjunction with, our Restated Standalone Financial Statements (including the schedules, notes and significant accounting policies thereto), included in the section titled "Restated Standalone Financial Statements" beginning on page 233.

Our Restated Standalone Financial Statements have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note. Our financial statements are prepared in accordance with Ind AS, notified under the Companies (Indian Accounting Standards) Rules, 2015, and read with Section 133 of the Companies Act, 2013 to the extent applicable. Ind AS differs in certain material respects from IFRS and U.S. GAAP and other accounting principles with which prospective investors may be familiar. Accordingly, the degree to which the financial statements prepared in accordance with Ind AS included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS accounting policies. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial information included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial information to IFRS or U.S. GAAP. Any reliance by persons not familiar with Ind AS accounting policies on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Unless otherwise indicated or the context requires otherwise, the financial information for the Fiscals 2023, 2022 and 2021 included herein have been derived from our restated balance sheets as of March 31, 2023, March 31, 2022 and March 31, 2021 and restated standalone statements of profit and loss, cash flows and changes in equity for the for the fiscal years ended March 31, 2023, March 31, 2022 and March 31, 2021 of the Company, together with the statement of significant accounting policies, and other explanatory information thereon.

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from the report titled "Research report on Steel Tubes & Pipes Industry" dated September, 2023 prepared by CARE Advisory Research and Training Limited (the "CARE Report") and publicly available information as well as other industry publications and sources. The Report has been exclusively commissioned at the request of our Company and paid for by our Company for the purposes of this Issue and is available on the website of the Company at www.vstlindia.com.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal period are to the 12 months ended March 31 of that year. All references to a year are to that Fiscal Year, unless otherwise noted.

Some of the information contained in this section, including information with respect to our strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled "Forward Looking Statements" beginning on page 20 for a discussion of the risks and uncertainties related to those statements and also the section titled "Risk Factors" and "Our Business" beginning on pages 29 and 165, respectively, for a discussion of certain factors that may affect our business, results of operations and financial condition. The actual results of the Company may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise stated, references to "the Company", "our Company", "we", "us", and "our" are to EMS Limited.

Business Overview

Our Company was originally incorporated as 'Vibhor Steel Tubes Private Limited' a private limited company under the Companies Act, 1956 at, pursuant to a certificate of incorporation dated April 16, 2003 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Thereafter, our Company was converted from private to public company, pursuant to a special resolution passed by the shareholders of our Company on June 14, 2023 and a fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Delhi ("RoC") on July 07, 2023. For further details on the change in the name and the registered office of our Company, see "History and Certain Corporate Matters" beginning on page 193. Our Company's Corporate Identity Number is U27109HR2003PLC035091.

We have an in-house quality team comprising of 627 dedicated personnel working under the overall supervision of our board of directors in different locations. Our quality control team ensures that our raw materials as well as end products are tested on all quality parameters to ensure that we are compliant with the international product standards.

Our individual Promoters, Mr. Vijay Kaushik, Mr. Vibhor Kaushik and Mrs. Vijay Laxmi Kaushik are first generation entrepreneurs, and have an average experience of approximately thirty years in mild steel and stainless steel welded pipes and tubes industry in addition to expertise in marketing, procurement, finance, accounting and customer relationship management.

Product Offered:

- ERW Pipes.
- Hot Dipped Galvanized Pipes
- Hollow Section Pipes.
- SS Pipes
- Crash Barriers.

Financial KPIs of our Company

(Rs In Lakhs)

Key Financial Performance	For the year ended March 31st		
	2022-2023	**2021-2022**	**2020-2021**
Revenue from operations(1)	1,11,311.90	81,799.60	51,046.68
Total Income(2)	1,11,437.82	81,848.07	51,150.97
EBITDA(3)	4,684.44	3,018.11	1,991.75
EBITDA Margin(4)	4.21%	3.69%	3.90%
PAT	2,106.62	1,133.11	68.83
PAT Margin(5)	1.89%	1.39%	0.13%
Operating cash flow	702.73	-3,454.93	4,542.00
Net worth(6)	9,319.79	7,197.29	6,048.99
Net Debt(7)	12,682.52	10,606.57	5,874.40
Debt Equity Ratio(8)	1.63	1.77	1.23
ROCE (%)(9)	16.48%	12.09%	9.90%
ROE (%)(10)	25.51%	17.11%	1.14%

1) *Revenue from operation means revenue from sales and other operating revenues.*

2) *Total Income represents the total turnover of our business i.e., Revenue from Operations and Other Income, if any.*

3) *EBITDA means Profit before depreciation, finance cost, tax and amortization.*

4) *'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.*

5) *'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.*

6) *Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, capital reserve arising on consolidation, capital redemption reserve, write-back of depreciation and amalgamation.*

7) *Net debt = non-current borrowing + current borrowing – Cash and Cash Equivalent.*

8) *Debt equity ratio means ratio of total debt (long term plus short-term including current maturity of long-term debt) and Equity Share capital plus other equity.*

9) *Return on Capital Employed is ratio of EBIT and Capital Employed. Capital Employed is Total Shareholder's Equity, Non-Current Borrowing and Short-Term Borrowing.*

[10)] *Return on Equity is ratio of Profit after Tax and Average Shareholder Equity.*

Significant Developments Subsequent to the last financial year

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

1. Pursuant to a special resolution of our Shareholders at an EGM held on June 14, 2023, our Board is authorised to borrow monies from time to time in excess of aggregate of paid up share capital and free reserves (apart from temporary loans obtained/to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed Rs. 50,000.00 lakhs.
2. Pursuant to a special resolution of our Shareholders at an EGM held on June 14, 2023, our Board is authorised for the loans and investment by the Company in terms of the provisions of Section 186 of the Companies Act, 2013 for an amount not exceeding Rs. 10,000.00 Lakhs.
3. The Board of Directors have, pursuant to Section 42 read with Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on August 14, 2023, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
4. The registered office of our Company was changed from 2139/1553, Thandi Sarak, Hisar, Haryana-125001, India to Plot No. 2, Industrial Development Colony, Delhi Road, Hisar, Haryana-125005, India w.e.f. from August 17, 2023.
5. The shareholders of the Company have, pursuant to Section 42 read with Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra-ordinary General Meeting held on September 08, 2023 authorized the Issue.
6. Clause 1 of our Memorandum of Association was amended to reflect the change of name of our Company from 'Vibhor Steel Tubes Private Limited' to 'Vibhor Steel Tubes Limited', pursuant to conversion of our Company from private limited to public limited.
7. Clause 5 of our Memorandum of Association was amended to reflect the increase in authorised share capital of our Company vide shareholders resolution dated June 14, 2023. The authorised share capital was increased from Rs. 145,000,000 divided into 14,500,000 Equity shares of Rs. 10/- each to Rs. 200,000,000 divided into 20,000,000 Equity shares of Rs. 10/- each.
8. Mr. Vijay Kaushik, re-designated as Chairman cum Executive Director for a term of 5-year w. e. f. August 28, 2023.
9. Mr. Vibhor Kaushik, re-designated as Managing Director for a term of 5-year w. e. f. August 28, 2023.
10. Ms. Vijay Laxmi Kaushik, re-designated as Whole time Director for a term of 5-year w. e. f. August 28, 2023.
11. Ms. Pratima Sandhir, re-designated as Whole time Director for a term of 5-year w. e. f. August 28, 2023.
12. Appointment of Mr. Shiv Kumar Singhal, Mr. Sanjeev Gupta, Mr. Ashwani Kumar Garg and Mr. Vikram Grover as Independent Director w.e.f. August 14, 2023.
13. Appointment of Mr. Abhiram Tayal as Independent Director w.e.f. August 28, 2023.
14. Appointment of Mr. Anil Jain as Chief Financial Officer on June 27, 2023.
15. Resignation of Mr. Nikunj Haresh Gatecha as Company Secretary & Compliance Officer on June 27, 2023.
16. Appointment of Mr. Lovkesh as Company Secretary & Compliance Officer on June 27, 2023.
17. Constitution of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, IPO Committee, CSR Committee & Risk Management Committee on September 21, 2023.

Significant Factors Affecting our results of Operations

Our results of operations have been, and will continue to be, affected by a number of events and actions, some of which are beyond our control. However, there are some specific items that we believe have impacted our results of operations and, in some cases, will continue to impact our results. In this section, we discuss several factors that we believe have, or could have, an impact on these results. We are into B2B business wherein the demand for our products is directly dependent on the performance of the industries in which our products are utilised. The demand for our products is affected by various factors such as economic downturn, capex plan of the customers, prices of our raw materials, ability to deliver products with different specification etc.

We are into manufacturing of pipes/tubes of stainless steel and the basic raw material for the same is stainless steel coils & stainless-steel hollow pipes. Since the prices of stainless steel is dynamic in nature, any fluctuation in the prices will impact the pricing of our finished product. Because of the pent-up demand, the post lockdown period witnessed the steel demand outweighing the supply thus exerting pressure on production. With a mismatch in the demand for finished steel and its production, domestic manufacturers increased steel prices during the year. Also, with rising steel prices in the global market, Indian producers preferred to export their inventories thus leading to a greater deficit of raw material for the steel pipe and tube manufacturers. The continuation of such trend may impact demand of our product in future.

Some other factors are:

- Raw material costs
- Cost and availability of skilled/semi-skilled manpower.
- Expansion of production capacity

Impact of COVID-19

An outbreak of a novel strain of coronavirus disease 19 ("COVID-19"), was recognised as a pandemic by the World Health Organization ("WHO"), on March 11, 2020. In response to the COVID-19 outbreak, the governments of many countries, including India have taken preventive or protective actions, such as imposing country-wide lockdowns, restrictions on travel and business operations and advising or requiring individuals to limit their time outside of their homes. Temporary closures of businesses had been ordered and numerous other businesses have temporarily closed voluntarily. Further, individuals' ability to travel had been curtailed through mandated travel restrictions and was further limited. Post the national lockdown, many local governments also implemented further phase wise restrictions and lockdowns thus affecting the business as a whole. Due to a government mandated lockdown in India, we had to temporarily close our sites/ongoing projects from March 24, 2020 to May 11, 2020. Like any other business across the country, even our operations and revenue had an impact during the lockdown.

We resumed operations from May 11, 2020 in a staggered manner. Our effective support systems allowed us to commence our operations in a strong manner, despite the temporary disruption in our business due to the lockdown. The capabilities and depth of our management team along with the support from the government enabled us to restart the operations quickly post the restrictions were eased.

The macroeconomic environment and market conditions affecting the pipes industry in India

Our products are used for varied applications in (i) chemicals, (ii) engineering; (iii) fertilizers; (iv) pharmaceuticals, (v) power, (vi) food processing; (vii) paper; and (viii) oil and gas sector. The performance of these industries and sectors, and consequently the demand for our products in these sectors, are dependent on economic and other factors such as government policies, regulations and budgetary allocations as well as investments made in these industries and sectors. Our results of operations have been, and will continue to be, significantly affected by the macroeconomic environment in India.

SIGNIFICANT ACCOUNTING POLICIES

COMPANY OVERVIEW

Vibhor Steel Tubes Limited' was incorporated on April 16, 2003 with Registrar of Companies (ROC), Delhi under the provisions of Companies Act 1956 .Thereafter conversion of the Company from Private to Public

Company pursuant to a special resolution passed by the shareholders of our Company on June 14, 2023 and a fresh certificate of incorporation consequent to change of name from Vibhor Steel Tubes Private limited to Vibhor Steel Tubes Limited was issued by Registrar of Companies, Delhi on July 07, 2023 The Company's Corporate Identity Number is U27109HR2003PLC035091. The company is engaged in the business of manufacturing of ERW Pipes & Tubes, Galvanized Pipes & Tubes and Crash Barriers. The Registered office of company is situated at Plot No. 2, Industrial Development Colony, Delhi Road, Hisar Haryana-125005 India

BASIS OF PREPARATION

The Restated Financial statements (FS) of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

For all periods up to and including the year ended March 31, 2021, the company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements for the year ended March 31, 2023 are the first the company has prepared in accordance with Ind-AS.

The company has consistently applied the accounting policies used in the preparation of its opening IND-AS Balance Sheet at April 1, 2021 throughout all periods presented, as if these policies had always been in effect and are covered by IND AS 101 ''First-time adoption of Indian Accounting Standards''. The transition was carried out from accounting principles generally accepted in India (''Indian GAAP'') which is considered as the previous GAAP, as defined in IND AS 101. The reconciliation of effects of the transition from Indian GAAP on the equity as at April 1, 2021 and March 31, 2022 and on the net profit and cash flows for the year ended March 31, 2022 is disclosed in Annexure 38 to these financial statements.

STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

USE OF ESTIMATES

The preparation of the financial statements is in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates.

The estimates and underlying assumptions are reviewed on going concern basis.

Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period. If the revision affects both current and future period, the same is recognised accordingly.

SIGINIFICANT ACCOUNTING POLICIES

i) CURRENT V/S NON-CURRENT CLASSIFICATION

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Based on the nature of service and the time between rendering of services and their realization in cash and cash equivalents, 12 months has been considered by the company for the purpose of current / non-current classification of assets and liabilities.

ii) FUNCTIONAL AND PRESENTATION CURRENCY

Amounts in the financial statements are presented in Indian Rupee in lakhs rounded off to two decimal places as permitted by Schedule Ill to the Act.

iii) PROPERTY, PLANT AND EQUIPMENT (PPE):

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably PPE is stated at original cost net of tax/duty credits availed, if any less accumulated depreciation and cumulative impairment, if any All directly attributable costs related to the acquisition of PPE and, borrowing costs case of qualifying assets are capitalised in accordance with the Company's accounting policy.

Under the previous GAAP, property, plant and equipment were carried at historical cost less depreciation and impairment losses, if any. On transition to Ind AS, the company has availed the optional exemption under Ind AS 101 and accordingly it has used the carrying value as at the date of transitions as the deemed cost of the property, plant & equipment under Ind AS.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in Depreciation is recognised using written down value method so as to write off the cost of the assets (other than freehold land and capital work-in-progress) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

Depreciation on additions to deductions from, owned assets is calculated pro rata to the period of use.

PPE is de recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition is recognised in the Statement of Profit and Loss in the same period.

The estimated useful lives, residual values and depreciation method are reviewed at each financial year end and the effect of any change is accounted for on prospective basis.

The carrying amount of the all property, plant and equipment are derecognized on its disposal or when no future economic benefits are expected from its use or disposal and the gain or loss on de-recognition is recognized in the statement of profit & loss.

iv) FINANCIAL INSTRUMENTS-INITIAL RECOGNITION, SUBSEQUENT MEASUREMENT AND IMPAIRMENT

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

(f) Initial recognition and measurement:

All financial assets are recognised initially at fair value and, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial

(g) Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

: Financial assets at fair value

: Financial assets at amortised cost

(h) Classification:

The company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(i) Financial assets measured at amortised cost:

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely for payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the Statement of profit and loss. This category generally applies to trade and other receivables.

(j) Financial assets measured at fair value through other comprehensive income (FVTOCI):
Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

(f) Financial assets measured at fair value through profit or loss (FVTPL):

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

(j) Investment in Equity Instruments:

Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as FVTOCI. Fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to profit or loss.

(k) Derecognition of Financial assets:

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the company has transferred its rights to receive cash flows from the asset, if an entity transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it shall recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation shall be recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset shall be recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

(l) Impairment of Financial assets:

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments and trade receivables. For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition.

Financial Liabilities

(e) Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(f) Classification & Subsequent measurement:

If a financial instrument that was previously recognised as a financial asset is measured at fair value through profit or loss and its fair value decreases below zero, it is a financial liability measured in accordance with IND AS. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term.

The company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(g) Loans and Borrowings:

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. After initial recognition Gain and Liabilities held for Trading are recognised in statement of profit and Loss Account.

(h) Derecognition of Financial Liabilities:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis to realise the asset and settle the liability simultaneously.

Subsequent recoveries of amounts previously written off are credited to Other Income.

v) CASH AND CASH EQUIVALENTS

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

vi) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

(c) General

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, the amount of a provision shall be the present value of expense expected to be required to settle the obligation Provisions are therefore discounted, when effect is material, The discount rate shall be pre-tax rate that reflects current market assessment of time value of money and risk specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

(d) Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Annexures to the Financial Statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, Contingent assets are not recognised, but are disclosed in the notes. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

vii)SHARE CAPITAL AND SECURITIES PREMIUM

Ordinary shares are classified as Equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as securities premium.

viii) REVENUES

(c) Sale of products/goods

Revenue from sale of product/goods is recognized at the point in time when control of asset is transferred to the customer, generally on the delivery of the product/goods and there is no uncertainty in receiving the same and there is reasonable assurance that the Company will comply with the conditions attached to them.

The Company considers whether there are other promises in the contracts that are separate performance obligations to which a portion of the transaction price needs to be allocated. ln determining the transaction price for the sale of products/goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Variable consideration: lf the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Some contracts for the sale of Products/Goods provide customers with a right of return and volume rebates. The rights of return and volume rebates give rise to variable consideration.

Contract Balances: If an entity performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the entity shall present the contract as a contract asset, excluding any amounts presented as a receivable. A contract asset is an entity's right to consideration in exchange for goods or services that the entity has transferred to a customer. Similarly, an entity shall recognize contract liability when there is an entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or an amount of consideration is due) from the customer.

Trade credit: ln case of exceptional trade credit agreed with the customers which contain a significant financing component, the transaction price for such trade receivables are discounted, using the rate that would be reflected in a separate financing transaction between the Company and its customers at transaction inception, to take into consideration the significant financing component.

The Company identifies contract assets when the right to consideration in exchange for goods or services transferred to a customer is conditioned on something other than the passage of time and identifies contract liabilities when there is an obligation to transfer goods or services to a customer for which the Company has received consideration.

(d) Sale of services

Revenue from rendering of services is recognised over time as the customer receives the benefit of the Company's performance and the Company has an enforceable right to payment for services transferred.

(c) Other Income

- Interest income

Interest income is recognised on a time proportion basis.

ix) TAXATION

(c) Current tax

Current tax is expected tax payable on the taxable income for the year, using the tax rate enacted at the reporting date, and any adjustment to the tax payable in respect of the earlier periods.

Current tax assets and liabilities are offset where the company has legal enforceable right to offset and intends either to settle on net basis, or to realize the assets and settle the liability simultaneously.

(d) Deferred tax

Deferred tax is recognized for all taxable temporary differences and is calculated based on the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the assets can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(C) Current and Deferred Tax for the Year

Current and deferred tax are recognized in the statement of profit & loss, except when they relates to items that are recognized in other comprehensive income or directly in equity, in which case, the current tax and deferred tax is recognized directly in other comprehensive income or equity respectively.

x) EARNING PER SHARE

Basic Earnings Per Share is computed by dividing the net profit attributable to the equity shareholders of the company to the weighted average number of Shares outstanding during the period & Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders of the company after adjusting the effect of all dilutive potential equity shares that were outstanding during the period. The weighted average number of shares outstanding during the period includes the weighted average number of equity shares that could have issued upon conversion of all dilutive potential.

xi) COMMITMENTS

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

(iv) estimated amount of contracts remaining to be executed on capital account and not provided for

(v) uncalled liability on shares and other investments partly paid;

(vi) funding related commitment to subsidiary

xii)EMPLOYEE BENEFITS

The company provides for the various benefits plans to the employees. These are categorized into Defined Benefits Plans and Defined Contributions Plans. Defined contribution plans includes the amount paid by the company towards the liability for Provident fund to the employees provident fund organization and Employee State Insurance fund in respect of ESI and defined benefits plans includes the retirement benefits, such as gratuity.

a) In respect Defined Contribution Plans, contribution made to the specified fund based on the services rendered by the employees are charged to Statement of Profit & Loss in the year in which services are rendered by the employee.
b) Liability in respect of Defined Long Term benefit plan is determined at the present value of the amounts payable determined using actuarial valuation techniques performed by an independent actuarial at each balance sheet date using the projected unit credit methods. Re-measurement, comprising actuarial gain and losses, the effects of assets ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of Financial Position with a charge or credit recognized in other comprehensive income in the period in which they occur. Past Service cost is recognized in the statement of profit & loss in the period of plan amendment.
c) Liabilities for short term employee benefits are measured at undiscounted amount of the benefits expected to be paid and charged to Statement of Profit & Loss in the year in which the related service is rendered.

xiii) INVENTORIES

Raw materials, work in progress, stores, traded and finished goods

Inventories are valued at the lower of cost (First in First Out - FIFO basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes cost of purchase,all charges in bringing the goods to the point of sale, including indirect levies, transit insurance and receiving charges. Finished goods include appropriate proportion of overheads and, where applicable.

Rejection and scrap

Rejection and scrap are valued at net realisable value.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

ix) LEASES

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Short-term leases and leases of low-value assets

The Company has elected not to recognize right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

x) FOREIGN CURRENCY REINSTATEMENT AND TRANSLATION

c) Functional and presentation currency

Standalone financial statements have been presented in Indian Rupees (INR), which is the Company's functional and presentation currency.

d) Transactions and balances

Transactions in currencies other than the entity’s functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items are measured in terms of historical cost in foreign currencies and are therefore not retranslated.

xi) DERIVATIVE FINANCIAL INSTRUMENTS:

The Company uses derivative financial instruments, such as forward contracts to hedge its foreign currency exposure. The recognizing of the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

Fair value hedge

The Company designates derivative contracts or non-derivative financial assets/ liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortized to Statement of Profit and Loss over the period of maturity.

xii) BORROWING COSTS

c) Borrowing costs that are attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

d) All other borrowing costs are recognized as expense in the period in which they are incurred.

xii) FAIR VALUE MEASUREMENT

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

2.5) CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

In the process of applying the company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statement:

(v) Property, plant and equipment

On transition to Ind AS, the company has adopted optional exemption under IND AS 101 for fair valuation of property, plant and equipment. and investment properties.The company appointed external adviser to assess the fair value, remaining useful lives and residual value of property, plant and equipment. Management believes that the assigned fair value, useful lives and residual value are reasonable.

(vi) Income Taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

(vii) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/ litigations against the company as it is not possible to predict the outcome of pending matters with accuracy.

(viii) Allowance for uncollectable accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

2.6) STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1, Presentation of Financial Statements – This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors – This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

Ind AS 12, Income Taxes – This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The
date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted.

PRINCIPAL COMPONENTS OF STATEMENT OF PROFIT AND LOSS

Set forth below are the principal components of statement of profit and loss from our continuing operations:

Income

Our total income comprises revenue from operations & other income as mentioned below:

Revenue from Operations

Our revenue from operations primarily includes income from domestic sale & export sale and job work charges.

Other Income

Other income includes mainly interest income on FDR’s and other deposits.

Expenses

Our total expenses include the below mentioned expenses:

Cost of Material Consumed

Cost of material consumed is the aggregate of our cost of raw materials consumed which includes additional purchases and change in inventory of raw materials.

Changes in Inventories of finished goods

Changes in inventories of finished goods denote increase/ decrease in inventories of finished goods between opening and closing dates of a reporting period.

Employee benefit expenses

Employee benefit expenses primarily include (i) salaries and wages, (ii) director remuneration, (iii) bonus & incentive, (iv) contributions to ESI, PFI and other funds, (v) gratuity, (vi) staff welfare expenses and (vii) leave encashment.

Finance Cost

Our finance costs primarily include interest, other borrowing cost and bank charges.

Depreciation and Amortization Expense

Depreciation expenses primarily include (i) depreciation expenses on our property, plant and equipment including buildings, plant & machinery, electrical installations, office equipments, computers, furniture’s & fixtures and vehicles; and (ii) amortization expenses include amortization of softwares.

Other Expenses

Other expenses include Consumption of Spares and Stores, Import/Export expenses, Power & Fuel, Erection & Commissioning Charges, Freight onwards, Testing Charges, Loading & Unloading, Job Work Charges, Repair & Maintenance (Machinery), Labour Charges, Hiring of Equipment & Machinery, Freight & Transportation, Rent, Travelling & Conveyance, Hiring of Vehicles, Fee Rates & Taxes, Insurance, Auditors' Remuneration, Legal & Professional and CSR Expenses etc.

