

**SP REFRACTORIES LIMITED**

Corporate Identity Number is U51909MH2007PLC167114.

REGISTERED OFFICE		CONTACT PERSON		EMAIL AND TELEPHONE		WEBSITE	
M-10, M-11/1 & M-11/2, MIDC Industrial Area, Hingna Road, Nagpur- 440016.		Shreyaa Jajoo Company Secretary and Compliance Officer.		Email: info@sprefractories.com Telephone: 07104-235388/99		www.sprefractories.com	
THE PROMOTER OF OUR COMPANY							
Namita Prabodh Kale, Shweta Prabodh Kale and Prajakta Prabodh Kale							
DETAILS OF ISSUE							
TYPE	FRESH ISSUE SIZE (IN LAKHS)	OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹)	TOTAL ISSUE SIZE		ELIGIBILITY 229(1) / 229(2) & SHARE RESERVATION AMONG NII & RII		
Fresh Issue and OFS	Fresh Issue of 2,97,600 Equity Shares aggregating 267.84 Lakhs	Offer For Sale of 2,49,600 Equity Shares aggregating 224.64 Lakhs	Total Issue of 5,47,200 Equity Shares aggregating 492.48 Lakhs		The Issue is being made pursuant to Regulation 229(1) of SEBI ICDR Regulations. As the Company's post issue face value capital does not exceed ₹10.00 Crores		
DETAILS OF OFFER FOR SALE BY THE SELLING SHAREHOLDERS							
NAME OF SELLING SHAREHOLDERS		TYPE	NUMBER OF EQUITY SHARES OFFERED/ AMOUNT			WEIGHTED AVERAGE COST OF ACQUISITION ON FULLY DILUTED BASIS* (IN ₹ PER EQUITY SHARE)	
Shweta Prabodh Kale		Promoter	1,24,800 Equity Shares aggregating ₹ 112.32 Lakhs			3.76	
Prajakta Prabodh Kale		Promoter	1,24,800 Equity Shares aggregating ₹ 112.32 Lakhs			4.55	
RISK IN RELATION TO THE FIRST ISSUE							
This being the first Public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10 each and the Issue Price is 9 times the face value. The Issue Price (determined and justified by our Company and the Selling Shareholder in consultation with the Lead Manager) as stated under "Basis of Issue Price" beginning on page no. 64 of this Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.							
GENERAL RISK							
Investment 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 Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page no. 20 of this Prospectus.							
COMPANY'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY							
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this 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 Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, the Selling Shareholder accepts responsibility for and confirms that the statements made or confirmed such Selling Shareholders in this Prospectus to the extent of information about himself as a Selling Shareholders and in the context of the Offer for Sale. The Selling Shareholders further assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect.							
LISTING							
The Equity Shares Issued through this Prospectus is proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited. Our Company has received an in-principle approval letter dated February 01, 2022 from NSE for using its name in this offer document for listing our shares on the EMERGE Platform of the National Stock Exchange of India Limited. For the purpose of this Issue, the Designated Stock Exchange will be National Stock Exchange of India Limited ("NSE").							
LEAD MANAGER TO THE ISSUE				REGISTRAR TO THE ISSUE			
 ARYAMAN FINANCIAL SERVICES LIMITED 60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg, Fort, Mumbai – 400 001. Tel: +91 – 22 – 6216 6999 Email: ipo@afsl.co.in Website: www.afsl.co.in Investor Grievance Email: feedback@afsl.co.in Contact Person: Vatsal Ganatra SEBI Registration No.: INM000011344				 BIGSHARE SERVICES PRIVATE LIMITED 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Makwana Road, Marol, Andheri East, Mumbai – 400 059 Tel. No.: +91 22 6263 8200 Email: ipo@bigshareonline.com Website: www.bigshareonline.com Investor Grievance Email: investor@bigshareonline.com Contact Person: Babu Rapheal SEBI Registration No.: INR000001385			
ISSUE OPENS ON				ISSUE CLOSES ON			
March 09, 2022				March 11, 2022			



SP REFRACTORIES LIMITED

Our Company was incorporated as SP Refractories Private Limited on January 18, 2007 under the Companies Act, 1956 with the Registrar of Companies, Mumbai bearing Registration number 167114. The status of the Company was changed to public limited and the name of our Company was changed to SP Refractories Limited vide Special Resolution dated October 11, 2021. The fresh certificate of incorporation consequent to conversion was issued on October 28, 2021 by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U51909MH2007PLC167114. For further details pertaining to the change of name of our Company and the change in Registered Office, please refer the chapter "History and Certain Corporate Matters" on page no. 97 of this Prospectus.

Registered Office: M-10, M-11/1 & M-11/2, MIDC Industrial Area, Hingna Road, Nagpur- 440016.

Tel No.: 07104-235388/99; **Email:** info@sprefractories.com; **Website:** www.sprefractories.com

Contact Person: Shreyaa Jajoo, Company Secretary and Compliance Officer.

Our Promoters: Namita Prabodh Kale, Shweta Prabodh Kale and Prajakta Prabodh Kale

THE ISSUE

INITIAL PUBLIC OFFER OF 5,47,200 EQUITY SHARES OF ₹10 EACH ("EQUITY SHARES") OF SP REFRACTORIES LIMITED ("SPRL" OR THE "COMPANY") FOR CASH AT A PRICE OF ₹ 90 PER SHARE (THE "ISSUE PRICE"), AGGREGATING TO ₹ 492.48 LAKHS ("THE ISSUE"), CONSISTING OF FRESH ISSUE OF 2,97,600 EQUITY SHARES AGGREGATING TO ₹ 267.84 LAKHS AND AN OFFER FOR SALE OF 2,49,600 EQUITY SHARES COMPRISING OF 1,24,800 BY SHWETA PRABODH KALE AND 1,24,800 BY PRAJAKTA PRABODH KALE ("THE PROMOTERS SELLING SHAREHOLDER" OR "THE SELLING SHAREHOLDER") AGGREGATING TO ₹ 224.64 LAKHS ("OFFER FOR SALE"), OF WHICH 28,800 EQUITY SHARES OF ₹ 10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY AGGREGATING MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THAN THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 5,18,400 EQUITY SHARES OF ₹10 EACH IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 30.58% AND 28.97% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.

THE FACE VALUE OF THE EQUITY SHARE IS ₹10 AND THE ISSUE PRICE IS 9 TIMES OF THE FACE VALUE

In terms of Rule 19(2) (b) (i) of the SCRR this Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. This issue is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI ICDR Regulations wherein a minimum 50% of the Net Issue is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including corporate bodies or institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price. Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage. For further details please refer the section titled "Issue Information" beginning on page no.172 of this Prospectus.

All potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details of the respective bank accounts and / or UPI IDs, in case of RIIs, if applicable, which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page no. 180 of this Prospectus. A copy will be delivered for registration to the Registrar of Companies as under Section 26 and Section 28 of the Companies Act, 2013.

RISK IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10 each and the Issue Price is 9 times the face value. The Issue Price (determined and justified by our Company and the Selling Shareholder in consultation with the Lead Manager) as stated under "Basis of Issue Price" beginning on page no. 64 of this Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investment 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 Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page no. 20 of this Prospectus.

COMPANY'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this 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 Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, the Selling Shareholder accepts responsibility for and confirms that the statements made or confirmed such Selling Shareholders in this Prospectus to the extent of information about himself as a Selling Shareholders and in the context of the Offer for Sale. The Selling Shareholders further assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

LISTING

The Equity Shares Issued through this Prospectus is proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited. Our Company has received an in-principle approval letter dated February 01, 2022 from NSE for using its name in this offer document for listing our shares on the EMERGE Platform of the National Stock Exchange of India Limited. For the purpose of this Issue, the Designated Stock Exchange will be National Stock Exchange of India Limited ("NSE").

LEAD MANAGER TO THE ISSUE



ARYAMAN FINANCIAL SERVICES LIMITED

60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg, Fort, Mumbai – 400 001.

Tel.: +91 – 22 – 6216 6999

Email: ipo@afsl.co.in

Website: www.afsl.co.in

Investor Grievance Email: feedback@afsl.co.in

Contact Person: Vatsal Ganatra

SEBI Registration No.: INM000011344

REGISTRAR TO THE ISSUE



BIGSHARE SERVICES PRIVATE LIMITED

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Makwana Road, Marol, Andheri East, Mumbai – 400 059

Tel. No.: +91 22 6263 8200

Email: ipo@bigshareonline.com

Website: www.bigshareonline.com

Investor Grievance Email: investor@bigshareonline.com

Contact Person: Babu Rapheal

SEBI Registration No.: INR000001385

ISSUE OPENS ON

March 09, 2022

ISSUE CLOSES ON

March 11, 2022



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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time.

The words and expressions used in this Prospectus but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under. If there is any inconsistency between the definitions given below and the definitions contained in the General Information Document (defined hereinafter), the following definitions shall prevail.

General Terms

Term	Description
SP Refractories Limited / SPRL / The Company / Company / We / Us / Our Company	Unless the context otherwise indicates or implies refers to SP Refractories Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 with its registered office in the Mumbai.
“we”, “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company.

Company Related Terms

Term	Description
AoA/ Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of SP Refractories Limited.
Auditors of the Company	M/s. Zoeb Anwar & Co., Chartered Accountants, having their office at 2 nd Floor, Block No. 20 to 22, Rajkamal Complex, Dhantoli, Nagpur- 440012.
Audit Committee	The committee of the Board of Directors constituted on December 10, 2021 in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013, as described in “ <i>Our Management</i> ” on page no. 100 of this Prospectus.
Board of Directors / Board	The Board of Directors of SP Refractories Limited, including all duly constituted Committees thereof.
Chief Financial Officer	Shweta Prabodh Kale
CIN/ Corporate Identification Number	U51909MH2007PLC167114
Company Secretary and Compliance Officer	Shreeya Jajoo
Director(s)	Director(s) of SP Refractories Limited, unless otherwise specified.
Equity Shares	Equity Shares of our Company of Face Value of ₹10 each unless otherwise specified in the context thereof.
Equity Shareholders	Persons holding Equity Share of our Company
Group Company	Companies (other than our Promoters and Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and as disclosed in “ <i>Our Group Company</i> ” beginning on page no. 117 of this Prospectus
Independent Director(s)	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer chapter titled “ <i>Our Management</i> ” beginning on page no. 100 of this Prospectus
ISIN	International Securities Identification Number. In this case being INE0JW501011
Key Management Personnel / KMP	Key managerial personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI (ICDR) Regulations, together with the Key Managerial Personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and as disclosed in the chapter titled “ <i>Our Management</i> ” on page no. 100 of this Prospectus.



Term	Description
Materiality Policy	The policy adopted by our Board for identification of Group Companies, material outstanding litigation and material dues outstanding to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI ICDR Regulations.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of SP Refractories Limited.
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Company, constituted on December 10, 2021 in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013, the details of which are provided in “ <i>Our Management</i> ” on page no. 100 of this Prospectus.
Promoter(s) / Core Promoters	<ul style="list-style-type: none"> Namita Prabodh Kale Shweta Prabodh Kale Prajakta Prabodh Kale
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 the Chapter titled “ <i>Our Promoters and Promoter Group</i> ” on page no. 113 of this Prospectus
Registered Office	The Registered Office of our Company which is M-10, M-11/1 & M-11/2, MIDC Industrial Area, Hingna Road, Nagpur- 440016.
Registrar of Companies / RoC	Registrar of Companies, Mumbai situated at Everest, 100, Marine Drive, Mumbai – 400 002.
Restated Financial Statements	The financial information of the Company which comprises of the restated statement of assets and liabilities as at September 30, 2021, March 31, 2021, 2020 and 2019, the restated statement of profit and loss and the restated cash flow statement for the years ended September 30, 2021, March 31, 2021, 2020 and 2019, and the related notes, schedules and annexures thereto included in this Prospectus, which have been prepared in accordance with Ind AS read with Section 133 of the Companies Act, 2013, and restated in accordance with the SEBI ICDR Regulations.
Selling Shareholders/ Promoter Selling Shareholders	<ul style="list-style-type: none"> Shweta Prabodh Kale Prajakta Prabodh Kale
Stakeholders’ Relationship Committee	The Stakeholder’s Relationship Committee of our Company, constituted on dated December 10, 2021 in accordance with Regulation 20 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013, the details of which are provided in “ <i>Our Management</i> ” on page no. 100 on this Prospectus.
Willful Defaulter(s)	Willful defaulter as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations.

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 an Applicant as proof of registration of the Application Form.
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 and transfer of the Offered Shares by the Selling Shareholders pursuant to the Offer for Sale to the successful Applicants
Allotment Advice	A note or advice or intimation of Allotment sent to the Applicants 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 applicant(s) to whom the Equity Shares are being / have been allotted.
Applicant / Investor	Any prospective investor who makes an application pursuant to the terms of the Prospectus.
Application Amount	The amount at which the prospective investors shall apply for Equity Shares of our Company in terms of the Prospectus.
Application Supported by Blocked Amount/ ASBA	An application whether physical or electronic, used by ASBA Applicant to make an application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB and will include applications made by RIIs using the UPI Mechanism, where the Application Amount shall be blocked upon acceptance of UPI Mandate Request by RIIs using UPI Mechanism.



Term	Description
ASBA Account	A bank account maintained with an SCSB by an ASBA Applicants, as specified in the ASBA Form submitted by ASBA Applicants for blocking the Application Amount mentioned in the relevant ASBA Form and includes the account of a RIIs which is blocked upon acceptance of a UPI Mandate Request made by the RIIs using the UPI Mechanism.
ASBA Applicant(s)	Any prospective investors in the Issue who intend to submit the Application through the ASBA process.
ASBA Application / Application	An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Prospectus.
ASBA Form/ Application Form	An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by the ASBA Applicants and which will be considered as an application for Allotment in terms of 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 42 of this Prospectus.
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 Axis Bank.
Banker(s) to the Issue Agreement	The agreement dated February 25, 2022 entered into amongst our Company, the Selling Shareholders, the Registrar to the Issue, the LM, and Banker(s) to the Issue in accordance with the UPI Circulars, transfer of funds to the Public Issue Account(s) and where applicable remitting refunds, if any, to Applicants, on the terms and conditions thereof
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue and which is described in the chapter titled “Issue Procedure” beginning on page no 180 of this Prospectus.
Broker Centres	Broker centres notified by the Stock Exchanges where Applicants can submit the ASBA Forms (in case of RIIs 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 Exchange.
Business Day	Monday to Friday (except public holidays).
CAN / Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client identification number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant(s) or CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular No. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI and the UPI Circulars issued by SEBI as per the list available on the websites of Stock Exchange.
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
Controlling Branches	Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchange and a list of which is available at www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Collection Centres	Centres at which the Designated intermediaries shall accept the Application Forms, being the Designated SCSB Branch for SCSBs, specified locations for syndicate, broker centre for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation, Bank Account details and UPI ID (if applicable).
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 i.e. CDSL and NSDL.
Depository Participant / DP	A depository participant as defined under the Depositories Act
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the ASBA Forms and in case of RIIs only ASBA Forms with UPI.



Term	Description
	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 website of the Stock Exchange.
Designated Date	The date on which funds are transferred from the Escrow Account and the amounts blocked by the SCSBs (in case of RIIs 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 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 Intermediaries / Collecting Agent	In relation to ASBA Forms submitted by RIIs authorising an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.
Designated Market Maker	Aryaman Capital Markets Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
Designated Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), 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 (“NSE”)
Draft Prospectus	This Draft Prospectus dated January 05, 2022 issued in accordance with the SEBI ICDR Regulations.
Eligible NRI(s)	An NRI(s) from such a jurisdiction outside India where it is not unlawful to make an Issue or invitation under this Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to purchase the equity shares.
Emerge Platform of NSE	SME Platform of NSE i.e., EMERGE Platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares Offered under Chapter IX of the SEBI ICDR Regulations
Escrow Account(s)	Account(s) to be opened with the Escrow Collection Bank(s) will transfer money through NACH/direct credit/NEFT/RTGS in respect of the Application Amount when submitting Applicants.
First or Sole Applicant	Applicant whose name shall be mentioned in the Application Form or the Revision Form and in case of joint Applicants, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Foreign Institutional Investors/ FII	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
Fresh Issue	Fresh Issue of 2,97,600 Equity Shares of face value ₹ 10 each for cash at a price of ₹ 90 per Equity Shares aggregating ₹ 267.84 lakhs by our Company



Term	Description
Fresh Issue Proceeds	The proceeds of the Fresh Issue as stipulated by the Company. For further information about use of the Fresh Issue Proceeds please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page no. 59 of this Prospectus
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 Exchange and the LM.
Issue	The Initial Public Offer of 5,47,200 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ 90 each (including securities premium of ₹ 80 per Equity Share) aggregating to ₹ 492.48 lakhs consisting of a Fresh Issue and an Offer for Sale.
Issue Agreement	The agreement dated December 18, 2021 and addendum dated January 24, 2022, entered amongst our Company, the Selling Shareholders and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Closing date	The date on which the Issue closes for subscription being March 11, 2022
Issue Opening date	The date on which the Issue opens for subscription being March 09, 2022
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their Applications, including any revisions thereof
Issue Price	The price at which the Equity Shares are being issued by our Company and the Selling Shareholders in consultation with the Lead Manager being ₹ 90 per share.
Issue Proceeds	The proceeds of the Issue that will be available to our Company and the Selling Shareholders. For further information about use of the Issue Proceeds, see “ <i>Objects of the Issue</i> ” on page no. 59 of this Prospectus.
Issue Size	The Public Issue 5,47,200 of Equity shares of Rs. 10 each at price of ₹ 90 per Equity share, aggregating to ₹ 492.48 lakhs by our Company and the Selling Shareholder
LM / Lead Manager	Lead Manager to the Issue, in this case being Aryaman Financial Services Limited
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and National Stock Exchange of India Limited.
Lot Size	The Market lot and Trading lot for the Equity Share is 1,600 and in multiples of 1,600 thereafter; subject to a minimum allotment of 1,600 Equity Shares to the successful applicants.
Market Maker	Member Brokers registered as Market Makers with the NSE’s EMERGE Platform
Market Making Agreement	The Agreement among the Market Maker, the Lead Manager and our Company dated February 25, 2022.
Market Maker Reservation Portion	The Reserved portion of 28,800 Equity shares of ₹ 10 each at an Issue Price of ₹ 90 per share aggregating to ₹ 25.92 lakhs for Designated Market Maker in the Public Issue of our Company.
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’ of 20% and locked-in for a period of three years from the date of Allotment.
Mobile App(s)	The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism
Mutual Fund	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Net Issue	The Net Issue of 5,18,400 Equity Shares of ₹ 10 each at price of ₹ 90 per Equity Shares aggregating to ₹ 466.56 lakhs by our Company and the Selling Shareholders
Net 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 “ <i>Objects of the Issue</i> ” beginning on page no. 59 of this Prospectus.
Non Institutional Applicant/ NIIs	All Applicants including FPIs that are not Qualified Institutional Buyers or Retail Individual Applicants and who have Applied for Equity Shares for a cumulative amount more than ₹ 2,00,000 (but not including NRIs other than Eligible NRIs).



Term	Description
Non Resident or NRI	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs registered with SEBI and FVCIs registered with SEBI
OCB / Overseas Corporate Body	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Offer for Sale/ OFS	The offer for sale of 2,49,600 Equity Shares for cash at a price of ₹ 90 per Equity Share aggregating to ₹ 224.64 lakhs by the Selling Shareholders
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	This Prospectus dated March 03, 2022, to be filed with the RoC in accordance with Section 26 and Section 28 of the Companies Act, 2013, containing, inter alia, the Issue opening and closing dates and other information.
Public Issue Account	A bank account opened with Bankers to the Issue under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account and ASBA Accounts on the Designated Date
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 Axis Bank
Qualified Institutional Buyers / QIBs	Qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations.
Refund Account	The account to be opened with the Refund Bank, from which refunds, if any, of the whole or part of the Application Amount to the Applicants shall be made.
Refund Bank(s)	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 Axis Bank.
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate eligible to procure Applications in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 issued by SEBI.
Registrar Agreement	The agreement dated December 18, 2021 among our Company, the Selling Shareholders and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents/RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Registrar / Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited
Retail Individual Investors / RII(s)	Individual Applicants, who have Application for the Equity Shares for an amount not more than ₹ 2,00,000 in any of the applying options in the Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Applicants and Non-Institutional Applicants are not allowed to withdraw or lower their Applications (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can revise their Application during the Issue Period or withdraw their Applications until Issue Closing Date.