Tax Expense

Our tax expenses primarily include current tax, deferred tax and adjustment for tax of earlier years.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in our accounting policies during Fiscal 2023, 2022 and 2021 except Company have adopted IND AS in FY 2022-23.

NON-GAAP MEASURES

EBITDA and EBITDA Margin, (together, "Non-GAAP Measures"), presented in this Draft Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, IFRS or US GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, IFRS or US GAAP.

In addition, these Non-GAAP Measures are not standardised terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance.

Reconciliation of Total Comprehensive Income

(Rs. In Lakhs)

Sr. No.	Particulars	Note	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2021
I)	**Net Profit attributable to equity shareholders (as per audited financial statements) (A)**		2091.41	1100.85	287.12
II)	**IND AS Adjustments:**				
	(i) Reversal of sales as per Ind AS 115	1	140.89	(75.72)	(65.17)
	(ii) Revaluation of forward contracts at fair value	2	10.16	(19.64)	8.31
	(iii) Recognition of closing stock and opening stock on sales reversed	1	(107.03)	52.31	54.73
	(iv) Recognition of interest and processing charges of term loans	3	(0.71)	-	-
	Total (B)		**43.31**	**(43.05)**	**(2.13)**
III)	**Material Restatement Adjustments**				
	(i) Provision for Gratuity Expense	4	(30.04)	(24.52)	(85.82)
	(ii) Actuarial (Gain)/ Loss on Defined Benefit Plan	4	15.88	15.18	-
	(iii) Prior Period Expenses (Deferred Tax)	5	2.46	145.49	(176.00)
	(iv) Reversal of excess tax provision	6	-	(45.66)	45.66
	(v) Rent expense classfied as security deposit	7	(0.51)	0.00	0.00
	Total (C)		**(12.22)**	**90.49**	**(216.16)**
IV)	**Restated Total Comprehensive Income attributable to equity holders of the**		**2122.50**	**1148.29**	**68.83**

	company as per Restated Statement of Profit and Loss (A+B+C)				

Reconciliation of effective tax rate

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax	2,822.36	1,536.22	-
Applicable tax rate	25.17%	25.17%	
Computed tax expenses	710.33	386.64	
Tax effect of:			
Taxable income	1.86	15.38	
Expenses disallowed	5.31	11.06	
Other Allowances	(10.06)	-	
Interest on Income Tax	15.69	7.26	
Current tax provision (A)	**723.13**	**420.34**	
Incremental deferred tax liability on account of property, plant and equipment	(4.93)	(11.06)	
Incremental deferred tax liability/(asset) on account of financial assets and other items	(2.46)	(6.17)	
Change in deferred tax (B)	**(7.39)**	**(17.24)**	

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Tax expense recognized in statement of Profit or Loss (A+B)	**715.74**	**403.11**	-
Effective tax rate	**25.36%**	**26.24%**	-
*The company has opted for new tax regime under Section 115BAA from FY 2020-21.			

Balance sheet reconciliation as on April 1,2021

(Rs. In Lakhs)

Particulars	Notes to Reconciliation	Regrouped IGAAP	IND AS Adjustments	IND AS
(A) ASSETS				
Non-current Assets				
(a) Property, Plant and Equipment		5202.75	-	5202.75
(b) Financial Assets			-	
(i) Others		64.48	-	64.48
(c) Other Non Current Assets		35.83	-	35.83
Total non-current assets(A)		**5303.07**	**-**	**5303.07**
			-	
(B) Current Assets			-	
(a) Inventories	1	5050.96	54.73	5105.69
(b) Financial Assets			-	
(i) Trade receivables	1	3993.40	-65.17	3928.24
(ii) Cash and cash equivalent		581.46	-	581.46

(iii) Bank Balances other than Cash and Cash Equivalents		965.67	-	965.67
(iv) Others		785.26	-	785.26
(c) Current Tax Assets(Net)		0.00	44.87	44.87
(d) Other current assets	2	570.81	8.31	579.12
Total Current assets(B)		**11947.57**	**42.73**	**11990.30**
TOTAL ASSETS(A+B)		**17250.64**	**42.73**	**17293.37**
			-	
EQUITY AND LIABILITIES			-	
(A) Equity			-	
(a) Equity share capital		1418.30	-	1418.30
(b) Other equity		4848.99	-218.30	4630.69
Total equity(A)		**6267.29**	**-218.30**	**6048.99**
			-	
Liabilities			-	
(B) Non-current liabilities			-	
(a) Financial liabilities			-	
(i) Borrowings		756.54	-	756.54
(b) Long term provisions	3	-	80.78	80.78
(c) Deferred tax liabilities (Net)	4	-	176.00	176.00
Total non-current liabilities(B)		**756.54**	**256.78**	**1013.32**
			-	
(C) Current liabilities			-	
(a) Financial liabilities			-	
(i) Borrowings	5	6664.99	0.00	6664.99
(ii) Trade Payables			-	
(A) total outstanding dues of micro enterprises and small enterprises; and			-	
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		3291.21	-	3291.21
(iii) Other Financial Liabilities		108.11	-	108.11
(b) Other current liabilities		161.70	-	161.70
(c) Short term provisions	3	-	5.04	5.04
(d) Liabilities for current tax (Net)		0.79	-0.79	0.00
Total current liabilities(C)		**10226.80**	**4.25**	**10,231.05**
Total liabilities(B+C)		**10983.35**	**261.03**	**11244.37**
TOTAL EQUITY AND LIABILITIES(A+B+C)		**17250.64**	**42.73**	**17,293.37**

STATEMENT OF CHANGE IN EQUITY AS AT APRIL 1, 2021

A. EQUITY SHARE CAPITAL

(Rs. In Lakhs)

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
1,418.30	-	1,418.30

B. OTHER EQUITY

(Rs. In Lakhs)

Particulars	Retained Earning	Other Comprehensive Income	Total other Equity
Balance at the beginning of the year	**4,848.99**	0.00	**4,848.99**
Changes on account of reversal of sales as per Ind AS 115	-65.17	0.00	-65.17
Changes on account of Hedge Instrument	8.31	0.00	8.31
Changes on account of recognition of remeasurement of Defined Benefit Obligation	-85.82	0.00	-85.82
Changes on account of recognition of Deferred Tax Expense	-176.00	0.00	-176.00
Changes on account of reversal of excess of income tax provision recognized	45.65		45.65
Balance at the end of the reporting period	**4,575.96**	**0.00**	**4,575.96**

Principal Difference Between Ind AS and Indian GAAP

Measurement and recognition difference for year ended April 1, 2021

1. Financial Instrument

Trade Receivables

Under Indian GAAP, export sales made were recognized in books of account on invoicing basis.
Under IND AS; sales have been recognized as per the criteria defined under Ind AS 115 and sales for which the LEO date is after 31st March is being reversed and recognized in next financial year.

2. Other Current Assets

Under Indian GAAP, Forward Contract revalued using Spot rate as at Balance Sheet date. Forward contracts outstanding at the year end has been revalued as per fair value hedge as defined in Ind AS 109

3. Remeasurement of Defined Benefit Obligation

Re-measurement of the defined benefit plans were not recognized earlier which has now been recognized as a part of employee benefit expenses in profit or loss account.

4. Deferred Tax

The company has not accounted for deferred tax earlier which has been recognized now on the various temporary taxable differences for which adjustments between Indian GAP and Ind AS at the tax rate at which they are expected to be reversed.

Balance sheet reconciliation as on March 31, 2022

(Rs. In Lakhs)

Particulars	Notes to Reconci liation	Regrouped IGAAP	IND AS Adjustments	IND AS
(A) ASSETS				
Non-current Assets				
(a) Property, Plant and Equipment		4986.01	-	4986.01

(b) Financial Assets				
(i) Others		50.98	-	50.98
(c) Other Non Current Assets		141.88	-	141.88
Total non-current assets(A)		**5178.87**		**5178.89**
(B) Current Assets				
(a) Inventories	1	10014.08	107.03	10121.11
(b) Financial Assets				
(i) Trade receivables	1	4622.01	-140.89	4481.12
(ii) Cash and cash equivalent		1258.10	-	1258.10
(iii) Bank Balances other than Cash and Cash Equivalents		840.46	-	840.46
(iv) Others		612.61	-	612.60
(d) Other current assets		2361.28	-	2361.27
Total Current assets(B)		**19708.54**		**19674.67**
TOTAL ASSETS(A+B)		**24887.41**	**-33.85**	**24853.56**
EQUITY AND LIABILITIES				
(A) Equity				
(a) Equity share capital		1418.30	-	1418.30
(b) Other equity		5949.84	-170.86	5778.99
Total equity(A)		**7368.14**	**-170.86**	**7197.29**
Liabilities				
(B) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	5	1423.65	0.70	1424.35
(b) Long term provisions	2		83.64	83.64
(c) Deferred tax liabilities (Net)	3	128.25	35.62	163.87
Total non-current liabilities(B)		**1551.90**	**119.96**	**1671.86**
(C) Current liabilities				
(a) Financial liabilities				
(i) Borrowings		11280.78	0.00	11280.78
(ii) Trade Payables				
(A) total outstanding dues of micro enterprises and small enterprises; and				
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		4264.64	-	4264.64
(iii) Other Financial Liabilities		172.72	-	172.72
(b) Other current liabilities	4	208.16	11.33	219.49
(c) Short term provisions	2	-	6.42	6.42
(d) Liabilities for current tax (Net)		40.36	-	40.36
Total current liabilities(C)		**15966.66**	**17.75**	**15984.41**
Total liabilities(B+C)		**17518.56**	**137.71**	**17,656.27**
TOTAL EQUITY AND LIABILITIES(A+B+C)		**24886.70**	**-33.15**	**24,853.56**

STATEMENT OF CHANGE IN EQUITY AS AT MARCH 31, 2022

A. EQUITY SHARE CAPITAL

(Rs. In Lakhs)

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
1,418.30	-	1,418.30

B. OTHER EQUITY

(Rs. In Lakhs)

Particulars	Retained Earning	Other Comprehensive Income	Total other Equity
Balance at the beginning of the year	**5,949.84**	0.00	**5,949.84**
Changes on account of reversal of sales as per Ind AS 115	-33.85	0.00	**-33.85**
Changes on account of Hedge Instrument	-11.33	0.00	**-11.33**
Changes on account of recognition of remeasurement of Defined Benefit Obligation	-105.24	15.18	**-90.06**
Changes on account of Deferred Tax Expense	-35.62	0.00	**-35.62**
Balance at the end of the reporting period	**5,763.80**	**15.18**	**5,778.98**

Principal Difference Between Ind As and Indian GAAP

Measurement and recognition difference for year ended March 31, 2022

1. Inventories/Financial Instrument

Trade Receivables

Under Indian GAAP, export sales made were recognized in books of account on invoicing basis.

Under IND AS; sales has been recognized as per the criteria defined under Ind AS 115 and sales for which the LEO date is after 31st March is being reversed and recognized in next financial year. Similarly, sales reversed in last year has been recognized.

2. Remeasurement of Defined Benefit Obligation

Re-measurement of the defined benefit plans were not recognized earlier which has now been recognized as a part of employee benefit expenses in profit or loss account.

3. Deferred Tax

The company has accounted for deferred tax on the various adjustments between Indian GAP and IND AS at the tax rate at which they are expected to be reversed.

4. Other Current Liabilities

Under Indian GAAP, Forward Contract revalued using Spot rate as at Balance Sheet date. Forward contracts outstanding at the year end has been revalued as per fair value hedge as defined in Ind AS 109

5. Borrowings

Vehicle term loans has been recognized at Amortized Cost as per Ind AS 109.

Reconciliations of statement of profit and loss for the year ended March 31,2022

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2022	IND AS Adjustments	IND AS	Remarks
Income				
Revenue from operations	81,826.93	(27.33)	81,799.60	Sales revaluation at RBI rate and reversal of sales whose LEO date is after Ind AS 115
Other income	116.49	(68.03)	48.46	Sales revaluation loss and valuation of outstanding forward contracts at fair value
Total Income	**81,943.42**	**(95.36)**	**81,848.07**	
Expenses:				
Cost of Raw material consumed	75,177.24	-	75,177.24	
Changes in inventories of finished goods	(615.34)	(52.31)	(667.64)	Closing stock of sales reversed
Employee benefit expenses	1,473.08	24.52	1,497.60	Recognition of remeasurement of defined benefit obligation
Finance costs	869.80	-	869.80	
Depreciation and Amortization	612.09	-	612.09	
Other expenses	2,822.77	-	2,822.77	
Total expenses	**80,339.64**	**-27.79**	**80,311.85**	
Profit/(Loss) before tax and exceptional item	1,603.79	(67.57)	1,536.22	
Exceptional items	-	-		
Profit before Tax	**1,603.79**	**(67.57)**	**1,536.22**	
Tax expense:				
Income Tax	374.68	45.66	420.34	Excess income tax provision made last year reversed in 2021
Deferred tax	128.25	(145.49)	(17.24)	Temporary differences reversed
Total Tax Expense	**502.94**	**(99.83)**	**403.11**	
Profit/(Loss) for the period	**1,100.85**	**32.26**	**1,133.11**	

	-	-	-	
Other Comprehensive Income (OCI)				
(a) Items that will not to be reclassified to profit and loss:				
(i) Remeasurement gain/ (loss) on defined benefit obligation	-	20.28	20.28	Recognition of remeasurement of defined benefit obligation
(ii) Income Tax relating to items that will not be reclassified to profit and loss	-	(5.11)	(5.11)	
Total Comprehensive Income for the period	**-**	**15.18**	**15.18**	

Results of Operations based on Restated Standalone Financial Statement

The following table sets forth select financial data from our restated statement of profit and loss & the components of which are also expressed as a percentage of total income.

(Rs. in Lakhs)

Particulars	**For the year ended 31st March 2023**	**% of Total Income**	**For the year ended 31st March 2022**	**% of Total Income**	**For the year ended 31st March 2021**	**% of Total Income**
Revenue:						
I. Revenue from Operations (Net)	1,11,311.90	99.89%	81,799.60	99.94%	51,046.68	99.80%
II. Other income	125.92	0.11%	48.46	0.06%	104.29	0.20%
III. Total revenue (I+II)	**1,11,437.82**	**100.00%**	**81,848.07**	**100.00%**	**51,150.97**	**100.00%**
IV. Expenses:						
Cost of Raw material consumed	1,06,510.20	95.58%	75,177.24	91.85%	41,734.66	81.59%
Changes in inventories of finished goods	-5,225.42	-4.69%	-667.64	-0.82%	3,633.04	7.10%
Employee benefit expenses	1,751.66	1.57%	1,497.60	1.83%	1,361.40	2.66%
Finance costs	1,225.57	1.10%	869.8	1.06%	917.29	1.79%
Depreciation and Amortization	636.51	0.57%	612.09	0.75%	658.46	1.29%
Other expenses	3,716.94	3.34%	2,822.77	3.45%	2,430.12	4.75%
Total Expenses (IV)	**1,08,615.46**	**97.47%**	**80,311.85**	**98.12%**	**50,734.97**	**99.19%**
Restated Profit before Taxes (V)=(III)-(IV)	**2,822.36**	**2.53%**	**1,536.22**	**1.88%**	**416**	**0.81%**
VI. Tax Expense						
(a) Current Tax	723.13	0.65%	420.34	0.51%	171.17	0.33%
(b) Deferred taxes expense/(credit)	-7.39	-0.01%	-17.24	-0.02%	176	0.34%

Restated Profit for the period/ year (VII)= (V)-(VI)	**2,106.62**	**1.89%**	**1,133.11**	**1.38%**	**68.83**	**0.13%**
VIII. Other Comprehensive Income (OCI)						
(a) Items that will not to be reclassified to profit and loss:						
(i) Remeasurement gain/ (loss) on defined benefit obligation	14.39	0.01%	20.28	0.02%	-	
(ii) Income Tax relating to items that will not be reclassified to profit and loss	1.48	0.00%	-5.11	-0.01%	-	
Restated Total Comprehensive Income for the period (IX) (VII+VIII)	**2,122.50**	**1.90%**	**1,148.30**	**1.40%**	**68.83**	**0.13%**

FISCAL 2023 COMPARED TO FISCAL 2022

Income

The table below sets forth details in relation to our revenue for Fiscal 2023 and Fiscal 2022:

Particulars	Fiscal 2023 (In Lakhs)	Fiscal 2022 (In Lakhs)	% Increase/(decrease)
Revenue from Operations	1,11,311.90	81,799.60	36.08%
Other Income	125.92	48.46	159.84%
Total Revenue	**1,11,437.82**	**81,848.07**	**36.15%**

Our revenue from operations increased by Rs. 29,512.30 lakhs or 36.08% to Rs. 1,11,311.90 lakhs for Fiscal 2023 as compared to Rs. 81,799.60 lakhs for Fiscal 2022. This increase in revenue from operations was primarily due to increase in sale of domestic market. Our domestic has increased by Rs. 30,620.60 Lakhs or 39.37% to Rs. 1,08,406.59 Lakhs from Rs. 77,785.99 lakhs in Fiscal 2022.

The domestic sales have increased due to the full recovery of Covid-19 in the fiscal 2023, our actual production has also increased by 50,433.26 MTPA or 46.70% to 158417.49 MTPL in fiscal 2023 from 107984.23 MTPA in fiscal 2022.

Other income also increased by Rs. 77.46 lakhs or 159.84% to Rs. 125.92 lakhs for Fiscal 2023 compared to Rs. 48.46 lakhs for Fiscal 2022. This increase in other income was primarily due to increase in interest income earned on deposits/FDRs, the interest income increased by Rs. 38.15 Lakhs by 48.28% to Rs. 117.16 Lakhs for Fiscal 2023 compared to Rs. 79.01 Lakhs for Fiscal 2022.

Expenses

The table below sets forth details in relation to our total expenses for Fiscal 2023 compared to our total expenses for Fiscal 2022:

Particulars	Fiscal 2023 (In Lakhs)	Fiscal 2022 (In Lakhs)	% Increase/(decrease)
Cost of Raw material consumed	1,06,510.20	75,177.24	41.68%
Changes in inventories of finished goods	(5,225.42)	(667.64)	682.67%
Employee benefit expenses	1,751.66	1,497.60	16.96%
Finance costs	1,225.57	869.80	40.90%
Depreciation and Amortization	636.51	612.09	3.99%

Other expenses	3,716.94	2,822.77	31.68%
Total Expenses	**1,08,615.46**	**80,311.85**	**35.24%**

Our total expenses increased by Rs. 28,303.61 lakhs or 35.24% to Rs. 1,08,615.46 lakhs for Fiscal 2023 compared to Rs. 80,311.85 lakhs for Fiscal 2022.

This was primarily attributable to:

Cost of Material Consumed

The table below sets forth details in relation to our cost of material consumed for the periods indicated below:

Particulars	Fiscal 2023 (In Lakhs)	Fiscal 2022 (In Lakhs)	% Increase/ (decrease)
Inventory of raw material at the beginning of the year	6,268.74	1,979.42	216.70%
Add: Purchases (after adjusting discount received)	1,03,157.16	79,466.56	29.81%
Less: Inventory at the end of the year	2,915.70	6,268.74	-53.49%
Cost of Material Consumed	**1,06,510.20**	**75,177.24**	**41.68%**

Our cost of material consumed increased by Rs. 31,332.96 lakhs or 41.68% to Rs. 1,06,510.20 lakhs for Fiscal 2023 compared to Rs. 75,177.24 lakhs for Fiscal 2022. This increase was primarily due to increase in production as well as prices of raw material.

Change in inventories of finished goods

The table below sets forth details in relation to changes in inventories for the periods indicated below:

Particulars	Fiscal 2023 (In Lakhs)	Fiscal 2022 (In Lakhs)	% Increase/ (decrease)
As at the end of the reporting period/year			
Finished Goods	8,898.85	3,673.43	142.25%
(A)	8,898.85	3,673.43	142.25%
As at the beginning of the reporting period/year			
Finished Goods	3,673.43	3,005.79	22.21%
(B)	3,673.43	3,005.79	22.21%
Total (B-A)	(5,225.42)	(667.64)	**682.67%**

Our inventory level for finished goods in Fiscal 2023 had increased by Rs. 5,225.42 lakhs i.e. from Rs. 8,898.85 lakhs in Fiscal 2023 to Rs. 3,673.43 lakhs in Fiscal 2022. The increase in inventory of finished goods are in line with increase turnover in the Fiscal 2022.

Employee benefits expense

Our employee benefits expense increased by Rs. 254.06 lakhs or 16.96% to Rs. 1,751.66 lakhs for Fiscal 2023 from Rs. 1,497.60 lakhs for Fiscal 2022. The increase primary due to increase in salary and wages and increase in the number of employees, increase in directors’ remunerations and staff welfare expenses. Further, as a percentage of our revenue from operation, the cost of employee benefit expenses has decreased to 1.57% in Fiscal 2023 from 1.83% in Fiscal 2022.

Finance costs

The table below sets forth details in relation our finance cost for the periods indicated below:

Particulars	Fiscal 2023 (In Lakhs)	Fiscal 2022 (In Lakhs)	% Increase/(decrease)
Interest paid	834.85	560.39	48.98%
Interest on Unsecured Loans	92.37	96.57	(4.35)%
Other Financial charges	298.35	212.83	40.18%
Finance cost	**1,225.57**	**869.80**	**40.90%**

Our finance costs increased by Rs. 355.77 lakhs or 40.90% to Rs. 1,225.57 lakhs for Fiscal 2023 compared to Rs. 869.80 lakhs for Fiscal 2022. This decrease was primarily due to increase in other finance charges/cost incurred by the Company. Our short time borrowings also increased by Rs. 2,605.64 Lakhs from Rs. 11,280.78 Lakhs in Fiscal 2022 to Rs. 13,886.42 Lakhs in Fiscal 2023.

Depreciation and Amortisation Expense

Our depreciation and amortisation expense increased by Rs. 24.42 lakhs or 3.99% to Rs. 636.51 lakhs for Fiscal 2023 compared to Rs. 612.09 lakhs for Fiscal 2022. This increase was due to purchase of plant & office equipment's.

Other expenses

The table below sets forth details in relation Other Expenses for the periods indicated below:

Particulars	Fiscal 2023 (In Lakhs)	Fiscal 2022 (In Lakhs)	% Increase/(decrease)
Advertisement & Business Promotion Expenses	91.67	89.38	2.56%
Consumption of Spares and Stores	1,761.82	1,109.35	58.82%
Travelling & Conveyance Expenses	99.93	18.38	443.69%
Loading & unloading expenses	120.41	90.62	32.87%
Repairs & Maintenance Expense	102.64	80.26	27.88%
Miscellaneous Expenses	23.25	5.30	338.68%
Insurance	11.82	12.36	-4.37%
Legal and Professional charges	35.83	77.62	-53.84%
Power & Fuel	838.32	533.88	57.02%
Printing and Stationery	3.14	3.01	4.32%
Rent paid	47.79	34.72	37.64%
Rates, Fees & Taxes	125.28	101.66	23.23%
Testing and Calibration Expenses	8.43	10.18	-17.19%
Vehicle Running and Maintenance Expenses	29.31	17.03	72.11%
Payment to Auditors	0.90	0.90	0.00%
Telephone, Internet & Postage Expenses	4.40	4.30	2.33%
Freight Outward	240.58	509.49	-52.78%
Import / Export Expenses	89.73	80.28	11.77%
Corporate Social Responsibility Expenses	42.50	22.39	89.82%
Wastage & Disposal Expenses	39.19	21.67	80.85%
Total	**3,716.94**	**2,822.77**	**31.68%**

Our other expenses increased by Rs. 894.17 lakhs or 31.68% to Rs. 3,716.94 lakhs for Fiscal 2023 as compared to Rs. 2,822.77 lakhs for Fiscal 2022. This increase was primarily due to increase in Consumption of Spares and Stores, power & fuel, rent, rates & taxes expenses, which was increased due to increase in operations during the year. Further, as a percentage of our revenue from operation, the other expenses also decreased to 3.34% in Fiscal 2023 from 3.45% in Fiscal 2022.

EBITDA

For the reasons described above, our EBITDA increased by Rs. 1,666.33 lakhs, or 55.21%, to Rs. 4,684.44 lakhs for Fiscal 2023 from Rs. 3,018.11 lakhs for Fiscal 2022.

Restated Profit before Tax

As a result of the foregoing factors, our profit before tax increased by Rs. 1,286.14 lakhs or 83.72% to Rs. 2,822.36 lakhs for Fiscal 2023 as compared to Rs. 1,536.22 lakhs for Fiscal 2022. This increase was on account of increased production, higher operations and better realizations.

Tax Expenses

Our tax expenses increased by Rs. 312.64 lakhs or 77.56% to Rs. 715.74 lakhs for Fiscal 2023 compared to Rs. 403.10 lakhs for Fiscal 2022. The increase in tax expenses during Fiscal 2023 is mainly on account of increase in current tax by Rs. 302.79 lakhs, or 72.03%, to Rs. 723.13 lakhs for Fiscal 2023 from Rs. 420.34 lakhs for Fiscal 2022. The increase in current tax was primarily on account of increase in taxable income for Fiscal 2023.

Restated Profit for the Year

As a result of the foregoing factors, our profit for the year increased by Rs. 973.50 lakhs or 85.91% to Rs. 2,106.62 lakhs for Fiscal 2023 compared to Rs. 1,133.12 lakhs for Fiscal 2022.

FISCAL 2022 COMPARED TO FISCAL 2021

Income

The table below sets forth details in relation to our revenue for Fiscal 2022 and Fiscal 2021:

Particulars	Fiscal 2022 (In Lakhs)	Fiscal 2021 (In Lakhs)	% Increase/(decrease)
Revenue from Operations	81,799.60	51,046.68	60.24%
Other Income	48.46	104.29	(53.53)%
Total Revenue	**81,848.07**	**51,150.97**	**60.01%**

Our revenue from operations increased by Rs. 30,752.92 lakhs or 60.24% to Rs. 81,799.60 lakhs for Fiscal 2022 as compared to Rs. 51,046.68 lakhs for Fiscal 2021. This increase in revenue from operations was primarily due to increase mainly in:

Particulars	Fiscal 2022 (In Lakhs)	Fiscal 2021 (In Lakhs)	% Increase/(decrease)
Domestic Sale	77,785.99	48,687.80	59.76%
Export Sale	3,160.25	1,855.22	70.34%
Job Work charges	815.83	441.03	84.98%
Total	**81,762.07**	**50,984.05**	**60.37%**

Our actual production has increased by 15,555.10 MTPA or 16.83% to 1,07,984.23 MTPL in fiscal 2022 from 92,429.13 MTPA in fiscal 2021.

Other income decreased by Rs. 55.82 lakhs or 53.53% to Rs. 48.46 lakhs for Fiscal 2022 compared to Rs. 104.29 lakhs for Fiscal 2021. This decrease in other income was primarily due to decrease in Interest for delayed payment made by customers and Foreign Exchange Fluctuation (Net), Company incurred Foreign Exchange Fluctuation loss of Rs. 32.01 lakhs in fiscal 2022 from the gain of Rs. 21.61 Lakhs in fiscal 2021.

Expenses

The table below sets forth details in relation to our total expenses for Fiscal 2022 compared to our total expenses for Fiscal 2021:

Particulars	Fiscal 2022 (In Lakhs)	Fiscal 2021 (In Lakhs)	% Increase/(decrease)
Cost of Raw material consumed	75,177.24	41,734.66	80.13%
Changes in inventories of finished goods	(667.64)	3,633.04	-118.38%
Employee benefit expenses	1,497.60	1,361.40	10.00%
Finance costs	869.80	917.29	-5.18%
Depreciation and Amortization	612.09	658.46	-7.04%
Other expenses	2,822.77	2,430.12	16.16%
Total Expenses	**80,311.85**	**50,734.97**	**58.30%**

Our total expenses increased by Rs. 29,576.88 lakhs or 58.30% to Rs. 80,311.85 lakhs for Fiscal 2022 compared to Rs. 50,734.97 lakhs for Fiscal 2021.

This was primarily attributable to:

Cost of Material Consumed

The table below sets forth details in relation to our cost of material consumed for the periods indicated below:

Particulars	Fiscal 2022 (In Lakhs)	Fiscal 2021 (In Lakhs)	% Increase/ (decrease)
Inventory of raw material at the beginning of the year	1,979.42	1,548.51	27.83%
Add: Purchases (after adjusting discount received)	79,466.56	42,165.58	88.46%
Less: Inventory at the end of the year	6,268.74	1,979.42	216.70%
Cost of Material Consumed	**75,177.24**	**41,734.66**	**80.13%**

Our cost of material consumed increased by Rs. 33,442.58 lakhs or 80.13% to Rs. 75,177.24 lakhs for Fiscal 2022 compared to Rs. 41,734.66 lakhs for Fiscal 2021. This increase was primarily due to increase in domestic & export sales by 59.76% & 70.34% respectively in fiscal 2022 as compared to fiscal 2021. Cost of material consumed also increased from 81.59% to 91.85% of total revenue from fiscal 2022 to fiscal 2021.

Change in inventories of finished goods

The table below sets forth details in relation to changes in inventories for the periods indicated below:

Particulars	Fiscal 2022 (In Lakhs)	Fiscal 2021 (In Lakhs)	% Increase/ (decrease)
As at the end of the reporting period/year			
Work in Progress	3,673.43	3,005.79	22.21%
(A)	**3,673.43**	**3,005.79**	22.21%
As at the beginning of the reporting period/year			
Work in Progress	3,005.79	6,638.83	-54.72%
(B)	3,005.79	6,638.83	-54.72%
Total (B-A)	**-667.64**	**3,633.04**	**-118.38%**

Our inventory level for finished goods in Fiscal 2022 had decreased by Rs. 667.64 lakhs i.e. from Rs. 3,673.43 lakhs in Fiscal 2021 to Rs. 3,005.79 lakhs in Fiscal 2022. The decrease in inventory of finished goods are in line with increase turnover in the Fiscal 2022.

Employee benefits expense

Our employee benefits expense increased by Rs. 136.20 lakhs or 10.00% to Rs. 1,497.60 lakhs for Fiscal 2022 from Rs. 1,361.40 lakhs for Fiscal 2021. The increase primary due to increase in salary and wages and increase in the number of employees, increase in directors' remunerations and staff welfare expenses. Further, as a percentage of our revenue from operation, the cost of employee benefit expenses also decreased to 1.83% in Fiscal 2022 from 2.66% in Fiscal 2021.

Finance costs

The table below sets forth details in relation our finance cost for the periods indicated below:

Particulars	Fiscal 2022 (In Lakhs)	Fiscal 2021 (In Lakhs)	% Increase/(decrease)
Interest paid	560.39	578.27	-3.09%
Interest on Unsecured Loans	96.57	171.25	-43.61%
Other Financial charges	212.83	167.77	26.86%
Finance cost	**869.80**	**917.29**	**-5.18%**

Our finance costs decreased by Rs. 47.49 lakhs or 5.18% to Rs. 869.80 lakhs for Fiscal 2022 compared to Rs. 917.29 lakhs for Fiscal 2021. This increase was primarily due to decrease in interest on unsecured loan.

Depreciation and Amortisation Expense

Our depreciation and amortisation expense decreased by Rs. 46.37 lakhs or 7.04% to Rs. 612.09 lakhs for Fiscal 2022 compared to Rs. 658.46 lakhs for Fiscal 2021. This decrease was due to normal course of business.

Other expenses

The table below sets forth details in relation Other Expenses for the periods indicated below:

Particulars	Fiscal 2022 (In Lakhs)	Fiscal 2021 (In Lakhs)	% Increase/(decrease)
Advertisement & Business Promotion Expenses	89.38	78.93	13.24%
Consumption of Spares and Stores	1,109.35	1,248.04	-11.11%
Travelling & Conveyance Expenses	18.38	17.36	5.88%
Loading & unloading expenses	90.62	72.23	25.46%
Repairs & Maintenance Expense	80.26	78.83	1.81%
Miscellaneous Expenses	5.30	17.55	-69.80%
Insurance	12.36	9.43	31.07%
Legal and Professional charges	77.62	45.37	71.08%
Power & Fuel	533.88	435.12	22.70%
Printing and Stationery	3.01	4.10	-26.59%
Rent paid	34.72	45.66	-23.96%
Rates, Fees & Taxes	101.66	26.91	277.78%
Testing and Calibration Expenses	10.18	10.11	0.69%
Vehicle Running and Maintenance Expenses	17.03	12.86	32.43%
Payment to Auditors	0.90	0.90	0.00%
Telephone, Internet & Postage Expenses	4.30	6.04	-28.81%
Freight Outward	509.49	20.16	2427.23%
Import / Export Expenses	80.28	197.78	-59.41%
Corporate Social Responsibility Expenses	22.39	73.09	-69.37%

Wastage & Disposal Expenses	21.67	29.66	-26.94%
Total	**2,822.77**	**2,430.12**	**16.16%**

Our other expenses increased by Rs. 392.65 lakhs or 16.16% to Rs. 2,822.77 lakhs for Fiscal 2022 as compared to Rs. 2,430.12 lakhs for Fiscal 2021. This increase was primarily due to increase in consumption of spares and stores, legal & professional charges towards designing, power & fuel, Repair and Maintenance, rent, rates & taxes expenses, which was increased due to increase in operations during the year. Further, as a percentage of our revenue from operation, the other expenses has decreased to 3.45% in Fiscal 2022 from 4.75% in Fiscal 2021.

EBITDA

For the reasons described above, our EBITDA increased by Rs. 1,026.36 lakhs, or 51.53 %, to Rs. 3,018.11 lakhs for Fiscal 2022 from Rs. 1,991.75 lakhs for Fiscal 2021.

Restated Profit before Tax

As a result of the foregoing factors, our profit before tax increased by Rs. 1,120.22 lakhs or 269.28% to Rs. 1,536.22 lakhs for Fiscal 2022 as compared to Rs. 416.00 lakhs for Fiscal 2021. This increase was on account of increased order flow, higher operations and better realizations.

Tax Expenses

Our tax expenses increased by Rs. 55.93 lakhs or 16.11% to Rs. 403.10 lakhs for Fiscal 2022 compared to Rs. 347.17 lakhs for Fiscal 2021. The increase in tax expenses during Fiscal 2022 is mainly on account of increase in current tax by Rs. 249.17 lakhs, or 145.57%, to Rs. 420.34 lakhs for Fiscal 2022 from Rs. 171.17 lakhs for Fiscal 2021. The increase in current tax was primarily on account of increase in taxable income for Fiscal 2022.

Restated Profit for the Year

As a result of the foregoing factors, our profit for the year increased by Rs. 1,064.29 lakhs or 1,546.26% to Rs. 1,133.12 lakhs for Fiscal 2022 compared to Rs. 68.83 lakhs for Fiscal 2021.

CASH FLOW BASED ON RESTATED STANDALONE FINANCIAL STATEMENTS

(In Lakhs)

Particulars	FISCAL		
	2023	2022	2021
Net cash generated from operating activities (A)	702.73	(3,454.93)	4,542.00
Net cash (used in)/generated from investing activities (B)	(1,553.12)	(407.42)	(89.49)
Net cash (used in)/generated from financing activities (C)	1,307.06	4,413.80	(3,648.58)
Net increase in cash and cash equivalents (A+B+C)	456.69	551.43	803.93
Cash and cash equivalents at the beginning of the year	2,098.56	1,547.13	743.20
Cash and cash equivalents at the end of the year	2,555.24	2,098.56	1,547.13

For further details, kindly refer chapter titled "Financial Statement" on page 233.

Net Cash Flow from Operating activities

Net cash flow from operating activities comprises cash consumed / generated from operations, increase / decrease in working capital and increase / decrease in non-current / current liabilities.

Fiscal 2023

During the Fiscal 2023, net cash inflow from operating activities was Rs. 702.73 Lakhs. Profit before tax stood at Rs. 2,822.36 Lakhs. Primary adjustments were on account of depreciation and amortisation expenses on property, plant and equipment of Rs. 636.51 Lakhs, Provision for gratuity of Rs. 30.04 Lakhs, finance cost of Rs. 1,225.57

Lakhs, Interest income of Rs. 121.34 Lakhs and loss on sale of sale of property, plant & equipment of Rs. 0.38 Lakhs.

Operating cash flows before working capital changes was at Rs. 4,592.75 Lakhs during the Fiscal 2023. Primary adjustments included increase in inventories of Rs. 1,908.74 Lakhs, an decrease in trade payables of Rs. 102.90 Lakhs, an decrease in other current assets of Rs. 136.97 Lakhs, an increase in other financial assets of Rs. 278.96 Lakhs, an decrease in other current liabilities of Rs. 42.94 Lakhs, an decrease in other financial liabilities of Rs. 38.70 Lakhs, a decrease in other assets of Rs. 270.71 Lakhs, Income tax refund of Rs. 420.34 Lakhs and a increase in trade receivables of Rs. 963.69 Lakhs. Cash inflow from operations during the Fiscal 2023 was Rs. 702.73 Lakhs.

Fiscal 2022

During the Fiscal 2022, net cash outflow from operating activities was Rs. 3,299.92 Lakhs. Profit before tax stood at Rs. 1,536.22 Lakhs. Primary adjustments were on account of interest expense of Rs. 80.47 Lakhs, depreciation and amortisation expenses on property, plant and equipment of Rs. 612.09 Lakhs, provision of gratuity of Rs. 24.52 Lakhs and finance cost of Rs. 869.80 Lakhs.

Operating cash flows before working capital changes was at Rs. 2,962.16 Lakhs during the Fiscal 2022. Primary adjustments included increase in inventories of Rs. 5,015.42 Lakhs, an increase in trade payables of Rs. 973.43 Lakhs, an increase in other current assets of Rs. 1,782.15 Lakhs, an decrease in other financial assets of Rs. 172.66 Lakhs, a increase in other current liabilities of Rs. 57.79 Lakhs, an increase in other financial liabilities of Rs. 64.62 Lakhs, a decrease in other assets of Rs. 180.10 Lakhs, a increase in trade receivables of Rs. 552.88 Lakhs and an income tax refunded of Rs.155.01 Lakhs. Cash outflow from operations during the Fiscal 2022 was Rs. 3,454.93 Lakhs.

Fiscal 2021

During the Fiscal 2021, net cash flow generated from operating activities was Rs. 4,825.85 Lakhs. Profit before tax stood at Rs. 416.00 Lakhs. Primary adjustments were on account of interest expense of Rs. 82.43 Lakhs, depreciation and amortisation expenses on property, plant and equipment of Rs. 658.46 Lakhs, provision of gratuity of Rs. 85.82 Lakhs and finance cost of Rs. 917.29 Lakhs.

Operating cash flows before working capital changes was at Rs. 1,995.15 Lakhs during the Fiscal 2021. Primary adjustments included decrease in inventories of Rs. 3,442.53 Lakhs, an decrease in trade payables of Rs. 1,079.46 Lakhs, an decrease in other current assets of Rs. 307.13 Lakhs, an increase in other financial assets of Rs. 137.18 Lakhs, an decrease in other current liabilities of Rs. 120.06 Lakhs, an increase in other financial liabilities of Rs. 88.80 Lakhs, a decrease in other assets of Rs. 31.75 Lakhs, a decrease in trade receivables of Rs. 360.69 Lakhs and an income tax refunded of Rs.283.86 Lakhs. Cash generated from operations during the Fiscal 2021 was Rs. 4,542.00 Lakhs.

Investing Activities

Net cash flow from investing activities comprises proceeds from purchase and sale of fixed assets including capital work-in-progress, sale/adjustment of property, plant and equipment, increase in intangible assets and increase in Investment Property.

Fiscal 2023

Net cash used in investing activities stood at Rs. (1,553.12) Lakhs as at the end of Financial Year 2022-23, primarily on account of net investment made in property, plant and equipment including capital work in progress is Rs. 1,086.02 lakhs and decrease in investment in property of Rs. 2.60 Lakhs, interest income of Rs. 121.34 Lakhs, increase in other non-current assets of Rs. 19.67 lakhs and increase in other non-current financial assets of Rs. 571.38 lakhs.

Fiscal 2022

Net cash used in investing activities stood at Rs. (407.42) Lakhs as at the end of Financial Year 2021-22, primarily on account of net investment made in property, plant and equipment including capital work in progress is Rs.

395.35 lakhs, interest income of Rs. 80.47 Lakhs, decrease in other non-current assets of Rs. 13.51 lakhs and increase in other non-current financial assets of Rs. 106.05 lakhs.

Fiscal 2021

Net cash used in investing activities stood at Rs. (89.49) Lakhs as at the end of Financial Year 2020-21, primarily on account of net investment made in property, plant and equipment including capital work in progress is Rs. 180.42 lakhs, interest income of Rs. 82.43 Lakhs and decrease in other non-current assets of Rs. 8.50 lakhs.

Financing activities

Net cash flow from financing activities comprises impact due to business combination, proceeds / repayment of borrowing, interest and financial charges.

Fiscal 2023

Net cash generated from financing activities in financial year 2022-23 was Rs. 1,307.06 lakhs comprising of proceeds from Short-term borrowings of Rs. 2,605.63, repayment of long-term borrowings of Rs. 73.01 lakhs and finance cost Rs. 1,225.57 lakhs.

Fiscal 2022

Net cash generated from financing activities in financial year 2021-22 was Rs. 4,413.80 lakhs comprising of proceeds from Short-term borrowings of Rs. 4,615.79, proceeds of long-term borrowings of Rs. 667.81 lakhs and finance cost Rs. 869.80 lakhs.

Fiscal 2021

Net generated financing activities in financial year 2020-21 was Rs. (3,648.58) lakhs, comprising of repayment of Short-term borrowings of Rs. 32.24, repayment of long-term borrowings of Rs. 2,699.05 lakhs and finance cost Rs. 917.29 lakhs.

INDEBTEDNESS

The following table sets forth certain information relating to our outstanding indebtedness as of March 31, 2023. For further information on our indebtedness, see “Financial Information” on page 233.

Category of borrowing	Sanctioned Amount as on March 31, 2023 (Rs. in Lacs)	Outstanding amount as on March 31, 2023 (Rs. in Lacs)
Fund based limits	3,750.00	2,793.34
Channel Funding	5,250.00	5,249.00
Total Fund Based (A)	**9,000.00**	**8,042.34**
Non-fund based limits	-	-
Bank Guarantee	10,400.00	3,842.49
Letter of Credit		3,538.86
Total Non-fund based limits (B)	**10,400.00**	**7,381.35**
Total (A) + (B)	**19,350.00**	**15,423.69**

Our Company has intimated our lender, to the extent required under the agreements entered into between us and such lender, in connection with the Offer and activities in connection thereof.

RESTATED STANDALONE STATEMENT OF FINANCIAL INDEBTEDNESS

(Rs. In Lakhs)

Sr. No.	Lender Name	Whether Secured?	Repayment Schedule	O/s as on 31.03.2023	O/s as on 31.03.2022	O/s as on 31.03.2021
1	Sudha Apparels Limited	Unsecured	Repayable on demand	-	-	187.37
2	Mr. Vijay Kaushik	Unsecured	Repayable on demand	294.54	23.96	66.00

3	Vijay Kaushik HUF	Unsecured	Repayable on demand	-	66.00	68.30
4	Mr. Vibhor Kaushik	Unsecured	Repayable on demand	15.17	25.51	44.28
5	Vibhor Kaushik HUF	Unsecured	Repayable on demand	63.75	63.75	67.00
6	Mrs. Vijay Laxmi Kaushik	Unsecured	Repayable on demand	0.17	56.31	1.95
7	Mrs. Pratima Sandhir	Unsecured	Repayable on demand	9.34	22.00	-

CAPITAL EXPENDITURES

Our capital expenditure towards additions to fixed assets (property, plant and equipment's and intangible assets) and capital work-in-progress for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 were Rs. 1,083.42 lakhs, Rs. 395.35 lakhs and Rs. 180.42 lakhs, respectively.

The following table sets forth our gross block of fixed assets for the periods indicated:

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Plant, Property and Equipment including Investment in Property	1,086.02	395.35	180.42
Less: Sale of Plant, Property and Equipment	2.60	-	-
Net	**1,083.42**	**395.35**	**180.42**

CONTINGENT LIABILITIES AND COMMITMENTS

(Rs. In Lakhs)

Particulars	As at		
	March 31, 2023	March 31, 2022	April 1, 2021
A) Disputed claims/levies in respect of Value Added Tax / Sales Tax:			
- Reversal of input tax credit	-	-	-
- Regular / Provisional Assessment	404.55	404.55	277.16
(The dispute is regarding rate of tax on GI and ERW Pipes and Tubes and enhancement of turnover and taxable turnover on account of allegation of sales suppression for the AY 2016-17 and April 2016 to June 2016 however, the case was finalized in the favour of the assesses in FY 2023-24)			
Total	**404.55**	**404.55**	**277.16**

OFF-BALANCE SHEET ARRANGEMENTS

We do not have any off-balance sheet arrangements, derivative instruments or other relationships with other entities that would have been established for the purpose of facilitating off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include purchase of materials and equipment from entities where any of our KMPs or their relatives have control or significant influence and sale of services to our group Companies, interest expense paid and unsecured loan taken/repaid from related parties and entities where any of our KMPs or their relatives have control or significant influence, remuneration paid to KMPs and relatives, investment in our subsidiary.

For further details, see "Related Party Transactions" on page 307.

AUDITOR'S OBSERVATIONS

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

KEY RATIOS

For details in respect of key ratios, see "Financial Statements" on page 233.

SIGNIFICANT DEPENDENCE ON SINGLE OR FEW CUSTOMERS

Our business is substantially dependent on one customer i.e. Jindal Pipes Limited, we supply our finished goods to the customer of Jindal Pipes Limited under the brand name of "Jindal" on behalf of Jindal Pipes Limited.

Kindly refer chapter titled "Our Business" on page 165.

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

Our business has been affected and we expect that it will continue to be affected by the trends identified above in "Significant Factors Affecting Our Results of Operations and Financial Condition" and the uncertainties described in the section "Risk Factors" on pages 309 and 29, respectively. Changes in revenue in the last three Fiscals are as described in "– Results of Operations Information for the Fiscal 2023 compared with Fiscal 2022, Fiscal 2022 compared with Fiscal 2021" and "– Results of Operations Information for the Fiscal 2021 compared with Fiscal 2020" mentioned above.

COMPETITIVE CONDITIONS

We expect competition in our industry from existing and potential competitors to intensify. For further details on competitive conditions that we face across our various business segments see "Our Business", "Industry Overview" and "Risk Factors" beginning on pages 165, 114 and 29, respectively.

NEW PRODUCT OR BUSINESS SEGMENTS

As on the date of the Draft Red Herring Prospectus, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

FUTURE RELATIONSHIP BETWEEN COSTS AND INCOME

Other than as described in "Risk Factors", "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 29, 165 and 309, respectively, to our knowledge there are no known factors that might affect the future relationship between costs and revenue.

KNOWN TRENDS OR UNCERTAINTIES

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 "Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations" and the uncertainties described in "Risk Factors" beginning on pages on 310 and 29, respectively. To our knowledge, except as discussed in this Draft Red

Herring Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on sales, revenue or income of our Company from continuing operations.

SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECT OR ARE LIKELY TO AFFECTINCOME FROM CONTINUING OPERATIONS

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in "Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations" and the uncertainties described in "Risk Factors" beginning on pages 311 and 29 respectively.

CHANGES IN THE ACCOUNTING POLICIES, IF ANY, IN THE FISCALS 2023, 2022 AND 2021 AND THEIR EFFECT ON OUR PROFITS AND RESERVES

There have been no changes in our accounting policies in the last three Fiscals years except we have adopted IND AS with effect from FY 2022-23.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISKs

Financial Risk Management:

In the course of business, amongst others, the Company is exposed to several financial risks such as Credit Risk, Liquidity Risk, Interest Rate Risk, Exchange Risk and Commodity Price Risk. These risks may be caused by the internal and external factors resulting into impairment of the assets of the Company causing adverse influence on the achievement of Company's strategies, operational and financial objectives, earning capacity and financial position.