Term	Description
Self-Certified Syndicate Bank(s) / SCSBs	<p>The banks registered with SEBI, which offer services, (i) in relation to ASBA, where the Application Amount will be blocked by authorising an SCSB, 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 RIIs 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.</p> <p>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. The said list shall be updated on the SEBI website.</p>
Share Escrow Agent	Share Escrow agent appointed pursuant to the Share Escrow Agreement, being Bigshare Services Private Limited.
Share Escrow Agreement	Agreement dated February 25, 2022 entered into between our Company, the Selling Shareholders, the Share Escrow Agent and the Lead Manager in connection with the transfer of Equity Shares under the Offer for Sale by the Selling Shareholder and credit of such Equity Shares to the demat account of the Allottees in accordance with the Basis of Allotment
Specified Locations	Centres where the Syndicate shall accept ASBA Forms from Applicants and in case of RIIs only ASBA Forms with UPI, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time.
Sponsor Bank	Axis Bank, being the Banker to the Issue, 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 RIIs using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars.
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
TRS / Transaction Registration Slip	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.
Underwriters	The underwriters in this case are Aryaman Financial Services Limited and Aryaman Capital Markets Limited.
Underwriting Agreement	The Agreement among our Company, the Selling Shareholders and the Underwriters dated February 25, 2022.
“Unified Payments Interface” or “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.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment.
UPI mechanism	The Application mechanism that may be used by an RII to make an Application in the Issue in accordance the UPI Circulars to make an ASBA Applicant in the Issue



Term	Description
UPI PIN	Password to authenticate UPI transaction.
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
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) 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 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
APAC	Asia-Pacific
CAGR	Compound Annual Growth Rate
CFPI	Consumer Food Price Index
CO	Carbon Monoxide
CO2	Carbon Dioxide
COVID-19	Coronavirus Disease
DPIIT	Department for Promotion of Industry and Internal Trade
EU	European Union
EUR	Euro
FDI	Foreign Direct Investment
FPIs	Foreign Portfolio Investors
FY	Financial Year
GDP	Gross Domestic Product
GST	Goods and Services Tax
IIP	Index of Industrial Production
IMF	International Monetary Fund
MNC	Multinational Corporation
NASSCOM	National Association of Software and Service Companies
NOx	Nitrogen Oxides
PE-VC	Private Equity - Venture Capital
PM	Particulate Matter
PMI	Purchasing Managers' Index
SO2	Sulfur Dioxide
TRM	Total Refractory Management
USD	United States Dollar
VOCs	Volatile Organic Compounds
WEO	World Economic Outlook
YoY	Year on year

Conventional Terms / General Terms / Abbreviations

Term	Description
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting



Term	Description
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
Banking Regulation Act	Banking Regulation Act, 1949
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 SEBI AIF Regulations.
Category I foreign portfolio investor(s) / Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II Alternate Investment Fund / Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations.
Category II foreign portfolio investor(s) / Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III Alternate Investment Fund / Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations.
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CGST	Central GST
CIBIL	Credit Information Bureau (India) Limited
CIN	Company Identification Number
CIT	Commissioner of Income Tax
Client ID	Client identification number of the Applicant’s beneficiary account
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
Companies Act, 1956	The Companies Act, 1956, as amended from time to time
Companies Act, 2013	The Companies Act, 2013 published on August 29, 2013 and applicable to the extent notified by MCA till date.
CSR	Corporate Social Responsibility
CST	Central Sales Tax
CY	Calendar Year
Depositories	Together, NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DP	Depository Participant, as defined under the Depositories Act 1996
DP ID	Depository Participant’s identification
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortization
ECS	Electronic Clearing System
EGM/ EoGM	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



Term	Description
FII	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
FIPB	Foreign Investment Promotion Board
FPI	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
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
GDP	Gross Domestic Product
GoI/Government	Government of India
GST	Goods & Services Tax
HNI	High Networth Individuals
HUF	Hindu Undivided Family
I.T. Act	Income Tax Act, 1961, as amended from time to time
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
IGST	Integrated Goods and Services Tax Act, 2017
IMF	International Monetary Fund
Indian GAAP	Generally Accepted Accounting Principles in 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
IRDAI Investment Regulations	Insurance Regulatory and Development Authority (Investment) Regulations, 2016
ISIN	International Securities Identification Number. In this case being INE0D5F01013.
ISO	International Organization for Standardization
IST	Indian Standard Time
KM / Km / km	Kilo Meter
MCA	Ministry of Corporate Affairs, Government of India
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
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
NRE Account	Non Resident External Account
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PLR	Prime Lending Rate
RBI	Reserve Bank of India



Term	Description
Regulation S	Regulation S under the U.S. Securities Act
RoC	Registrar of Companies
ROE	Return on Equity
RONW	Return on Net Worth
Rupees / Rs. / M	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
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
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, as amended
Sec.	Section
Securities Act	U.S. Securities Act of 1933, as amended
SGST	State Goods and Services Tax Act, 2017
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
TIN	Taxpayers Identification Number
TDS	Tax Deducted at Source
UGST	Union Territory Goods and Services Tax Act, 2017
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
VAT	Value Added Tax
VCF / Venture Capital Fund	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 or a fraudulent borrower	An entity or person categorised as a wilful defaulter or a fraudulent borrower by any bank or financial institution or consortium thereof, in terms of regulation 2(1)(III) of the SEBI ICDR Regulations



CERTAIN CONVENTIONS AND PRESENTATION OF FINANCIAL

Certain Conventions

All references to “India” contained in this Prospectus are to the Republic of India. In this Prospectus, our Company has presented numerical information in “lakhs” units. One represents 1, 00,000.

Financial Data

Unless stated otherwise, the financial information in this Prospectus is derived from our Restated Financial Statements. Certain additional financial information pertaining to our Group Company is derived from its financial statements. The Restated Financial Statements included in this Prospectus are for the period ended September 30, 2021 and for the Fiscals ended March 31, 2021, March 31, 2020 and March 31, 2019, and have been prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations. For further information, see please refer “*Financial Information*” beginning on page no. 119 of this Prospectus.

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

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

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

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” on page nos. 20, 79 and 141 respectively, of this Prospectus, and elsewhere in this Prospectus have been calculated on the basis of the Restated Financial Statements of our Company.

Currency and Units of Presentation

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

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

Definitions

For definitions, please refer the Chapter titled “*Definitions and Abbreviations*” on page no.1 of this Prospectus. In the Section titled “*Main Provisions of the Articles of Association of Our Company*” beginning on page no. 199 of this Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout this Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be



reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

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



FORWARD-LOOKING STATEMENTS

All statements contained in this 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 Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “may”, “will”, “will continue”, “will pursue”, “contemplate”, “future”, “goal”, “propose”, “will likely result”, “will seek to” or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

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

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

- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Inability to identify the new premises may adversely affect the operations, finances and profitability of the Company;
- Increased competition in Refractory Industry.
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Our inability to maintain or enhance our brand recognition;
- Inability to adequately protect our Intellectual Property Rights
- Changes in consumer demand
- Inability to identify or effectively respond to customer 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;
- Volatility of loan interest rates and inflation;
- Our failure to keep pace with rapid changes in technology;
- Our ability to meet our further capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Conflict of Interest with affiliated companies, the promoter 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;
- Changes in government policies and regulatory actions that apply to or affect our business;
- The occurrence of natural disasters or calamities; and

For further discussions of factors that could cause our actual results to differ, please refer the section titled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 20, 79 and 141 of this Prospectus, respectively.



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



SECTION II - SUMMARY OF OFFER DOCUMENT

A. Summary of Business

Our Company SP Refractories Limited is engaged in manufacturing and supplying Refractory Material made using hydrated lime, Calcined Alumina and other raw materials. Our core focus is on refractory cement which is a niche and high margin cement widely used in iron & steel and construction industries because of its thermal conductivity, Maximum strength and Heat resistance.

Our Company began its operations in the year 2007 with manufacturing of refractory cement and castables. Before incorporation of the company, Late Sri. Prabodh Kale, was running the established business of refractory cement in a partnership firm named Shanark Industries based out of Nagpur. Post his demise, his wife; Namita Kale took the business activities forward under SP Refractories Limited as the promoter along with her daughters Shweta Kale and Prajakta Kale.

Summary of Industry

The Indian refractory industry is a Rs 9,000 crore market, with major players such as TRL Krosaki, Dalmia OCL, RHI Magnesita India. About 75% of the refractories manufactured using magnesia; alumina or silica is used with the rest being consumed by cement and glass, ceramics, petrochemicals and boiler industries. They are the necessary materials for various high-temperature equipment like in the internal linings of blast furnaces and converters used for steel making and in furnaces for heating materials before further processing etc.

Data sourced from the ministry of commerce shows that India imported refractory bricks, blocks, tiles and similar refractory ceramic constructional goods worth Rs 855 crore in 2019 and 2020 which is 4% higher than the previous year of Rs 816 crore. India also imported high alumina refractory cement used in steel and cement companies worth Rs 25.3 crore in 2019-2020 as against, Rs 12 crore in 2018-2019.

B. Our Promoters

Our Company is promoted by Namita Prabodh Kale, Shweta Prabodh Kale and Prajakta Prabodh Kale.

C. Size of Issue

Issue	5,47,200 Equity Shares of ₹10 each for cash at a price of ₹ 90 per share, aggregating to ₹ 492.48 lakhs
Consisting of:	
Fresh Issue	2,97,600 Equity Shares of ₹10 each for cash at a price of ₹ 90 per share, aggregating to ₹ 267.84 lakhs
Offer for Sale (OFS)	2,49,600 Equity Shares of ₹10 each for cash at a price of ₹ 90 per share, aggregating to ₹ 224.64 lakhs
of Which	
Market Maker Reservation	28,800 Equity Shares of ₹10 each for cash at a price of ₹ 90 per share, aggregating to ₹ 25.92 lakhs
Net Issue	5,18,400 Equity Shares of ₹10 each for cash at a price of ₹ 90 per share, aggregating to ₹ 466.56 lakhs

D. Object of the Issue

The fund requirements for each of the Object of the Issue are stated as below:

(₹ in lakhs)

Sr. No.	Object	Amount to be funded from Net Proceeds	Amount to be deployed from Net Proceeds in Fiscal 2022
1.	Funding Working Capital Requirement	220.74	220.74
2.	General Corporate Purpose	17.43	17.43
	Total	238.17	238.17



E. Pre-Issue Shareholding of our Promoters, Promoter Group and Selling Shareholder as a percentage of the paid-up share capital of the Company

Set forth is the Pre Issue shareholding of our Promoters, Promoter Group and Selling Shareholder as a percentage of the paid-up share capital of the Company

Category of Promoters	Pre Issue	
	No. of Shares	% of Pre-Issue Paid Up Capital
1. Promoters		
Shweta Prabodh Kale*	720,999	48.33%
Prajakta Prabodh Kale*	720,972	48.32%
Namita Prabodh Kale	49,925	3.35%
Total	14,91,896	100.00%
2. Promoter Group (as defined by SEBI (ICDR) Regulations)		
NIL		
Total Promoters & Promoter Group Holding	14,91,896	100.00%

* Shweta Prabodh Kale and Prajakta Prabodh Kale are also the Promoter Selling Shareholders

F. Summary of Restated Financial Statement

(₹ in lakhs)

Particulars	For period ended Sept 30, 2021	For the year ended March 31,		
		2021	2020	2019
Share Capital	149.19	149.19	49.73	49.73
Net Worth	547.80	467.06	391.71	351.79
Total Income	1,447.64	2,572.48	2,099.59	1,855.95
Profit after Tax	80.74	75.35	39.93	20.59
Basic & Diluted EPS	5.41	5.05	2.68	1.38
Net Asset Value Per Share (Rs)-based on actual no. of equity shares at the end of the year	36.02	31.31	78.77	70.74
Total Borrowings	395.01	378.93	413.09	375.11

G. There are no Auditor's Qualifications in any of the Financial Statements of the Company.

H. Summary of Outstanding Litigation are as follows

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges	Material Civil Litigations	Aggregate amount involved (₹ in lakhs)
Company						
By the Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	Nil	Nil	Nil	Nil	Nil
Directors						
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Promoter						
By Promoter	Nil	Nil	Nil	Nil	Nil	Nil
Against Promoter	Nil	Nil	Nil	Nil	Nil	Nil

For further details, please refer chapter titled "Outstanding Litigations and Material Developments" beginning on page 153 of this Prospectus.



I. Investors should read chapter titled “Risk Factors” beginning on page no. 20 of this Prospectus to get a more informed view before making any investment decisions.

J. Summary of contingent liabilities

As per Restated Financial Statements, no contingent liability exists for the period ended on September 30, 2021 and financial year ended on March 31, 2021, 2020 and 2019.

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

K. Summary of Related Party Transactions

Our Company has entered into certain transactions with our related parties including our Promoters, Promoter Group, Directors and their relatives as mentioned below:

(₹ in lakhs)

Particulars	For period ended Sept 30, 2021	For the year ended March 31,		
		2020	2019	2018
1) Finance				
Opening Balance	25.96	24.56	21.08	36.66
Loan taken during the year	-	3.50	1.20	12.26
Repaid during the year	10.28	4.70	-	27.85
Interest During the year	1.02	2.59	2.28	-
Outstanding at the end of the year	16.70	25.96	24.56	21.08
2) Expenses				
Remuneration	37.44	42.00	42.00	31.80
Rent	2.40	4.80	1.20	-
Expenses payable	-	-	-	-
3) Remuneration Payable	22.40	7.82	3.97	3.14
Finance				
Finance				
4) Opening Balance	25.96	24.56	21.08	36.66
Loan taken during the year	-	3.50	1.20	12.26

For further details, please refer to chapter titled “Restated Financial Statements” beginning on page 119 of this Prospectus.

L. There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoters of our Company, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of 6 (six) months immediately preceding the date of this Prospectus.

M. The weighted average price of acquisition of Equity Shares by our Promoters and Selling Shareholder in last one year preceding the date of this Prospectus is below:

Name of Promoter and Selling Shareholder	Average price of Acquisition (₹)
Shweta Prabodh Kale	NIL
Prajakta Prabodh Kale	NIL
Namita Prabodh Kale	NIL



N. The average cost of acquisition of Equity Shares by our Promoters and Selling Shareholder is:

Name of Promoters and Selling Shareholder	Average price of Acquisition (₹)
Shweta Prabodh Kale	3.76
Prajakta Prabodh Kale	4.55
Namita Prabodh Kale	6.64

- O. Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Prospectus till the listing of the Equity Shares.
- P. Except for the Bonus Issue of 9,94,600 Equity Shares, Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Prospectus.
- Q. Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Prospectus
- R. Our Company has not applied or received any exemption from complying with any provisions of Securities Law by SEBI.



SECTION III- RISK FACTORS

An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this 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. Any of the following risks, as well as the other risks and uncertainties discussed in this 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 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 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. 79, 141, 70 and 119 respectively of this Prospectus, together with all other financial information contained in this 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 Prospectus.

In this section, unless the context otherwise requires, a reference to the “Company”, “we”, “us” or “our” is a reference to SP Refractories Limited. Unless otherwise stated, the financial data in this chapter is derived from our Restated Financial Statements for the period ended September 30, 2021 and for the financial year ended March 31, 2021, March 31, 2020 and March 31, 2019 as included in “Financial Information” on page no. 119 of this Prospectus.

Materiality

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

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

INTERNAL RISKS

I. We are dependent on third party service providers for certain portion of our manufacturing process

A portion of our income is from our crushing access capacity of clinkers. With our expanding business scope, over these years we have built a reputation and strong customer base in the refractory cement market. Our existing capacity of clinker crushing is higher than the clinker manufacturing capacity, hence we get the clinkers manufactured on the job work basis or we purchase clinkers from the domestic market in order to cater our customers. This is beneficial to us as we can cater to more customers.

We have installed 4000 MTPA capacity of clinkers manufacturing and 6000 MTPA capacity of clinkers crushing. We get clinkers manufactured from external party on job work basis for excess crushing capacity. For the financial year ended March 31, 2021, March 31, 2020 and March 31, 2019, We had done only crushing of 2,60,12,340 and 1,185 MTPA , respectively, which is 44%, 45% and 26% of our total product manufactured, respectively. The loss of any significant client would have a material effect on our financial results.



We are heavily dependent on third party service provider who provides clinkers to us on job work basis. Our business from our crushing capacity is dependent on our continuing relationship with such service providers, and there can be no assurance that such service providers will continue to do business with us in the future on commercially acceptable terms or at all. However, in case of any change in the delivering pattern of our services providers or disassociation with them can adversely affect our business or if our service providers do not continue to manufacture clinkers for us, or reduce the volume of clinkers manufactured for us, our business prospects, results of operations and financial condition may be adversely affected. Further, loss of or interruption of work by, service provider or a supplier of clinkers or the inability to procure clinkers on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations.

Further, any delay or ad-hoc cancellation in the delivery of ordered products from such service providers could materially affect our business operation and strain relationship with our client to that extent.

2. *Our Company has not entered into any long-term contracts with most of its customers and we typically operate on the basis of orders. Inability to maintain regular order flow would adversely impact our revenues and profitability*

Our Company has had long standing business relationships with various customers and has been supplying our products to several customers including repeat orders received from them. A substantial number of our customers engaged in varied industry segments like infrastructure, construction etc. However, we have not entered into any fixed contracts with these customers and we cater to them on an order-by-order basis. As a result, our customers can terminate their relationships with us without any notice and, without consequence, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand for our products. Our Company's customers have no obligation to place order with us and may either cancel, reduce or delay orders. The orders placed by our Company's customers are dependent on factors such as the customer satisfaction with the level of service that our Company provides, quality consistency, fluctuation in demand for our Company's products and customer's inventory management.

Although we place a strong emphasis on quality, pricing and timely delivery of our products and after sales service such as feedback on the trends in their market, personal interaction by the top management with the customers, etc., in the absence of contracts, any sudden change in the buying pattern of buyers could adversely affect the business and the profitability of our Company.

3. *We have not yet applied for registration of our name and logo and we do not own the "corporate logo" legally as on date. We may be unable to adequately protect our intellectual property. Furthermore, we may be subject to claims alleging breach of third party intellectual property rights.*

We have not yet applied for registration of our name and logo under the provisions of the Trademarks Act, 1999 and do not own the "corporate logo" used in our communications and other operations as on date. As such, we do not enjoy the statutory protections accorded to a registered trademark or logo as on date. There can be no assurance that we will be able to register the logo in future or that, third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. Further, we cannot assure you that any application for registration of our logo in future by our Company will be granted by the relevant authorities in a timely manner or at all. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property.

4. *Our Promoters play key role in our functioning and we heavily rely on their knowledge and experience in operating our business and therefore, it is critical for our business that our Promoters remain associated with us. Our success also depends on our key managerial personnel and our ability to attract and retain them. Any loss of our key person could adversely affect our business, operations and financial condition.*

The success of our business operations is attributable to our Promoter, Directors and the technical team. We believe that our relation with our Promoter, who has rich experience in markets, managing customers and handling overall businesses, has enabled us to experience growth and profitability. Our Promoter has been actively involved in the day-to-day operations and management since the incorporation of the Company. Further, our Promoter has also promoted other companies/ firms/ ventures and may continue to do so. If there is any diversion of his attention



to the other companies, we may not be able to function as efficiently and profitably as before. We may have to incur additional costs to replace the services of our promoter or we may not be able to do so at all, which could adversely affect our business operations and affect our ability to continue to manage and expand our business.

We also depend significantly on the expertise, experience and continued efforts of our technical and servicing team, hence, our performance and success substantially depends on the ability to attract and retain our key employees, including our management team and experienced personnel. There can be no assurance that any member of our senior management or other experienced personnel will not leave us in the future. The lack of or loss of the services of such key persons in the organization could seriously impair our ability to continue to manage and expand our business. Our success is also dependent on our continuous ability to identify, hire, train retain and motivate technical team and sales and marketing personnel. Competition for personnel in our industry is intense, and the availability of suitable and qualified candidates is limited. If we fail to hire and retain our employees, the loss of their services could harm our business operations and financial condition could be adversely affected.

5. ***Substantial portion of our revenues has been dependent upon limited number of customers and we do not have firm commitment supply agreements with our customers. If our customers choose not to source their requirements from us, our business and results of operations may be adversely affected.***

A significant portion of our income is from our manufactured products we generate sales generally by our continuing relationships with our customers as we do not enter in any long-term contract with of customers. With our expanding business scope, over these years we have built a reputation and strong customer base. Our existing client relationships help us to get repeat business from our customers. This has helped us maintain a long-term working relationship with our customers and improve our customer retention strategy.

For the financial year ended March 31, 2021 and for the six months period ended September 30, 2021, our top ten customers accounted for approximately 65.01% and 65.24%, respectively. The loss of any significant client would have a material effect on our financial results.

Our business from customers is dependent on our continuing relationship with such customers, the quality of our products and our ability to deliver on their orders, and there can be no assurance that such customers will continue to do business with us in the future on commercially acceptable terms or at all. However, in case of any change in the buying pattern of our end users or disassociation of major customers can adversely affect our business or if our customers do not continue to purchase products from us, or reduce the volume of products purchased from us, our business prospects, results of operations and financial condition may be adversely affected. Further, loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations.

While we are constantly striving to increase our customer base and reduce dependence on any particular customer, there is no assurance that we will be able to broaden our customer base in any future periods or that our business or results of operations will not be adversely affected by a reduction in demand or cessation of our relationship with any of our major customers.

6. ***Our business is working capital intensive. If we are unable to generate sufficient cash flows to allow us to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our results of operations.***

Our business is working capital intensive including fund requirement for payment for bulk purchases of various raw materials. Hence, major portion of our working capital is utilized towards debtors and inventory. Our debtors for the half year ended on September 30, 2021, F. Y. 2020-21, 2019-20 and 2018-19 was approximately 120.08%, 148.90%, 114.16% and 113.93% of the total net worth respectively in each year. Our inventories for the half year ended on September 30, 2021, F. Y. 2020-21, 2019-20 and 2018-19 was approximately 39.45%, 29.75%, 33.61 and 34.10% of the total net worth respectively in each year.

The results of operations of our business are dependent on our ability to effectively manage our inventory and trade receivables. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and manufacture new inventory accordingly. However, if our management misjudges expected customer demand, it could cause either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the inventory we manufacture, we may be required to write-down our inventory or pay our suppliers without new purchases, or create additional vendor financing, 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.

We have a sanctioned limit for working capital of ₹400 lakhs from the existing bankers / financial institutions. Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. In the event we are not able to recover our dues from our trade receivables or sell our inventory, we may not be able to maintain our Sales level and thus adversely affecting our financial health. If this situation persists, we may not be able to pay our lenders / creditors and we may be forced to go for Corporate Debt Restructuring (CDR) which may result in adversely affecting our operations and future prospects. For details, please refer "*Financial Indebtedness*" on page no 152 of this Prospectus.

7. *Our company has acquired land from promoter group in the past and such transactions of required in future may potentially involve conflicts of interest with the equity shareholders.*

Our Manufacturing facility and Godown was in the name of Late Sri. Prabodh Kale (erstwhile partner of Shanark Industries). After demise of Prabodh Kale it was transfer (inherited) to Namita Kale and Daughters. As per the MOU December 30, 2006, our Manufacturing Facility situated at M- 10, MIDC, Hingna, Nagpur was registered in the name of The Company in the Year 2007. However, Our godown M- 11-1, MIDC, Hingna, Nagpur and M- 11-2, MIDC, Hingna, Nagpur-440016 has been registered in name of the company as in current year as per MOU between our company and our promoters dated October 22, 2021.