The Company has formulated an appropriate policy and established a risk management framework which encompass the following process. • identify the major financial risks which may cause financial losses to the company • assess the probability of occurrence and severity of financial losses • mitigate and control them by formulation of appropriate policies, strategies, structures, systems and procedures • Monitor and review periodically the adherence, adequacy and efficacy of the financial risk management system.

Foreign Currency Risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates. Our Company's exposure to the risk of changes in foreign currency exchange rates relates primarily to our Company's operating activities. Our Company transacts business primarily in foreign currency. Our Company regularly reviews and evaluates exchange rate exposure arising from foreign currency transactions.

Interest Rate Risk

Generally, market linked financial instruments are subject to interest rate risk. The company does not have any market linked financial instruments both on the asset side as well liability side. Hence there no interest rate risk linked to market rates.

However, the interest rate in respect of major portion of borrowings by the Company from the banks and others are linked with the REPO/T-Bill specified by RBI. Any fluctuation in the same either on higher side or lower side will result into financial loss or gain to the company. And while bidding the Projects the Finance Cost is kept in mind.

Liquidity Risk:

Liquidity Risk arises when the company is unable to meet its short-term financial obligations as and when they fall due. Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Company's approach to manage liquidity is to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the Company's reputation. Management manages the liquidity risk by monitoring cash flow forecasts on a periodic basis and maturity profiles of financial assets and liabilities. This monitoring considers the accessibility of cash and cash equivalents and additional undrawn financing facilities. Currently we do not have liquidity risk, we have maintained the sufficient liquidity to grab the opportunities arise in the future.

Liabilities Details:

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Current Liabilities including provisions	18,444.86	15,984.41	10,231.05
Non-Current Liabilities including provisions	1,598.35	1,671.86	1,013.32
Total (A)	**20,043.21**	**17,656.27**	**11,244.37**
Cash & Cash equivalent	943.38	1,258.10	581.46
Bank Balances other than Cash and Cash Equivalents	1,611.86	840.46	965.67
Total (B)	**2,555.24**	**2,098.56**	**1,547.13**

Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Our Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments. We are subject to the risk that our counterparties under various financial or customer agreements will not meet their obligations. If our customers do not pay us promptly, or at all, it may affect our working capital cycle.

Our Company does not maintain significant cash in hand. Excess balance of cash other than those required for its day to day operations is deposited into the bank. For other financial instruments, we assess and manage credit risk based on internal assessment. Internal assessment is performed for each class of financial instrument with different characteristics.

SECTION VI: LEGAL AND OTHER INFORMATION
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding (i) criminal proceedings; (ii) actions taken by statutory and regulatory authorities; (iii) tax proceedings - claims related to direct and indirect taxes in a consolidated manner; and (iv) material civil litigation or arbitration proceeding which are determined to be 'material' as per a policy adopted by our Board ("**Materiality Policy**"), in each case involving our Company, Subsidiary, Promoters or Directors (collectively, the "**Relevant Parties**"). Further, there are no disciplinary actions including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five Financial Years including any outstanding action.*

In terms of the Materiality Policy, any pending/outstanding litigation involving the Relevant Parties which exceeds the amount which is 5 % of the profit after tax, as per the Restated Standalone Financial Statements for the Financial Year 2022-23 would be considered material for our Company. For the Financial Year 2022-23, our profit after tax as per the Restated Standalone Financial Statements is Rs. 10.61 lakhs. Accordingly, the following types of litigations involving the Relevant Parties have been considered as 'material', and accordingly disclosed in this Draft Red Herring Prospectus, as applicable:

- *pending civil litigations involving the Relevant Parties which involve an amount of or equal to more than the monetary amount of Rs. 100.00lakhs; or*
- *other than the litigations covered in (a) above, pending litigations where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in an individual litigation may not exceed Rs. 100.00 lakhs; or*
- *where the monetary liability in the pending civil litigations is not quantifiable or doesn't meet the monetary threshold as provided in (a) above, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company.*

It is clarified that for the purposes of the above, pre-litigation notices received/ sent by the Relevant Parties from third parties (excluding those notices issued by statutory/regulatory/tax authorities or notices threatening criminal action) shall, unless otherwise decided by our Board, have not and shall not, be considered as material litigation until such time that the Relevant Parties, as the case may be, are impleaded as a party in proceedings before any judicial /arbitral forum.

*Except as stated in this section, there are no outstanding material dues to creditors of our Company. In accordance with the Materiality Policy, outstanding dues to any creditor of our Company having monetary value exceeding Rs. 208.09 lakhs, which is 5% of the total outstanding dues (trade payables) as per the latest fiscal in the Restated Standalone Financial Statements included in this Draft Red Herring Prospectus, shall be considered as 'material'. Accordingly, as on March 31, 2023 any outstanding dues exceeding Rs. 208.09 lakhs have been considered as 'material outstanding dues' for the purpose of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or medium enterprise ("**MSME**"), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended.*

All terms defined in a particular litigation disclosure pertain to that litigation only. Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

I. LITIGATIONS INVOLVING OUR COMPANY

A. Outstanding criminal litigations involving our Company

Criminal litigation against our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding Criminal Litigations initiated against our Company.

Criminal litigations initiated by our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding Criminal Litigations initiated by our Company except as below:

Case No. N ACT - 4392 of 2023 filed by Vibhor Steel Tubes Private Limited (Now Vibhor Steel Tubes Limited) against Mr. Anshuman Tyagi before the Hon'ble Judicial Magistrate First Class, Hisar, Haryana

The present complaint has been filed by Vibhor Steel Tubes Private Limited (now Vibhor Steel Tubes Limited) **('Complainant')** against Mr. Anshuman Tyagi **('the Accused')** for the dishonour of cheque before Judicial Magistrate First Class, Hisar, Haryana under Section 138 of the Negotiable Instruments Act, 1881 ('NI Act'). M/s Vibhor Steel Tubes Limited had sold its products viz. "SS Tube and SS Tube", and an amount of Rs. 4,10,555/- was due from Mr. Anshuman Tyagi ("the Accused") and in discharge of its liability, Mr. Anshuman Tyagi issued a cheque for Rs.4,10,555/- to the Complainant. Upon presentation, the aforesaid cheque was dishonoured by the Accused bank. Thereafter a legal notice dated August 16, 2023 u/s 138 of the NI Act has been issued by the Complainant to the Accused calling upon the Accused to make payment of the amount due, however the Accused has failed to pay the amount due despite the issuance of notice and thereafter a complaint under Section 138 of the NI Act was filed by the Complainant against the Accused. The matter was last heard on September 18, 2023 and the Court has ordered the issuance of summons against the Accused. Presently, the matter is pending and the next date of hearing is December 13, 2023.

B. Civil litigations involving our Company

Civil litigations against our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding Civil Litigations initiated against our Company

Civil litigations initiated by our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding Civil Litigations initiated by our Company except as below:

Writ Appeal No. 738 of 2022 Vibhor Steel Tubes Private Limited (Now Vibhor Steel Tubes Limited) v. K. Suryanarayana & Ors. Before the Hon'ble High Court of Telangana

The Writ Appeal which is pending before the High Court of Telangana and is presently at the stage of admission and pleadings are yet to be completed. However, the Company is in the process of withdrawing the writ appeal by approaching the Registrar-Judicial, High Court by requesting to list the same under the caption of "For Withdrawal", to withdraw the present writ appeal.

IA(I.B.C)/386/HYD/2021 and IA(I.B.C)/255/HYD/2021 filed by Vibhor Steel Tubes Private Limited (Now Vibhor Steel Tubes Limited) in the matter of State Bank of India v. Oil Country Tubular Limited, C.P (IB) No. 220 of 2019, before the National Company Law Tribunal (NCLT), Hyderabad Bench

Vibhor Steel Tubes Private Limited had preferred two applications bearing I.A. Nos. 386 and 255 of 2021, before the Hon'ble NCLT, Hyderabad Bench seeking intervention in the matter of State Bank of India v. Oil Country Tubular Limited, C.P (IB) No. 220 of 2019 before the NCLT, Hyderabad Bench. The Resolution Professional in the C.P (IB) No. 220 of 2019 had moved an application bearing I.A. No. 975 of 2022, seeking withdrawal of the Corporate Insolvency Resolution Proceedings (CIRP) against Oil Country Tubular Limited, which was allowed by the Hon'ble NCLT by its order dated September 21, 2022. Since the CIRP proceedings against Oil Country Tubular Limited have been withdrawn, and since it stands discharged from the insolvency proceedings initiated against it under Section 7 of the Insolvency and Bankruptcy Code, 2016, the applications bearing I.A. Nos. 386 and 255 of 2021 filed by Vibhor Steel Tubes Private Limited (Now Vibhor Steel Tubes Limited) have been rendered infructuous.

C. Outstanding actions by Statutory or Regulatory Authorities against our Company

As on the date of this Red Herring Prospectus, there are no outstanding actions initiated by Statutory or Regulatory Authorities against our Company.

II. LITIGATION INVOLVING OUR GROUP COMPANIES

A. Outstanding criminal litigations involving our Group Companies

Criminal litigation against our Group Companies

As on the date of this Red Herring Prospectus, there are no outstanding Criminal Litigations initiated against our Group Companies.

Criminal Litigation by our Group Companies

As on the date of this Red Herring Prospectus, there are no outstanding Criminal Litigations initiated by our Group Companies except as under:

1. **Case No. N ACT - 2863 of 2023 filed by M/s Orbit Tubes against Mr. Sachin Gupta pending before the court of the Hon'ble Judicial Magistrate Ist Class, Hisar, Haryana**

The present complaint has been filed before the court of the Hon'ble Judicial Magistrate Ist Class, Hisar by M/s Orbit Tubes **("Complainant")** against Mr. Sachin Gupta **("the Accused")** for the dishonour of cheque under Section 138 of the Negotiable Instruments Act, 1881 ('NI Act'). The Complainant had sold its products viz. "SS Pipes and SS Pipes" and "SS Tubes and SS Tubes" to the Accused and in discharge of his liability the Accused has issued a cheque for Rs.4,43,401/-. Upon presentation, the aforesaid cheque was dishonoured by the Accused' bank. Accordingly, notice dated May 3, 2023 under Section 138 of the NI Act was issued to the Accused, however since the Accused failed to pay the amount due to the Complainant even after the issuance of Complainant's notice, a complaint u/s 138 of the NI Act was filed by the Complainant against the Accused. Summons have been ordered against the Accused in the case and the case was last heard on June 13, 2023. Presently, the matter is pending and the next date of hearing in the matter is November 24, 2023.

2. **Case No. N ACT - 5447 of 2022 filed by M/s Orbit Tubes against Ritu Goyal pending before court of the Hon'ble Judicial Magistrate Ist Class, Hisar, Haryana**

The present complaint has been filed by M/s Orbit Tubes **("Complainant")** against Ritu Goyal **(the "Accused")** for the dishonour of cheque under Section 138 of the Negotiable Instruments Act, 1881 ('NI Act'). The Complainant had sold its products viz. "SS Pipes and SS Pipe", to the Accused and in discharge of the Accused's liability, the Accused issued a cheque for an amount of Rs.3,16,175/- to the Complainant. Upon presentation, the aforesaid cheque was dishonoured by Accused' bank. Accordingly, a notice dated November 16, 2022 under Section 138 of NI Act was issued to the Accused. As the Accused failed to pay the due amount to the Complainant, a complaint u/s 138 of the NI Act was filed by the Complainant against the Accused. The matter was last heard on August 17, 2023 and the court has ordered notice in the matter. Presently, the matter is pending and the next date of hearing in the matter is December 06, 2023.

3. **Case No. N ACT - 1559 of 2022 filed by M/s Orbit Tubes against Mr. Rakesh, Sole Proprietor pending before the court of the Hon'ble Judicial Magistrate Ist Class, Hisar, Haryana**

   The present complaint has been filed by M/s Orbit Tubes **("Complainant')** against Rakesh, Sole Proprietor **(the "Accused')** for the dishonour of cheque under Section 138 of the Negotiable Instruments Act, 1881 ('NI ACT'). The Complainant had sold its products viz. "SS Pipes and SS Pipes" for a total amount of Rs.1,01,44,850/- to the Accused and in discharge of his liability, the Accused issued a cheque for Rs.6,94,005/- to the Complainant. Upon presentation, the aforesaid cheque was dishonoured by the Accused' bank. Accordingly, a notice dated 10.03.2022, under Section 138 of the NI Act was issued to the Accused and on receipt of the notice, the Accused made a part payment of Rs.1,00,000/- on March 22, 2022 and an amount of Rs.5,94,005/- was outstanding, which was not paid by the Accused. Therefore a complaint u/s 138 of the NI Act was filed by the Complainant against the Accused. The matter was last heard on July 7, 2023 and the Court has ordered for the issuance of proclamation under Sections 82 and 83 of the Code of Criminal Procedure, 1973. Presently, the matter is pending and the next date of hearing in the matter is October 18, 2023 for NBW and Sections 82 and 83 of CPC, 1973 and November 18, 2023 for Proclamation Proceedings.

4. **Case No. N ACT - 3846 of 2023 filed by M/s Orbit Tubes against Mr. Amit Khurana before the Hon'ble Judicial Magistrate First Class, Hisar, Haryana**

   The present complaint has been filed by M/s Orbit Tubes **('Complainant')** against Mr. Amit Khurana **('the Accused')** for the dishonour of cheque before Judicial Magistrate First Class, Hisar, Haryana under Section 138 of the Negotiable Instruments Act, 1881 ('NI Act'). The Complainant had sold its product viz. "SS Tubes and SS Tubes" to the Accused and in discharge of his liability the Accused issued a cheque for an amount of Rs.14,39,086/- to the Complainant. Upon presentation, the aforesaid cheque was dishonoured by the Accused' Bank. Accordingly, a notice dated July 12, 2023 under Section 138 of the NI Act was issued to the Accused and thereafter the Accused made a part payment of Rs.5,00,000/- however, the Accused failed to pay the balance amount of Rs.9,39,086/- due despite the issuance of notice and thereafter a complaint u/s 138 of the NI Act was filed by the Complainant against the Accused. The matter was last heard on 07.08.2023 and the Court has ordered the issuance of summons against the Accused. Presently, the matter is pending and the next date of hearing is November 20, 2023.

5. **Case No. N ACT - 4389 of 2023 filed by M/s Orbit Tubes against M/s Narayan Steels before the Hon'ble Judicial Magistrate First Class, Hisar, Haryana**

   The present complaint has been filed by M/s Orbit Tubes **('Complainant')** against M/s Narayan Steels **('the Accused')** for the dishonour of cheque before Judicial Magistrate First Class, Hisar, Haryana under Section 138 of the Negotiable Instruments Act, 1881 ('NI Act'). M/s Orbit Tubes had sold its products viz. "SS Pipe and SS Pipe" to M/s Narayan Steels and in discharge of its liability, M/s Narayan Steels issued a cheque for Rs.1,62,019.81/- to M/s Orbit Tubes. Upon presentation, the aforesaid cheque was dishonoured by the Accused bank. Thereafter a legal notice dated July 29, 2023 u/s 138 of the NI Act has been issued by M/s Orbit Tubes to M/s Narayan Steels calling upon M/s Narayan Steels to make payment of the amount due within 15 days from the date of receipt of the notice, however the Accused has failed to pay the amount due despite the issuance of notice and thereafter a complaint under Section 138 of the NI Act was filed by the Complainant against the Accused. The matter was last heard on September 18, 2023 and the Court has ordered the issuance of summons against the Accused. Presently, the matter is pending and the next date of hearing is December 13, 2023.

6. **Case No. N ACT - 4387 of 2023 filed by M/s Orbit Tubes against Mr. Avik Jain before the Hon'ble Judicial Magistrate First Class, Hisar, Haryana**

   The present complaint has been filed by M/s Orbit Tubes **('Complainant')** against Mr. Avik Jain **('the Accused')** for the dishonour of cheque before Judicial Magistrate First Class, Hisar, Haryana under Section 138 of the Negotiable Instruments Act, 1881 ('NI Act'). M/s Orbit Tubes had sold its products viz. "SS Pipe and SS Pipe" and "SS Tubes and SS Tubes" to Mr. Avik Jain and in discharge of his liability, Mr. Avik Jain has issued a cheque for an amount of Rs. 16,84,283/- to M/s Orbit Tubes. Upon presentation, the aforesaid cheque was dishonoured by the Accused bank. Thereafter, a legal notice dated August 7, 2023 u/s 138 of the NI Act has been issued by M/s Orbit Tubes to Mr. Avik Jain calling upon Mr. Avik Jain for payment of the amount due within 15 days from the date of receipt of the notice, however the Accused has failed to pay the amount due and thereafter a complaint under Section 138 of the NI Act was filed by the Complainant against the Accused. The matter was last heard on September 18, 2023 and the Court has ordered the issuance of summons against the Accused. Presently, the matter is pending and the next date of hearing is December 13, 2023.

B. Civil litigations involving our Group Companies

Civil litigations against our Group Companies

As on the date of this Draft Red Herring Prospectus, there are no outstanding Civil Litigations initiated against our Group Companies.

Civil litigations initiated by our Group Companies

As on the date of this Draft Red Herring Prospectus, there are no outstanding Civil Litigations initiated by our Group Companies.

C. Outstanding actions by Statutory or Regulatory Authorities against our Group Companies

As on the date of this Red Herring Prospectus, there are no outstanding actions initiated by Statutory or Regulatory Authorities against our Group Companies.

IV. LITIGATIONS INVOLVING OUR PROMOTERS

A. Outstanding criminal litigations involving our Promoters

Criminal litigation against our Promoters

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated against our Promoters

Criminal litigations initiated by our Promoters

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated by our Promoters.

B. Outstanding civil litigations involving our Promoters

Civil litigations against our Promoters

As on the date of this Draft Red Herring Prospectus, there are no outstanding Civil Litigations initiated against our Promoters.

Civil litigations initiated by our Promoter

As on the date of this Draft Red Herring Prospectus, there are no outstanding Civil Litigations initiated by our Promoters.

C. Outstanding actions by Statutory or Regulatory authorities against our Promoters

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions initiated by Statutory or Regulatory authorities against our Promoters.

V. LITIGATIONS INVOLVING INDIVIDUALS FORMING PART OF OUR PROMOTER GROUP

A. Outstanding criminal litigations involving individuals forming part of our Promoter Group

Criminal litigation against individuals forming part of our Promoter Group
As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated against the individuals forming part of our Promoter Group.

Criminal litigations initiated by individuals forming part of our Promoter Group
As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated by the individuals forming part of our Promoter Group.

B. Outstanding civil litigations involving individuals forming part of our Promoter Group

Civil litigations against individuals forming part of our Promoter Group
As on the date of this Draft Red Herring Prospectus, there are no outstanding Civil Litigations initiated against the individuals forming part of our Promoter Group except as below:

CR No. 457 of 2021 filed against Mr. Parduman Kumar Sandhir (“Respondent”) and Others by Haryana State Electricity Board (“Petitioner”) before the Hon’ble High Court of Punjab and Haryana

The present CR No. 457 of 2021 has been filed by HSEB against the order dated February 20, 2020 in EXE 1200 of 2016 pending before the District and Sessions Court, Hisar, Haryana
The matter is related to the EXE 1200/2016 filed by Mr. Parduman Kumar Sandhir (“Decree Holder”) against the State Of Haryana, Land Acquisition Collector, Haryana State Electricity Board (“Judgment Debtor”) which is pending before the Hon’ble District and Sessions Court, Hisar, Haryana.
Haryana State Electricity Board (HSEB) had acquired land admeasuring 04 Kanal 18 Marlas in Revenue Estate of Village Satroad Khas, Hadbast No. 154, Tehsil and District Hisar in the year 1994 and Mr. Parduman Kumar Sandhir and others were the owners of that land. Mr. Parduman Kumar Sandhir and Smt. Pankaj Sandhir both were parties in a land acquisition compensation case titled as "Parduman Kumar and others versus State of Haryana and others" bearing L.A.C No. 425 of 1997 regarding acquisition of some of portion of respective shares of Mr. Parduman Kumar Sandhir and Smt. Pankaj Sandhir in agricultural land owned by them within the Revenue Estate of Village Satroad Khas, District Hisar and that case was decided by concerned Reference Court at Hisar on August 10, 1999. Against the said Order of concerned Reference Court at Hisar, a Regular First Appeal bearing RFA No. 2990 of 1999 and a Regular First Appeal bearing RFA No. 3475 of 1997 was filed before the Hon’ble Punjab and Haryana High Court at Chandigarh and both these RFA’s were decided on June 2, 2016. Against said Order of High Court, Special Leave Petitions (Civil) bearing SLP (C) No. 25557-25558 of 2017 were filed before Hon’ble Supreme Court of India which were allowed and the same were converted into Civil Appeals No. 16442-16443 of 2017 and those Civil Appeals were decided on October 4, 2017 by the Hon’ble Supreme Court of India. A Civil Revision bearing CR No. 5119 of 2018 was also filed before the Hon’ble Punjab and Haryana High Court at Chandigarh by HSEB. The CR No. 5119 of 2018 was decided on February 5, 2019.
An execution application bearing no. EXE 1200/2016 was filed by Mr. Parduman Kumar Sandhir (“Decree Holder”) against the State Of Haryana, Land Acquisition Collector, Haryana State Electricity Board (“Judgment Debtor”) before the Hon’ble District and Sessions Court, Hisar, Haryana. Vide an order dated February 20, 2020 in EXE 1200 of 2016, the HSEB was directed to pay the amount on the basis of the calculation given by the Respondent/decree holders and it was held that an amount of Rs.73,73,183.77/- was due from the Judgment Debtors and since the Judgment debtors had already deposited the amount of Rs.9,20,552/-, the balance amount had to be paid by the Judgment Debtor. Aggrieved by the order dated February 20, 2020 in EXE 1200 of 2016, the present petition CR No. 457 of 2021 was filed by HSEB before the Hon’ble High Court of Punjab and Haryana. The matter was last heard on September 15, 2023. The matter is likely to be listed on October 3, 2023. Presently the matter is pending.

Civil litigations initiated by individuals forming part of our Promoter group

As on the date of this Draft Red Herring Prospectus, there are no outstanding Civil Litigations initiated by the individuals forming part of our Promoter Group except as below:

EXE 1200/2016 filed by Mr. Parduman Kumar Sandhir ("Decree Holder") vs. State Of Haryana, Land Acquisition Collector, Haryana State Electricity Board ("Judgment Debtor") before the Hon'ble District and Sessions Court, Hisar, Haryana

The present execution petition EXE 1200/2016 is filed by Mr. Parduman Kumar Sandhir ("Decree Holder") against the State Of Haryana, Land Acquisition Collector, Haryana State Electricity Board ("Judgment Debtor") before the Hon'ble District and Sessions Court, Hisar, Haryana for realising the land acquisition compensation in a land acquisition matter No. LAC 425 of 1997. Mr. Parduman Kumar Sandhir and others were the owners of that land and Haryana State Electricity Board (HSEB) had acquired land admeasuring 04 Kanal 18 Marlas in Revenue Estate of Village Satroad Khas, Hadbast No. 154, Tehsil and District Hisar in the year 1994.

The executing court has earlier passed an order dated February 20, 2020 and it has been held that an amount of Rs.73,73,183.77/- was pending against the Judgment Debtors and since the Judgment Debtors had already deposited the amount of Rs.9,20,552/-, the balance amount had to be paid by the Judgment Debtor.

The Judgment Debtors have also approached the Hon'ble High Court against the order dated February 20, 2020 in the execution petition i.e. EXE 1200/2016 and have filed CR No. 457 of 2021 against Mr. Parduman Kumar Sandhir and others which is also pending before the Hon'ble High Court of Punjab and Haryana. The matter was last heard on September 18, 2023 and the next date of hearing in the matter is November 18, 2023. Presently, the matter is pending.