Hence, all land acquisition done by our Company so far is from Promoters. For details, please see "Properties" under the chapter titled "Our Business" on page 79 of this Prospectus. While our Company believes that all such transactions have been conducted on the arm's length basis, there can be no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with related parties. Furthermore, our Company may enter into such transaction, if required in the future. 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 operation.

8. *We sell our products in competitive markets and our inability to compete effectively may lead to lower market share or reduced operating margins, and adversely affect our results of operations.*

The Refractory Industry is highly competitive, having presence of large number of small players. With the high level of competition, our results of operations are sensitive to, and may be materially and adversely affected by, competitive pricing, services offered, brand recognition and other factors. Competition may result in pricing pressure, reduced profit margin or a failure to increase our market share, any of which could substantially harm our business and results of our operations.

Many of our competitors have significant competitive advantages, including longer operating histories, larger and broader customer base, greater financial, research and development, marketing, distribution budgets and other resources than we do. The number of our direct competitors and the intensity of competition may increase as we expand into other product lines or as other smaller players expand into other product lines. Our competitors may enter into business combinations or alliances. Our competitors may also be able to respond more quickly and effectively than we do to new or changing opportunities, technologies, trends or customer preferences, which could result in a decline in our revenues. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

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

An outbreak of a novel strain of coronavirus (COVID-19) was recognized by the World Health Organization as a public health emergency of international concern on January 30, 2020, and as a pandemic on March 11, 2020. The outbreak of COVID-19 has significantly and adversely impacted and will likely continue to impact economic activity and has contributed to significant volatility in global financial markets and led to operational challenges. It



is possible that the outbreak of COVID-19 will cause a prolonged global economic crisis, stagnation, recession or depression, despite monetary and fiscal interventions by governments and central banks globally. In particular, a number of governments and organizations have revised GDP growth forecasts for 2021 downwards in response to the economic slowdown caused by the spread of COVID-19, and it is possible that the COVID-19 pandemic will cause a prolonged global economic crisis or recession.

In response to the COVID-19 outbreak, the governments of many countries, including India have taken preventive or protective actions, such as issuing advisories and imposing country or state wide lockdowns, including restrictions on travel and temporary closure of business operations and increased remote working protocols, which have significantly slowed down economic activity. On March 14, 2020, India declared COVID-19 as a “notified disaster” and imposed a nationwide lockdown announced on March 24, 2020. While there have been progressive relaxations and calibrated easing of lockdown measures by the Government, we cannot predict if stricter lockdowns will not be re-introduced or extended in the future. On account of the government imposed lockdown in India, operations at all of our manufacturing facilities were temporarily shut down with effect from March 24, 2020 and resumed operations in accordance with permissions from the local authorities. The COVID-19 pandemic and resulting government actions may affect our business, results of operations and financial condition, in the future, in a number of ways such as requiring a complete or partial closure of our operations.

However, as we are engaged in the manufacturing of refractory cement which is industrial goods, our products were identified as essential goods and our operations were shut down during only for initial period and thereafter we were able to operate in this pandemic. The demand for refractory cement was stagnant and even increased a bit during the pandemic which has a slight positive impact on our business. However, due to limited availability of logistics and supply chain constraints, we were impacted during the initial period of the lockdown. We continued our operations after making arrangements to meet the government’s requirements on sanitization, people movement and social distancing. Further, due to the rising number of infected cases of COVID-19 in the country, there is no certainty if additional restrictions will be put back in place or if another lockdown would be re-imposed to control the spread of the pandemic. We cannot assure you that we may not face any difficulty in our operations due to such restrictions and such prolonged instances of lockdown may adversely affect our business, financial condition and results of operations.

The outbreak, or threatened outbreak, of any severe communicable disease (particularly the COVID-19) could materially adversely affect 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 customers and 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 lockdowns. On account of the nationwide lockdown we experienced certain operational disruptions and we cannot predict the further impact COVID-19 may have on our operations, the operations of our customers, and those of our respective vendors and suppliers. A rapid increase in severe cases and 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. It is likely that the current outbreak or continued spread of COVID-19 will cause further economic slowdown and it is possible that it could cause a global recession. 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 that we determine are 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 we cannot predict the future impact of COVID-19 on our ability to perform critical functions.

We are closely monitoring the impact of COVID-19 on all aspects of our business, but there can be no assurance that such monitoring will enable us to avoid part or all of any future impact from the spread of COVID-19 or its consequences, including downturns in business sentiment generally or in our sector in particular. 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, and how quickly and to what extent normal economic and operating conditions can resume. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, environmental harm, and loss of life, injuries and impact the wellbeing of our people

Further in case the lockdown is reinstated, it could result in muted economic growth or 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

10. *Our Company will not receive any proceeds from the Offer for Sale portion.*

This Issue also comprises of an offer for sale of 2,49,600 Equity Shares by our Promoter Selling Shareholder, Prajakta Kale and Shweta Kale. The proceeds from the Offer pertaining to the above sale shares will be paid to the aforesaid person and our Company will not receive any proceeds from the Offer for sale portion. For further details, please refer the chapter titled “*Objects of the Issue*” on page 59 of this Prospectus.

11. *Our Company has availed unsecured loan from our Directors / Promoters which is repayable on demand. Any demand from the lender for repayment of such unsecured loan may affect our cash flow and financial condition*

Our Company, as per the restated audited financial statement as on March 31, 2021 has availed unsecured loans of Rs. 25.96 lakhs at an interest rate of 12% p.a. which are repayable on demand. Further, as on September 30, 2021 the total outstanding of Unsecured Loans was Rs. 16.70 lakhs. Sudden recall may disrupt our operations and also may force us to opt for high interest bearing funding, resulting in financial burden. Further, we will not be able to raise funds at short notice and thus result in shortage of working capital fund. For further details, please refer to the section “Unsecured Loans” under “Financial Statements” beginning on page no. 119 of this Prospectus. Any demand for the repayment of such unsecured loans, may adversely affect our cash flow and financial condition

12. *We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain and renew such approvals and licenses in timely manner or comply with such rules and regulations or at all may adversely affect our operations.*

We require certain statutory and regulatory licenses, registrations and approvals to operate our business, some of which our Company has either received, applied for or is in the process of application. Further, in the future, we may also be required to obtain new licenses, registrations and approvals for any proposed or upcoming projects, including any expansion of existing projects. There can be no assurance that the relevant authorities will renew such licenses, registrations and approvals in a timely manner or at all. Further, these licenses, registrations and approvals are subject to several conditions, and we cannot assure that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant licenses, approvals and registrations. Failure by us to renew, maintain or obtain the required licenses or approvals, or cancellation, suspension, or revocation of any of the licenses, approvals and registrations may result in the interruption of our operations and may have a material adverse effect on our business. Our Company has not yet applied for renewal/application for approval as on date of this Prospectus: (i) Certificate of Verification under the Maharashtra Legal Metrology (Enforcement) Rules, 2011 in respect of NAWI- Electronic scale. Our Company has applied for renewal/application for approval and the receipt of the same are pending as on date of this Prospectus: (i) Certificate of Contract Labour. Our Company has not yet obtained the license as on date of this Prospectus: (i) No Objection Certificate from the concerned Fire Officer in accordance with the provisions of the Maharashtra Fire Prevention and Life Safety Measures Act, 2006, in respect of the Company’s manufacturing facility. For further details on the licenses obtained by us and licenses for which renewal and other applications have been made, please see the chapter titled “Government and Other Statutory Approvals” beginning on page 158.

13. *In addition to normal remuneration, other benefits and reimbursement of expenses of our Directors (including our Promoter) 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 Promoter) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our Directors/ Promoter 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 Promoter and 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 favour, thereby adversely affecting our business and results of operations and prospects.

- 14. Our management will have broad discretion in how we apply the Net Proceeds, including interim use of the Net Proceeds, and there is no assurance that the objects of the Issue will be achieved within the time frame expected or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the funding plan has not been appraised by any bank or financial institution and is not subject to any monitoring by any independent agency. Our Company's management will have flexibility in utilizing the Net Proceeds from the Issue. Any variation in the utilization of our Net Proceeds as disclosed in this Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.**

Our Company intends to use the Net Proceeds from the Fresh Issue for the purposes described in “Objects of the Issue” on page 59 of this Prospectus. In terms of Regulation 262 of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Issue size is not in excess of ₹ 10,000 lakhs. The management of our Company will have discretion to use the Net Proceeds from the Issue, and investors will be relying on the judgment of our Company's management regarding the application of the Net Proceeds from the Issue. The funding plans are in accordance with our own estimates and have not been appraised by any bank, financial institution or any other external agency. Our Company may have to revise its management estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment and consequently its requirements may change. Additionally, various risks and uncertainties, including those set forth in this section may limit or delay our Company's efforts to use the Net Proceeds from the Issue to achieve profitable growth in its business. Our Board will have significant flexibility in temporarily investing the Net Proceeds of the Issue. Accordingly, the use of the Net Proceeds for purposes identified by our management may not result in actual growth of its business, increased profitability or an increase in the value of your investment.

Further, pursuant to Section 27 of the Companies Act 2013, any variation in the objects would require a special resolution of the Shareholders and would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Issue, at a price and manner as specified in the SEBI ICDR Regulations. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilisation of our Net Proceeds, even if such variation is in our interest. Further, we cannot assure you that our Promoters or the controlling shareholders will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price which may be prescribed by SEBI. Accordingly, prospective investors in this Issue will need to rely upon our management's judgment with respect to the use of Net Proceeds. If we are unable to enter into arrangements for utilization of Net proceeds as expected and assumed by us in a timely manner or at all, we may not be able to derive the expected benefits from the proceeds of the Issue and our business and financial results may suffer.

- 15. Our Company has reported certain negative cash flows from its investing and financing activities on the basis of Restated Financial Statements, details of which are given below. Sustained negative cash flow could impact our growth and business in the future.**

Our Company had reported certain negative cash flows from its investing and financing activities in the previous years and as per the Restated standalone financial statements and the same are summarized as under:

(₹ in lakhs)

Particulars	For Period Ended Sep 30, 2021	For the Year Ended March 31,		
		2021	2020	2019
Net Cash Generated from Operating Activities	22.05	34.53	79.39	83.69
Net Cash Generated from Investing Activities	0.03	(10.74)	(15.74)	(17.11)
Net Cash Generated from Financing Activities	(21.63)	(24.35)	(64.48)	(65.47)

For details, please see “Management's Discussion and Analysis of Financial Conditions and Results of Operations of our company” on page no. 141 of this Prospectus.



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.

16. *Certain agreements may be inadequately stamped or may not have been registered as a result of which our operations may be adversely affected.*

Few of our agreements may not be stamped adequately or registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration, in certain cases, is to make the document inadmissible in legal proceedings. Any potential dispute due to non-compliance of local laws relating to stamp duty and registration may adversely impact the operations of our Company.

17. *The present production capacity installed at our manufacturing unit is not fully utilized.*

The installed capacity at our manufacturing unit is not fully utilized. The underutilization of the available capacity can affect our capacity to fully absorb fixed cost and thus may impact our manufacturing efficiency. The underutilization of installed capacity in future may affect profitability due to increase in per unit fixed cost of production. For further details of installed capacity and utilization, please refer to chapter titled “Our Business” beginning on page xx of the Prospectus.

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

Our Promoters along with the promoter group will continue to hold collectively almost 69.42% of the Post issue Equity Share Capital of our Company. As a result of the same, they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholders’ vote. Such a concentration of the ownership may also have the effect of delaying, preventing or deterring any change in the control of our Company. In addition to the above, our Promoters will continue to have the ability to take actions that are not in or may conflict with our interest or the interest of some or all of our minority shareholders, and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

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

Our Promoters’ average cost of acquisition of Equity Shares in our Company is lower than the Issue Price as decided by our Company, in consultation with the 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 to the chapter titled “Capital Structure” beginning on page xx of this Prospectus.

20. *Our financing agreements contain covenants that limit our flexibility in operating our business. Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and financial condition.*

As of March 31, 2021 our total outstanding indebtedness was ₹352.97 lakhs. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our businesses. Further, our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions, any of which could adversely affect our business and financial condition.

We are required to obtain prior approval from our lenders for, among other things:

- undertaking all future borrowings;
- Effecting any transfer, sell, lease, grant on license or create any third party interest of any nature whatsoever on the Security;
- making any investment in shares, debentures, advances and intercorporate loans / deposits to other companies;
- Issuing personal guarantee obligations for any other loans except for Car Loans, Personal loans, Home loans, Education loans to be obtained for self and family members; and
- Diversion of Funds to any purpose or launch any new scheme of expansion.



We are required to obtain the required consents of the lenders under our financing agreements before undertaking these significant corporate actions. We cannot assure you that the lenders will grant the required approvals in a timely manner, or at all. The time required to secure consents may hinder us from taking advantage of a dynamic market environment. In addition to the restrictions listed above, we are required to maintain certain financial ratios under our financing agreements. These financial ratios and the restrictive provisions could limit our flexibility to engage in certain business transactions or activities.

Additionally, our financing agreements have first and exclusive charge on hypothecation of the current assets, our movable fixed assets both present and future except financed by other Banks/FIs, First and exclusive charge on Equitable Mortgage of the FDR/Cash deposit, and by personal guarantees of our Promoters/ Directors. Such financing agreements enable the lenders to cancel any outstanding commitments, accelerate the repayment, exercise cross default provisions and enforce their security interests on the occurrence of events of default such as a breach of financial covenants, failure to obtain the proper consents, failure to perfect security as specified and such other covenants that are not cured. It is possible that we may not have sufficient funds upon such an acceleration of our financial obligations to pay the principal amount and interest in full. Further, if we are forced to issue additional equity to the lenders, ownership interest of the existing shareholders in our Company will be diluted. It is also possible that future financing agreements may contain similar or more onerous covenants and may also result in higher interest cost. If any of these events were to occur, our business, results of operations and financial condition may be adversely affected.

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

We rely substantially on third party transportation providers for the supply of our products to our customers. Transportation strikes / non-availability of Transportation could have an adverse effect on our ability to deliver the same to our customers. In addition, transportation costs in India have been steadily increasing over the past several years. While usually the end consumer bears the freight cost, we may not always be able to pass on these costs to our customers. Continuing increases in transportation costs or unavailability of transportation services for our products may have an adverse effect on our business, financial condition, results of operations and prospects.

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

- 22. *We are dependent on a few suppliers for supply of raw materials and any major disruption to the timely and adequate supplies of our raw materials could adversely affect our business, results of operations and financial condition***

Our Company is dependent on a few suppliers for procuring the raw materials for manufacturing of its products and we do not currently have long term contracts or exclusive supply arrangements with any of our vendors. For the financial year ended March 31, 2021 and for the six months period ended September 30, 2021, our top ten suppliers accounted for approximately 98.33% and 98.34%, respectively.

We believe that the quality of raw materials, the transparent pricing, location advantage, etc. are also some of the major reasons our Company prefers to procure these raw materials from these suppliers. Any failure of the supplier to deliver these raw materials in the necessary quantities or to adhere to delivery schedules or specified quality standards and technical specifications would adversely affect our business operations and our ability to deliver orders on time and at the desired level of quality. As a result, we may lose customers and incur liabilities for failure to execute orders, which could have a material adverse effect on our business financial condition and results of operations.

- 23. *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 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

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

We are not a listed Company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the listing agreements with the Stock Exchanges and compliances of SEBI Listing Regulations which will require us to file audited annual and unaudited quarterly and limited review reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies which may adversely affect the financial position of the Company.

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, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures, internal control over financial reporting and additional compliance requirements under the Companies Act, 2013. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management oversight 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. In addition, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner.

25. *Our Company has entered into certain related party transactions in the past and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.*

Our Company has entered into certain transactions with our related parties including our Promoters, Promoter Group, Directors and their relatives and our Group Entities. There are various loan taken, Loan Paid, and interest paid transactions too with our Promoters for the period ended September 30, 2021 and March 31, 2021. For details, please see "Annexure XXVI- "Related Parties Transaction" of Restated Financial Statements" on page 136 of this Prospectus

While we believe that all such transactions have been conducted on the arm's length basis, we cannot assure you that we might have obtained more favorable terms had such transactions been entered into with unrelated parties. Furthermore, it is likely that we may enter into related party transactions in the future. We cannot assure you that such transactions, individually or in the aggregate will not have an adverse effect on our business, results of operations, cash flows and financial condition.

26. *We have incurred indebtedness which exposes us to various risks which may have an adverse effect on our business and results of operations. We may also be unable to obtain future financing to fund our operations, expected capital expenditure and working capital requirements on favorable terms, or at all.*

As of September 30, 2021 and March 31, 2021, we have ₹395.01 lakhs and ₹378.93lakhs respectively, of outstanding debt including current maturities of Long Term Debts on our balance sheet. Our level of indebtedness has important consequences to us, such as:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;



- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- affecting our credit rating;
- limiting our ability to borrow more money both now and in the future; and
- Increasing our interest expenditure and adversely affecting our profitability.

If any of these risks were to materialize, our business and results of operations may be adversely affected. Our business requires funding for capital expenditure and working capital requirements. The actual amount and timing of future capital expenditure may depend on several factors, among others, new opportunities, availability of land, regulatory approvals, regulatory changes, economic conditions, technological changes and market developments in our industry. Our sources of additional funding, if required, to meet our capital expenditure may include the incurrence of debt or the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. In case there is insufficient cash flow to meet our working capital requirement or we are unable to arrange the same from other sources or there is delay in disbursement of arranged funds, or there is any increase in interest rate on our borrowings, it may adversely affect our operations and profitability. These factors may result in an increased amount of short-term borrowings. Continuous increase of our working capital requirements may have an adverse effect on our results of operations and financial condition.

Further our ability to arrange for additional funds on acceptable terms is subject to a variety of uncertainties, including future results of operations, financial condition and cash flows; economic, political conditions and market scenario for our products; costs of financing, liquidity and overall condition of financial and capital markets in India; issuance of necessary business/government licenses, approvals and other risks associated with our businesses; and limitations on our ability to raise capital in capital markets and conditions of the Indian and other capital markets in which we may seek to raise funds. Any such inability to raise sufficient funds could have a material adverse effect on our business and results of operations.

27. Product liability and other civil claims and costs incurred as a result of product recalls could harm our business, results of operations and financial condition.

We face an inherent business risk of exposure to product liability or recall claims, in the event that our products fail to perform as expected or such failure results, we may be subject to claims resulting from our manufacturing defects or failure to satisfy the requirements of our customers. These claims may include payment for the replacement of a product. Even unsuccessful product liability claims would likely require us to incur substantial expenses on litigation, divert management's time, adversely affect our goodwill and impair the marketability of our products. Although, we undergo complete testing in-house and we are liable for the quality of the products manufactured by us. However, till date our company has not incurred such cost, but we cannot assure you that we will not experience any material product liability losses in the future or that we will not incur significant costs to defend any such claims.

We do not carry insurance for product liability or recall. Whilst there have been no product liability claims against us in the past, we cannot assure you that such claims will not be brought against us in the future, and any adverse determination may have an adverse effect on our business, results of operations and financial condition. Further, our business is dependent on the trust our customers have in the quality of our products. Any negative publicity regarding our Company, brand, or products or mishaps resulting from the use of our products, or any other unforeseen events could affect our reputation and our results from operations.

28. 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 business and assets could suffer damage from fire, natural calamities and the goods transported to our customers by our supplier could suffer from damage, misappropriation or other causes, resulting in losses, which may not be covered / fully compensated by insurance. Legal proceedings or other actions may be initiated against us or any of our employees for acts and conduct of our employees which may occur due to various reasons including misconduct with customers. In the event of personal injuries, damage or other accidents suffered by our



employees or our customers or other people, we could face claims alleging that we were negligent, provided inadequate supervision or be otherwise liable for the injuries.

While we believe that the insurance coverage which we maintain 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 honored fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage, or successful assertion of one or more large claims against 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 which 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.

29. *We appoint contract labour for carrying out certain of our ancillary operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our results of operations and financial condition.*

In order to retain flexibility and control costs, we appoint independent contractors who in turn engage on-site contract labour for performance of certain of our ancillary operations. Although we do not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractors. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition.

30. *Our Company is dependent on the continuing operation of our manufacturing facility.*

Any significant interruption in manufacturing at our facility could have a material adverse effect on our business, results of operations and financial condition. Our Company manufactures substantially products at our manufacturing facilities located at Nagpur, which are subject to the normal risks of industrial production, including equipment breakdowns, labour stoppages, natural disasters, industrial accidents, power interruptions etc. In case of any disruption at such facility, it may adversely affect the manufacturing cycle, and may lead to time over-run in the execution of the project. All of these manufacturing facilities require a significant amount and continuous supply of electricity and any shortage or non-availability of electricity may adversely affect our operations. The manufacturing process of our products requires significant electricity. For further information, refer “*Government and Other Approvals*” on page 158 of this Prospectus.

31. *Our manufacturing activities are dependent upon availability of skilled and unskilled labour.*

We have entered into an agreement/ arrangement with contract labourer for provision of skilled and unskilled labour. Our manufacturing activities are dependent on availability of skilled and unskilled labour. Non-availability of labour at any time or any disputes with them may affect our production schedule and timely delivery of our products to customers which may adversely affect our business and result of operations.

32. *Industrial accidents at our manufacturing facility may adversely affect our operation.*

Our manufacturing facility are subject to operating risk resulting in fatal accidents which can cause injury to the labour and employees of the company and this could also cause damage to the property and plant and machinery situated at the factory which could have an adverse affect on our operations. Though, we have taken adequate safety measures in order to avoid such mishaps, but in case of any such happening of the event out of our control, we cannot assure you whether it will be sufficient or not. Further occurrence of such accidents could impact our production schedules, costs, revenue and ability to meet customer demand.