SLP (C) No. 4110-4111 of 2023, filed by Mr. Ramesh Kumar, Mr. Parduman Kumar Sandhir and Mr. Pankaj Sandhir and Others ("Petitioner) against the State of Haryana and others ("Respondents") before the Hon'ble Supreme Court of India

Mr. Parduman Kumar Sandhir and Smt. Pankaj Sandhir both were parties in a land acquisition compensation case titled as "Ramesh Kumar and others versus State of Haryana and others" bearing LAC No. 361 of 2011 regarding acquisition of some of portion of respective shares of Mr. Parduman Kumar Sandhir and Smt. Pankaj Sandhir in an agricultural land owned by them within the Revenue Estate of Village Satrod Khas, District Hisar. The case was decided by the concerned reference court at Hisar on January 28, 2016. Against the said order of concerned reference court at Hisar, a Regular First Appeal bearing RFA No. 1899 of 2016 along with cross-objection bearing no. XOBJR-127-2022 was filed before the Hon'ble Punjab and Haryana High Court at Chandigarh. The said RFA No. 1899 of 2016 along with cross-objection bearing no. XOBJR-127-2022 were decided on September 21, 2022 along with CO 127 of 2022, CM 2490 of 2022, XOBJR-101-2022, RFA-1895-2016, and RFA-5916-2011.

Against the said order of Hon'ble High Court of Punjab and Haryana dated September 21, 2022, the present Special Leave Petitions (Civil) bearing SLP (C) No. 4110-4111 of 2023 were filed by the Petitioners against the Respondents before the Hon'ble Supreme Court of India. The matter was last listed on September 20, 2023 and is likely to be listed tentatively on November 3, 2023. Presently the matter is pending.

C. Outstanding actions by Statutory or Regulatory authorities against individuals forming part of our Promoter Group

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions initiated by Statutory or Regulatory authorities against the individuals forming part of our Promoter Group.

VI. LITIGATIONS INVOLVING OUR DIRECTORS

A. Criminal litigations involving our Directors

Criminal litigations against our Directors
As on the date of this Draft Red Herring Prospectus there are no outstanding criminal litigations against our Directors.

Criminal litigations by our Directors
As on the date of this Draft Red Herring Prospectus there are no outstanding criminal litigations initiated by our Directors.

B. Civil litigations involving our Directors.

Civil litigations against our Directors
As on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigations initiated against our Directors.

Civil litigations initiated by our Directors
As on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigations initiated by our Directors

C. Outstanding actions by Statutory or Regulatory Authorities against our Directors

As on the date of this Draft Red Herring Prospectus there are no outstanding actions initiated by the Statutory or Regulatory Authorities against our Directors.

T**ax proceedings**

(₹ in lakhs) **Particulars**	**Number of cases**	**Amount involved* (INR)**
Our Company		
Direct Tax	NIL	
Indirect Tax	NIL	
Our Directors		
Direct Tax	10	34,74,598
Indirect Tax	NIL	
Individuals (forming part of Promoter group)		
Direct Tax	1	2030.00
Indirect Tax	NIL	
Total		**34,76,628**

Material Tax Matters

Litigation involving our Company

Direct Tax
NIL
Indirect Tax
NIL

Litigation involving our Directors

Direct Tax

1. The Asst. Commissioner, Income Tax, CIRCLE 63(1), Delhi ("Authority") issued notice of demand dated January 9, 2020 ("Notice") to Mr. Vibhor Kaushik, Director of our Company ("Assessee"), demanding the recovery of dues for the assessment years 2006, 2009, 2010, 2012, 2013, 2014 and 2015. Under the notice, the Authority has claimed amounts of Rs. 11,10,228/-, Rs. 24,560/-, Rs.39,790/-, Rs.2,92,990/-, Rs. 5000/-, Rs.21,250/-, Rs.62,980/-, Rs.6,63,380/- for the aforementioned assessment years respectively as due from the Assessee (collectively "Demands") under various sections including 220(1) of the Income Tax Act, 1961. The Assessee has filed responses to the Demands, all dated September 10, 2023 to the aforesaid Demands seeking reliefs' *inter-alia* reduction of demand, rectification of demands etc. The representation on September 10, 2023 was acknowledged by the Authority on September 12, 2023. Presently, the matter is pending.

2. The Office of the Income Tax Officer, Ward-1, Hissar ("Authority") issued notice of demand dated January 29, 2016 ("Notice") to Smt. Pratima Sandhir, Director of our Company ("Assessee"), demanding the recovery of dues for the assessment year 2015. Under the notice, the Authority has claimed an amount of Rs. 3,57,920/- for the aforementioned assessment year as due from the Assessee ("Demand") under various sections including section 143 1(a) of the Income Tax Act, 1961. The Assessee has filed an online response dated August 23, 2023 with Transaction ID FOS003151289871 disagreeing with the aforesaid Demand. Presently, the matter is pending.

3. The Office of The Income Tax Officer, Ward 62(5), Delhi ("Authority") issued notice of demand dated January 27, 2020 ("Notice") to Mr. Vijay Kaushik, Director of our Company ("Assessee"), demanding the recovery of dues for the assessment years 2009-10, 2014-2015 and 2017-2018. Under the notice, the Authority has claimed amounts of Rs. 19,940/-, Rs.59,560/- and Rs.8,36,940/- for the aforementioned assessment years respectively as due from the Assessee ("Demand") under sections 143 1(a) and 154 of the Income Tax Act, 1961. The Assessee has deposited the demand amount of Rs. 19,940/- for the assessment year 2009-10 vide challan no. 21052 and Bank Reference No. K2322207191269 dated August 10, 2023. The Assessee has filed responses both dated September 11, 2023 against the aforesaid demands of Rs.59,560/- and Rs.8,36,940/- . The response has been acknowledged by the Authority on September 12, 2023, Presently, the matter is pending.

Indirect Tax

NIL

Litigation involving individuals forming part of the Promoter group

Direct Tax

The Office of the Income Tax Officer, Ward-1, Hissar ("Authority") has issued a notice of demand dated December 14, 2021 to Smt. Pankaj Sandhir (PAN: AEZPS9035G), an individual forming part of the promoter group of our Company ("Assessee") with demand reference no. 2021201837003360290T demanding a due amount of Rs. 2030/- for the Assessment Year 2018. The Assessee has filed a response dated January 6, 2022 seeking rectification of the demand online vide transaction ID No. FOS000701169543. In respect of the aforesaid Demand, the Authority has issued a notice u/s 221 of the Income Tax Act, 1961 with Document reference ID ITBA/RCV/S/221/2021-22/1038393458(1) dated January 4, 2022. The Assessee has filed a response on January 10, 2022 requesting for the rectification of the mistake apparent from record and for withdrawal of the subsequent notice u/s 221 of the Income Tax Act, 1961 with Document reference ID ITBA/RCV/S/221/2021-22/1038393458(1) dated January 4, 2022. Presently, the matter is pending.

Indirect Tax
NIL

Outstanding dues to creditors

Our Board, in its meeting held on September 28, 2023 has considered and adopted the Materiality Policy. In terms of the Materiality Policy, creditors of our Company on standalone basis, to whom an amount exceeding 5% of our total outstanding dues (trade payables) as on the date of the latest Restated standalone Financial Statements was outstanding, were considered 'material' creditors.

As per the latest Restated Standalone Financial Statements, our total trade payables as on March 31, 2023 was Rs. 4,161.74 lakhs and accordingly, creditors to whom outstanding dues exceed Rs. 208.09 lakhs have been considered as 'material' creditors for the purposes of disclosure in this Draft Red Herring Prospectus.

Based on this criteria, details of outstanding dues owed as on March 31, 2023 by our Company on Standalone basis are set out below:

(₹ in lakhs)

Types of creditors	Number of creditors	Amount involved
Micro, small and medium enterprises	-	-
Material Creditors	02	4,100.87
Other Creditors	-	-
Total	02	4,100.87

GOVERNMENT AND OTHER KEY APPROVAL

We have set out below an indicative list of approvals obtained by our Company which are considered material and necessary for the purpose of undertaking its business activities. In view of these material approvals, our Company can undertake the issue, and our Company can undertake its business activities. Other than as stated below, no further material approvals from any regulatory authority are required to undertake the Issue or continue such business activities. In addition, certain of our material approvals may have expired or may expire in the ordinary course of business, from time to time and our Company, has either already made an application to the appropriate authorities forrenewal of such material approvals or is in the process of making such renewal applications. In relation to the businessactivities and operations of our Company we have disclosed below the material approvals applied for but not received. For details in connection with the applicable regulatory and legal framework within which we operate, see section "Key Industry Regulations and Policies" on page 185.

I. APPROVALS FOR THE ISSUE

1) The Board of Directors have, by a resolution passed at its meeting held on August 14, 2023 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.

2) The shareholders of the Company have, by a special resolution passed in the Extra-ordinary General Meeting held on September 08, 2023 authorized the Issue.

3) In-principle approval dated [●] from the BSE for listing of the Equity Shares issued by the Company pursuant to the Issue.

4) In-principle approval dated [●] from the NSE for listing of the Equity Shares issued by the Company pursuant to the Issue.

5) Our Company's International Securities Identification Number ("**ISIN**") is INE0QTF01015

6) We have also taken the NOC from our lender/Bankers:

Name of the Bank/Lender	Date of NoC
Yes Bank Limited	September 19, 2023
Aditya Birla Finance Limited	September 20, 2023
Axis Bank Limited	September 15, 2023
HDFC Bank Limited	September 20, 2023
Tata Capital Limited	We are under the process of obtaining NOC from Tata Capital Limited.

II. INCORPORATION RELATED APPROVALS

A. Approvals obtained by the Company

1) Certificate of Incorporation dated April 16, 2003 issued under the name Vibhor steel Tubes Private Limited by Registrar of Companies.

2) Fresh Certificate of Incorporation dated July 07, 2023 issued by Registrar of Companies, Delhi consequent upon change of name of the Company from Vibhor Steel Tubes Private Limited' to 'Vibhor Steel Tubes Limited.

3) The Corporate Identity Number of the Company is U27109HR2003PLC035091.

III. TAX RELATED APPROVALS

A. Approvals obtained by the Company

Sr. No.	Description	Registration / Approval / Certificate Number	Issuing Authority	Date of Issue	Special conditions, if any
1.	Permanent Account Number (PAN)	AAEFE6690F	Income Tax Department, Government of India	Perpetual	-
2.	Tax Deduction Account Number (TAN)	RTKV03295F	Income Tax Department, Government of India	Perpetual	-
4.	Registration Certificate of Goods and Service Tax (GST) (Haryana)	06AAEFV6690F2ZW	Goods and Service Tax Department	Perpetual	-
5.	Registration Certificate of Goods and Service Tax (GST) (Maharashtra)	27AAEFV6690F1ZT	Goods and Service Tax Department	Perpetual	-
6.	Registration Certificate of Goods and Service Tax (GST) (Telangana)	36AAEFV6690F1ZU	Goods and Service Tax Department	Perpetual	-

IV. LABOUR RELATED APPROVALS

Sr. No.	Description	Registration / Approval / Certificate Number / Order No.	Issuing Authority	Date of Issue	Date of Expiry
1.	Certificate of Registration under the Employee State Insurance Act, 1948. (Telangana)	13001070870000599	Deputy. Director, Employees' State Insurance Corporation	Perpetual	-
2.	Certificate of Registration under the Employee State Insurance Act, 1948. (Maharashtra)	34000326350000606	Deputy. Director, Employees' State Insurance Corporation	Perpetual	-
3.	Certificate of Registration under the Employee State Insurance Act, 1948. (Hisar, Haryana)	13001070870000599	Deputy. Director, Employees' State Insurance Corporation	Perpetual	-
4.	Registration under Employees Provident Fund and Miscellaneous	THVSH0115687000	Regional Provident Fund Commissioner	Perpetual	-

	Provisions Act, 1952				
5.	Registration under Employees Provident Fund and Miscellaneous Provisions Act, 1952	APHYD1502289000	Regional Provident Fund Commissioner	Perpetual	
6.	Registration Certificate of Establishment under The Telangana Shops and Establishments Act, 1988.	APHYD1502289000	Department of Labour, Government of Telangana	July 27, 2016	Perpetual
7.	Legal Entity Identifier No.	335800SAQ6KLMZ NHRF57	Legal Entity Identifier India Limited	Perpetual	January,0 6 2024
8.	Factory License for factory situated at Sy. No. 515, 516, Udithyak (v) Balanagar(Mdl)- 509202, Mahabubnagar Dist, Telangana	MBNR/15/2017	Government of Telangana, Department of Factories	January 01, 2019	December 23, 2023
9.	Factory License for Factory situated at Gut No. 692, Vill Sukeli, Vill-Sukeli, Roha, Raigarh-402126, Maharashtra	122002512900370	Maharashtra Government, Directorate of Industrial Safety and Health (Labour Department)	January 01, 2022	December 31, 2023
10.	Pollution Certificate License for factory situated at Sy. No. 515, 516, Udithyak (v) Balanagar(Mdl)- 509202, Mahabubnagar Dist, Telangana	650-MBNR/TSPCB/ZOH /CFO/TS-iPASS/2022	Telangana State Pollution Control Board	Matrch 26, 2022	May 31, 2027
11.	Pollution Certificate License License for Factory situated at Gut No. 692, Vill Sukeli, Vill-Sukeli, Roha, Raigarh-402126, Maharashtra	0000149908/CR/230 5000430	Maharashtra Pollution Control Board	May 08, 2023	October 31, 2024
12.	Import – Export Code	0307047938	Ministry of Commerce and Industry, Directorate General of Foreign Trade	September 13, 2007	Perpetual

V. OTHER APPROVALS

Sr. No.	Product Description	Registration / Approval / Certificate Number	Issuing Authority	Date of Issue / Renew	Date of Expiry
1.	Certificate from Bureau of Indian	IS 1239:Part I: 2004	Bureau of Indian Standards	April 01, 2023	March 31, 2024

	Standards for Mild Steel Tubes, Tubulars And Other Wrought Steel Fittings- Part 1 : Mild Steel Tubes				
2.	Certificate from Bureau of Indian Standards for Steel Tubes For Mechanical And General Engineering Purposes	IS 3601: 2006	Bureau of Indian Standards	February 18, 2023	February 17, 2024
3.	Certificate from Bureau of Indian Standards for Steel Pipes For Water And Sewage (168.3 To2 540 MM Sewage (168.3 To2540 MM Outside Diameter)	IS 3589: 2001	Bureau of Indian Standards	October 21, 2022	October 20, 2023
4.	ISO 9001 :2015 Certificate for Manufacturing & Supply of ERW Steel Pipes – Black Galvanized	10116-AQMS-0216	Acerna Management Systems Pvt. Ltd	March 04, 2014	March 03, 2026

VI. INTELLECTUAL PROPERTY

Sr. No.	Trademark	Status
1.		Our application is under process for registration under Trademark Act, 1999.

For details regarding Intellectual Property, please refer chapter titled "Our Business" beginning on page no. 165.

VII. PENDING APPROVALS

A. Applied but not yet approved

Nil

B. Not Yet Applied

Nil

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for this Issue

Our Board has authorised the Issue, pursuant to a resolution dated August 14, 2023. Our Shareholders have authorised the Fresh Issue pursuant to a special resolution passed at their extra-ordinary general meeting dated September 08, 2023. This Draft Red Herring Prospectus has been approved by our Board pursuant to its resolution dated September 29, 2023.

In-Principle Listing Approvals

Our Company has received in-principle approvals from the BSE and NSE for the listing of the Equity Shares pursuant to both letters dated [●].

Prohibition by SEBI or other authorities

Our Company, our Promoters, members of the promoter group and our Directors have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/ court.

Our Promoters and Directors are not directors or promoters of any other company which is debarred from accessing the capital market under any order or direction passed by SEBI or any other authorities.

Our Company, Promoters or Directors have neither been declared as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the RBI. Our Promoters and our Directors have not been declared as Fugitive Economic Offenders under section 12 of Fugitive Economic Offenders Act, 2018.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters and members of our Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to our Company and the Equity Shares, as on the date of this Draft Red Herring Prospectus.

Directors associated with securities market

None of our Directors are associated with the securities market related business. There are no outstanding actions initiated by SEBI in the last five years preceding the date of this Draft Red Herring Prospectus against our Directors.

Eligibility for the Issue

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations, which states as follows:

i. Our company has net tangible assets of at least three crore rupees, calculated on a restated and consolidated basis, in each of the preceding three full years (of twelve months each), of which not more than fifty per cent. are held in monetary assets, kindly refer chapter titled "Financial Information" beginning on Page no. 233.
ii. Our company an average operating profit of at least fifteen crore rupees, calculated on a restated and consolidated basis, during the preceding three years (of twelve months each), with operating profit in each

of these preceding three years, kindly refer chapter titled "Financial Information" beginning on Page no. 233.

iii. Our company has a net worth of at least one crore rupees in each of the preceding three full years (of twelve months each), calculated on a restated and consolidated basis;

iv. Our Company has not changed its name in immediately preceding year.

Our Company's operating profit, net worth and net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets are derived from the Restated Financial Information included in this Draft Red Herring Prospectus as at, and for the last three Financial Years are set forth below:

(Rs. In Lakhs)

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Net Tangible Assets[(1)]	9,319.79	7,197.29	6,048.99
Monetary Assets [(2)]	2555.24	2098.56	1547.13
Monetary assets, as a percentage of net tangible assets (in %)	27.42%	29.16%	25.58%
Operating Profit[(3)]	4,173.85	2,454.48	1,437.58
Average Operating Profit	2,688.64		
Net Worth[(4)]	9,319.79	7,197.29	6,048.99

[(1)] 'Net tangible assets' means the sum of all net assets of our Company as applicable excluding intangible assets as defined in Indian Accounting Standard 38 (Ind AS 38) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013.

[(2)] 'Monetary assets' means the aggregate of Cash in hand + Balance with bank in current and fixed deposit account.

[(3)]Operating profit has been defined as the profit before tax after adjusting other income, finance cost.

[(4)] 'Net worth' means aggregate value of the paid-up share capital and other equity created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, derived from Restated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be allotted will be not less than 1,000, failing which the entire application monies shall be refunded forthwith in accordance with SEBI ICDR Regulations and other applicable laws. In case of delay, if any, in refund 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.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable: **Noted for Compliance**

Further, our Company confirms that it is not ineligible to undertake the Issue, in terms of Regulation 5 and 7(1) of the SEBI ICDR Regulations, to the extent applicable.

Our Company is in compliance with the following conditions specified under Regulations 5 of the SEBI ICDR Regulations:

i. Our Company, our Promoters, the members of our Promoter Group, and our Directors are not debarred from accessing the capital markets;

ii. None of the Promoters or the Directors are promoter or directors of companies which are debarred from accessing the capital markets by SEBI under any order or direction passed by the SEBI or any other authorities;

iii. None of our Company, our Promoters or our Directors have been categorized as a Wilful Defaulter or a Fraudulent Borrower;

iv. None of our Directors are Fugitive Economic Offenders, and our Promoters are not a corporate entity; and

v. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus except for the options granted under the ESOP Scheme.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE RED HERRING PROSPECTUS TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN 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 MANAGER, BEING KHAMBATTA SECURITIES LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN 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 MANAGER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 29, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, AS AMENDED OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

All applicable legal requirements pertaining to the Issue will be complied with at the time of filing the Draft Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act. All applicable legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from our Company, our Directors and the BRLM

Our Company, our Directors, the BRLM accept no responsibility for statements made otherwise than those confirmed in the Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance. Anyone placing reliance on any other source of information, including our Company's website www.vstlindia.com, would be doing so at his or her or their own risk.

Unless required by law and where applicable and their respective directors, affiliates, associates and officers accept no responsibility for any statements and undertakings, except such statements and undertakings made or confirmed by them in this Draft Red Herring Prospectus specifically in relation to itself, and their respective Offered Shares, are true and correct.

The BRLM accept no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement to be entered into between the Underwriter and our Company.

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 Bidding centres or elsewhere. Investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, BRLM and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, Underwriter 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.

The BRLM and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company and their respective group companies, directors and officers, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company and their respective group companies, directors and officers, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation. As used herein, the term ‘affiliate’ means (i) any other person that, directly or indirectly, through one or more intermediaries, Controls or is Controlled by or is under common Control with another person or entity; (ii) any other person which is a holding company, or subsidiary of another entity; and/or (iii) any other person in which another person or entity has a “significant influence” or which has “significant influence” over such Party, where “significant influence” over a person is the power to participate in the management, financial or operating policy decisions of that person but is less than Control over those policies and that shareholders beneficially holding, directly or indirectly through one or more intermediaries, a 10% or more interest in the voting power of that person are presumed to have a significant influence over that person.

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 competent to contract under the Indian Contract Act, 1872, as amended, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from RBI), systemically important NBFCs or trusts under applicable trust law and who are authorised under their respective constitutions to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, NBFC-Sis and permitted Non-Residents including FPIs and Eligible NRIs, AIFs, FVCIs, and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) at Mumbai, India only.

This Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Issue in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Issue will be made only pursuant to the Draft Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises this Draft Red Herring Prospectus and the preliminary international wrap for the Issue, if the recipient is outside India except the United States of America. 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.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. 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 offer or 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. Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law.

No person outside India is eligible to bid for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are only being offered and sold outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur".

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

All other Equity Shares Offered and Sold in the Issue

Each purchaser that is acquiring the Equity Shares offered pursuant to the Issue outside the United States, by a declaration included in the Bid cum Application Form and its acceptance of the Draft Red Herring Prospectus and of the Equity Shares offered pursuant to the Issue, will be deemed to have acknowledged, represented and warranted to and agreed with our Company and the BRLM that it has received a copy of the Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

i. the purchaser is authorised to consummate the purchase of the Equity Shares offered pursuant to the Issue in compliance with all applicable laws and regulations;

ii. the purchaser acknowledges that the Equity Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and accordingly, 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;

iii. the purchaser is purchasing the Equity Shares offered pursuant to the Offer in an offshore transaction meeting the requirements of Rule 903 or Rule 904 of Regulation S;

iv. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares, was located outside the United States at the time (i) the offer of such Equity Shares was made to it and (ii) when the buy order for such Equity Shares was originated, and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United Sates or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;

v. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;

vi. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, it will only do so (A) (i) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S, or (ii) pursuant to another available exemption from the registration requirements of the U.S. Securities Act, and (B) in accordance with all applicable laws, including the securities laws of any state of the United States or other applicable jurisdiction;

vii. the purchaser is not acquiring the Equity Shares as a result of any "directed selling efforts" (within the meaning of Rule 902(c) under the U.S. Securities Act) in the United States with respect to the Equity Shares;

viii. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect;

"THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, OR (2) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE EQUITY SHARES MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITARY RECEIPT FACILITY IN RESPECT OF THE EQUITY SHARES ESTABLISHED OR MAINTAINED BY A DEPOSITARY BANK."

ix. our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and the purchaser acknowledges that our Company, the Selling Shareholder, the BRLM and their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, Selling Shareholder and the BRLM, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where

required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to its filing with the RoC.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to its filing with the RoC.

Listing

The Equity Shares issued through the Draft Red Herring Prospectus are proposed to be listed on the BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission to deal in and for an official quotation of the Equity Shares to be issued and sold in the Issue. The NSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest, all monies received from the applicants in pursuance of the Draft Red Herring Prospectus, in accordance with applicable law. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within six Working Days from the Bid/ Offer Closing Date or within such other period as may be prescribed.

Consents

Consents in writing of (a) our Promoters, our Directors, Company Secretary and Compliance Officer, Statutory Auditor, the BRLM, legal counsel, bankers/ lenders to our Company, F&S and the Registrar to the Offer, in their respective capacities have been obtained; and consents in writing of (b) the Syndicate Members, and the Banker(s) to the Offer to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under Sections 26 and 32 of the Companies Act, 2013. Further, consents received prior to filing of this Red Herring Prospectus have not been withdrawn up to the time of delivery of this Red Herring Prospectus with the RoC.

Expert to the Offer

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

i. Our Company has received written consent from the Statutory & Peer Review Auditors, holding a valid peer review certificate from ICAI, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations namely, Ashok Kumar Goyal & Co., Chartered Accountants, to include their name as required under section 26 (5) of the Companies Act, 2013 read with SEBI ICDR

Regulations, in this RHP, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their: (i) examination report, dated September 28, 2023 on our Restated Standalone Financial Information; and (ii) the Statement of Special Tax Benefits available to the Company, the Shareholders dated September 28, 2023, included in this Draft Red Herring Prospectus.