33. *We are subject to stringent labour laws and our workmen are unionised under a number of trade unions.*

Labour disputes could lead to lost production and increased costs. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for discharge of employees and dispute resolution and imposes financial obligations on employers upon employee layoffs. As a result of such stringent labour regulations, it is difficult for us to maintain flexible human resource policies, discharge employees or downsize, which may adversely affect our business, financial condition and results of



operations. Additional labour unrest could result due to the operative labour union within our workforce. We cannot assure you that there will not be any face, strikes or work stoppages in the future, which could have an adverse impact on our operations, particularly given our dependence on a large workforce. For further details, please see “*Key Industrial Regulations and Policies*” on page 89 of this Prospectus.

- 34. *We have not identified any alternate source of raising the funds mentioned as our ‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

Our Company has not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of funds for working capital or may result in us borrowing funds on unfavourable terms, both of which scenarios may affect the business operation and financial performance of the company.

- 35. *Any delay or defaults in receipt of payments or dues from our customers could result in a reduction of our profits.***

We regularly commit resources prior to receiving payments from our customer. We may be subject to working capital shortages due to delays or defaults in receipt of payments or dues from such customers. If our customers default in their payments or if any order/ assignment in which we have invested significant resources is delayed, cancelled or curtailed, it could have a material adverse effect on our business, financial condition and results of operations.

- 36. *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 59 of this Prospectus. 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 strategies, development and other plans resulting in unprecedented financial mismatch and this may adversely affect our revenues and results of operations.

- 37. *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. 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

RISKS RELATING TO THE EQUITY SHARES AND THE ISSUE

- 38. *Investors can be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.***

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are classified as short term capital gains and generally taxable. Any gain realized on the sale of listed equity shares on a stock exchange that are held for more than 12 months is considered as long-term capital gains and is taxable at 10%, in excess of ₹ 1,00,000. Any long-term gain realized on the sale of equity shares, which are sold other than on a recognized stock exchange and on which no STT has been paid, is also subject to tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

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

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, including through exercise of employee stock options may dilute your shareholding in our Company, 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 Promoters or other significant shareholders may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences for us including difficulty in raising debt or equity financing. In addition, any perception by investors that such issuances or sales might occur may also affect the trading price of our Equity Shares. We cannot assure you that we will not offer Equity Shares or that our shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

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

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

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

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

EXTERNAL RISK FACTORS

- 42. *Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.***

Our business and industry is regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

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

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



44. *Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business.*

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, impede travel and other services and ultimately adversely affect our business. In addition, any deterioration in relations between India and neighbouring countries might result in investor concern about stability in the region, which could adversely affect the price of our Equity Shares. India has also witnessed civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic and political events in India could have a negative impact on the value of share prices generally as well as the price of our Equity Shares. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the price of our Equity Shares.

45. *A decline in economic growth or political instability nationally or internationally or changes in the Government in India could adversely affect our business.*

Our performance and the growth of our business are necessarily dependent on the health and performance of the overall Indian economy. In the recent past, Indian economy has been affected by global economic uncertainties and liquidity crisis, domestic policy and political environment, volatility in interest rates, currency exchange rates, commodity and electricity prices, adverse conditions affecting agriculture, rising inflation rates and various other factors. Risk management initiatives by banks and lenders in such circumstances could affect the availability of funds in the future or the withdrawal of our existing credit facilities. The Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes on our business. Conditions outside India, such as a slowdown or recession in the economic growth of other major countries, especially the United States, have an impact on the growth of the Indian economy. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operation and the trading price of our Equity Shares. Volatility, negativity, or uncertain economic conditions could undermine the business confidence and could have a significant impact on our results of operations. Changing demand patterns from economic volatility and uncertainty could have a significant negative impact on our results of operations.

Further, our performance and the market price and liquidity of the Equity Shares may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India. The GoI has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Our business, the market price and liquidity of the Equity Shares may be affected by changes in GoI policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India.

46. *We are subject to regulatory, economic, social and political uncertainties and other factors beyond our control.*

We are incorporated in and our operations are in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy.

Factors that may adversely affect the Indian economy, and hence our results of operations, may include: political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;

- occurrence of natural or man-made disasters;
- any increase in Indian interest rates or inflation;
- any exchange rate fluctuations;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- changes in India's tax, trade, fiscal or monetary policies;
- prevailing regional conditions,
- any downgrading of India's debt rating by a domestic or international rating agency;



- financial instability in financial markets; and
- Other significant regulatory or economic developments in or affecting India.

In addition, any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

47. *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 enforcing them 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 67 of this Prospectus 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 levied by 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 and licenses 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 unfavourable 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.

48. *Any downgrading of India’s debt rating by an independent agency may harm our ability to raise financing.*

Any adverse revisions to India’s credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

49. *The ability of Indian companies to raise foreign capital may be constrained by Indian law.*

As an Indian Company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance

existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

50. If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional rate in order to pass costs on to our customers and our profits might decline.

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 transportation, wages, raw materials 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 pass on to our customers, whether entirely or in part, and may adversely affect our business, cash flows and financial condition. In particular, we might not be able to reduce our costs or increase the amount of commission 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, the Government 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.

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

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets.

The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in NIFTY, NSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.



SECTION IV: INTRODUCTION

THE ISSUE

Equity Shares: ⁽¹⁾ Present Issue of Equity Shares by our Company and the Selling Shareholder ⁽²⁾ :	5,47,200 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ 90 per Equity Share aggregating ₹ 492.48 lakhs
Consisting of:	
Fresh Issue	2,97,600 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ 90 per Equity Share aggregating ₹ 267.84 lakhs
Offer for Sale	2,49,600 Equity Shares of face value of ₹10 each for cash at a price of ₹ 90 per Equity Share aggregating ₹ 224.64 lakhs.
Which Comprises:	
Market Maker Reservation Portion	28,800 Equity Shares of face value of ₹10 each for cash at a price of ₹ 90 per Equity Share aggregating ₹ 25.92 lakhs.
Net Issue to Public	5,18,400 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ 90 per Equity Share aggregating ₹ 466.56 lakhs.
	Of which⁽³⁾:
	2,59,200 Equity Shares of ₹ 10 each at a price of ₹ 90 per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs
	2,59,200 Equity Shares of ₹ 10 each at a price of ₹ 90 per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs
Equity shares outstanding prior to the Issue	14,91,900 Equity Shares of face value of ₹10 each
Equity shares outstanding after the Issue	17,89,500 Equity Shares of face value of ₹10 each
Use of Net Proceeds	Please refer to the section titled " <i>Objects of the Issue</i> " beginning on page no. 59 of this Prospectus.

⁽¹⁾ This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please see the section titled "Issue Information" beginning on page no. 172 of this Prospectus.

⁽²⁾ The present Issue has been authorized pursuant to a resolution of our Board dated December 03, 2021 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 with a shorter notice on December 07, 2021.

The Offer for Sale has been authorised by the Selling Shareholder by their consent letter dated December 01, 2021 and the No. of Equity Shares offered are as follows:

Sr. No.	Name of the Selling Shareholder	No. of Equity Shares Offered
1.	Shweta Prabodh Kale	1,24,800
2.	Prajakta Prabodh Kale	1,24,800
	Total	2,49,600

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

⁽³⁾ The allocation' is the net Issue to the public category shall be made as per the requirements of Regulation 253(2) of SEBI (ICDR) Regulations, as amended from time to time:

a) Minimum fifty percent to retail individual investors; and

b) Remaining to



-
- (i) Individual applicants other than retail individual investors; and
(ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for

The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

For further details please refer to the chapter titled "Issue Structure" beginning on page no. 177 of this Prospectus.



SUMMARY OF FINANCIAL INFORMATION

STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(Rs.in Lakhs)

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
EQUITY AND LIABILITIES				
1. Shareholder's funds				
a) Share Capital	149.19	149.19	49.73	49.73
b) Reserves and surplus	398.61	317.87	341.98	302.06
Total Shareholder's Fund(1)	547.80	467.06	391.71	351.79
2. Share application money pending allotment	-	-	-	-
3. Non-current liabilities				
a) Long term borrowings	16.70	25.96	29.55	49.65
b) Deferred Tax Liabilities (Net)	5.89	5.89	7.55	8.24
Total(3)	22.60	31.85	37.10	57.89
4. Current liabilities				
a) Short Term Borrowing	378.31	352.97	383.54	325.46
b) Trade payables	192.77	100.88	41.44	13.51
c) Other Current Liabilities	90.73	104.40	44.54	43.36
d) Short-term provisions	-	-	-	-
Total(4)	661.80	558.26	469.52	382.33
TOTAL - 1+2+3+4	1,232.20	1,057.17	898.33	792.01
ASSETS				
1. Non - Current Assets				
a) Fixed Assets				
i.) Tangible assets	178.05	190.01	200.62	206.68
ii) Intangible Assets	-	-	-	-
iii) Capital WIP	-	-	-	-
b) Deferred Tax Assets	-	-	-	-
c) Long Term Loans and advances	57.57	7.58	107.82	57.21
Total(1)	235.62	197.59	308.44	263.89
2. Current Assets				
a) Inventories	216.1	138.95	131.67	119.95
b) Trade Receivables	657.81	695.45	447.19	400.78
c) Cash and Bank Balances	0.70	0.25	0.81	1.64
d) Short-term loans and advances	16.81	24.93	10.22	5.75
e) Other Current Assets	105.16	-	-	-
Total(2)	996.58	859.58	589.89	528.12
TOTAL	1,232.20	1,057.17	898.33	792.01



ANNEXURE II

STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED

(₹ in Lakhs)

Particulars	For the year ended,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
INCOME				
Revenue from Operations	1,447.30	2,569.54	2,096.56	1,852.70
Other Income	0.34	2.94	3.03	3.25
Total Revenue (A)	1,447.64	2,572.48	2,099.59	1,855.95
EXPENSES				
Cost of Material Consumed	1,117.94	1,900.91	1,552.28	1,343.20
Changed In Inventory of Wip & Finished Goods	(14.66)	45.91	1.29	14.33
Employee Benefit Expenses	116.10	194.47	172.34	174.40
Financial Cost	12.37	20.76	44.38	39.84
Depreciation & Amortisation cost	12.27	23.69	22.48	22.36
Other Expenses	94.51	282.20	251.59	233.69
Total Expenses (B)	1,338.53	2,467.94	2,044.36	1,827.82
Profit before exceptional and extraordinary items and tax (A-B)				
Exceptional items		-	-	-
Profit Before Tax (D)	109.11	104.55	55.23	28.14
Tax Expense :				
(i)Current Tax	28.37	30.85	15.99	8.49
(ii)Deferred Tax Charge	-	(1.65)	(0.69)	(0.94)
Total Tax Expense /(Credit) (E)	28.37	29.20	15.30	7.55
Profit for the year (D-E)	80.74	75.35	39.93	20.59



ANNEXURE III

CASH FLOW STATEMENT, AS RESTATED

(₹ in Lakhs)

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Cash Flow From Operating Activities				
Net Profit Before Tax	109.11	104.55	55.23	28.14
Adjustments for :				
Depreciation/Amortisation	12.27	23.69	22.48	22.36
Interest Received	(0.33)	(2.33)	(0.68)	(1.48)
Finance cost	12.37	20.76	44.38	39.84
Operating Profit Before Working Capital Adjustment	133.42	146.67	121.42	88.85
Adjustment for Changes in Working Capital				
Trade and other payable	91.89	59.44	27.93	(45.41)
Short-term provisions/ borrowing	25.32	(30.57)	58.06	(6.87)
Other Current Liabilities	(13.67)	59.86	1.18	5.63
Trade and other Receivables	37.64	(248.26)	(46.41)	81.44
Long Term Loans & Advances	(49.99)	100.24	(50.61)	(49.58)
Short Term Loans & Advances	8.12	(14.71)	(4.47)	5.41
Inventories	(77.15)	(7.28)	(11.72)	12.71
Other Current Assets	(105.16)	-	-	-
Cash Flow Generated from Operations	50.42	65.38	95.38	92.18
Taxes Paid	28.37	30.85	15.99	8.49
Net Cash flow from Operating activities (A)	22.05	34.53	79.39	83.69
Cash Flow From Investing Activities				
(Purchase)/Sale of Fixed Assets	(0.30)	(13.07)	(16.42)	(18.59)
Interest Received	0.33	2.33	0.68	1.48
Net Cash Flow from Investing Activities (B)	0.03	(10.74)	(15.74)	(17.11)
Cash Flow From Financing Activities				
Proceeds from/ (Repayment of) Borrowing	(9.26)	(3.59)	(20.10)	(25.63)
Finance cost	(12.37)	(20.76)	(44.38)	(39.84)
Net Cash Flow From Financing Activities (C)	(21.63)	(24.35)	(64.48)	(65.47)
Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	0.45	(0.56)	(0.83)	1.10
Cash & Cash equivalent at the beginning of the year	0.25	0.81	1.64	0.54
Cash & Cash Equivalent at the end of the year	0.70	0.25	0.81	1.64



GENERAL INFORMATION

Our Company was incorporated as SP Refractories Private Limited on January 18, 2007 under the Companies Act, 1956 with the Registrar of Companies, Mumbai bearing Registration number 167114. The status of the Company was changed to public limited and the name of our Company was changed to SP Refractories Limited vide Special Resolution dated October 11, 2021. The fresh certificate of incorporation consequent to conversion was issued on October 28, 2021 by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U51909MH2007PLC167114. For further details pertaining to the change of name of our Company and the change in Registered Office, please refer the chapter “History and Certain Corporate Matters” on page no. 97 of this Prospectus.

BRIEF COMPANY AND ISSUE INFORMATION

Registered Office	SP Refractories Private Limited M-10, M-11/1 & M-11/2, MIDC Industrial Area, Hingna Road, Nagpur – 440016. Tel No.: 07104-235388/07104-235399 Email ID: info@sprefractories.com Website: www.sprefractories.com
Date of Incorporation	January 18, 2007
Company Registration Number	167114
Company Identification Number	U51909MH2007PLC167114
Address of the Registrar of Companies	Address: Everest, 100, Marine Drive, Mumbai – 400002 Tel No.: + 91 22 22812627/22020295/22846954 Fax No.: +91 22 22811977
Issue Programme	Issue Opens on: March 09, 2022 Issue Closes on: March 11, 2022
Designated Stock Exchange	National Stock Exchange of India Limited
Company Secretary and Compliance Officer	Shreeya Jajoo Address: M-10, M-11/1 & M-11/2, MIDC Industrial Area, Hingna Road, Nagpur – 440016. Tel No.: 07104-235388/07104-235399 Email ID: info@sprefractories.com Website: www.sprefractories.com

Board of Directors

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

Name	Designation	DIN	Residential Address
Namita Prabodh Kale	Whole-Time Director	01586375	227, Pushpak, Ram Nagar, Shankar Nagar, Nagpur-440033.
Shweta Prabodh Kale	Executive Director	01586321	227, Pushpak, Ram Nagar, Shankar Nagar, Nagpur-440033.
Prajakta Prabodh Kale	Non-Executive Director	01586299	227, Pushpak, Ram Nagar, Shankar Nagar, Nagpur-440033.
Manish Tarachand Pande	Non-Executive Independent Director	08712019	LIG II -89, Amravati Road, Nagpur, Near Hanuman Mandhir, Dawalameti Mhada Colony, Waddhamana, Nagpur- 440023.
Kushal Sanjay Sabadra	Non-Executive Independent Director	09392436	Samadhan Station Road, Shrawagi Plot, Akola – 444001.

For further details pertaining to the educational qualification and experience of our Directors, for details please refer to the chapter titled “Our Management” beginning on page no. 100 of this Prospectus.

Investor Grievances

Investors may contact the Company Secretary and Compliance Officer and /or the Registrar to the Issue and/or Lead Manager in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account and non-receipt of funds by electronic mode.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the Application Form was submitted, giving full details such as name of the sole or First Applicant, Application Form number, Applicant's DP ID, Client ID, PAN, address of Applicant, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Application Amount through the UPI Mechanism), date of Application Form and the name and address of the relevant Designated Intermediary where the Application was submitted. Further, the Applicant shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Applicants 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 Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

LEAD MANAGER



ARYAMAN FINANCIAL SERVICES LIMITED

60, Khatau Building, Ground Floor

Alkesh Dinesh Modi Marg

Opp. P. J. Towers (BSE Building),

Fort, Mumbai – 400 001

Tel No.: +91 – 22 – 6216 6999

Email: ipo@afsl.co.in

For Investor Grievances: feedback@afsl.co.in

Website: www.afsl.co.in

Contact Person: Vatsal Ganatra

SEBI Registration No.: INM000011344

REGISTRAR TO THE ISSUE



BIGSHARE SERVICES PRIVATE LIMITED

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis

Makwana Road, Marol, Andheri East, Mumbai – 400 059

Tel. No.: +91 22 6263 8200

Email: ipo@bigshareonline.com

Website: www.bigshareonline.com

Investor Grievance Email: investor@bigshareonline.com

Contact Person: Babu Rapheal

SEBI Registration No.: INR000001385

LEGAL COUNSEL TO THE ISSUE

M/S. ABDUS SAMEE ABDUL QADIR MANIYAR (A. A. MANIYAR) (ADVOCATE)

Office No. 2-A, Ground Floor,

Ali Chambers, Tamarind Street,

Fort, Mumbai 400 001

Tel No.: +91 – 22 - 2265 5505

Email: advaamaniyar@gmail.com



STATUTORY AUDITOR / PEER REVIEW AUDITOR

M/s. Zoeb Anwar & Co., Chartered Accountants

Block No. 20 to 22, 2nd Floor,
Rajkamal Complex,
Dhantoli, Nagpur- 440012
Tel: 0712-2445565/ 0712-2445025
Email: zoebnaz@yahoo.co.in
Contact Person: Zoeb Anwar
Membership No.:101496
Firm Registration No.: 116532W
Peer Review No: 011677

CHANGES IN THE AUDITORS

Except as disclosed below, there has been no change in the statutory auditors during the three years immediately preceding the date of this Prospectus:

Date	From	To	Reason for Change
November 27, 2021	Sanjay Chindaliya & Co., Chartered Accountants Fo-23, 24, 27, 28, 2 nd Floor, Amar Jyoti Palace, Wardha Road, Dhantoli, Nagpur – 440012 Tel: +91- 9372340602 Email: schindaliyaco@gmail.com Contact Person: Sanjay Chindaliya Membership No.: 48443 Firm Registration No.: 114779W Peer Review No: N.A	M/s. Zoeb Anwar & Co., Chartered Accountants Block No. 20 To 22, 2 nd Floor, Rajkamal Complex, Dhantoli, Nagpur- 440012 Tel: 0712-2445565/ 0712-2445025 Email: zoebnaz@yahoo.co.in Contact Person: Zoeb Anwar Membership No.: 101496 Firm Registration No.: 116532W Peer Review No: 011677	Appointment of Peer reviewed Certified Auditor

BANKERS TO OUR COMPANY



INDUSIND BANK LIMITED

Shri Swami Plaza, 97, East High Court Road, Ramdas Peth, Nagpur – 440 010.
Contact Person: Hemat Patil
Tel no. : +91-98906 17888
Email Id : hemat.patil@indusind.com
Website: indusind.com

BANKER(S) TO THE ISSUE / REFUND BANK / SPONSOR BANK



AXIS BANK LIMITED

Citi Survey No. 841 To 846, Florence , Florence Chs Ltd., Vakola, Santacruz E, Mumbai 400055.
Contact Person: Sitaram Jaywant Pawar
Tel no. : +91-9820942186
Email Id : Vakola.Branchhead@axisbank.com
Website: <https://www.axisbank.com>

SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as the SCSBs (i) in relation to the ASBA (other than through UPI Mechanism) is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> or <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>, as applicable or such



other website as updated from time to time, and (ii) in relation to ASBA (through 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. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, refer to the above-mentioned link or any other such website as may be prescribed by SEBI from time to time.

INVESTORS BANKS OR ISSUER BANKS FOR UPI

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above mentioned SEBI link.

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 website of SEBI (www.sebi.gov.in) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

REGISTRAR AND SHARE TRANSFER AGENTS

The list of the 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 SEBI (www.sebi.gov.in) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, 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 website of SEBI (www.sebi.gov.in) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

INTER SE ALLOCATION OF RESPONSIBILITIES FOR THE ISSUE

Aryaman Financial Services Limited (AFSL) is the sole Lead Manager (LM) to the issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them.

MONITORING AGENCY

Since the proceeds from the Fresh Issue does not exceed ₹ 10,000 Lakhs in terms of Regulation 262 (1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

APPRAISING AUTHORITY

The objects of the Issue and deployment of funds are not appraised by any independent agency/ bank/ financial institution.

CREDIT RATING

As the Issue is of Equity Shares, the appointment of a credit rating agency is not required.

IPO GRADING

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

GREEN SHOE OPTION



No green shoe option is applicable for the Issue.

TRUSTEES

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

EXPERT OPINION

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

Our Company has received written consent from the Statutory Auditor namely, M/s. Zoeb Anwar & Co., Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect to their Report on Restated Financial Statements dated February 24, 2022 and Report on Statement of Tax Benefits dated February 24, 2022 and issued by them, included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

FILING OF ISSUE DOCUMENT

The Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Issue Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. However, pursuant to sub regulation (5) of Regulation 246 of the SEBI ICDR Regulations, the copy of Prospectus shall be furnished to the Board in a soft copy.

Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. A copy of the Prospectus along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar of Company, Mumbai situated at Everest, 100, Marine Drive, Mumbai-400002.

ISSUE PROGRAMME

Event	Dates
Issue Opening Date	March 09, 2022
Issue Closing Date	March 11, 2022
Finalization of Basis of Allotment with the Designated Stock Exchange	March 16, 2022
Initiation of Allotment / Refunds / Unblocking of Funds	March 17, 2022
Credit of Equity Shares to demat accounts of Allottees	March 21, 2022
Commencement of trading of Equity Shares on the Stock Exchange	March 22, 2022

The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholder or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Applications and any revision to the same shall be accepted only between **10.00 a.m. and 5.00 p.m.** (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Applications and any revision to the same shall be accepted between **10.00 a.m. and 3.00 p.m.** (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be

uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company, nor the Selling Shareholder, nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In accordance with the SEBI Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or the electronic Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSB or the member of the Syndicate for rectified data.

UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement is dated February 25, 2022. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	No. of Shares Underwritten	Amount Underwritten	% of total Issue size underwritten
Aryaman Financial Services Limited 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P. J. Tower (BSE Bldg.), Fort, Mumbai – 400 001 Tel. No.: +91 – 22 – 6216 6999 Email: ipo@afsl.co.in	5,18,400	466.56	94.74%
Aryaman Capital Markets Limited 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P. J. Tower (BSE Bldg.), Fort, Mumbai – 400 001 Tel. No.: +91 – 22 – 6216 6999 Email: aryacapm@gmail.com	28,800	25.92	5.26%
Total	5,47,200	492.48	100.00%

Note: Includes 28,800 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended

As per Regulation 260(2) of SEBI (ICDR) Regulations, 2018, the Lead Manager has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account. In the opinion of the Board of Directors (based on certificate given by the Underwriters), the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

MARKET MAKER



ARYAMAN CAPITAL MARKETS LIMITED

60, Khatau Building, Gr. Floor,
Alkesh Dinesh Modi Marg,
Opp. P. J. Tower (BSE Bldg.),
Fort, Mumbai – 400 001

Tel. No.: +91 – 22 – 6216 6999

Email: aryacapm@gmail.com

Contact Person: Mr. Harshad Dhanawade

SEBI Registration No.: SMEMM0651421122012

Details of the Market Making Arrangement for this Issue

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and the Market Maker (duly registered with NSE to fulfil the obligations of Market Making) dated February 25, 2022 to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares issued in this Issued.

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

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

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1, 00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to issue their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and EMERGE Platform of NSE from time to time.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
5. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on EMERGE Platform of NSE and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
7. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
8. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

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

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

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

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.

11. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
12. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Markets Makers during market making process has been made applicable, based on the issue size and as follows:

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

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

On the first day of listing, there will be a pre-open session (call auction) and there after trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity Shares on the Stock Exchange.

WITHDRAWAL OF THE ISSUE

Our Company and Selling Shareholders in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice will be issued by our Company within two (2) Working Days of the Issue Closing Date, providing reasons for not proceeding with the Issue. The notice of withdrawal will be issued in the same newspapers where the pre- Issue advertisements have appeared, and the Stock Exchange will also be informed promptly.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs and Sponsor Bank (in case of RII's using the UPI Mechanism), to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. If our Company and the Selling Shareholder withdraws the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh Draft Prospectus with the stock exchange where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.



CAPITAL STRUCTURE

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

(₹ in lakhs except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price ⁽³⁾
A.	Authorized Share Capital		
	18,50,000 Equity Shares of face value of ₹10 each	185.00	-
B.	Issued, Subscribed And Paid-Up Equity Capital before the Issue		
	14,91,900 Equity Shares of face value of ₹10 each	149.19	-
C.	Present Issue in Terms of this Prospectus		
	Issue of 5,47,200 Equity Shares of face value of ₹10 each ⁽¹⁾	54.72	492.48
	Consisting of:		
	Fresh Issue of 2,97,600 Equity Shares	29.76	267.84
	Offer for Sale of 2,49,600 Equity Shares	24.96	224.64
	Which Comprises:		
	Reservation of Market Maker of 28,800 Equity Shares	2.88	25.92
	Net Issue to Public of 5,18,400 Equity Shares	51.84	466.56
	<i>Of which⁽²⁾</i>		
	Allocation to Retail Individual Investors of 2,59,200 Equity Shares	25.92	233.28
	Allocation to other than Retail Individual Investors of 2,59,200 Equity Shares	25.92	233.28
D.	Paid-up Equity Capital after the Issue		
	17,89,500 Equity Shares of face value of ₹10 each		178.95
E.	Securities Premium Account		
	Before the Issue		NIL
	After the Issue		238.08

⁽¹⁾ The present Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on December 03, 2021 and by our Shareholders pursuant to a Special Resolution passed at the Extra-Ordinary General meeting held on December 07, 2021.

The Offer for Sale has been authorised by the Selling Shareholder by their consent letters dated December 01, 2021 and the No. of Equity Shares offered by them are as follows:

Sr. No.	Name of the Selling Shareholders	No. of Equity Shares Offered
1.	Shweta Prabodh Kale	1,24,800
2.	Prajakta Prabodh Kale	1,24,800
	Total	2,49,600

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

⁽²⁾ Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.



Our Company has no outstanding convertible instruments as on the date of this Prospectus.

CHANGES IN AUTHORIZED SHARE CAPITAL

1. The Initial Authorized Share Capital shares of ₹ 5,00,000 (Five Lakh) divided into 50,000 (Fifty Thousand) Equity Shares of ₹ 10 each was increased to ₹ 60,00,000 (Sixty Lakhs) divided into 6,00,000 (Six Lakh) Equity Shares of ₹ 10 each pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on August 14, 2007.
2. The Authorized Share Capital of the Company was increase further from ₹ 60,00,000 (Sixty Lakhs) divided into 6,00,000 (Six Lakh) Equity Shares of ₹ 10 each to ₹ 1,85,00,000 (One Crore Eighty Five Lakhs) divided into 18,50,000 (Eighteen Lakhs Fifty Thousand) Equity Shares of ₹ 10 each pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on March 08, 2021.

NOTES TO THE CAPITAL STRUCTURE

1. Equity Share Capital History of our Company

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

Year/ Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid Up Equity Shares Capital (₹)	Cumulative Share Premium (₹)
Upon Incorporation ⁽¹⁾	10,000	10	10	Cash	Subscription to MOA	10,000	1,00,000	NIL
December 15, 2007 ⁽²⁾	4,87,300	10	20	Other Than Cash	Right Issue	497,300	49,73,000	48,73,000
March 15, 2021 ⁽³⁾	9,94,600	10	N.A	Other Than Cash	Bonus Issue	14,91,900	1,49,19,000	NIL

⁽¹⁾ Initial Subscription to MOA of 3,000 Equity Shares by Shweta Prabodh Kale, 3,000 Equity Shares by Prajakta Prabodh Kale and 4,000 Equity Shares by Namita Prabodh Kale.

⁽²⁾ Allotted 4,87,300 Equity Shares against the Property to Shweta Prabodh Kale (1,62,440 Equity Shares), Prajakta Prabodh Kale (1,62,430 Equity Shares) and Namita Prabodh Kale (1,62,430 Equity Shares).

⁽³⁾ Allotted 9,94,600 Equity Shares in the proportion of 2:1 i.e. 2 Equity Share for every 1 Equity Share held to Shweta Prabodh Kale (4,80,666 Equity Shares), Prajakta Prabodh Kale (4,80,648 Equity Shares) and Namita Prabodh Kale (33,286 Equity Shares).

2. Details of Equity Shares issued for consideration other than cash:

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

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons for Allotment	Benefit accrued to Company
December 15, 2007 ⁽¹⁾	4,87,300	10	20	Other Than Cash	Right Issue
March 15, 2021 ⁽²⁾	9,94,600	10	N.A	Bonus Issue	Expansion of Capital

⁽¹⁾ Allotted 4,87,300 Equity Shares against the Property to Shweta Prabodh Kale (1,62,440 Equity Shares), Prajakta Prabodh Kale (1,62,430 Equity Shares) and Namita Prabodh Kale (1,62,430 Equity Shares).

⁽²⁾ Allotted 9,94,600 Equity Shares in the proportion of 2:1 i.e. 2 Equity Share for every 1 Equity Share held to Shweta Prabodh Kale (4,80,666 Equity Shares), Prajakta Prabodh Kale (4,80,648 Equity Shares) and Namita Prabodh Kale (33,286 Equity Shares).

3. No shares have been allotted in terms of any scheme approved under sections 230-234 of the Companies Act, 2013.



4. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.
5. Our Company has not issued any equity shares lower than the Issue Price during the preceding 1 (one) year except as stated below:

Date of Allotment	Name of the Allottees	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Promoters / Promoter Group	Reasons for Allotment	Benefit accrued to Company
March 15, 2021	Shweta Prabodh Kale	4,80,666	10	N.A	Yes	Bonus Issue	Expansion of Capital
	Prajakta Prabodh Kale	4,80,648			Yes		
	Namita Prabodh Kale	33,286			Yes		
Total		994,600					

6. Shareholding Pattern of our Company

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

Category (I)	Category of shareholder(II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No (a)	As a % of total Shares held (b)	No (a)	As a % of total Shares held (b)	
								Class-Equity	Class	Total								
A	Promoters & Promoter Group	3	1,491,896	-	-	1,491,896	100.00%	1,491,896	-	1,491,896	100.00%	-	100.00%	-	-	-	-	14,91,899
B	Public	4	4	-	-	4	Negligible	4	-	4	Negligible	-	Negligible	-	-	-	-	-
C	Non Promoter Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	7	1,491,900	-	-	1,491,900	100.00%	1,491,900	-	1,491,900	100.00%	-	100.00%	-	-	-	-	14,91,899



- b) Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as on the date of this Prospectus

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of the pre-Issue Equity Share Capital (%)
1.	Shweta Prabodh Kale	7,20,999	48.33%
2.	Prajakta Prabodh Kale	7,20,972	48.32%
3.	Namita Prabodh Kale	49,925	3.35%
Total		1,491,896	100.00%

- c) Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as of two years prior to the date of this Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of the pre-Issue Equity Share capital (%)
1.	Shweta Prabodh Kale	2,40,333	48.33%
2.	Prajakta Prabodh Kale	2,40,324	48.32%
3.	Namita Prabodh Kale	16,643	3.35%
Total		4,97,300	100.00%

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

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of the pre-Issue Equity Share Capital (%)
1.	Shweta Prabodh Kale	2,40,333	48.33%
2.	Prajakta Prabodh Kale	2,40,324	48.32%
3.	Namita Prabodh Kale	16,643	3.35%
Total		4,97,300	100.00%

- e) Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, on a fully diluted basis, as of 10 days prior to the date of this Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of the pre-Issue Equity Share Capital (%)
1.	Shweta Prabodh Kale	7,20,999	48.33%
2.	Prajakta Prabodh Kale	7,20,972	48.32%
3.	Namita Prabodh Kale	49,925	3.35%
Total		1,491, 896	100.00%

- f) Our Company has not made any public issue (including any rights issue to the public) since its incorporation.
- g) Our Company has not issued any warrants, convertible debentures, loan or any other instrument which would entitle the shareholders to equity shares upon exercise or conversion.

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

8. Shareholding of our Promoters & Selling Shareholder

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



Date of Allotment / Transfer	Nature of Issue / Transaction	Nature of Consideration	No. of Equity Shares	FV (₹)	Acquisition / Transfer Price	Cumulative No. of shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
Shweta Prabodh Kale⁽¹⁾								
Upon Incorporation	Subscription to MOA	Cash	3,000	10	10	3,000	0.20%	0.17%
December 15, 2007	Right Issue	Other than Cash	1,62,440	10	20	1,65,440	10.89%	9.08%
August 16, 2009	Transfer	Other than Cash(Gift Deed)	74,893	10	NA	2,40,333	5.02%	4.19%
October 05, 2010	Transfer	Cash	(60,083)	10	10	1,80,250	(4.03)%	(3.36)%
July 11, 2016	Transfer	Cash	60,083	10	10	2,40,333	4.03%	3.36%
March 15, 2021	Bonus Issue	Other than Cash	4,80,666	10	NA	7,20,999	32.22%	26.86%
Prajakta Prabodh Kale⁽²⁾								
Upon Incorporation	Subscription to MOA	Cash	3,000	10	10	3,000	0.20%	0.17%
December 15, 2007	Right Issue	Other than Cash	1,62,430	10	20	1,65,430	10.89%	9.08%
August 16, 2009	Transfer	Other than Cash(Gift Deed)	74,894	10	NA	2,40,324	5.02%	4.19%
March 15, 2021	Bonus Issue	Other than Cash	4,80,648	10	NA	7,20,972	32.22%	26.86%
Namita Prabodh Kale								
Upon Incorporation	Subscription to MOA	Cash	4,000	10	10	4,000	0.27%	0.22%
December 15, 2007	Right Issue	Other than Cash	1,62,430	10	20	1,66,430	10.89%	9.08%
August 16, 2009	Transfer	Other than Cash(Gift Deed)	(1,49,787)	10	NA	16,643	(10.04)%	(8.37)%
November 12, 2011	Transfer	Cash	(2)	10	10	16,641	Negligible	Negligible
August 30, 2013	Transfer	Cash	2	10	20	16,643	Negligible	Negligible
March 15, 2021	Bonus Issue	Other than Cash	33,286	10	NA	49,929	2.23%	1.86%
September 18, 2021	Transfer	Cash	(4)	10	10	49,925	Negligible	Negligible

⁽¹⁾ Out of the total holding of Shweta Prabodh Kale, shares aggregating 1,24,800 equity shares are offered as part of Offer for Sale

⁽²⁾ Out of the total holding of Prajakta Prabodh Kale, shares aggregating 1,24,800 equity shares are offered as part of Offer for Sale

Notes:

- None of the shares belonging to our Promoters have been pledged till date.



- The entire Promoters' shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations.
- Our Promoters have confirmed to the Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.
- All the shares held by our Promoters, were fully paid-up on the respective dates of acquisition of such shares.

b) Pre-Issue and Post-Issue Shareholding of our, Promoters and Promoter Group

Category of Promoters	Pre-Issue		Post-Issue	
	No. of Shares	% of Pre-Issue Capital	No. of Shares	% of Post-Issue Capital
1. Promoters				
Shweta Prabodh Kale	7,20,999	48.33%	5,96,199	33.32%
Prajakta Prabodh Kale	7,20,972	48.32%	5,96,172	33.32%
Namita Prabodh Kale	49,925	3.35%	49,925	2.79%
	14,91,896	100.00%	12,42,296	69.42%
2. Promoter Group (as per defined by Reg. 2(1)(pp) of SEBI ICDR Regulations)				
NIL				
Total Promoters & Promoter Group Holding	1,491,896	100.00%	12,42,296	69.42%
Total Paid up Capital	1,491,900	100.00%	1,789,500	100.00%

All Equity Shares held by the Promoters have been dematerialised as on date of this Prospectus.

9. Our Company has Seven (7) shareholders, as on the date of this Prospectus.

10. We hereby confirm that:

- a) None of the members of the Promoters, Promoter Group, Directors and their immediate relatives have purchased or sold any Equity shares of our Company within the last six months from the date of this Prospectus, except as mentioned below:

Date of Transaction	Name of Transferor	Name of Transferee	No. of Shares (F.V. ₹ 10)	Price per share (₹)	Nature of Transaction	Nature of Consideration
September 18, 2021	Namita Prabodh Kale	Meenakshi Shrikant Mulmule	1	10	Transfer	Cash
		Gajanan Bhanudas Muneshwar	1	10	Transfer	Cash
		Devdatta Subhedar	1	10	Transfer	Cash
		Sanjay Raut	1	10	Transfer	Cash

- b) None of the members of the Promoter Group, Directors and their immediate relatives have financed the purchase by any other person of Equity shares of our Company other than in the normal course of business of the financing entity within the period of six months immediately preceding the date of this Prospectus.

11. Promoter's Contribution and Lock-in details

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

Pursuant to the Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20% of the Post-Issue Equity Share Capital held by our Promoters shall be considered as promoter's contribution ("Promoter's Contribution") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.



The details of the Promoter's Equity Shares proposed to be locked-in for a period of three years are as follows:

Name of the Promoters	Number of shares locked-in ⁽¹⁾	As a % of Post Issue Share Capital
Shweta Prabodh Kale	1,80,000	10.06 %
Prajakta Prabodh Kale	1,80,000	10.06 %
Total	3,60,000	20.12 %

⁽¹⁾ For details on the date of Allotment of the above Equity Shares, the nature of Allotment, face value and the price at which they were acquired, please refer Note no. 9 under "Notes to Capital Structure" on page no. 50 of this Prospectus

For details on the date of Allotment of the above Equity Shares, the nature of Allotment, face value and the price at which they were acquired, please refer Note no. 8 under "Notes to Capital Structure" on page no.50 of this Prospectus.

We confirm that in compliance with Regulation 237 of SEBI ICDR Regulations, the minimum Promoters contribution of 20% as shown above which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired by the Promoters during the preceding one year, at a price lower than the price at which Equity Shares are being issued to public in the Issue.
- The Equity Shares held by the Promoters and offered for minimum 20% Promoters Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters Contribution subject to lock-in.

We further confirm that our Promoters Contribution of 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies registered with Insurance Regulatory and Development Authority of India.

a) Details of share capital locked-in for one (1) year

- i) Pursuant to Regulation 238 (b) of the SEBI (ICDR) Regulations, in addition to the Promoters Contribution to be locked-in for a period of 3 years, as specified above, the entire Pre-Issue Equity Share capital will be locked in for a period of one (1) year from the date of Allotment in this Issue, other than the Equity Shares allotted and subscribed pursuant to the Offer for Sale.
- ii) Pursuant to Regulation 242 of the SEBI Regulations, the Equity Shares held by our Promoters can be pledged only with banks or financial institutions as collateral security for loans granted by such banks or financial institutions for the purpose of financing one or more of the objects of the Issue and the pledge of shares is one of the terms of sanction of such loan. However, as on date of this Prospectus, none of the Equity Shares held by our Promoters have been pledged to any person, including banks and financial institutions.
- iii) Pursuant to Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 238 of the SEBI (ICDR) Regulations, may be transferred to and amongst our Promoters/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.
- iv) Pursuant to Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.



12. Neither the Company, nor its Promoters, Directors or the Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.
13. All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful Applicants will be issued fully paid-up Equity Shares
14. As on the date of this Prospectus, the Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
15. As on date of this Prospectus, there are no outstanding ESOP's, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOP's till date.
16. None of our Directors or Key Managerial Personnel holds Equity Shares in the Company, except as stated in the chapter titled "*Our Management*" beginning on page no. 100 of this Prospectus.
17. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under "Basis of Allotment" in the chapter titled "*Issue Procedure*" beginning on page no 180 of this Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.
18. An over-subscription to the extent of 10% of the Fresh Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Fresh Issue, as a result of which, the post Issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
19. Subject to valid applications being received at or above the Issue Price, under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines
20. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
21. There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
22. Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of this Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
23. Our Promoters, our Promoter Group and Group Companies will not participate in the Issue, except by way of participation as Promoter Selling Shareholders, as applicable, in the Offer for Sale.
24. The Promoters and members of our Promoter Group will not receive any proceeds from the Fresh Issue Proceed.
25. Our Company has not re-valued its assets and we do not have any revaluation reserves till date.



SECTION V- PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The Issue comprises of a Fresh Issue by our Company and an Offer for Sale by the Promoters Selling Shareholder.

The Offer for Sale

The Selling Shareholders proposes to sell an aggregate of 2,49,600 Equity Shares held by them, aggregating ₹ 224.64 lakhs. Our Company will not receive any proceeds of the Offer for Sale by the Selling Shareholder.

Issue Proceeds & Net Issue Proceeds

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

(₹ in Lakhs)

Sr. No.	Particulars	Amount
1	Gross Proceeds of the Fresh Issue	267.84
2	Issue related Expenses ⁽¹⁾	29.67
	Net Proceeds of the Fresh Issue	238.17

⁽¹⁾ Except for the Regulatory related expenses, which will be borne by our Company, all other expenses relating to the Issue as mentioned above will be borne by our Company and the Selling Shareholder in proportion to the Equity Shares contributed to the Issue. The Issue expenses are estimated expenses and subject to change.

Net Proceeds from Fresh Issue

The Objects of the Net Proceeds from Fresh Issue is to raise funds for:

- Funding Working Capital Requirement
- General Corporate Purpose

Further, our Company expects that the listing of the Equity Shares will enhance our visibility and our brand image among our existing and potential customers.

The Main Objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by the Company through the Present Issue. Further, we confirm that the activities that we have been conducting until now are in accordance with the objects clause of our Memorandum of Association.

Proposed Schedule of Implementation and Deployment of the Net Proceeds

The Net Proceeds of the Fresh Issue (“Net Proceeds”) are currently expected to be deployed in accordance with the schedule as stated below:

(₹ in Lakhs)

Sr. No.	Object	Amount to be funded from Net Proceeds	Amount to be deployed from Net Proceeds in Fiscal 2022
1.	Funding Working Capital Requirement	220.74	220.74
2.	General Corporate Purpose	17.43	17.43
	Total	238.17	238.17

Requirement of Funds and Means of Finance

The fund requirements mentioned above are based on the internal management estimates of our Company and have not been verified by the Lead Manager or appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the



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

The entire fund requirements are to be financed from the Net Fresh Issue Proceeds, and there is no requirement to make firm arrangements of finance under Regulation 230(1) (e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the Issue.

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please refer the “Risk Factors” on page no. 20 of this Prospectus.

DETAILS OF THE FUND REQUIREMENTS

1) Funding Working Capital Requirement

Our business is working capital intensive and we fund the majority of our working capital requirements in the ordinary course of our business from financing from banks and internal accruals. As at September 30, 2021, our fund-based sanctioned working capital facilities comprised ₹ 400 lakhs from banks & other financial institutions. For further information, please refer “Financial Indebtedness” on page no. 152 of this Prospectus.