Such consents have not been withdrawn as on the date of this DRHP. However, the term "expert" and the consent thereof shall not be construed to mean an "expert" or consent within the meaning as defined under the U.S. Securities Act.

Public or rights issues by our Company during the last five years and performance vis-à-vis objects – our Company

Other than as disclosed in the "Capital Structure – Notes to the capital structure" on page 75-76, our Company has not made any public or rights issue during the five years immediately preceding the date of this Draft Red Herring Prospectus.

Commission and brokerage paid on previous issues

Since this is an initial public offer of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's incorporation.

Capital issue by our Company, listed group companies, Subsidiaries and associates during the previous three years

Our Company does not have any listed group companies, listed associates and listed Subsidiaries. For details in relation to the capital issuances by our Company in the three years preceding the date of filing the Draft Red Herring Prospectus, see "Capital Structure – Notes to the capital structure" on page 75-76.

Performance vis-à-vis objects – Last issue of Listed Subsidiaries or Listed Promoter

Our Promoters and Subsidiaries are not listed on any stock exchange.

PRICE INFORMATION OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

Sr. No.	Issue name	Issue size (Rs. Crores)	Issue price (Rs.)	Listing Date	Opening price on Listing Date (Rs.)	+/- % 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.	Rudrabhishek Enterprises Limited	18.73	41.00	July 13, 2018	41.25	-1.68 [+3.05]	-1.56 [+2.32]	+15.95 [+0.60]
2.	Gayatri Rubbers and Chemicals Limited	4.58	30.00	February 07, 2023	35.00	+21.17 [+0.19]	+42.17 [+1.96]	+93.17 [10.13]

3.	Vels Films International Limited	33.74	99.00	March 22, 2023	101	-0.30 [+2.76]	-3.54 [+9.35]	+35.35 [17.73]
4.	Quality Foils (India) Limited	4.52	60.00	March 24, 2023	100	+62.33 [+4.01]	+50.08 [+11.28]	+85.00 [18.82]
5.	Quicktouch Technologies Limited	9.33	61.00	May 02, 2023	92	+121.97 [+2.13]	+129.51 [+8.26]	N.A.
6.	De Neers Tools Limited	22.99	101.00	May 11, 2023	190	+74.50 [+1.46]	+144.55 [+6.96]	N.A.
7.	Sahaj Fashions Limited	13.96	30.00	September 06, 2023	31	N.A.	N.A.	N.A.
8.	EMS Limited	321.25	211	September 21, 2023	282.05	N.A.	N.A.	N.A.

Sources: All share price data is from www.nseindia.com.

Note:

i. The CNX Nifty are considered as the Benchmark Index
ii. Prices on NSE are considered for all of the above calculations
iii. In case 30th/90th/180th day is not a trading day, closing price on NSE of the next trading day has been considered
iv. In case 30th/90th/180th days, scrips are not traded then last trading price has been considered.
v. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.

Summary statement of price information of past issues handled by Khambatta Securities Limited:

Financial Year	**Total no. of IPOs**	**Total Funds raised (Rs. Crores)**	**Nos. of IPOs trading at discount on as on 30th calendar days from listing date**			**Nos. of IPOs trading at premium on as on 30th calendar days from listing date**			**Nos. of IPOs trading at discount as on 180th calendar days from listing date**			**Nos. of IPOs trading at premium as on 180th calendar**		
			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%**
2023-24	4	32.32	-	-	-	2	-	-	-	-	-	-	-	-
2022-23	3	42.84	-	-	1	1	-	1	-	-	-	2	1	-
2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

a) Based on date of listing.
b) BSE SENSEX and CNX NIFTY have been considered as the benchmark index.
c) Prices on BSE/NSE are considered for all of the above calculations.
d) In case 30th /90th /180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
e) In case 30th /90th /180th day, scrip are not traded then last trading price has been considered.
f) N.A. – Period not completed.

g) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by lead manager are provided.

Track record of past issues handled by the BRLM

For details regarding the track record of the BRLM, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the BRLM as set forth in the table below:

Sr, No.	Name of BRLM	Website
1.	Khambatta Securities Limited	www.khambattasecurities.com

SECTION VII – ISSUE RELATED INFORMATION
TERMS OF THE ISSUE

The Equity Shares being offered, issued and allotted pursuant to the Issue shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SEBI Listing Regulations, the SCRA, the SCRR, the Memorandum of Association and Articles of Association, the terms of the Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the abridged prospectus, the Bid cum Application Form, any Revision Form, the CAN or Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents or 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 GoI, the Stock Exchanges, 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 GoI, the Stock Exchanges, the RoC or any other authority while granting its approval for the Issue.

Ranking of Equity Shares

The Equity Shares being issued and transferred pursuant to the Issue will be subject to the provisions of the Companies Act, the SEBI Listing Regulations, the MoA and the AoA and will rank pari passu in all respects with the existing Equity Shares of our Company, including in respect of dividends and other corporate benefits, if any, declared by our Company, after the date of Allotment. For more information, see "*Main Provisions of Articles of Association*" on page no. 405.

Mode of Payment of Dividend

Our Company shall pay dividend, if declared, to our Shareholders, as per the provisions of the Companies Act, the SEBI Listing Regulations, our MoA and the AoA, 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 Issue, will be payable to the Bidders who have been Allotted Equity Shares in the Issue, for the entire year, in accordance with applicable law. For more information, see "*Dividend Policy*" and "*Main Provisions of Articles of Association*" on page no. 232 and 405 respectively.

Face Value, Issue Price and Price Band

The face value of each Equity Share is Rs. 10 and the Issue Price at the lower end of the Price Band is Rs. [●] per Equity Share and at the higher end of the Price Band is Rs. [●] per Equity Share. The Anchor Investor Issue Price is Rs. [●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company in consultation with the BRLM, and will be advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all edition of Business Standard (a widely circulated English national daily newspaper), in all editions of Business Standard (a widely circulated Hindi national daily newspaper) and in all editions of Business Standard (a widely circulated regional Hindi newspaper, a Hindi also being the regional language of Hisar, Haryana, Delhi where the Registered Office is located) each with wide circulation and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Compliance with SEBI ICDR Regulations

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

The Issue

The Issue comprises only Fresh Issue.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- 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 and e-voting, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws, including any RBI rules and regulations;
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations, and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation or splitting, see "*Main Provisions of Articles of Association*" beginning on page no. 405.

Allotment only in Dematerialised Form

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

1) Tripartite agreement dated September 29, 2023 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.

2) Tripartite agreement dated September 29, 2023 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.

Market Lot and Trading Lot

Since trading of our Equity Shares is in dematerialized form, the tradable lot is one Equity Share. Allotment in this issue will be in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares. For the method of Basis of Allotment, see "*Issue Procedure*" on page no. 381.

Joint Holders

Subject to the provisions of the Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

The courts of Delhi, India will have exclusive jurisdiction in relation to this Issue.

Nomination facility to investors

In accordance with Section 72 of the Companies Act read with Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

Withdrawal of the Issue

Our Company in consultation with the BRLM, reserves the right not to proceed with the Issue after the Bid/ Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre- Issue advertisements were published, within two days of the Bid/ Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The BRLM, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Bank, in case of RIBs using the UPI Mechanism, to unblock the bank accounts of the ASBA Bidders and the BRLM shall notify the Escrow Collection Bank to release / refund the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with SEBI and the Stock Exchanges.

ISSUE PROGRAM

ISSUE OPENS ON(1)	[●]
ISSUE CLOSES ON	[●]

(1)Our Company may, in consultation with the BRLM, consider participation by Anchor Investors. The Anchor investor Bidding Date shall be one Working Day prior to the Bid/ Issue Opening Date in accordance with the SEBI ICDR Regulations.

An indicative timetable in respect of the Issue is set out below:

Event	**Indicative Date**
Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account	[●]
Credit of Equity Shares to demat account of the Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchanges	[●]

The above time-table is indicative in nature and does not constitute any obligation or liability on our Company or the Members of the Syndicate. While our Company will use best efforts to ensure that listing and trading of our Equity Shares on the Stock Exchanges commences within the time prescribed in law or such other period as may be prescribed by SEBI, the timetable may be subject to change for various reasons, including extension of Bid/Issue Period by our Company due to revision of the Price Band, any delays in receipt of final listing and trading approvals from the Stock Exchanges, delay in receipt of final certificates from SCSBs, etc. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges in accordance with applicable law.

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 change of the above - mentioned timelines

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Bid/Issue Period at the Bidding Centers, except that on the Bid/Issue Closing Date (which for QIBs may be a day prior to the Bid/Issue Closing Date for non-QIBs), Bids will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until (i) 4.00 p.m. (Indian Standard Time) for Bids by QIBs and Non-Institutional Investors; and (ii) 5.00 p.m. or such extended time as permitted by the Stock Exchanges (Indian Standard Time) in case of Bids by Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion. On the Bid/Issue

Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Bidders and Eligible employees bidding in the Employee Reservation Portion, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and reported by the BRLM to the Stock Exchanges.

For the avoidance of doubt, it is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs and the Sponsor Bank will be rejected

Due to limitation of time available for uploading Bids on the Bid/Issue Closing Date, Bidders are advised to submit Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/Issue Closing Date. Bidders are cautioned that if a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public issues, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation in the Issue. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by the SCSBs would be rejected. Our Company and the members of Syndicate will not be responsible for any failure in uploading Bids due to faults in any hardware/software system or otherwise. Bids will be accepted only on Working Days. Investors may please note that as per letters dated July 3, 2006 and July 6, 2006, issued by the BSE and NSE respectively, Bids and any revisions in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges.

Our Company in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/Issue Period, in accordance with the SEBI ICDR Regulations, provided that the Cap Price will be less than or equal to 120% of the Floor Price, the cap of price band shall be atleast 105% of Floor Price and the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price be revised accordingly.

In case of any revision to the Price Band, the Bid/Issue Period will be extended by 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, our Company may, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the other Members of the Syndicate and by intimation to Designated Intermediaries. However, in case of revision in the Price Band, the Bid Lot shall remain the same.

In case of discrepancy in data entered in the electronic book vis-à-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum Subscription

In the event our Company does not receive (i) a minimum subscription of 90% of the Issue, and (ii) a subscription in the Issue equivalent to minimum number of securities as specified in Rule 19(2) of the SCRR, including through devolvement to the Underwriters, as applicable, our Company shall forthwith refund the entire subscription amount received no later than 15 days from the Bid / Issue Closing Date, failing which, the directors of our Company who are officers in default shall jointly and severally be liable to repay that money with interest at the rate of 15% per annum. If there is a delay beyond such period, our Company shall pay such interest prescribed under the Companies Act, 2013, read with the applicable rules framed thereunder. Our Company in consultation with the BRLM, reserve the right not to proceed with the Issue for any reason at any time after the Bid / Issue Opening Date but before the Allotment of Equity Shares.

In case of non-receipt of minimum subscription, application money of Anchor Investors to be refunded shall be credited only to the bank account from which the subscription was remitted. Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be Allotted will be not less than 1,000.

Arrangements for Disposal of Odd Lots

Since the Equity Shares will be treated in dematerialized form only, and the market lot for the Equity Shares will be one Equity Share, there are no arrangements for disposal of odd lots.

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 Promoter, to acquire or receive any Equity Shares after the Issue.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Issue capital of our Company, the minimum Promoter's contribution and the Anchor Investor lock-in in the Issue as detailed in "Capital Structure" on page no. 74, except as provided in the Articles of Association as detailed in "Main Provisions of the Articles of Association" on page no. 405, there are no restrictions on transfers and transmission of Equity Shares and on their consolidation/ splitting.

ISSUE STRUCTURE

Public Offer of up to [●] Equity Shares for cash at price of Rs. [●] (including a share premium of Rs. [●] per Equity Share) aggregating up to Rs. 6,647.20 lakhs through Fresh Issue of Equity Shares.

The Offer comprises of a Net Offer of up to [●] Equity Shares and Employee Reservation Portion of up to [●] Equity Shares. The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital. The Offer and the Net Offer shall constitute [●] % and [●] %, respectively of the post-Offer paid-up Equity Share capital of our Company.

The Issue is being made through the Book Building Process:

Particulars	Eligible Employees#	QIBs(1)	Non-Institutional Bidders	Retails Individual Bidders
Number of Equity Shares available for allotment/allocation	Up to [●] Equity Shares	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Net Issue less allocation to QIBs Bidders and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or Net Issue less allocation to QIBs Bidders and Non- Institutional Bidders
Percentage of Issue size available for Allotment / allocation(2)	The Employee Reservation Portion shall constitute up to [●] % of the Offer Size.	Not more than 50% of the net Issue size shall be allocated to QIB Bidders. However, up to 5% of the QIB Portion (excluding the Anchor Investor 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 balance QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the	Not less than 15% of the Net Issue or the Net Issue less allocation to the QIB Bidders and Retail Individual Bidders will be available for allocation. Provided that the unsubscribed portion in either of the sub-categories specified above may be allocated to applicants in the other sub-category of Non-Institutional Bidders.	Not Less than 35% of the Net Issue or the Net Issue less allocation to the QIB Bidders and Non-Institutional Bidders will be available for allocation

		Mutual Fund portion will be available to other QIBs.		
Basis of Allotment if respective category is oversubscribed*	Proportionate#; unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed Rs. 2.00 Lakhs. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for a value exceeding Rs. 2.00 Lakhs, subject to total Allotment to an Eligible Employee not exceeding Rs. 5.00 Lakhs.	Proportionate as follows: (excluding Anchor Investor Portion) a) Upto [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and b) Upto [●] Equity Shares shall be allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. c) Upto [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor	The allocation to each Non-Institutional Investor shall not be less than minimum application size i.e., [•] Equity Shares, in accordance with the SEBI ICDR Regulations, subject to the availability of Equity Shares in Non-Institutional Investors' category, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis, subject to valid Bids being received at or above the Issue Price. One third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than Rs. 2 lakhs and up to Rs. 10 lakhs, and two third of the portion available to Non-Institutional investors shall be reserved for applicants with application size of more than Rs. 10 lakhs.	Proportionate, subject to the minimum bid lot. The allotment to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details see, "Issue Procedure" on page 381.

		Investor Allocation Price.		
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds Rs. 2.0 Lakhs.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds Rs. 2.0 Lakhs.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares, so that the maximum Bid Amount by each Eligible Employee in Eligible Employee Portion does not exceed Rs. 5 Lakhs.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceeds the size of the Issue, subject to applicable limits to the Bidder.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceeds the size of the Issue, (excluding the QIB Category) subject to applicable limits to the Bidder.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed Rs. 2.0 Lakhs.
Mode of Allotment	Compulsorily in dematerialised form.			
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.			
Allotment Lot	A minimum of [●] Equity Shares and thereafter in multiples of [●] Equity Share.			
Trading Lot	1 Equity Shares			
Who can Apply(3)	Eligible Employees (such that the Bid Amount does not exceed Rs. 5.00 Lakhs.	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, mutual funds, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, trusts and FPIs who are individuals, corporate bodies and family offices which are categorised as category II FPIs and registered with SEBI	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta)

		registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 lakhs, pension funds with minimum corpus of Rs. 2,500 lakhs National Investment Fund set up by the Government of India, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies.		
Terms of Payment	**In case of all other Bidders:** Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidders (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism (only RIBs) that is specified in the ASBA Form at the time of submission of the ASBA Form. **In case of Anchor Investors**: Full Bid Amount was payable by the Anchor Investors at the time of submission of the Anchor Investor Application Form(4)			
Mode of Bidding	ASBA only (including the UPI Mechanism)	Only through the ASBA process (except for Anchor Investors).	Only through the ASBA process including the UPI Mechanism for an application size of upto Rs. 5.00 lakhs.	Only through the ASBA process. In case of Retail Individual Investors, ASBA process will include the UPI mechanism.

**Assuming full subscription in the Issue*

#Eligible Employees Bidding in the Employee Reservation Portion can Bid up to a Bid Amount of Rs.5.00 Lakhs. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to Rs.2.00 Lakhs. In the event of under-subscription in the Employee Reservation Portion the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of Rs.2.00 Lakhs, subject to the maximum value of Allotment made

to such Eligible Employee not exceeding Rs. 5.00 Lakhs. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. Eligible Employee can also apply under Retail Portion. However, Bids by Eligible Employees in the Employee Reservation Portion and in the Non-Institutional Portion shall be treated as multiple Bids, only if Eligible Employee has made an application of more than Rs. 2.00 Lakhs in the Employee reservation portion. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.
[(1)]*Our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Issue Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to Rs.1,000 lakhs, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than Rs.1,000 lakhs but up to Rs.25,000 lakhs under the Anchor Investor Portion, subject to a minimum Allotment of Rs.500 lakhs per Anchor Investor, and (iii) in case of allocation above Rs.25,000 lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to Rs.25,000 lakh,, and an additional 10 Anchor Investors for every additional Rs.25,000 lakhs or part thereof will be permitted, subject to minimum allotment of Rs.500 lakhs per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least Rs.1,000 lakhs. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors, which price shall be determined by the Company in consultation with the BRLM. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion.*

[(2)]*Subject to valid Bids being received at or above the Issue Price. This Issue is being made in accordance with Rule 19(2)(b) of the SCRR and Regulation 6(1) of the SEBI ICDR Regulations.*

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Selling Shareholder, in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, please see "Terms of the Issue" on page 369.

[(3)]*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. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.*

[(4)]*Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor pay-in date as indicated in the CAN. Bidders will be required to confirm and will be deemed to have represented to our Company, the Promoters, 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.*

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 Equity Shares under the Issue.

Bids by FPIs with certain structures as described under "Issue Procedure" on page 381 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.

In case of any revision in the Price Band, the Bid/ Issue Period shall be extended for at least 3 (three) additional Working Days after such revision of the Price Band, subject to the total Bid/ Issue Period not exceeding 10 (ten) 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 websites of the BRLM and at the terminals of the members of the Syndicate.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

Withdrawal of the Issue

The Issue shall be withdrawn in the event the requirement of the minimum subscription as prescribed under Regulation 45 of the SEBI ICDR Regulations is not fulfilled. Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The BRLM, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Bank to unblock the bank accounts of the ASBA/ RIIs Bidding using the UPI Mechanism within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with SEBI and the Stock Exchanges.

ISSUE PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the "General Information Document") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Bidders/Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Bid Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

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 January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("UPI Phase I"). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by UPI Bidders through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II"). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs ("UPI Phase III"), as may be prescribed by SEBI. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective for initial public offers opening on or after May 1, 2021, except as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, as amended, are deemed to form part of this Red Herring Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to Rs. 0.5 million shall use the UPI Mechanism. Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of Rs. 100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. Additionally, SEBI vide its circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 202 3has reduced the time period for refund of application monies from 15 days to four days. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Our Company and the Members of the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and is not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus.

Further, the Company and the BRLM are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.

Book Building Procedure

The Issue is being made in the terms of Rule 19 (2) (b) of SCRR through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein 50% (not more than 50%) of the Issue shall be allocated to QIBs on a proportionate basis, provided that our Company, in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, 15% (not less than 15%) of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and 35% (not less than 35%) of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except the QIB Category, would be allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of the Exchange, in consultation with the BRLM and the Designated Stock Exchange, subject to applicable laws. 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.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Phased implementation of Unified Payments Interface

SEBI has issued UPI circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars proposes to introduce and implement the UPI payment mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be is replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

Phase III: The commencement period of Phase III is yet to be notified by SEBI. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Issue.

The Issue will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Bid/Issue Opening Date. If the Issue is made under UPI Phase III of the UPI Circular, the same will be advertised in all edition of Business Standard (a widely circulated English national daily newspaper), in all editions of Business Standard (a widely circulated Hindi national daily newspaper) and in all editions of regional language newspaper of Hisar, Haryana where the Registered Office is located) on or prior to the Bid/Issue Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their respective websites.

Pursuant to the UPI Streamlining Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised.

Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post–Issue BRLM will be required to compensate the concerned investor.

Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. 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 Bidders using the UPI Mechanism.

NPCI vide circular reference no. NPCI/UPI/OC No. 127/ 2021-22 dated December 09, 2021, inter alia, has enhanced the per transaction limit in UPI from Rs. 2 lakh to Rs. 5 lakh for UPI based Application Supported by Blocked Amount (ASBA) in Initial Public Offers (IPOs).

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders applying in public issues where the application amount is up to Rs. 500,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

i. A syndicate Member;

ii. 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);

iii. a Depository Participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);

iv. a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLM.

Electronic registration of Bids

i. The Designated Intermediary may register the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the Offer;

ii. On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in this Draft Red Herring Prospectus.

iii. Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

Bid cum Application Form

Copies of the Bid cum Application Form and the abridged prospectus will be available with the Designated Intermediaries at relevant Bidding Centers and at our Corporate Office of our Company. An electronic copy of the Bid cum Application Forms will also be available for download on the websites of the NSE (www.nseindia.com) and the BSE (www.bseindia.com) at least one day prior to the Bid/Issue Opening Date. For Anchor Investor, the Anchor Investor Application Form will be available at the office of the Book Running Lead Manager.

All Bidders (other than Anchor Investors) must provide bank account details and authorisation by the ASBA bank account holder to block funds in their respective ASBA Accounts in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such detail are liable to be rejected.

Further, UPI Bidders using the UPI Mechanism must provide their UPI ID in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected. Applications made by Retail Individual Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection. The Sponsor Bank shall provide details of the UPI linked bank account of the Bidders to the Registrar to the Issue for purpose of reconciliation.

RIBs Bidding through the Designated Intermediaries can only Bid using the UPI Mechanism.

RIBs submitting a Bid-cum Application Form to any Designated Intermediary (other than SCSBs) should ensure that only the UPI ID is mentioned in the relevant space provided in the Bid cum Application Form. ASBA Forms submitted by RIBs to Designated Intermediary (other than SCSBs) with ASBA Account details in the relevant space provided in the Bid cum Application Form, are liable to be rejected.

Further, such Bidders shall ensure that the Bids are submitted at the Bidding Centres only on Bid cum Application Forms bearing the stamp of the relevant Designated Intermediary (except in case of electronic Bid cum Application Forms) and Bid cum Application Forms (except electronic Bid-cum-Application Forms) not bearing such specified stamp may be liable for rejection. Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable, at the time of submitting the Bid. Designated Intermediaries (other than SCSBs) shall not accept any ASBA Form from a RIB who is not Bidding using the UPI Mechanism.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form[(1)]
Resident Indians including resident QIBs, Non- Institutional Investors, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	White
FPIs applying on a repatriation basis	Blue
Anchor Investors	White[(2)]

[(1)]*excluding electronic Bid cum Application Form (Electronic Bid Cum Application forms and the Abridged Prospectus will also be available for the download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com)*

[(2)]*Anchor Investor Application Forms shall be made available at the offices of the Book Running Lead Manager.*

Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form (except the Bid cum Application Form from a RIB bidding using the UPI Mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. Further, SCSBs shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For UPI bidders using UPI Mechanism, the Stock Exchanges shall share the bid details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the Bankers to the Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to the Issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability.

In accordance with BSE Circular No: 20220803-40 and NSE Circular No: 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Offer Closing Date ("Cut-Off Time"). Accordingly, UPI Bidders Bidding using through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Issue Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Issue Bidding process

Who can Bid?