Basis of estimation of working capital requirement and estimated working capital requirement

Our Company’s existing working capital requirement on the basis of our Restated Financial Statements for the Fiscal 2020 and 2021 and Estimated Financials for the Fiscal 2022 is as set out in the table below:

Sr. No.	Particulars	For Fiscal 2019-20 (Audited)	For Fiscal 2020-21 (Audited)	For Fiscal 2021-22 (Estimated)
I.	Current Assets:			
1.	Inventories	131.67	138.95	198.26
2.	Trade Receivable	447.19	695.45	793.04
3.	Short Term Loans & Advances	10.22	24.93	55.51
4.	Other Current Assets	-	-	-
	Total Current Assets (A)	589.08	859.33	1046.81
II.	Current Liabilities			
1.	Trade Payables	41.44	100.88	117.38
2.	Other Current Liabilities and Short Term Provisions	44.54	104.4	58.69
	Total Current Liabilities (B)	85.98	205.28	176.08
III.	Total Working Capital Gap (A – B)	503.1	654.05	929.43
IV.	Funding Pattern:			
1.	Working Capital Facilities from Banks ⁽¹⁾	383.51	352.97	350.00
2.	Owned Funds	119.59	301.08	300.00
3.	Part of the Net proceeds to be utilized	-	-	220.74

⁽¹⁾ Our sanctioned working capital facilities as on date of this Prospectus comprised of ₹400.00 lakhs from banks and other financial institutions.

Assumptions for Working Capital requirements

Holding levels

Provided below are details of the holding levels (days, rounded-off) considered.



Particulars	As on March 31, 2020 (Actual)	As on March 31, 2021 (Actual)	As on March 31, 2022 (Estimated)
Current Assets			
Inventories	23	20	25
Trade Receivables	78	99	100
Current Liabilities			
Trade Payables	10	19	20

Justification for holding period levels

Particulars	Details
Current Assets	
Inventories	Inventories days are computed from the historic Restated Statements and are adjusted for future expected. We are primarily a Manufacturing Company and we intend to keep our inventory at a similar level to that of earlier years, which will enable us to save on holding costs and obsolete inventory. Accordingly, our Company estimates, Inventory level to be at 25 days for the F. Y. 2021-22.
Trade Receivables	Trade Receivables days are computed from the historic Restated Financial Statements and are adjusted for future estimates based on management estimates. Our Company has estimated the holding level for Trade Receivable as 100 days of revenue from operations for the Financial Year 2021-22 considering flexibility needed to be given to customers due to volatile macro economic situation.
Current Liabilities	
Trade Payables	Trade Payables days are computed from the historic Restated Financial Statements and are adjusted for future estimates based on management estimates. Our Company has estimated the holding level for Trade Payables as 20 days of Cost of Materials Consumed.

2) General Corporate Purpose

Our Company proposes to deploy the balance Net Proceeds, aggregating to ₹ 17.43 lakhs, towards general corporate purposes, subject to such utilisation not exceeding 25% of the gross proceeds of the Fresh Issue, in compliance with the Regulation 230 (2) of the SEBI ICDR Regulations. Further, we confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose.

Our management will have flexibility to deploy ₹ 17.43 lakhs, aggregating to 7.32% of the Net Proceeds of the Fresh Issue towards general corporate purposes, including but not restricted to strategic initiatives, debt repayments, partnerships, joint ventures and acquisitions, branding, marketing, new client/vendor referral fees, commissions, meeting exigencies which our Company may face in the ordinary course of business, to renovate and refurbish certain of our existing Company owned/leased and operated facilities or premises, towards brand promotion activities or any other purposes as may be approved by our Board, subject to compliance with the necessary provisions of the Companies Act.

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

ISSUE RELATED EXPENSES

The total estimated Issue Expenses are ₹ 48.68, which is 9.89 % of the total Issue Size. The details of the Issue Expenses are tabulated below:



Sr. No.	Particulars	Amount (₹ in lakhs)	% of Total Expenses	% of Total Offer size
1	Offer Management fees including fees and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	37.70	77.44%	7.66%
2	Brokerage and selling commission ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	0.98	2.02%	0.20%
3	Printing & Stationery, Distribution, Postage, etc.	1.50	3.08%	0.30%
4	Advertisement and Marketing Expenses	1.50	3.08%	0.30%
5	Stock Exchange Fees, Regulatory and other Expenses	7.00	14.38%	1.42%
Total		48.68	100%	9.89%

- 1) *The SCSBs and other intermediaries will be entitled to a commission of 10 per every valid Application Form submitted to them and uploaded on the electronic system of the Stock Exchange by them.*
- 2) *The SCSBs would be entitled to processing fees of 10 per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.*
- 3) *Further the SCSBs and other intermediaries will be entitled to selling commission of 0.01% of the Amount Allotted (product of the number of Equity Shares Allotted and the Issue Price) for the forms directly procured by them and uploaded on the electronic system of the Stock Exchange by them.*
- 4) *The payment towards commission and processing fees will be completed within 30 days from the date of receipt of final invoice from the respective entities.*

The Issue expenses are estimated expenses and subject to change. The Issue expenses shall be payable within 30 working days post the date of receipt of the final invoice from the respective Intermediaries by our Company.

Appraisal and Bridge Loans

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

Year wise Deployment of Funds / Schedule of Implementation

As on the date of this Prospectus, no funds have been deployed on these objects. The entire Issue size is proposed to be deployed in the Financial Year 2021 – 22.

Monitoring of Utilization of Funds

Since the proceeds from the Issue do not exceed ₹10,000 lakhs, in terms of Regulation 262 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee will monitor the utilisation of the proceeds of the Issue. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant fiscals subsequent to receipt of listing and trading approvals from the Stock Exchange.

Pursuant to the SEBI Listing Regulations, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilised for purposes other than those stated in the Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating (i) deviations, if any, in the utilisation of the proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the utilisation of the proceeds from the Issue from the objects of the Issue as stated above.



Interim Use of Funds

Pending utilization of the Net Proceeds for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act. Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets.

Variation in Objects

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act. The notice in respect of such resolution to Shareholders shall simultaneously be published in the newspapers, one in English and one in Regional language of the jurisdiction where our Registered Office is situated. The Shareholders who do not agree to the above stated proposal, our Promoters or controlling Shareholders will be required to provide an exit opportunity to such dissenting Shareholders, at a price as may be prescribed by SEBI, in this regard.

Other Confirmations / Payment to Promoters and Directors and Promoter's Group from the IPO Proceeds

No part of the Gross Proceeds of the Fresh Issue will be paid by our Company as consideration to our Promoters, our Board of Directors, our Key Management Personnel or Group Companies except as discussed above.



BASIS OF ISSUE PRICE

The Issue Price has been determined by our Company in consultation with the Lead Manager on the basis of the key business strengths. The face value of the Equity Shares is ₹ 10 and Issue Price is ₹ 90 per Equity Shares and is 9 time of the face value. Investors should read the following basis with the sections titled “Risk Factors”, “Financial Information” and the chapter titled “Our Business” beginning on page nos. 20, 119 and 79 respectively, of this Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of Our Company could decline due to these risk factors and you may lose all or part of your investments.

Qualitative Factors

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

- Experienced Promoter and management team with strong industry expertise and successful track record
- Long Standing Relationship with key Customers & Suppliers
- Strong Balance Sheet and Financial Condition
- Quality Assurance

For more details on qualitative factors, refer to chapter “Our Business” on page no. 79 of this Prospectus.

Quantitative Factors

The information presented in this section for the six months period ended September 30, 2021, Fiscal ended March 31, 2021, March 31, 2020 and March 31, 2019 is derived from our Restated Financial Statements. For more details on financial information, investors please refer the chapter titled “Financial Statements as Restated” on page no. 119 of this Prospectus.

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 computing the price are as follows:

1. Basic and Diluted Earnings / Loss Per Share (“EPS”)

Year ended March 31,	Basic & Diluted	
	EPS (in ₹) ⁽¹⁾	Weights
2021	5.05	3
2020	2.68	2
2019	1.38	1
Weighted Average		3.65
For period ended Sep 30, 2021 ⁽²⁾		5.41

⁽¹⁾ Based on Restated Financials of our Company

⁽²⁾ Not Annualised

Notes:

a. Basic EPS has been calculated as per the following formula:

$$\text{Basic EPS (₹)} = \frac{\text{Net profit/ (loss) as restated, attributable to Equity Shareholders}}{\text{Weighted average number of Equity Shares outstanding during the year/period}}$$

b. Diluted EPS has been calculated as per the following formula:

$$\text{Diluted EPS (₹)} = \frac{\text{Net profit/ (loss) as restated, attributable to Equity Shareholders}}{\text{Diluted Weighted average number of Equity Shares outstanding during the year/period}}$$

c. Basic and Diluted EPS calculations are in accordance with Accounting Standard 20 “Earnings per Share”, notified under section 133 of Companies Act, 2013 read together with paragraph 7 of Companies (Accounting) Rules, 2014.



d. The above statement should be read in conjunction with Significant Accounting Policies and Notes to Restated Financial Statements as appearing in “Annexure IV & V - Financial Information” beginning on page no. 119 Prospectus.

2. Price Earnings Ratio (“P/E”) in relation to the Price of ₹ 90 per share of ₹ 10 each

Particulars	P/E
P/E ratio based on Basic and Diluted EPS as at March 31, 2021	17.82
P/E ratio based on Basic and Diluted EPS as at Sep 30, 2021	16.63
P/E ratio based on Weighted Average EPS	24.66

Industry P/E Ratio*

Particulars	P/E Ratio
Highest: Morganite Crucible (India) Limited	50.90
Lowest: IFGL Refractories Limited	19.40

* (Source: Capital Market, Vol No. XXXVII /01, Feb 21-March 06, 2022; Segment: Refrac/Intermedi)

3. Return on Net worth (RoNW)

Year ended March 31,	RoNW (%) ⁽¹⁾	Weight
2021	16.13%	3
2020	10.20%	2
2019	5.85%	1
Weighted Average	12.44%	
For period ended Sep 30, 2021 ⁽²⁾	15.03%	

⁽¹⁾ Based on Restated Financials of our Company

⁽²⁾ Not Annualised

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

$$\text{RoNW} = \frac{\text{Net profit/loss after tax, as restated}}{\text{Net worth excluding preference share capital and revaluation reserve}}$$

4. Net Asset Value (NAV) based on actual no. of equity shares at the end of the year

Financial Year	NAV (₹)
NAV as at March 31, 2021	31.31
NAV as at Sep 30, 2021	36.02
NAV after Issue	44.99
Issue Price (₹)	90

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

$$\text{NAV} = \frac{\text{Net worth excluding preference share capital and revaluation reserve}}{\text{Outstanding number of Equity shares at the end of the year}}$$

5. Comparison with Industry Peers

Peer Group Comparison of Accounting Ratios:

Particulars	CMP*	EPS (₹)		PE Ratio		RONW (%)	NAV per share (₹)	Face Value (₹)	Revenue from Operations (₹ in Lakhs)
		Basic	Diluted	Basic	Diluted				
SP Refractories	90.00	5.41	5.41	16.63	16.63	15.03%	36.02	10.00	1,447.30



Limited ⁽ⁱ⁾									
Peer Group **									
Morganite Crucible (India) Ltd	925.05	-	-	-	-	-	182.92	5.00	10,685.52
Rhi Magnesita India Ltd	366.75	8.44	8.44	43.45	43.45	16.96%	66.71	1.00	136,641.31
IFGL Refractories Limited	314.65	12.44	18.04	25.29	17.44	8.02%	155.14	10.00	64,907.47
Rassi Refractories Limited	13.67	0.75	0.75	18.22	18.22	1.40%	53.15	10.00	2,090.81

* CMP for our Company is considered as Issue Price

**Source: www.bseindia.com.

Notes:

(i) The figures of SP Refractories Limited are based on restated financial statements.

(ii) Current Market Price (CMP) is the closing price of peer group scripts as on December 31, 2021.

(iii) The figures for the peer group are based on the standalone audited financials for the year ended March 31, 2021.

6. The face value of our share is ₹10.00 per share and the Issue Price is of ₹ 90 per share which is 9 times of the face value.
7. The Company in consultation with the Lead Manager believes that the Issue price of ₹ 90 per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the Risk Factors and Financials of the Company including important profitability and return ratios, as set out in the Financial Statements included in this Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is ₹ 10 per share and the Issue Price is 9 times of the face value i.e. ₹ 90 per share.



STATEMENT OF TAX BENEFITS

To,
The Board of Directors,
SP Refractories Limited
M- 10, M-11-1, M-11-2,
MIDC, Hingna,
Nagpur-440016

Dear Sirs,

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

We hereby report that the accompanying Statement states the possible special tax benefits available to the Company and shareholders of the Company (hereinafter referred to as “**the Statement**”) under the Income Tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2021 presently in force in India (together referred to as the “**Direct Tax Laws**”), the Goods and Service Tax Act, 2017 & Customs Act, 1962 (read with rules, circulars, notifications) presently in force in India (together referred to as the “**Indirect Tax Laws**”).

These possible special tax benefits are dependent on the Company and/ or the Company’s shareholders fulfilling the conditions prescribed under relevant Direct Tax Laws, Indirect Tax Laws and other laws. Hence, the ability of the Company or the Company’s shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company or the Company’s shareholders may or may not choose to fulfil. The Company does not have any subsidiary as on date of the Prospectus.

The benefits discussed in the enclosed Statement are not exhaustive and only cover the possible special direct and indirect tax benefits available to the Company and the Company’s shareholders. The Statement is neither designed nor intended to be a substitute for professional tax advice and each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company.

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

- a) the Company or its shareholders will continue to obtain these possible special tax benefits in future; or
- b) the conditions prescribed for availing the possible special tax benefits, where applicable, have been/would be met with; and

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

No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

We conducted our examination in accordance with the “Guidance Note on Reports or Certificates for Special Purposes” (“**Guidance Note**”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We hereby give consent to include this Statement in the Draft Prospectus and Prospectus in connection with the proposed initial public offering of the Company.

Yours faithfully,



For Zoeb Anwar & Co.,
Chartered Accountants
FRN: 116532W

CA Zoeb I. Anwar
(Proprietor)
Membership No: 101496
Place: Mumbai
Date: February 24, 2022
UDIN: 22101496AEBCZK1934



Annexure

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND COMPANY'S SHAREHOLDERS

Outlined below are the possible special tax benefits available to **SP Refractories Limited** (“the Company”) and to its Shareholders under the Direct and Indirect Tax Laws in force in India.

A. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY

1. Direct Tax

There are no special direct tax benefits available to the Company.

2. Indirect Tax

There are no special indirect tax benefits available to the Company.

B. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE COMPANY

1. Direct Tax

There are no special direct tax benefits available to the Shareholders of the Company.

2. Indirect Tax

There are no special indirect tax benefits available to the Shareholders of the Company.



SECTION VI – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications, publically available documents and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page nos. 20 and 119 of this Prospectus.

Global Economic Overview

The global economic recovery is continuing, even as the pandemic resurges. The fault lines opened up by COVID-19 are looking more persistent—near-term divergences are expected to leave lasting imprints on medium-term performance. Vaccine access and early policy support are the principal drivers of the gaps.

The global economy is projected to grow 5.9 percent in 2021 and 4.9 percent in 2022, 0.1 percentage point lower for 2021 than in the July forecast. The downward revision for 2021 reflects a downgrade for advanced economies—in part due to supply disruptions—and for low-income developing countries, largely due to worsening pandemic dynamics. This is partially offset by stronger near-term prospects among some commodity-exporting emerging market and developing economies. Rapid spread of Delta and the threat of new variants have increased uncertainty about how quickly the pandemic can be overcome. Policy choices have become more difficult, with limited room to maneuver.

Speeding up the vaccination of the world population remains the top policy priority, while continuing the push for widespread testing and investing in therapeutics. This would save millions of lives, help prevent the emergence of new variants, and hasten the global economic recovery. As discussed in Chapter 1, an IMF proposal lays out concrete, cost-effective steps to vaccinate at least 40 percent of the population in every country by the end of 2021 and 70 percent by mid-2022.¹¹ It is also crucial to ensure that financially constrained countries can continue essential spending while meeting other obligations. The IMF’s recent General Allocation of Special Drawing Rights, equivalent to \$650 billion, provided much-needed international liquidity. Moreover, doubling down efforts to curb greenhouse gas emissions is critical—current actions and pledges are not enough to prevent a dangerous overheating of the planet. The international community should also resolve trade tensions and reverse the trade restrictions implemented in 2018–19, strengthen the rules-based multilateral trading system, and complete an agreement on a global minimum for corporate taxes that halts a race to the bottom and helps bolster finances to fund critical public investments.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2021/10/12/world-economic-outlook-october-2021>)

Emerging Markets Lead the Rebound

Emerging markets, excluding China, have faced numerous cyclical challenges in recent years. Now, with more favourable COVID-19 dynamics in many developing nations, emerging markets could set the pace for global growth. Morgan Stanley economists expect this momentum to continue into next year. At the same time, emerging markets should benefit from widening U.S. current account deficits, low U.S. real interest rates, a weaker dollar, and accommodative macroeconomic policies. That adds up to 7.4% GDP growth for emerging markets in 2021, led by a forecast 9.8% improvement in India.

Overview of the World Economic Outlook Projections (Percent change)

	Year over Year		
	2020	Projections	
		2021	2022
World Output	-3.1	5.9	4.9
Advanced Economies	-4.5	5.2	4.5
United States	-3.4	6.0	5.2
Euro Area	-6.3	5.0	4.3
Germany	-4.6	3.1	4.6
France	-8.0	6.3	3.9
Italy	-8.9	5.8	4.2
Spain	-10.8	5.7	6.4
Japan	-4.6	2.4	3.2
United Kingdom	-9.8	6.8	5.0
Canada	-6.3	5.7	4.9
Other Advanced Economies	-1.9	4.6	3.7
Emerging Market and Developing Economies	-2.1	6.4	5.1
Emerging and Developing Asia	-0.8	7.2	6.3
China	2.3	8.0	5.6
India	-7.3	9.5	8.5
ASEAN-5	-3.4	2.9	5.8
Emerging and Developing Europe	-2.0	6.0	3.6
Russia	-3.0	4.7	2.9
Latin America and the Caribbean	-7.0	6.3	3.0
Brazil	-4.1	5.2	1.5
Mexico	-8.3	6.2	4.0
Middle East and Central Asia	-2.8	4.1	4.1
Saudi Arabia	-4.1	2.8	4.8
Sub-Saharan Africa	-1.7	3.7	3.8
Nigeria	-1.8	2.6	2.7
South Africa	-6.4	5.0	2.2
Memorandum			
Emerging Market and Middle-Income Economies	-2.3	6.7	5.1
Low-Income Developing Countries	0.1	3.0	5.3

Note: For India, data and forecasts are presented on a fiscal year basis, with FY 2020/2021 starting in April 2020. For the October 2021 WEO, India's growth projections are 8.3 percent in 2021 and 9.6 percent in 2022 based on calendar year.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2021/10/12/world-economic-outlook-october-2021>)

Indian Economic Overview

Introduction

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

Market size

India's gross domestic product (GDP) at current prices stood at Rs. 51.23 lakh crore (US\$ 694.93 billion) in the first quarter of FY22, as per the provisional estimates of gross domestic product for the first quarter of 2021-22.

India is the fourth-largest unicorn base in the world with over 21 unicorns collectively valued at US\$ 73.2 billion, as per the Hurun Global Unicorn List. By 2025, India is expected to have ~100 unicorns by 2025 and will create ~1.1 million direct jobs according to the Nasscom-Zinnov report 'Indian Tech Start-up'.

India needs to increase its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030's, for productivity and economic growth according to McKinsey Global Institute. Net employment rate needs to grow by 1.5% per year from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030.

According to data from the Department of Economic Affairs, as of August 27, 2021, foreign exchange reserves in India reached US\$ 633.5 billion mark.

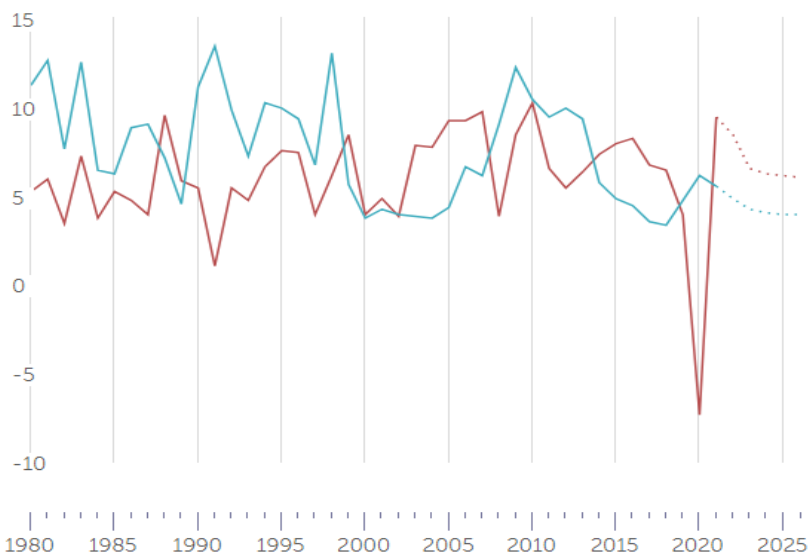
(Source: <https://www.ibef.org/economy/indian-economy-overview>)

GDP and Inflation rate in India

SELECT AN INDICATOR

IMF DataMapper, October 2021

— Real GDP growth (Annual percent change) 9.5
 — Inflation rate, average consumer prices (Annual percent change) 5.6



(Source: <https://www.imf.org/en/Countries/IND>)

Refractories market- Global

The Refractories market size is expected to grow at a CAGR of 3.4%, by value, during the forecast period. The market is estimated to be USD 23.2 billion in 2020 and is projected to reach USD 27.4 billion by 2025. The driving factors for Refractories market is its growing demand from iron & steel industry.

COVID-19 Impact on the Refractories Market

The global Refractories market includes major Tier I and II suppliers like as Saint-Gobain (France), RHI Magnesita (Austria), Corning Incorporated (US), Morgan Advanced Materials (UK), and Shinagawa Refractories (Japan). These suppliers have their manufacturing facilities spread across various countries across Asia Pacific, Europe, North America, South America, and Middle East & Africa. COVID-19 has impacted their businesses as well.

These players have announced the suspension of production due to the lowered demand, supply chain bottlenecks, and to protect the safety of their employees in the US, France, Germany, Italy, and Spain during the COVID-19 pandemic. As a result, the demand for refractories is expected to decline in 2020. Manufacturers are likely to adjust production to prevent bottlenecks and plan production according to demand from tier 1 manufacturers.

Refractories: Market Dynamics:

Driver: Increase in infrastructural development in emerging countries

Growing urbanization and industrialization, especially in emerging economies such as India and China, has led to significant investment in the construction of residential and commercial buildings. According to the Global Construction Perspective and Oxford Economics, the global construction market will grow by 85% to USD 15.55 trillion worldwide by 2030, with three countries China, India and the US accounting for 57% of the global growth.

China is one of the fastest-growing economies; rising travel demand requires constant development of railways and roadways in the country. This has also boosted the growth of the automotive industry in China. The increased pace of infrastructure development in these emerging countries has led to an increase in the construction of residential and commercial buildings, which is expected to drive the demand for refractories in the iron & steel and cement industries.

Increasing construction activities in emerging economies are also expected to drive the glass industry, which, in turn, will drive the refractories demand

Restraint: Restrictions on the use of refractories due to the growing environmental concerns

The manufacturing process of refractories leads to the emission of organic particulate matter (PM) and harmful gases such as sulfur dioxide (SO₂), nitrogen oxides (NO_x), carbon monoxide (CO), carbon dioxide (CO₂), fluorides, and volatile organic compounds (VOCs). Processes, including crushing, grinding, calcining, and drying, lead to the emission of PM, while gases and VOCs are emitted during firing and tar & pitch operations, respectively.

In the US, regulations regarding refractory waste disposal and guidelines regarding the use of refractories encourage recycling of chrome-based refractories, which are largely used in the iron & steel industry. Similarly, in Europe, projects such as ReStaR (Review and improvement of testing Standards for Refractory products), have been implemented to ensure the reliability and precision of the current refractory testing standards in the region. Such environmental regulations and restrictions on the use of refractory materials act as a restraining factor for the growth of the refractories market.

Opportunity: Recycling of refractory materials

The used refractory materials, which are further recycled to form secondary raw materials, are known as refractory grogs. There are two types of refractories—high-quality refractories and low-quality refractories. The usage of recycled refractories depends on the quality of the actual refractory; 100% of the high-quality recycled refractories can be used in other processes, but only 0–30% of the recycled refractories can be used which are obtained from low-quality refractories. The need for recycling of refractory products has increased owing to the increase in the cost of raw materials and freight and environmental pressures that have compelled the companies to look for more sustainable alternatives for refractory applications.

There are several factors that played a pivotal role in the shift toward refractory recycling. From 2008 to 2010, the refractory industry worldwide underwent a very volatile period, during which, certain raw materials became almost impossible to procure due to high demand coupled with low supply. Pressure has been mounting on companies to become environmentally responsible by reducing their respective carbon footprints. Increased taxes on landfill sites and emissions are being enforced, and tax incentives are also proposed to motivate companies to increase their waste recycling efforts. The economic recession during the early part of 2009 affected the refractory sales. The manufacturers are striving to reduce prices to retain their market share. Therefore, recycling of refractories helps to reduce the production cost for the manufacturers, thus offering lucrative opportunities for the growth of this market.

ECOSYSTEM ANALYSIS: REFRACTORIES MARKET



Key Market Players

Refractories are a diversified and competitive market with a large number of global players and few regional and local players. RHI Magnesita (Austria), Corning Incorporated (US), Morgan Advanced Materials (UK), Shinagawa Refractories (Japan), and Saint-Gobain (France) are some of the key players in the market.

“The Refractories market is projected to register a CAGR of 3.4% during the forecast period, in terms of value.”

The global Refractories market is estimated to be USD 23.2 billion in 2020 and is projected to reach USD 27.4 billion by 2025, at a CAGR of 3.4% from 2020 to 2025. The market is witnessing moderate growth, owing to increasing application, technological advancements, and growing demand for these refractories in the Asia Pacific and Europe. Refractories are largely used in the iron & steel industry. The increasing use of refractories and the rising construction activities is driving the refractories market. Strict environmental and government regulations are the restraints for the Refractories market.

“Iron & Steel segment is expected to lead the Refractories market during the forecast period.”

The iron & steel; industry will continue to lead the Refractories market, accounting for a share of 60.0% of the overall market, in 2019 terms of value. This was due to the increasing demand for infrastructure development and mounting demand for consumer goods such as automobiles. The increasing preference for high-cost, high-performance refractories is driven by the need to improve the quality of life, health & environment, and shift to clean, alternative sources of manufacturing.

“Asia Pacific is the largest market for Refractories.”

Asia Pacific accounted for the largest share of the Refractories market in 2020. Factors such as the rapidly increasing consumption of refractories in the iron & steel, power generation cement, and glass industries in countries such as China, Japan, India, South Korea and Australia have led to an increased demand for Refractories in the Asia Pacific region.



(Source: <https://www.marketsandmarkets.com/Market-Reports/refractories-market-222632393.html>)

Refractories market- India

The Indian refractory industry is an Rs 9,000 crore market, with major players such as TRL Krosaki, Dalmia OCL, RHI Magnesita India. About 75% of the refractories manufactured using magnesia; alumina or silica is used with the rest being consumed by cement and glass, ceramics, petrochemicals and boiler industries. They are the necessary materials

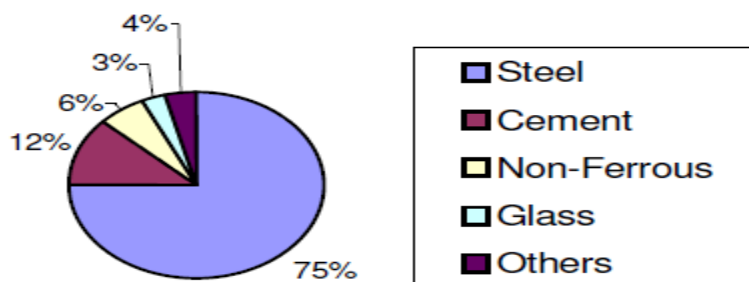
for various high-temperature equipment like in the internal linings of blast furnaces and converters used for steel making and in furnaces for heating materials before further processing etc.

Data sourced from the ministry of commerce shows that India imported refractory bricks, blocks, tiles and similar refractory ceramic constructional goods worth Rs 855 crore in 2019 and 2020 which is 4% higher than the previous year of Rs 816 crore. India also imported high alumina refractory cement used in steel and cement companies worth Rs 25.3 crore in 2019-2020 as against, Rs 12 crore in 2018-2019.

(Source: <https://economictimes.indiatimes.com/industry/indl-goods/svs/indias-refractory-companies-look-for-new-sources-to-reduce-dependence-on-china/articleshow/76655458.cms?from=mdr>)

Refractory is a term given to a class of materials which are produced from nonmetallic minerals and possess capability to withstand heat and pressure. These are products that confer properties like high temperature to corrosive and erosive action of hot gases, liquids and solids at high temperatures in various kilns and furnaces. The fortunes of the Refractory industry are very much dependant on steel industry as almost 75% of the refractories produced is consumed in steel industry. Steel consumption in India is expected to grow significantly in coming years as per capita finished steel consumption is far less than its regional counterparts. The growth in construction, infrastructure, automobile and power sector will continue to create significant demand for steel sector, which in turn will create demand for refractories.

Industrywise Consumption of Refractories



The Indian refractory industry started its journey with first line of production in Kolkata in 1874. Today, the industry comprises over 100 established units, with 11 large plants, 24 medium-scale units and the rest in the small-scale sector. However, while the refractory industry in India took off in the late 19th century, the real growth came in the late 1950s when the public sector steel plants were set up and Tata Steel embarked upon its expansion plans. Currently, the Indian refractory industry has an aggregate production capacity of 20 lakh tones per annum. The capacity utilization, however, currently stands at around 60 percent or 11.5-12 lakh tones per annum.

About 75 per cent of the refractories that are manufactured find application in the steel industry, 12 percent in the cement industry, 5-6 per cent in non-ferrous industries, three per cent in the glass industry and the balance in other industries.

Refractories are located primarily near steel plants - Orissa, West Bengal, MP, Bihar and Tamil Nadu



STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Introduction of the concept "Total Refractory Management" (TRM) to ensure quality and proper service, and also to decrease the cost • India is having superior engineering skill, high quality technology and equipment from Germany and Italy, access to superior quality raw materials and all these factors is resulting in superior quality refractory output • Increasing credibility of Indians in the global market, where price realisation is relatively better 	<ul style="list-style-type: none"> • India has to depend heavily on China for raw-material imports • Scarcity of raw-materials across the globe • Technological changes in Steel industry resulting in lowering consumption of refractories per tonne of steel • The growth of Indian Steel industry is extremely crucial to analyze the future status of Indian Refractory industry
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Refractories still have many areas in various sectors to enter in such as monolithics and special • Growing demand from other sectors like sponge iron and cement • Indian products are sailing all across the globe, primarily to EU, Middle East, South Africa and Far East including Malaysia and Indonesia • Expansion of Steel industry in India 	<ul style="list-style-type: none"> • With the increasing price of crude oil and other petroleum products, the price of coal is also increasing having a direct impact on the input cost • China dumping sub-standard quality outputs in India at very low prices (China's export integrated pricing strategy) • Payment delays by the Steel manufacturers • Slowdown in Chinese refractories market

(Source: https://www.academia.edu/4518217/A_study_on_Indian_Refractories_Industry?pop_sutd=false)

Investments and Recent Developments

With an improvement in the economic scenario, there have been investments across various sectors of the economy. The private equity - venture capital (PE-VC) sector recorded investments worth US\$ 10.7 billion across 137 deals in August 2021, registering a 5x YoY growth. Some of the important recent developments in Indian economy are as follows:

- India's merchandise exports between April 2021 and August 2021 were estimated at US\$ 164.10 billion (a 67.33% YoY increase). Merchandise imports between April 2021 and August 2021 were estimated at US\$ 219.63 billion (an 80.89% YoY growth).
- In August 2021, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 52.3.
- The gross GST (Goods and Services Tax) revenue collection stood at Rs. 112,020 crore (US\$ 15.21 billion) in August 2021.
- According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDI equity inflow in India stood at US\$ 547.2 billion between April 2000 and June 2021.
- India's Index of Industrial Production (IIP) for July 2021 stood at 131.4 against 122.6 for June 2021.
- Consumer Food Price Index (CFPI) – Combined inflation was 3.11 in August 2021 against 3.96 in July 2021.
- Consumer Price Index (CPI) – Combined inflation was 5.30 in August 2021 against 5.59 in July 2021.
- Foreign portfolio investors (FPIs) invested US\$ 2.5 billion in India in August 2021.

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

In June 2020, Morgan Advanced Materials acquired of Carbo San Luis (Buenos Aires, ARG), to support and grow the network in Argentina, Chile and Peru.

In June 2020, Vesuvius, under its brand Foseco, launched its new product—KALPUR. It is a Direct Pouring Application on an Automatic High-Pressure Green Sand Moulding Line, advantages of direct pouring, are improved yield and directional solidification can be realised on moulding lines where access to the cope is not possible.



In December 2019, RHI Magnesita, is investing more than EUR 40 million in the construction of the new Dolomite Resource Center Europe. In the future, dolomite for the entire European market will be mined and processed at the Hochfilzen site in Tyrol before being transported by rail to sister plants in France. With the project, the company is ushering in the future of the refractories industry in Tyrol and securing highly specialized jobs in the region for the long term.

(Source: <https://www.marketsandmarkets.com/Market-Reports/refractories-market-222632393.html>)

Future Outlook

Refractory business is a capital intensive industry which requires heavy investment in technology and basic raw materials. The business is heavily dependent on steel industry (nearly 75%) and on the contrary steel industry is upgrading technology to reduce its dependence on refractories products. The other industries where refractories can cater to are cement, sponge iron, chemical, petrochemical, and glass, ceramic and limestone industries. The slowdown in the Indian economy has affected the steel industry resulting in lower top lines in refractory industry. Also, the increase in cost of raw materials, coals, petrol prices, etc. has affected the bottom lines. This is a highly specialized industry and depending upon the production capacities, plant location, technology implemented a competitive advantage can be structured and better performance can be expected in future.

(Source: https://www.academia.edu/4518217/A_study_on_Indian_Refractories_Industry?pop_sutd=false)



OUR BUSINESS

This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled 'Risk Factors' and 'Financial Information' and the chapter titled 'Management Discussion and Analysis of Financial Condition and Results of Operations' beginning on page nos. 20, 119 and 141 respectively, of this Prospectus.

Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements for Financial Year 2018-2019, 2019-2020 and 2020-2021 for the six months ended 31st September 2021, included in this Prospectus. For further information, see "Financial Statements" on page no. 119 of this Prospectus.

Unless the context otherwise requires, in this section, reference to "we", "us", "our", "Company" or "Our Company" refers to SP Refractories Limited.

Our Company SP Refractories Limited is engaged in manufacturing and supplying Refractory Material made using hydrated lime, Calcined Alumina and other raw materials. Our core focus is on refractory cement which is a niche and high margin cement widely used in iron & steel and construction industries because of its thermal conductivity, Maximum strength and Heat resistance.

Our Company began its operations in the year 2007 with manufacturing of refractory cement and castables. Before incorporation of the company, Late Sri. Prabodh Kale, was running the established business of refractory cement in a partnership firm named Shanark Industries based out of Nagpur. Post his demise, his wife; Namita Kale took the business activities forward under SP Refractories Limited as the promoter along with her daughters Shweta Kale and Prajakta Kale.

Our Company has one Manufacturing facility at M- 10, MIDC, Hingna, Nagpur and the adjoining premise M- 11-1 & M-11-2, MIDC, Hingna, Nagpur is being used as Godown and storage facility. The manufacturing facility is located in MIDC which is well-developed industrial area of Nagpur.

We have a healthy client base due to our quality product, customized solutions and large product line. We have clinkers manufacturing capacity of 4000 MT per year and Clinkers crushing capacity of 6000 MT per year. We get clinkers manufactured from outsider on job work basis and thereafter process of crushing the clinkers, blending and packing of refractory cement in powder form carries out in our manufacturing facility for excess capacity of crushing. Further, as and when required we purchase clinkers from third party and carry out process of crushing the clinkers, blending and packing of refractory cement in powder form to utilize our excess capacity of crushing.

We have dedicated semi-automatic machines and skilled operators for manual checking of raw materials as well as Finished Goods. Our Testing and QC Technical team combined with our testing equipments ensures the quality of raw material dispensed in the production process and also the finished goods delivered to our customers. This helps in improving our procurement process thus reducing wastages, returns and other related costs.

Our revenue from operations was ₹ 2,569.54 lakhs, ₹ 2,096.56 lakhs and ₹ 1,852.70 lakhs for Fiscal 2021, 2020 and 2019, respectively and grew at a CAGR of 11.52 % and ₹ 1,447.30 lakhs for Six months period ended September 30, 2021. Our EBITDA was ₹ 149.00 lakhs, ₹ 122.09 lakhs and ₹ 90.34 lakhs for Fiscal 2021, 2020 and 2019, respectively and grew at a CAGR of 18.15 % over such period, and ₹ 133.75 lakhs for Six months period ended September 30, 2021. Our restated profit after tax was ₹ 75.35 lakhs, ₹ 39.93 lakhs and ₹ 20.59 lakhs for Fiscal 2021, 2020 and 2019, respectively and grew at a CAGR of 54.12 % and ₹ 80.74 lakhs for Six months period ended September 30, 2021.

Business response to COVID-19

Since the onset of the COVID-19 pandemic in March 2020, our Company has responded swiftly by implementing various processes to ensure our operations continue seamlessly. In 2020, cases of the novel corona virus started rapidly increasing in India, which led the government of India to impose a nationwide lockdown. The spread of Covid-19 and its recent developments have had and might continue to have repercussions across local, national and global economies. As, we are engaged in the manufacturing of refractory cement, our products were identified as essential goods and our operations were shut down during only for initial period and thereafter we were able to operate. The demand for refractory cement was stagnant and even increased a bit during the pandemic which has a slight positive impact on our business. However, due to limited availability of logistics and supply chain constraints, we were impacted during the

initial period of the lockdown. We continued our operations after making arrangements to meet the government's requirements on sanitization, people movement and social distancing.

We have experienced sustained growth in recent years and continued to do so during the Covid-19 pandemic. We consider that our swift response and proactive steps taken have mitigated the impact of COVID-19 pandemic on our business and personnel thus far. And we were able to remain growth oriented and profit oriented. The future impact of COVID-19 or any other severe communicable disease on our business and results of operations depends on several factors including those discussed in "Risk Factors" on page 20 of this Prospectus. We are continuously monitoring the economic conditions and have outlined certain measures to combat the pandemic situation and to minimize the impact on our business. For more details, see Risk Factors Affecting Results of Operations and Financial Condition – COVID-19 Pandemic on page 20 of this Prospectus

Our Strengths



Experienced Promoter and management team with strong industry expertise and successful track record

The Promoter of our Company, Namita Kale, Shweta Kale and Prajakta Kale has significant industry experience and has been instrumental in the consistent growth of our Company's performance. Namita Kale has industry experience of around 14 years and possesses business intellect in the marketing and trading circles of Refractory management industry as the family have been engaged in such business through partnership firm since more than 2decades. Further our Company is managed by a team of experienced personnel. 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 market opportunities.

For further details regarding the experience and qualifications of our management team please see "Our Management" on page 100of this Prospectus. We believe that the knowledge and experience of our promoter and management will enables us to identify new opportunities, rapidly respond to market conditions, adapt to changes in the business landscape and competitive environment and enhance the growth in the business. We believe that our ability to identify, adapt to and capitalize on market developments has enabled us to stay at the forefront of market trends and develop a strong track record of achieving profitability and growth.



Long Standing Relationship with key Customers & Suppliers:

Our Company enjoys long standing relationship with key Customers & suppliers. These long standing relationships are result of our commitment to quality, timely delivery, promptness in payments and adaptability etc. We benefit immensely from this. Our business and growth are significantly depending on our ability to maintain the client relationship. These long standing relationship with customers and suppliers have helped in establishing our reputation as a trusted business player in Refractory Industry

Strong Balance Sheet and Financial Condition

We performed reasonably well with strong revenue and balance sheet position. As on September 30, 2021, the owned net worth of the company (i.e. equity plus free reserves) was Rs. 547.80 lakhs. Our Company is a low debt well capitalized company. Hence, we can procure the goods by making upfront payments and take benefit of cash discount or can buy in bulk and hold inventory for longer periods thereby improving our profitability. We believe that we have the ability to leverage our balance sheet to take advantage of a favorable business cycle or market opportunity.

Quality Assurance

We believe in manufacturing quality products and always conscious about quality. Our products and processes undergo regular quality checks to ensure zero defects. The quality assurance efforts include thorough checking of all raw materials, other inputs and finished goods to ensure quality. All the divisions are well equipped with quality checking and testing equipments for quality assurance. We have in-house testing laboratory to test our raw materials and finished products to match the quality standards.

Location of the Manufacturing Unit

Our Company has manufacturing unit for the manufacture of its products located at M- 10, MIDC, Hingna, Nagpur-440016, Maharashtra, India.

- Well-developed industrial area having basic infrastructure facilities like power & water available locally;
- Availability of cheap labour from nearby surrounding areas;
- Proximity to Nagpur, which is one of the major market hubs in India.
- Raw materials sourced are easily available and / or deliverable from the manufacturers / third party job-workers located in Rajasthan, Karnataka and Madhya Pradesh to our Unit. Thus, procurement of raw materials is less time consuming and comparatively cheaper due to savings on time and freight

Our Strategies

Our strategic objective is to improve and consolidate our position in the refractory cement market with a continuous growth philosophy. The below points indicate how we will achieve our goals:

Augment our fund based capacities in order to scale up business operation

Our business operations are working capital intensive. In order to effectively expand our Business also reach out to new customers, along with the existing facilities we need to have access to a larger amount of liquid funds and sufficient working capital. Our raw materials purchase mainly includes Calcined Alumina and Hydrated Lime which require timely payment to our suppliers, firstly to avoid fluctuation in availability and secondly to maintain relationship with our suppliers for smooth inflow of such raw materials. However, our customers include some large companies, to whom we need to give a certain higher credit period in order to remain in their vendor list, thus affecting our working capital requirement.

We expect to increase our volumes, revenues and scale of operations and we will require substantial working capital for the same. It is hence our strategy to raise funds from this Issue and augment our fund based working capital capabilities. We believe that companies with high liquidity on their balance sheet would be able to better exploit market opportunities in short term as well as longer duration services in our business. Our Company may also explore possibilities for utilising the available capital to increase die making capabilities so as to increase its product line in the future. For further details regarding the working capital being raised through this Issue, please refer to section "Objects of the Issue" on page no. 59 of the Prospectus.

Competitive Pricing:

Price is an important aspect of a business' marketing mix and changing the price can drastically affect the marketing tactics necessary for success. To remain aggressive and capitalize a good market share, we believe in offering competitive prices to our customers. This helps us to sustain the competition and withhold a strong position in the market.

To build-up a professional organization

As an organization, we believe in transparency and commitment in our work and with our customers. We have an experienced team for taking care of our day to day operations. We will consistently put efforts among its group of experienced employees to transform them into an outstanding team of empowered professionals which helps in further accelerating the wheels of development of the Organization. Further, once our company is listed on stock exchange it opens door for us to attract higher quality managerial staff by providing ESOP etc.