In addition to the category of Bidders set forth in the General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- Scientific and/or industrial research organizations in India, which are authorised to invest in equity shares; and
- Any other person eligible to Bid in this Issue, under the laws, rules, regulations, guidelines and polices applicable to them.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulations) 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 in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in compliance with Regulations under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Participation by Promoters, Promoter Group, BRLM, associates and affiliates of the BRLM, the Syndicate Members, persons related to Promoters and Promoter Group

The BRLM and the Syndicate Member(s) shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLM and the Syndicate Member(s) may subscribe to or purchase Equity Shares in the Issue, in the QIB Portion or in Non-Institutional Portion as may be applicable to such Bidders. Such Bidding and subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of BRLM and Syndicate Member(s), shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the BRLM or any associates of the BRLM, except Mutual Funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associate of BRLM or AIFs sponsored by the entities which are associate of the BRLM or FPIs (other than individuals, corporate bodies and family offices), sponsored by the entities which are associates of the BRLM nor; (ii) any "person related to the Promoter and members of the Promoter Group" shall apply in the Issue under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a "person related to the Promoter and members of the Promoter Group": (a) rights under a shareholders' agreement or voting agreement entered into with the Promoter and members of the Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an associate of the BRLM, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLM. The members of the Promoter Group will not participate in the Issue.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by HUFs

Bids by HUFs Hindu Undivided Families or HUFs, should be made in the individual name of the Karta. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or First Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorise their SCSB or should confirm/accept the UPI Mandate Request (in case of RIBs using the UPI Mechanism) to block their Non- Resident External ("NRE") accounts or Foreign Currency Non-Resident ("FCNR") accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorise their SCSB or should confirm/accept the UPI Mandate Request (in case of RIBs Bidding using the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

NRIs applying in the Issue through UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI-linked prior to making such application for details of investment by NRIs, see "*Restrictions in Foreign Ownership of Indian Securities*" on page no. 403. Participation of eligible NRIs shall be subject to NDI Rules

Bids by FPIs

An entity, registered as an FPI pursuant to SEBI FPI Regulations, is permitted to invest in Indian securities as a person resident outside India in accordance with provisions of SEBI FPI Regulations and the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 ("FEMA Rules"). In terms of the SEBI FPI Regulations, the issue of equity shares to a single FPI or an investor group (multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than fifty per cent or common control, shall be treated as part of the same investor group and the investment limits of all such entities shall be clubbed at the investment limit as applicable to a single FPI) must be below 10% of the post-issue equity share capital of a company on a fully diluted basis. The total investment under SEBI FPI Regulations by an FPI including its investor group shall not exceed the threshold of below ten per cent of the total paid up equity capital in a listed or to be listed company on a fully diluted basis. The FPIs investing in breach of the prescribed limit will have the option of divesting their holdings within 5 trading days from the date of settlement of the trades causing the breach. In case the FPI chooses not to divest, then the entire investment in the company by such FPI and its investor group shall be considered as investment under Foreign Direct Investment (FDI) and the FPI and its investor group shall not make further portfolio investment in the company concerned, and accordingly be subject to additional compliances and reporting requirements under applicable FEMA Rules.

For details of restrictions on investment by FPIs, see "Restrictions on Foreign Ownership of Indian Securities" on page no. 403.

Bids received from FPIs bearing the same PAN will be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants which were issued in November 2019 to facilitate implementation of SEBI (Foreign Portfolio Investors) Regulations, 2019 (such structure "MIM Structure") provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the names of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids will be rejected.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI VCF Regulations, the SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF or FVCI registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

Category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A VCF registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations.

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 and the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by Limited Liability Partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Bids by Banking Companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company in consultation with the BRLM reserves the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended. 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.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by systemically important non-banking financial companies registered with RBI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM, reserves the right to reject any Bid, 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 by Anchor Investors

In accordance with the applicable SEBI ICDR Regulations, the key terms for participation by Anchor Investors are provided below:

- **i.** Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLM;
- **ii.** The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds Rs. 1,000 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 Rs. 1,000 lakhs;
- **iii.** One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds;
- **iv.** Bidding for Anchor Investors will open one Working Day before the Bid / Issue Opening Date, i.e., the Anchor Investor Bidding Date, and will be completed on the same day;
- **v.** Our Company, in consultation with the BRLM will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:
  - a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to Rs. 1,000 lakhs;
  - b) minimum of two and maximum of fifteen Anchor Investors, where the allocation under the Anchor Investor Portion is more than Rs. 1,000 million but up to Rs. 25,000 lakhs, subject to a minimum Allotment of Rs. 500 lakhs per Anchor Investor; and
  - c) in case of allocation above Rs. 25,000 lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of fifteen Anchor Investors for allocation up to Rs. 25,000 lakhs, and an additional ten Anchor Investors for every additional Rs. 25,000 lakhs, subject to minimum allotment of Rs. 2,500 lakhs per Anchor Investor.
- **vi.** Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid / Issue Opening Date, through intimation to the Stock Exchanges.
- **vii.** Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid;
- **viii.** If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price;
- **ix.** 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment;
- **x.** Neither the (i) BRLM or any associate of the BRLM (other than mutual funds sponsored by entities which are associate of the BRLM or insurance companies promoted by entities which are associate of the BRLM or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the BRLM or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the BRLM) nor (ii) the Promoters, Promoter Group or any person related to the Promoters or members of the Promoter Group shall apply under the Anchor Investors category. For further details, please see "Participation by Promoters, Promoter Group, BRLM, associates and affiliates of the BRLM, the Syndicate Members, persons related to Promoter, Promoter Group" on page no. 220;

xi. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids;

For more information, see the General Information Document.

Bids by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the circulars dated September 13, 2012 and January 2, 2013 issued by the SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such for such applications.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers prescribed in Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("IRDAI Investment Regulations") are set forth below:

- equity shares of a company: the lower of 10%* of the investee company's outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or a reinsurer;
- the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- the industry sector in which the investee company operates not more than 15% of the respective fund of a life insurer or a reinsurer or health insurer or general insurance or 15% of the investment assets, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) or (iii) above, as the case may be.

*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of Rs. 72,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of Rs. 7500,000 million or more but less than Rs. 72,500,000 million.

Insurer companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by the IRDAI from time to time to time including the IRDAI Investment Regulations.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of Rs. 250 million (subject to applicable laws) and pension funds with a minimum corpus of Rs. 250 million (subject to applicable laws), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the BRLM, in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company in consultation with the BRLM, may deem fit.

Bids by Provident Funds/Pension Funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof.

The above information is given for the benefit of the Bidders. Our Company and the Members of the Syndicate 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. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation or as specified in this Draft Red Herring Prospectus.

In accordance with RBI regulations, OCBs cannot participate in the Issue.

Information for Bidders (other than Anchor Investors)

In addition to the instructions provided to Bidders in the *General Information Document for Investing in Public Issues*, Bidders are requested to note the following additional information in relation to the Issue.

1. The relevant Designated Intermediary will enter each Bid option into the electronic Bidding system as a separate Bid and generate an acknowledgement slip ("**Acknowledgement Slip**"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three Acknowledgement Slips for each Bid cum Application Form. It is the Bidder's responsibility to obtain the TRS from the relevant Designated Intermediary.

   The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/ Allotted. Such Acknowledgement will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised TRS from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

2. In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLM are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or the 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.

3. In the event of an upward revision in the Price Band, Retail Individual Bidders who had Bid at Cut-off Price could either (i) revise their Bid or (ii) shall make additional payment based on the cap of the revised Price Band (such that the total amount i.e., original Bid Amount plus additional payment does not exceed Rs. 200,000 if the Bidder wants to continue to Bid at Cut-off Price). The revised Bids must be submitted to the same Designated Intermediary to whom the original Bid was submitted. If the total amount (i.e., the original Bid Amount plus additional payment) exceeds Rs. 200,000, the Bid will be considered for allocation under the Non-Institutional Portion. If, however, the Retail Individual Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Retail Individual Bidder and the Retail Individual Bidder is deemed to have approved such revised Bid at Cut-off Price.

4. In the event of a downward revision in the Price Band, Retail Individual Bidders who have bid at Cut-off Price may revise their Bid; otherwise, the excess amount paid at the time of Bidding would be unblocked after allotment is finalised.

5. Any revision of the Bid shall be accompanied by instructions to block the incremental amount, if any, to be paid on account of the upward revision of the Bid.

Pre- Issue Advertisement

Subject to Section 30 of the Companies Act, the Exchange will, after registering the Red Herring Prospectus with the RoC, publish a pre- Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in all edition of Business Standard (a widely circulated English national daily newspaper), in all editions of Business Standard (a widely circulated Hindi national daily newspaper) and in all editions of the regional language of Hisar, Haryana, where the Registered is located). The Exchange shall, in the pre- Issue advertisement state the Bid/ Issue Opening Date, the Bid/ Issue Closing Date and the QIB Bid/ Issue Closing Date if any. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Signing of Underwriting Agreement and filing of Prospectus with the RoC

- Our Company and the Underwriters intend to enter into an Underwriting Agreement after the finalization of the Issue Price.
- After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the ‘Prospectus’. The prospectus will contain details of the Issue Price, the Anchor Investor Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

GENERAL INSTRUCTIONS

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise 250 their Bid(s) during the Bid/ Issue Period and withdraw their Bid(s) until Bid/ Issue Closing Date. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

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; All Bidders (other than Anchor Investors) should submit their bids through the ASBA process only;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

4. Ensure (unless you are an Anchor Investor) that you have mentioned the correct ASBA Account number (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form;

5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except in case of electronic Bids) within the prescribed time. Retail Individual Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants;

6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries. Ensure that you use only your own bank account linked UPI ID to make an application in the Issue. Retail Individual Bidders using the UPI Mechanism shall ensure that the bank with which they have their bank account where the funds equivalent to the Bid Amount are available for blocking;

7. If the first applicant is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number in the Bid cum Application Form (for all Bidders other than Retail Individual Bidders, bidding using the UPI Mechanism);

8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

9. In case of joint Bids, the Bid cum Application Form should contain the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

11. 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;

12. Instruct your respective banks to release the funds blocked in accordance with the ASBA process;

13. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining / specifying their PAN for transacting in the securities market including without limitation, multilateral/ bilateral institutions, and (iii) by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficial owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

15. 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;

16. Ensure that the correct investor category and the investor status is indicated in the Bid cum Application Form;

17. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;

18. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;

19. Since the allotment will be in dematerialised form only, ensure that the Bidder's depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID and the PAN entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository database;

20. In case of ASBA Bidders (other than Retail Individual Bidders using UPI Mechanism), ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in);

21. Anchor Investors should submit the Anchor Investor Application Forms to the BRLM;

22. Once the Sponsor Bank issues the UPI Mandate Request, the Retail Individual Bidders would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request;

23. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

24. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

25. Retail Individual Bidders using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a Retail Individual Bidder shall be deemed to have verified the attachment containing the application details of the Retail Individual Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount specified in the Bid cum Application Form;

26. Retail Individual Bidders bidding using the UPI Mechanism should mention valid UPI ID of only the applicant (in case of single account) and of the first applicant (in case of joint account) in the Bid cum Application Form;

27. Retail Individual Bidders using the UPI Mechanism who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner; and

28. Ensure that the Demographic Details are updated, true and correct in all respects;

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid for a Bid Amount exceeding Rs.200,000 (for Bids by Retail Individual Bidders);

3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

7. Do not submit the Bid for an amount more than funds available in your ASBA account.

8. Do not submit Bids on plain paper or on incomplete or ineligible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

9. If you are a Retail Individual Bidder and are using UPI Mechanism, do not submit more than one Bid cum Application Form for each UPI ID;

10. If you are a Retail Individual Bidder and are using UPI Mechanism, do not make the ASBA application using third party bank account or using third party linked bank account UPI ID;

11. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

12. Do not submit the General Index Register (GIR) number instead of the PAN;

13. 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;

14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

16. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;

17. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Draft Red Herring Prospectus;

18. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids on or before the Bid/Issue Closing Date;

19. Do not Bid for shares more than specified by respective Stock Exchanges for each category;

20. Anchor Investors should not bid through the ASBA process;

21. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries; and

22. Do not submit Bids to a Designated Intermediary at a location other than Specified Locations. If you are a Retail Individual Bidder and are using UPI Mechanism, do not submit the ASBA Form directly with SCSBs.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Payment into Escrow Account for Anchor Investors

Our Company and selling shareholder, in consultation with the BRLM will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Issue through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS or NACH). For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

a) In case of resident Anchor Investors: "[●]";
b) In case of Non-Resident Anchor Investors: "[●]";

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from Anchor Investors.

Grounds for Technical Rejections

In addition to the grounds for rejection of Bids on technical grounds as provided in the *"General Information Document for Investing in Public Issues – Issue Procedure in Book Built Issue – Rejection and Responsibility for Upload of Bids – Grounds for Technical Rejections"* Bidders are requested to note that Bids may be rejected on the following additional technical grounds.

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;

2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

3. Bids submitted on plain paper;

4. Bids submitted by Retail Individual Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;

5. Bids under the UPI linked Mechanism submitted by Retail Individual Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);

6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

7. Bids submitted without the signature of the First Bidder or sole Bidder;

8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are 'suspended for credit' in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;

10. GIR number furnished instead of PAN;

11. Bids by Retail Individual Bidders with Bid Amount for a value of more than Rs. 2,00,000;

12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations guidelines and approvals;

13. Bids accompanied by cheque(s), demand draft(s), stock invest, money order, postal order or cash;

14. Bids uploaded by QIBs after 4.00 p.m. on the QIB Bid / Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by Retail Individual Bidders uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchanges; and

15. Bids by OCB.

Issuance of a Confirmation of Allocation 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.

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM

In addition to the instructions for completing the Bid cum Application Form provided in the sub-section "General Information Document for Investing in Public Issues – Applying in the Issue – Instructions for filing the Bid cum Application Form/ Application Form" Bidders are requested to note the additional instructions provided below.

1. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive

Magistrate under official seal. Bids must be in single name or in joint names (not more than three, and in the same order as their Depository Participant details).

2. ASBA Bids must be made in a single name or in joint names (not more than three, and in the same order as their details appear with the Depository Participant), and completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Draft Red Herring Prospectus and in the ASBA Form.

3. Bids on a repatriation basis shall be in the names of FIIs or FPIs but not in the names of minors, OCBs, firms or partnerships and foreign nationals.

Designated Date and Allotment

1. Our Company will ensure that the Allotment and credit to the successful Bidder's depositary account will be completed within six Working Days, or such period as may be prescribed by SEBI, of the Bid/ Issue Closing Date or such other period as may be prescribed.

2. Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.

3. Allottees will have the option to re-materialise the Equity Shares so Allotted as per the provisions of the Companies Act, 2013 and the Depositories Act.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLM and the Registrar to the Issue, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares through the Offer Document except in case of over-subscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon over-subscription, an allotment of not more than one per cent of the Issue may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum Allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis subject to applicable law.

Communications

All future communications in connection with Bids made in this Issue should be addressed to the Registrar to the Issue, quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate or the SCSB / Designated Intermediary, where the Bid was submitted and bank account number in which the amount equivalent to the Bid Amount was blocked.

Bidders 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, unblocking of funds, etc.

Depository Arrangements

The Allotment of the Equity Shares in the Issue shall be only in a de-materialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, two agreements had been signed among our Company, the respective Depositories and the Registrar to the Issue:

1. Agreement dated September 29, 2023 among NSDL, our Company and the Registrar to the Issue.
2. Agreement dated September 29, 2023 among CDSL, our Company and Registrar to the Issue.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

"Any person who:

- ***a)*** *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*

- ***b)*** *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

- ***c)*** *Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447"*

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Undertakings by our Company

Our Company undertakes the following:

1. That if our Company does not proceed with the Issue after the Bid/ Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/ Issue Closing Date. The public notice shall be issued in the same newspapers where the pre- Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

2. That the complaints received in respect of the Issue shall be attended to by the Company expeditiously and satisfactorily;

3. That all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Bid/ Issue Closing Date or such other period as may be prescribed;

4. If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within 6 days from the Bid/ Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Bidders at the rate of 15.00% per annum for the delayed period;

5. That Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within 6 days from the Bid/ Issue Closing Date or such lesser time as specified by SEBI, giving details of the bank where refunds shall be credited along with the amount and expected date of electronic credit for the refund;

6. That the Promoters' contribution in full, if applicable, shall be brought in advance before the Issue opens for subscription;

7. That funds required for making refunds to unsuccessful applicants as per mode(s) disclosed shall be made available to the Registrar to the Issue by the Company;

8. No further Issue of Equity Shares shall be made until the Equity Shares offered through the Draft Red Herring Prospectus are listed or until the Bid monies are unblocked in the ASBA Accounts on account of non- listing, under-subscription etc.;

9. That if our Company withdraw the Issue after the Bid/ Issue Closing Date, our Company shall be required to file a fresh offer document with the SEBI, in the event our Company subsequently decides to proceed with the Issue;

10. That our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;

11. That the allotment of securities/refund confirmation to Eligible NRIs shall be dispatched within specified time;

12. That adequate arrangements shall be made to collect all Bid cum Application Forms from Bidders and Anchor Investor Application Forms from Anchor Investors; and

13. That our Company shall not have recourse to the Issue Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges.

Utilisation of Net proceeds

The Board of Directors of Our Company certifies that:

1. all monies received out of Issue of specified securities to public shall be transferred to 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 utilised out of the Issue referred to in sub-item(i) shall be disclosed and continue to be disclosed till the time any part of the Fresh Issue proceeds remains un-utilised under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilised; and

3. details of all un-utilised monies out of the Fresh Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of the issuer indicating the form in which such un-utilised monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India ("DPIIT") makes policy announcements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEMA. The DPIIT also issues the Consolidated Foreign Direct Investment Policy ("FDI Policy") from time to time. The regulatory framework pertaining to foreign investment, over a period of time, thus, consists of acts, regulations, master circulars, press notes, press releases, and clarifications among other amendments.

India's current FDI Policy issued by the DPIIT with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT till October 15, 2020. All the press notes, press releases, clarifications on FDI issued by DPIIT till October 15, 2020 stand rescinded as on October 15, 2020. In terms of the FDI Policy, Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments.

In accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the FDI Policy and the Foreign Exchange Management (Non-debt Instruments) Rules, 2019. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India.

Further, the existing individual and aggregate investment limits for an FPI in the Company shall not exceed 10% of the total paid-up Equity Share capital of the Company for each FPI and the total holdings of all FPIs in the Company shall not exceed 24% of the total paid-up Equity Share capital of the Company. The RBI, in exercise of its power under the FEMA, has also notified Foreign Exchange Management (Non-debt Instruments) Rules, 2019 ("**Rules**") and Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt instruments) Regulations, 2019 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. SEBI registered FPIs have been permitted to purchase shares of an Indian company through the Issue, subject to total FPI investment being within the individual FPI/sub account investment limit of less than 10% of the total paid-up equity capital on a fully diluted basis of the Company and subject to the total holdings of all FPIs/sub accounts including any other direct and indirect foreign investments in the Company not exceeding 24% of the paid-up equity capital of the Company on a fully diluted basis. The aggregate limit of 24% in case of FPIs may be increased up to the sectoral cap/statutory ceiling, as applicable, by the Company concerned by passing of resolution by the Board of the Company to that effect and by passing of a special resolution to that effect by its Shareholders. With effect from April 1, 2020, such aggregate limit of 24% has increased to the sectoral cap applicable to the Indian Company which in case of the Company is 100% provided that the Company complies with conditions provided under the FDI Policy. As per the Rules, the aggregate limit as provided above was permitted to be decreased by the Company to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its Board of Directors through a resolution and also of its shareholders by means of a special resolution, before March 31, 2020. The Company has passed no such Board Resolution and hence, has not revised its sectoral caps. Further, eligible NRIs and OCIs investing on repatriation basis are subject to individual investment limit of 5% of the total paid-up equity capital on a fully diluted basis subject to the aggregate paid-value of the shares purchased by all NRIs and OCIs put together on repatriation basis not exceeding 10% of the total paid-up equity capital on a fully diluted basis of the Company. The aggregate limit of 10% in case of NRIs and OCIs together may be raised to 24 % if a special resolution to that effect is passed by the shareholders of the Company. As on date, no such resolution for raising the limit has been passed by the Company.

The transfer of shares between an Indian resident and a Non-resident does not require prior approval of RBI, subject to fulfillment of certain conditions as specified by DPIIT / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of the Company.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to 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 being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. 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 Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. 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. Bidders are advised to make their independent investigations and ensure that the Bids are not in violation of laws or regulations applicable to them.

SECTION VIII – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013

(A COMPANY LIMITED BY SHARES)

ARTICLES OF ASSOCIATION
OF
VIBHOR STEEL TUBES LIMITED

PRELIMINERY

1. Subject as hereinafter provided the Regulations contained in Table 'F' in the Schedule I to the Companies Act, 2013 shall apply to the Company so far as they are applicable to Public Company except so far as they have implied or expressly modified by what is contained in the Articles mentioned as altered or amended from time to time.

INTERPRETATION

I.

(1) In these Regulations: -

(a) "Company" means **Vibhor Steel Tubes Limited.**

(b) "the Act" means the "Companies Act, 2013" and every statutory modification or re-enactment thereof and references to Sections or Rules of the Act shall be deemed to mean and include references to sections enacted in modification or replacement thereof.

(c) "these Regulations" means these Articles of Association as originally framed or as altered, from time to time.

(d) "the Office" means the Registered Office for the time being of the Company.

(e) "the Seal" means the common seal of the Company.

(f) Words imparting the singular shall include the plural and vice versa, words imparting the masculine gender shall include the feminine gender and words imparting persons shall include bodies corporate and all other persons recognized by law as such.

(g) "month" and "year" means a calendar month and calendar year respectively.

Company wide Special resolution passed in the EGM held on June 14, 2023, adopt new set of AOA which is in compliance with Provisions of Companies Act, 2013.

Further, members passed special resolution in the Extra Ordinary General meeting held on June 14, 2023 for conversion of the Company from Private Limited to Limited Company.

(h) Expression referring to writing shall be construed as including references to printing, lithography, photography and other modes of representing or reproducing words in visible form.

(i) Unless the context otherwise requires, the words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modifications thereof, in force at the date at which these regulations become binding on the Company.

2. The Regulations contained in Table F in Schedule 1 to the Companies Act, 2013 shall not apply to the Company and the Regulations herein contained shall be the regulations for the management of the Company and for the observance of its members and their representatives. They shall be binding on the company and its members as if they are the terms of an agreement between them.

SHARE CAPITAL AND VARIATION OF RIGHTS

II. 1.

1. The Authorised Share Capital of the company shall be such amounts and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital in accordance with the Company's regulations and legislative provisions for the time being in force on that behalf with the powers to divide the share capital, whether original or increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such manner as may for the time being be provided by the Regulations of the Company and allowed by law.

   Subject to the provisions of these Articles and of the Act, the shares shall be under the control of the Board of Directors, who may allot or otherwise dispose off the same to such persons, on such terms and conditions and at such time as they think fit and with full power to give any person the option to call of or be allotted shares of the Company of any class, either at a premium or at par and for such time and for such consideration as the Board of Directors think fit (subject to the provisions of Section 53, 54, 56 and 58 of the Act), provided that option or right to call of shares shall not be given to any person except with the sanction of the Company in General Meeting. The Board shall cause to be made the returns as the allotment provided for in Section 39 of the Act.

2. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles; and every person who thus or otherwise accepts any shares and whose name is on the register shall, for the purposes of the Articles, be a member.

3. 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 of the Act, the consent in writing of the holders of three fourths of the issued shares of that class or with a sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

4. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise 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.

5. (i) The company may exercise the powers of paying commissions conferred by Section 40 of the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Section.

   (ii) The rate of commission shall not exceed the rate of 5% (five percent) of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 5% (five percent) of such price, as the case may be and in the case of debentures 2½% (two and a half per cent) of the price at which the debentures in respect whereof the same is paid are issued or an amount equal to 2½% (two and a half per cent) of such price, as the case may be.

(iii) The commission may be satisfied by payment in cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.

(iv) The Company may also, on any issue of shares, pay such brokerage as may be lawful.

II 2.

I (*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.

II The Company agrees, that it will not charge any fees exceeding those which may be agreed upon with the Stock Exchange.

(i) for issue of new certificates in replacement of those that are torn out, defaced lost or destroyed;
(ii) for sub-division and consolidation of shares and debenture certificates and for subdivision of Letters of Allotment and Split, Consolidation, Renewal and Pucca Transfer Receipts into denominations other than those fixed for the market units of trading".

III If any shares stands in the names of two or more persons, the person first named in the register of members shall as regards receipt of dividends, the service of notices and subject to the provisions of these Articles, all or any other matter connected with the Company except the issue of share certificates, voting at meeting and the transfer of the share, be deemed the sole holder thereof.

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 *paripassu* 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. Subject to the provisions of Companies Act, 2013 the Company shall have a first and paramount lien upon all the shares (not being a fully paid-up share) for all monies (presently payable) registered in the name of such member (whether solely or jointly with others) and upon the proceeds of sale thereof for his debts, liabilities and engagements (whether presently payable or not) solely or jointly with any other person, to or with the Company, whether the period for the payment, fulfillment or discharge thereof shall have actually lien or not and such lien shall extend to all dividends, from time to time, declared in respect of shares, subject to section 123 of the Companies Act 2013. The Board of Directors may at any time declare any shares to be wholly or in part exempt from the provisions of this clause.

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 byway of premium) and not by the conditions of allotment thereof made payable at fixed times: Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii)A call may be revoked or postponed at the discretion of the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (*i*) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.

(ii)The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. 1. (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.

2. Subject to the provisions of Section 50 and 179 of the Act, the Board :-

(a) May, if it thinks fit, receive from any member willing to advance all or any part of the money uncalled and unpaid upon any shares held by him; and

(b) If it thinks fit, may pay interest upon all or any of shares (until the same would but for such advance become presently payable) at such rate not exceeding, unless the Company in general meeting shall otherwise direct, 12% (twelve percent) per annum as may be agreed upon between the Board and the member paying the sums or advances, Money so paid in advance shall not confer a right to dividend or to participate in profits.

3. On the trial or hearing on any suit or proceedings brought by the Company against any member or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of members of the company as a holder or one of the holders of the number of shares in respect of which such claim is made and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who resolved to make any call, nor that a quorum of Directors was present at Board Meeting at which any call was resolved to be made, nor that the meeting at which any call was resolved to be made was duly convened or constituted nor any other matter, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

4. Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall, preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

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. 1. The Company shall keep a "Register of Transfers" and therein shall fairly and distinctly enter particulars of every transfer or transmission of any share(s) or securities.

2. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(i) the transferor shall be deemed to remain a holder of the security until a properly signed deed of transfer is received by the Company within 2 months of its execution and proper note thereof has been taken and name of transferee has been entered in the Register of Members/Securities, as the case may be;

(ii) that there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law;

(iii) that a common form of transfer shall be used;

(iv) that fully paid shares shall be free from all lien and that in the case of partly paid shares the Company's lien shall be restricted to money called or payable at a fixed time in respect of such shares;

(v) 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 Company on any account whatsoever; (vii) 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;

(vi) that option or right to call of shares shall not be given to any person except with the sanction of the Company in general meetings;

(vii) Permission for Sub-Division/Consolidation of Share Certificate.

3. The instrument of transfer shall be in writing and all the provisions of Companies Act 2013 and modification thereof for the time being shall be complied with in respect of all transfers of shares and registration thereof.

4. Unless the Directors decide otherwise, when an instrument of transfer is tendered by the transferee, before registering any such transfer, the Directors shall give notice by letter sent by registered acknowledgement due post to the registered holder that such transfer has been lodged and that unless objection is taken the transfer will be registered. If such registered holder fails to lodge an objection in writing at the office within ten days from the posting of such notice to him, he shall be deemed to have admitted the validity of the said transfer. Where no notice is received by the registered holder, the Directors shall be deemed to have decided not to give notice and in any event to the non-receipt by the registered holder of any notice shall not entitle him to make any claim of any kind against the Company or the Directors in respect of such non-receipt.

20. The Board may, subject to the right of appeal conferred by section 58 decline to register—
(*a*) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or (*b*) any transfer of the share on which the Company has a lien, provided that the registration transfer shall not be refused on the ground of transferor being either alone or jointly with any person or persons indebted to the Company on any account except a lien.

21. 1. 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.

2. All instruments of transfer which shall be registered shall be retained by the Company, but may be destroyed upon the expiration of such period as the Board may from time to time determine. Any instrument of transfer which the Board declines to register shall (except in any case of fraud) be returned to the person depositing the same.

22. (a) 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.
(b) There shall be no charge for :

(i) registration of shares or debentures.
(ii) sub-division and/or consolidation of shares and debentures certificates and sub-division of Letters of Allotment and split consolidation, renewal and pucca transfer receipts into denominations corresponding to the market unit or trading;
(iii) sub-division of renounceable Letters of Right;
(iv) issue of new certificates in replacement of those which are decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised;
(v) registration of any Powers of Attorney, Letter of Administration and similar other documents.

TRANSMISSION OF SHARES

23. (*i*) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.
(*ii*) Nothing in clause (*i*) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. (*i*) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
(*a*) to be registered himself as holder of the share; or
(*b*)to make such transfer of the share as the deceased or insolvent member could have made.

(*ii*) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25. (*i*) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
(*ii*) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
(*iii*) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. 1. On the transfer of the share being registered in his name 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.

2. Where the Company has knowledge through any of its principal officers within the meaning of Section 2 of the Estate Duty Act, 1953 of the death of any member of or debenture holder in the company, it shall furnish to the controller within the meaning of such section, the prescribed particulars in accordance with that Act and the rules made thereunder and it shall not be lawful for the Company to register the transfer of any shares or debentures standing in the name of the deceased, unless the transferor has acquired such shares for valuable consideration or a certificate from the Controller is produced before the Company to the effect that the Estate Duty in respect of such shares and debentures has been paid or will be paid or that none is due, as the case may be.

3. The Company shall incur liability whatever in consequence of its registering or giving effect, to any transfer of share made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the register of members) to the prejudice of persons having or claiming any equitable right, title of interest to or in the said shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or

give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company though not bound so to do, shall be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

FORFEITURE OF SHARES

27. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

28. The notice aforesaid shall—

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time, thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the date of forfeiture, which shall be the date on which the resolution of the Board is passed forfeiting the shares.

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 together with interest thereon from the time of forfeiture until payment at the rate of 9 % (nine percent) per annum.

(*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. 1. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment 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.

2. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the share, and all other rights incidental thereto except only such of those right as by these Articles are expressly saved.
3.Upon any sale, after forfeiture or for enforcing a lien in purported exercise of powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings or to be application of the purchase money and after his name has been entered in the Register in respect of such shares, the validity, of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

4.Upon any sale, re-allotment or other disposal under the provisions of these Articles relating to lien or to forfeiture, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect. When any shares, under the powers in that behalf herein contained are sold by the Board and the certificate in respect thereof has not been delivered up to the Company by the former holder of such shares, the Board may, issue a new certificate for such shares distinguishing it in such manner as it may think fit, from the certificate not so delivered.

5.The Directors may subject to the provisions of the Act, accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof.

ALTERATION OF CAPITAL

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

35. Subject to the provisions of section 61, the company may, by ordinary resolution,-
(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
(d) cancel any share which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

36. 1. The Company may, by an ordinary resolution:-
(a) convert any paid-up shares into stock; and
(b)reconvert any stock into paid-up shares of any denomination authorised by these regulations.

2. 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 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.

3. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regard dividends voting and meeting 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.

4. Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholder" respectively.

37. 1. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,-
(a) its share capital;
(b) any capital redemption reserve account; or (c) any share premium account.

The Company may, from time to time, by special resolution and on compliance with the provisions of Section 66 of the Act, reduce its share capital.

2. The Company shall have power to establish Branch Offices, subject to the provisions of the Act or any statutory modifications thereof.

3.The Company shall have power to pay interest out of its capital on so much of shares which were issued for the purpose of raising money to defray the expenses of the construction of any work or building or the provision of any plant for the Company in accordance with the provisions of the Act.

4.The Company, if authorised by a special resolution passed at a General Meeting may amalgamate or cause itself to be amalgamated with any other person, firm or body corporate, subject however, to the provisions of Section 230 to 232 of the Act.

CAPITALISATION OF PROFITS

38. (1) The company in General Meeting may, upon the recommendation of the Board resolve:-
(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss Account, or otherwise available for distribution; and
(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) among the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(2) The sum aforesaid shall not be paid in cash, but shall be applied, subject to the provisions contained in clause (3), either in or towards :-
(i) paying up any amounts for the time being upaid on any shares held by such members respectively;
(ii) 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; or
(iii)partly in the way specified in sub-claue (i) and partly in that is specified in sub-cluse (ii).

(3) Any share/securities premium account and any capital redemption reserve fund may, for the purpose of this regulation, only be applied in the paying up of unissued share to be issued to members of the Company as fully paid bonus shares.

(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
(i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

39. (1) Whenever such as resolution as aforesaid shall have been passed, the Board shall:-

(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares, if any; and (b) do all acts and things required to give effect thereto.

(2) The Board shall have full power :-

(a)to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit in the case of shares becoming distributable in fractions; and also

(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;

(3) Any agreement made under such authority shall be effective and binding on all 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. 1. No general meeting, annual or extraordinary, shall be competent to enter upon, discuss or transact any business which has not been stated in the notice by which it was convened or called

2. (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 in Section 103 of the Act, a minimum of:-

a) five members personally present if the number of members as on the date of meeting is not more than one thousand;
b) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;
c) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;

Furthermore, A body corporate, being member, shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act.

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. 1. 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.

2. No business shall be discussed at any general meeting except the election of a Chairman, whilst the chair is vacant.

ADJOURNMENT OF MEETING

47. 1. (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.

(i) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(ii) 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.

(iii) 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.

2. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes places or at which the poll is demanded shall be entitled to a second or casting vote.

3. Any business other than that upon which a poll has been demanded, may be proceeded with, pending the taking of the poll.

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; and

(ii) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

50. (*i*) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

54. (*i*) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
(ii)Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

58. ***1. The number of Directors of the Company shall not be less than three and not more than fifteen.***

2. Name of the First Director shall be

1. Mr. Jagdish Chander Mehta
2. Mr. Adhir Mehta

59. 1. At every Annual General Meeting of the Company one-third of such of the Directors for the time being as are liable to retire by rotation in accordance with the provisions of Section 152 of the Act or if their number is not three or a multiple of three, then the number nearest to one third shall retire from office in accordance with the provisions of Sections 152 of the Act.

2. (1) Subject to the provisions of the Companies Act, 2013 and Rules made there under each Director shall be paid sitting fees for each meeting of the Board or a committee thereof, attended by him a sum not exceeding Rs. 100,000/- (Rupees One Lacs Only);

(2) Subject to the provisions of Section 197 of the Act, the Directors shall be paid such further remuneration, whether in the form of monthly payment or by a percentage of profit or otherwise, as the Company in General Meeting may, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and in such manner as the Board may, from time to time, determine and in default of such determination, shall be divided among the directors equally of is so determined paid on a monthly basis.

(3) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day to day.

(4) Subject to the provisions of Sections 197 of the Act, if any Director be called upon to perform any extra services or make special exertions or efforts (which expression shall include work done by a

Director as a member of any committee formed by the Directors) the Board may pay such Director special remuneration for such extra services or special exertions or efforts either by way of a fixed sum or by percentage of profit otherwise and may allow such Director at the cost and expense of the Company such facilities or amenities (such as rent free house, medical aid and free conveyance) as the Board may determine from time to time.

(5) In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid in accordance with company's rules to be made by the Board all travelling, hotel and other expenses properly incurred by them :-

(a) In attending and returning from meetings or adjourned meeting of the Board of Directors or any committee thereof; or

(b) In connection with the business of the Company.

3. The Directors shall not be required to hold any qualification shares in the Company.

4. If it is provided by any trust deed securing or otherwise in connection with any issue of debentures of the Company that any person or persons shall have power to nominate a Director of the Company then in the case of any and every such issue of debentures, the persons having such power may exercise such power, from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as a Debenture Director. A Debenture Director may be removed from office at time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A debenture Director shall not be liable to retire by rotation.

5. In the course of its business and for its benefit the Company shall, subject to the provisions of the Act, be entitled to agree with any person, firm, corporation, government, financing institution or other authority that he or it shall have the right to appoint his or its nominee on the Board of Directors of the Company upon such terms and conditions as the Directors may deem fit. Such nominees and their successors in office appointed under this Article shall be called Nominee Directors. Nominee Directors shall be entitled to hold office until requested to retire by the government, authority, person, firm, institution or corporation who may have appointed them and will not be bound to retire by rotation. As and whenever a Nominee Director vacates office whether upon request as aforesaid or by death, resignation or otherwise the government, authority, person, firm, institution or corporation who appointed such Nominee Director may if the agreement so provide, appoint another Director in his place.

6. Subject to the provisions of Section 161 of the Act, the Board of Directors shall have power to appoint an alternate Director to act for a Director during his absence for a period of not less than three months from India.

7. The Directors shall have power, at any time and from time to time, to appoint any qualified person to be a director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall held office only upto the date upto which the director in whose place he is appointed would have held office if it had not been vacated as aforesaid but he shall then be eligible for re-election.

8. A person may be or become a director of any company promoted by the company or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as director or shareholder of such company. Such Director, before receiving or enjoying such benefits in case in which the provisions of Section 188 of the Act are attracted will ensure that the same have been complied with.

9. Every nomination, appointment or removal of a Special Director shall be in writing and in accordance with the rules and regulations of the government, corporation or any other institution. A Special Director

shall be entitled to the same rights and privileges and be subject to same obligations as any other Director or the Company.

10. The office of a Director shall become vacant:-

(i) on the happening of any of the events provided for in Section 167 of the Act;

(ii) on the contravention of the provisions of Sections 188 of the Act, or any statutory modifications thereof;

(iii) if a person is a Director of more than twenty Companies at a time, out of which not more than 10 (Ten) shall be Public Companies.

(iv) in the case of alternate Director on return of the original Director to the State, in terms of Section 161 of the Act; or

(v) on resignation of his office by notice in writing and is accepted by the Board.

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 thinks 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.

65. 1. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii)A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

2. Subject to Section 174 of the Act, the quorum for a meeting of the Board of Directors shall be one third of its total strength (any fraction contained in that one third being rounded off as one) or two Directors, whichever is higher; provided that where at any time the number of interested Directors exceeds or is equal to two thirds of the total strength, the number of the remaining Directors, that is to say, the number of directors, who are not interested, present at the meeting, being not less than two, shall be the quorum during such time.

3. The participation of the Directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum under clause 105 of the Articles.
4. If a meeting of the Board could not be held for want of quorum, whatever number of Directors not being less than two, shall be present at the adjourned meeting, notice where of shall be given to all the Directors, shall form a quorum.

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. 1. (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.

2. Subject to the restrictions contained in Section 179 & 180 of the Act, the Board may delegate any of its powers to committees of the Board consisting of such member or members of its body as it think fit and it may, from time to time, revoke such delegation and discharge any such committee of the Board either wholly or in part, and either as to persons or purposes, but every committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such committee of the Board in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

3. The meetings and proceedings of any such committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last proceeding Article.

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. Subject to Section 175 of the Act and except a resolution which the Act requires specifically to be passed in any board meeting, a resolution in writing, signed by the majority 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 as valid and effectual 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 thinks 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. (1) The Board shall provide a common seal for the purposes of the Company and shall have power, from time to time, to vary or cancel the same and substitute a new seal in lieu thereof. The Board shall provide for the safe custody of the seal for the time being.

(2) Subject to any statutory requirements as to Share Certificates or otherwise, 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, thinks fit. (*ii*) The Board may also carry forward any profits which it may consider necessary not, to divide, without setting them aside as a reserve.

80. (*i*) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

81. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

82. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
(ii)Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

83. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

84. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

85. No dividend shall bear interest against the company.

ACCOUNTS

86. (1) The Board shall cause proper books of accounts to be maintained under Sections 128 & 129 of the Act.
(2) 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 or them, shall be open to the inspection of members not being Directors.
(3) 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.

OTHERS

89.

SHARE WARRANTS

1. The Company may issue share warrant, subject to and in accordance with, the provisions of the Companies Act 2013 and accordingly the Board may in its discretion with respect of any share which is fully paid up, on application in writing signed by the person registered as holder of the share and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the person signing the application and on receiving the certificate (if any) of the share; and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.

2. (1) The bearer of a share warrant may at any time deposit the warrant at the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company and of attending and voting and exercising, the other privileges of a member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares included in the deposited warrant.
(2) Not more than one person shall be recognised as depositor of the share warrant.
(3) The Company shall, on two days written notice, return the deposited share warrant to the depositor.

3. (1) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling meeting of the Company or attend or vote or exercise any other privilege of a member at a meeting of the company or be entitled to receive any notice from the Company.
(2) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he was named in the register of member as the holder of the shares including in the warrant and he shall be deemed to be a member of the Company in respect thereof.

4. The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction of the original.

MANAGING DIRECTOR(S) AND WHOLE TIME DIRECTOR(S)

1. Subject to provisions of Section 196 & 197 of the Act, the Board of Directors may, from time to time, appoint one or more of their body to the office of Managing Directors or whole time Directors for a period not exceeding 5 (five) years at a time and on such terms and conditions as the Board may think fit and subject to the terms of any agreement entered into with him, may revoke such appointment, and in making such appointments the Board shall ensure compliance with the requirements of the Companies Act, 2013 and shall seek and obtain such approvals as are prescribed by the Act, provided that a Director so appointed, shall not be whilst holding such office, be subject to retirement by rotation but his appointment shall automatically be determined if he ceases to be a Director.

2. The Board may entrust and confer upon Managing Director/s or whole time Director/s any of the powers of management which would not otherwise be exercisable by him upon such terms and conditions and with such restrictions as the Board may think fit, subject always to the superintendence, control and direction of the Board and the Board may, from time to time revoke, withdraw, alter or vary all or any of such powers.

3. Subject to Section 203 of the Act, a Secretary of the Company may be appointed by the Board on such terms, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board.

BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

1. Balance Sheet and Profit and Loss Account of the Company will be audited once in a year by a qualified auditor for correctness as per provision of the Act.

AUDIT

1. (a) The first Auditor of the Company shall be appointed by the Board of Directors within thirty days from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.
   (b) The auditor shall be hold office from the conclusion of First Annual General Meeting till conclusion of Sixth Annual General Meeting
   (c) The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.
   (d) The Board of Director may fill any casual vacancy in the office of the auditor and where any such vacancy continues, the remaining auditor, if any may act, but where such vacancy is caused by the resignation of the auditors and vacancy shall be filled up by the Company in General Meeting.

SECRECY

1. Subject to the provisions of law of land and the act, every manager, auditor trustee, member of a committee, officer servant, agent accountant or other persons employed in the business of the company shall, if so required by the Board of Directors before entering upon his duties, sign, declaration, pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself, not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the directors or by any court of law and except so far as may be necessary in order to comply with any of the provisions in these presents.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company 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 Draft Red Herring Prospectus which will be delivered to RoC for registration. Copies of these contracts and also the documents for inspection referred to hereunder, may be inspected at the Corporate Office between 10.00 a.m. and 5.00 p.m. on all Working Days from the date of the Draft Red Herring Prospectus until the Bid/Issue Closing Date.

A. Material Contracts

1. Memorandum of Understanding dated September 16, 2023 entered into between our Company and the Book Running Lead Manager.

2. Memorandum of Understanding dated September 28, 2023 entered into between our Company and the Registrar to the Issue.

3. Tripartite Agreement dated September 29, 2023 between CDSL, our Company and the Registrar to the Issue.

4. Tripartite Agreement dated September 29, 2023 between NSDL, our Company and the Registrar to the Issue.

5. Escrow Agreement dated [●] between our Company, the Book Running Lead Manager, the Syndicate Members, the Escrow Collection Bank(s), Sponsor Bank(s), Refund Bank(s) and the Registrar to the Issue.

6. Share Escrow Agreement dated [●] between our Company, the Share Escrow Agent and the Book Running Lead Manager.

7. Syndicate Agreement dated of [●] between our Company, the Book Running Lead Manager, the Syndicate Members and Registrar to the Issue.

8. Underwriting Agreement dated of [●] between our Company, the Selling Shareholder, the Book Running Lead Manager and the Underwriters.

9. Renewed long term supply agreement dated April 01, 2023 with Jindal Pipes Limited.

10. Agreement with Steel Authority of India for supply of raw material dated April 01, 2023.

B. Material Documents

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.

2. Fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Delhi ("RoC") on July 07, 2023.

3. Resolution of the Board of Directors dated August 14, 2023 authorizing the Issue.

4. Shareholders' Resolution passed at the Extra-ordinary General Meeting of the Company held on September 08, 2023 authorizing the Issue.

5. Report of our Statutory Auditor dated September 28, 2023 regarding the Restated Financial Statement of our Company for year ended, March 31, 2023, 2022 and 2021 included in this Draft Red Herring Prospectus.

6. Statement of Tax Benefits dated September 28, 2023 issued by our Statutory Auditor.

7. Consents of our Directors, Chief Financial Officer, Company Secretary and Compliance Officer, BRLM, Legal Counsel to the Issue, Statutory Auditor and Peer Reviewed Auditor, Registrar to the Issue, Escrow Collection Banks, Public Offer Account Bank, Sponsor Banks, Refund Bank, Bankers to our Company and Syndicate Members as referred to in their specific capacities.
8. Consent from CARE Advisory Research and Training Limited dated September 27, 2023 to include contents or any part thereof from their report titled "Research Report on Steel Pipes and Tubes Industry" dated September, 2023 in this Draft Red Herring Prospectus;
9. Industry Report titled "Research Report on Steel Pipes and Tubes Industry" dated September, 2023 issued by CARE Advisory Research and Training Limited, which is a paid report and was commissioned by us pursuant to an engagement letter dated July 07, 2023 in connection with the Issue; which is available on the website of our Company at https://www.vstlindia.com/.
10. Due diligence Certificate dated September 29, 2023 addressed to SEBI issued by the BRLM.

11. Resolution of the Board of Directors of our Company dated September 29, 2023, approving this Draft Red Herring Prospectus.

12. In - principle listing approvals both dated [●] from BSE Limited and Nation Stock Exchange of India Limited.

13. SEBI observation letter no. [●] dated [●].

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at anytime if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or 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 statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHAIRMAN & DIRECTOR OF OUR COMPANY

Name	DIN	Designation	Signature
Vijay Kaushik	02249672	Chairman & Director	Sd/-

Date: September 29, 2023
Place: Hisar, Haryana

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or 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 statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE MANAGING DIRECTOR OF OUR COMPANY

Name	DIN	Designation	Signature
Vibhor Kaushik	01834866	Managing Director	Sd/-

Date: September 29, 2023
Place: Hisar, Haryana

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or 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 statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE WHOLE TIME DIRECTOR OF OUR COMPANY

Name	PAN	Designation	Signature
Vijay Laxmi Kaushik	02249677	Whole Time Director	Sd/-

Date: September 29, 2023
Place: Hisar, Haryana

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or 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 statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE WHOLE TIME DIRECTOR OF OUR COMPANY

Name	PAN	Designation	Signature
Pratima Sandhir	07756142	Whole Time Director	Sd/-

Date: September 29, 2023
Place: Hisar, Haryana

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or 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 statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE EXECUTIVE DIRECTOR OF OUR COMPANY

Name	PAN	Designation	Signature
Pankaj Kumar Rai	08697130	Executive Director	Sd/-

Date: September 29, 2023
Place: Hisar, Haryana

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or 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 statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY

Name	DIN	Designation	Signature
Shiv Kumar Singhal	00940261	Independent Director	Sd/-

Date: September 29, 2023
Place: Hisar, Haryana

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or 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 statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY

Name	DIN	Designation	Signature
Sanjeev Gupta	00945812	Independent Director	Sd/-

Date: September 29, 2023
Place: Hisar, Haryana

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or 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 statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY

Name	DIN	Designation	Signature
Ashwani Kumar Garg	00387749	Independent Director	Sd/-

Date: September 29, 2023
Place: Hisar, Haryana

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or 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 statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY

Name	DIN	Designation	Signature
Abhiram Tayal	00081453	Independent Director	

Date: September 29, 2023
Place: Hisar, Haryana

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or 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 statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY

Name	DIN	Designation	Signature
Vikram Grover	09692781	Independent Director	Sd/-

Date: September 29, 2023
Place: Hisar, Haryana

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or 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 statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Name	PAN	Designation	Signature
Anil Jain	AEWPJ1376C	Chief Financial Officer	Sd/-

Date: September 29, 2023
Place: Hisar, Haryana

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or 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 statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY

Name	PAN	Designation	Signature
Lovkesh	ANGPL3227M	Company Secretary & Compliance Officer	Sd/-

Date: September 29, 2023
Place: Hisar, Haryana