DETAILS OF OUR BUSINESS

Our Products

We manufacture High Alumina Refractory Cement; Following are the types of refractory cement manufactured by our company:

Sr. No.	Image of Product	Name of this Product	Product Features / Highlights
1.		HAC – 75	<p>Chemical Analysis :</p> <p>Al₂O₃ – 72% FE₂O₃ – 0.30% Cao – 25 %</p> <p>Other Features :</p> <ol style="list-style-type: none"> 1. High Refractoriness 2. Low impurity Level 3. Excellent Flow 4. High CCS 5. Optimum
2		HAC – 50 MP	<p>Chemical Analysis :</p> <p>Al₂O₃ – 45-47% FE₂O₃ – 4-5% Cao – 28 - 32%</p>
3		HAC – 60	<p>Chemical Analysis :</p> <p>Al₂O₃ – 60% FE₂O₃ – 2% Cao – 26%</p>

Use of our Product:

Refractory cement is utilized for following purposes:

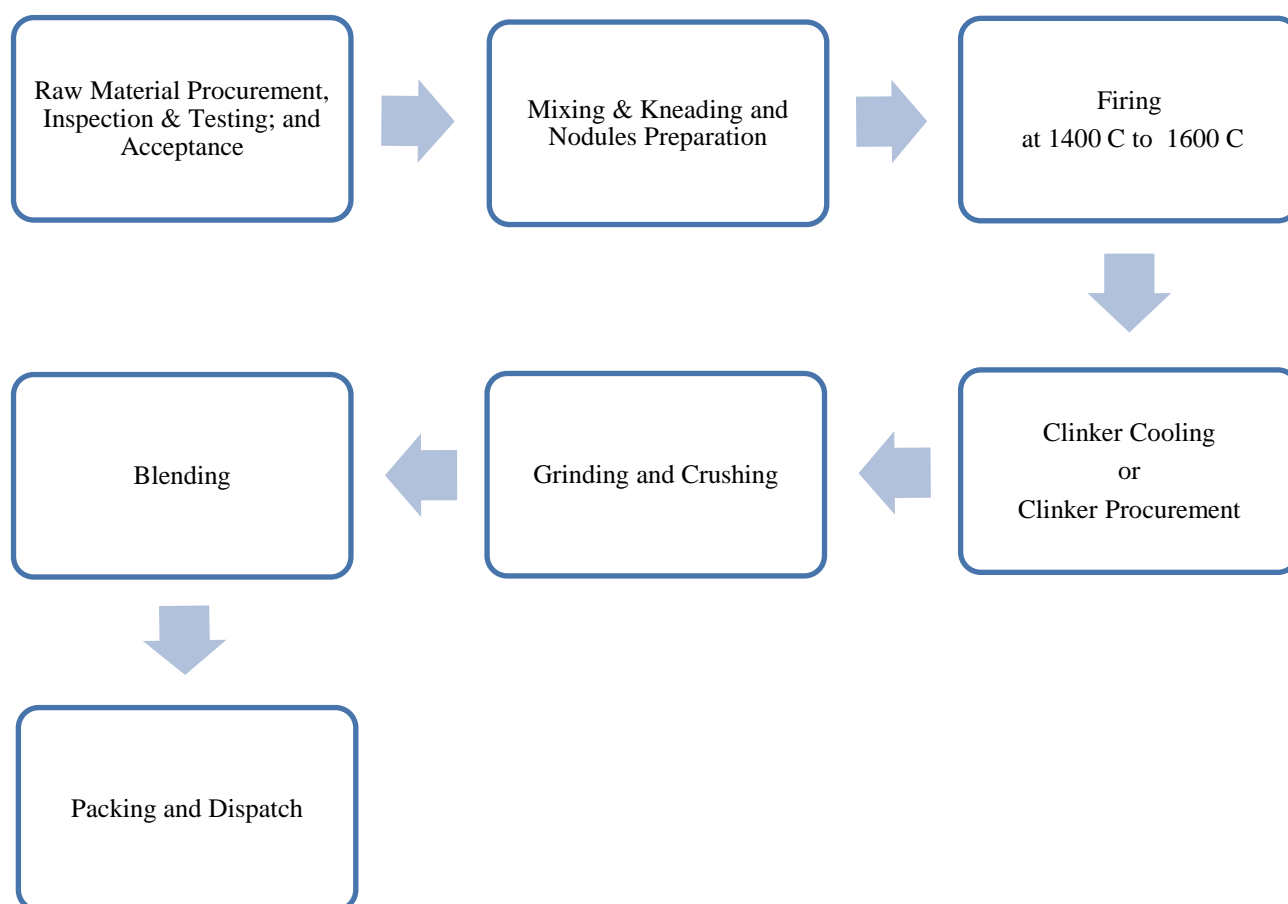
1. In production of castable
2. Power Plants
3. Iron Plants

Raw Materials

The major raw materials used in our manufacturing process are different grades of Calcined Alumina and Hydrated Lime. We source our raw materials from domestic markets.

Manufacturing Process:

The Process of Manufacturing of High Alumina Refractory Cement includes following Steps:



Step 1: Raw Material Procurement, Inspection & Testing; and Acceptance

Our key Raw Materials are Calcined Alumina and Hydrated Lime. They are available in domestic market. We maintain a system for defining the parameters of acceptability of both the raw materials. These parameters of acceptability are duly circulated to purchase department and quality inspection team. We undertake in house tests for the same. Once the raw materials enter the factory premises, the Quality Control department runs the necessary checks to either to approve or reject the particular lot. Once the raw material is cleared, it is then stored in its respective location by the stores.

Step 2: Mixing & Kneading and Nodules Preparation:



We take both the Raw Materials in the required ratio and Mix it in the Cement Ballmill. The mixed batches are then moistened by adding water and then again mixed in nodulizer uniformly. Once the mixed batch is kneaded very well after that the nodules of diameter 10- 15mm are made by hand rolling method.

Step 3: Firing at 1400 C to 1600 C

Our prepared dried nodules are then fired in electrically operated Rottary Kiln. The Rotary Kiln is fired with pulverized coal or fuel. A typical kilns arrangement comprises in rottary kiln with a shaft pre heater in which the hot exhaust gases pass upward as the dump raw material mix passes downwards. The pre heater recuperates most of the heat in the combustion gasses, dehydrates and dehydroxylates the Calcined alumina and the dehydrates lime. The Calcined material drops in to the “cool end” of the kiln. The nodule gets fired in rotary kiln at 1400-1600 C and gets produced in Clinkers.

Step 4: Clinker Cooling

After the firing, clinkers are produced and then it gets cooled to room temperature for 48 hours

Step 5: Crushing and Grinding

Once clinkers are ready it proceeds further for crushing and grinding. The cooled clinker ingots are crushed and then grind in a ball mill and converted in the final product in powder form.

We get the Clinkers Manufactured on job work basis and sometimes if required, we purchase readily available clinkers and then crush& grind it in a ball mill and converted in the final product in powder form.

Step 6: Blending

After the above processes are over the refractory cement is blended in a single ball mill for homogenization & to maintain uniformity of quality, as required. Once the blending process is completed and products are purified, it can be taken for further packing.

Step 7: Packing and Dispatch

After proper packaging of powder cement as per the customer’s requirement, they are either directly loaded into trucks for shipment or they are stored in the warehouse inside the premises itself.

Quality Assurance

We believe in manufacturing quality products and always conscious about quality. Our products and processes undergo regular quality checks to ensure zero defects. The quality assurance efforts include thorough checking of all raw materials, other inputs and finished goods to ensure quality. All the divisions are well equipped with quality checking and testing equipments for quality assurance. We have in-house testing laboratory to test our raw materials and finished products to match the quality standards.

Plant and Machinery

As on date of Prospectus, we have following major Plant and Machinery at our Manufacturing facility:

Sr. No.	Name of Plant & Machinery	Quantity
1.	Rotary Kiln With Foundation	1
2.	Firnance Oil Tank	1
3.	Oil Tank, Service Tank & Heater	1
4.	Coal Feeder To Rotary Kiln	1
5.	Petcike Burner	1
6.	Precipitator (Dust Collector)	1
7.	Chimany 100 Ft Height With Exhaust Fan	1
8.	Vertical Shaft Kiln	1
9.	Ball Mill With Pully With 20 Hp Motor	2
10.	Automised Nodulizers	1
11.	Nodulizer 1.75 M Dia With 7 Hp Motor 1.2 Dia	1



Sr. No.	Name of Plant & Machinery	Quantity
12.	Nodulizer 2.0 M Dia With 7 Hp Motor 1.5 Dia	1
13.	Continuous Ball Mill 3 Nos	3
14.	Ball Mill With Pully With 40 Hp Motor	1
15.	Ball Mill With Pully With 20 Hp Motor	2
16.	Crane & Hoist With Bucket 2 Tons	3
17.	Palveriser Hp 34	1
18.	Jaw Crusher	1
19.	Double Cone Mixer 1200 Dia X 1700	1
20.	D G Set (125 Kva)	1
21.	Weighing Schale	6
22.	Ccs Machine	1
23.	Vibrating Table	1
24.	Vaicat Operators	3
25.	Plc Furnace	1
26.	Hot Plate	1
27.	Balancing Machine	1
28.	Mixer	1
29.	Oven	1
30.	Platinam Cruseable	1
31.	Weight Machine (DS45118257969)	1
32.	Weight Machine (DS45118258047)	1
33.	Roll Crusher (15" X 18")	1
34.	Vibrating Screen	2
35.	Rotary Kiln	1
36.	Impact Mill	1
37.	Continous Ball Mill	1
38.	Ball Mill Big	2
39.	Ball Mill Small	4
40.	Weighing Scale	4
41.	Hoist	3
42.	Bag Closure Machine	4
43.	Hand Trolley	4
44.	Vertical Shaft Kiln	3
45.	Disintegrator	1
46.	Magnetic Sepretor	1
47.	Oil Heating Pumping Unit	1
48.	Manual Nodulizers	2

Infrastructural facilities and utilities

Our manufacturing facility is situated at M- 10, MIDC, Hingna, Nagpur-440016, Maharashtra, India We have invested in the latest technology and upgraded our machinery which has aided us in manufacturing better quality products. Our manufacturing facility houses various automated and semi automated plant and machinery for the manufacturing process and other material preparation tools and handling equipments and quality control lab and equipments. Also our manufacturing facility and registered office is well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly.

Our manufacturing facility is also equipped with requisite utilities including the following:-

Power

Our manufacturing unit and registered office have adequate power supply from Maharashtra State Electricity Distribution Co. Ltd. The following table gives the sanctioned load:



Details Of Location	Sanctioned Load
M – 10/11 (Registered Office and Manufacturing Unit)	447 KW

In addition to the said sanctioned power, the company has installed DG Sets as standby arrangement which is used in case of need of additional power/ shortage of the power or in case of power cut.

Water

Water is a key and indispensable resource requirement in our manufacturing process. Our Company has made adequate arrangements to meet its water requirements. We source the water supply from Maharashtra Industrial Development Corporation.

Our Major Customers

Our Company is engaged in manufacturing of in manufacturing, high quality Refractory Material like alumina castables, High Alumina Refractory cement, Normal insulating castables, Low Cement Castables etc. The percentage of income derived from our top customers in the six months period ending September 30th, 2021 and Financial Year 2020-21 is given below:

(₹in lakhs)

Sr. No.	Particular	For the period ending Sept 30, 2021		For the year ending March 31, 2021	
		Revenue	Percentage (%)	Revenue	Percentage (%)
1	Income from Top 5 Customers (%)	683.48	47.22%	1,195.84	46.54%
2	Income from Top 10 Customers (%)	944.20	65.24%	1,670.39	65.01%

Although our top 10 customers may vary from one reporting period to another depending on the requirements of a particular industry segment, we believe, we have experienced a high degree of returning customers over the years, which reflects the value proposition provided by us. We constantly try to address the needs of our customers for maintaining a long term working relation with the customers, in order to get continuous business.

Marketing Set up

Our Company believes that the quality of their product is up to the mark and that's the major reason for being awarded with the orders. Our Management looks after marketing which personally indulges information of marketing strategies apt for the right promotion of the products manufactured by us.

We believe our relationship with the clients is strong and established as we receive repeated orders for the products manufactured by us. To retain our customers, our Management, with vast experience regularly interacts with them and focuses on gaining an insight into the additional needs of the customers.

Capacity Utilization

Capacity and capacity utilization for the last three years:

Particulars of manufacturing unit	March 31,2021	March 31,2020	March 31,2019
Clinkers Production Capacity			
Installed Capacity (MTPA)	4,000	4,000	4,000
Production volume (MTPA)	3,258	2,875	3,452
Capacity utilization (%)	81.45%	71.88%	86.33%
Crushing Capacity			
Installed Capacity (MTPA)	6,000	6,000	6,000
Production volume (MTPA)	5,859	5,215	4,637
Capacity utilization (%)	97.65%	86.91%	77.28%



Human Resource


Our company believes that our ability to maintain growth depends on our strength in attracting, training, motivating and retaining employees. As on September 30, 2021, we have 21 employees on our payroll. Company has entered into contract with 1 Contractor for providing labours on Contract Labour basis.

The details of manpower employed on payroll of the company as on September 30, 2021 are as under:

Sr. No	Category	Number of employees
1.	Executive Director	3
3.	Other Employees	19
	Total	22

Intellectual Property

Our Company uses following intellectual properties, however no application has been made with the relevant authorities for these intellectual properties.

Particulars of the mark	Status /Ownership
	The same is unregistered but is being used by the Company.

Export and Export Obligations

Our Company does not have any export obligation.

Collaborations

The Company has so far not entered into any technical or financial collaboration agreement.

Competition

We operate in a competitive atmosphere. Our competition varies by market; geographic areas and type of product Our Company mainly face competition from local unorganised players. Some of our competitors may have greater resources than those available to us. While product quality, brand value, distribution network, etc are key factors among competitors. Price still is the deciding factor in most cases. Further, this industry is fragmented with many small and medium sized companies and entities, which manufactures some of these products at various levels, which may adversely affect our business operation and financial condition. Due to industry's fragmented nature, there is no authentic data available to our Company on total industry size and markets share of our Company vis-a-vis the competitors. Further, there are no entry barriers in this industry and any expansion in capacity of existing manufacturers would further intensify competition. . Moreover, as we seek to diversify into new geographical areas, we face competition from competitors that have a pan-India presence and also from competitors that have a strong presence in regional markets. We intend to continue competing vigorously to capture more market share and manage our growth in an optimal way. Amongst listed Companies, we face competition from companies such as Morganite Crucible (India) Limited, Rhi Magnesita India Ltd and IFGL Refractories Limited, Rassi Refractories Limited.

Properties

We own (on a long lease basis) the land and building on which our factory and registered office is situated. The details of the same are below:

Sr. No.	Name of the Licensor	Details of the Property	Agreement Period	Purpose
1.	Maharashtra Industrial Development	M- 10, MIDC, Hingna, Nagpur-440016, Maharashtra, India	For a Period of 95Yearscommencing from October 01, 1993	Registered office and Manufacturing Facility



Sr. No.	Name of the Licensor	Details of the Property	Agreement Period	Purpose
	Corporation			
2.	Maharashtra Industrial Development Corporation	M- 11-1, MIDC, Hingna, Nagpur-440016, Maharashtra, India*	For a Period of 99 Years commencing from July 05,1983	Registered office and Godown
3.	Maharashtra Industrial Development Corporation	M- 11-2, MIDC, Hingna, Nagpur-440016, Maharashtra, India#	For a Period of 99 Years commencing from July 14,1983	Registered office and Godown

*The Company was using this particular property since incorporation and paying annual rent to Namita Kale, Prajakta Kale and Namita Kale.

The annual rent paid for the FY 2020-21 to Namita Kale, Shweta Kale was ₹ 1.80 lakhs and ₹ 0.60 lakhs respectively. The Company had purchased these land via MoU dated October 22, 2021 for total consideration of ₹ 70.00 lakhs.

#The Company was using this particular property since incorporation and paying annual rent to Namita Kale, Prajakta Kale and Namita Kale.

The annual rent paid for the FY 2020-21 to Namita Kale, Shweta Kale was ₹ 1.80 lakhs and ₹ 0.60 lakhs respectively. The Company had purchased these land via MoU dated October 22, 2021 for total consideration of ₹ 70.00 lakhs.

Insurance

Our business is subject to various hazards inherent to storing and transporting our materials and products, such as floods, thefts, fire, earthquake, other natural calamities, terrorism and force majeure. These acts can cause our products or raw materials subject to severe damage, loss of inventory or complete destruction of our property. We maintain insurances for the same which include Fire and Perils Policy and Burglary Policy. We believe that our insurance coverage is adequate for our business needs and operations. We will continue to review our policies to ensure adequate insurance coverage maintained.



KEY REGULATIONS AND POLICIES

In carrying on our business as described in the section titled “Our Business” on page 79 of this Prospectus, our Company is regulated by the following legislations in India. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this Chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the respective local authorities that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. For details of Government Approvals obtained by the Company in compliance with these regulations, kindly refer to the chapter titled “Government and Other Key Approvals” beginning on page 158 of this Prospectus.

Our Company is engaged in the marketing and distribution of a wide range of medical products as well as medical education services. We manage the sale of a wide range portfolio of products along-with managing distribution for certain other brands. Our Company also provides medical education by partnering with renowned medical institutions. Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of our business. We are required to obtain and regularly renew certain licenses/ registrations and / or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye-laws, acts and policies.

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by us:

A. INDUSTRY AND LABOUR RELATED LAWS

Legal Metrology Act, 2009

The Legal Metrology Act, 2009 (“L.M. Act”) governs the standards/units/denominations used for weights and measures as well as for goods which are sold or distributed by weight, measure or number. It also states that any transaction/contract relating to goods/class of goods shall be as per the weight/measurement/numbers prescribed by the L.M. Act. Moreover, the L.M. Act prohibits any person from quoting any price, issuing a price list, cash memo or other document, in relation to goods or things, otherwise than in accordance with the provisions of the L.M. Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in the Rules made by each State. The Act also provides for Legal Metrology (General) Rules, 2011, which may be followed for due compliance, if the respective State does not provide for Rules in this regard.

The Factories Act, 1948

The Factories Act, 1948 (“Factories Act”) seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. The term ‘factory’, as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 (twelve) months, 10 (ten) or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 (twenty) or more workmen are employed at any day during the preceding 12 (twelve) months and in which any manufacturing process is carried on without the aid of power. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act also requires inter alia the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labour including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory.

The following is the rules which are applicable to the Company:

- *Maharashtra Factories Rules, 1963*

Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act, 1970 (“CLRA”) is an act to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 (twenty) or more workmen are employed or were employed on any day of the preceding 12 (twelve) months as contract labour. It also applies to every contractor who employs or who employed on any day of the



preceding 12 (twelve) months, 20 (twenty) or more workmen provided that the appropriate Government may after giving not less than 2 (two) months' notice, by notification in the Official Gazette, apply the provisions of the CLRA to any establishment or contractor. Further, it contains provisions regarding Central and State Advisory Board under the CLRA, registration of establishments, and prohibition of employment of contract labour in any process, operation or other work in any establishment by the notification from the State Board, licensing of contractors and welfare and health of the contract labour. The Contract Labour (Regulation and Abolition) Central Rules, 1971 are formulated to carry out the purpose of the CLRA.

The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017

The provisions of the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 are applicable to the Company. The provisions of the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures, and wages for overtime work. Whoever, contravenes the provisions Act or the rules made there under shall be punished with fine which may extend to ₹ 1,00,000/- and in the case of a continuing contravention, with an additional fine which may extend to ₹ 2000/- per for every day during which such contravention continues. The total fine shall not exceed ₹ 2000/- per workers employed.

The Employees' Compensation Act, 1923

The Employees' Compensation Act, 1923 ("EC Act") has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The EC Act makes every employer liable to pay compensation in accordance with the EC Act if a personal injury/disablement/ loss of life is caused to a workman by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the EC Act within 1 (one) month from the date it falls due, the commissioner appointed under the EC Act may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

Equal Remuneration Act, 1976

Equal Remuneration Act, 1976 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

Maternity Benefit Act, 1961

The purpose of Maternity Benefit Act, 1961 is to regulate the employment of pregnant women and to ensure that the get paid leave for a specified period before and after child birth. It provides, *inter-alia*, for payment of maternity benefits, medical bonus and enacts prohibitions on dismissal, reduction of wages paid to pregnant women, etc.

Payment of Bonus Act, 1965

Pursuant to the Payment of Bonus Act, 1965, as amended, an employee in a factory or in any establishment where 20 (twenty) or more persons are employed on any day during an accounting year, who has worked for at least 30 (thirty) working days in a year, is eligible to be paid a bonus. Contravention of the provisions of the Payment of Bonus Act, 1965 by a company is punishable with imprisonment up to 6 (six) months or a fine up to ₹ 1,000/- (Rupees One Thousand only) or both.

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 ("SHWW Act") provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an



Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to ₹ 50,000/-.

The Payment of Wages Act, 1936

The Payment of Wages Act, 1936 ("PW Act") is applicable to the payment of wages to persons in factories and other establishments. PW Act ensures that wages that are payable to the employee are disbursed by the employer within the prescribed time limit and no deductions other than those prescribed by the law are made by the employer.

The Minimum Wages Act, 1948

The Minimum Wages Act, 1948 ("MW Act") came in to force with the objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MW Act, the appropriate government is authorised to fix the minimum wages to be paid to the persons employed in scheduled or non-scheduled employment. Every employer is required to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to the MW Act, in respect of which minimum rates of wages have been fixed or revised under the MW Act.

Child Labour (Prohibition and Regulation) Act, 1986

The Child Labour (Prohibition and Regulation) Act, 1986 (the "CLPR Act") seeks to prohibit the engagement of children in certain employments and to regulate the conditions of work of children in certain other employments. It also prescribes hours and periods of work, holidays, the requirement of keeping a register, etc for the establishments falling under this act. A shop or a commercial establishment is included under the definition of an "establishment" according to Section 2(iv) of the CLPR Act.

The Employees State Insurance Act, 1948

The Employees State Insurance Act, 1948 ("ESI Act") provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. Employers of factories and establishments covered under the ESI Act are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the rate prescribed by the Central Government. Companies which are controlled by the Government are exempt from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

The Employees' Provident Fund and Miscellaneous Provisions Act, 1952

The Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("EPF Act") was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPF Act provides for the institution of provident funds and pension funds for employees in establishments where more than 20 (twenty) persons are employed and factories specified in Schedule I of the EPF Act. Under the EPF Act, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes

Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 provides for payment of gratuity to employees employed in factories, shops and other establishments who have put in a continuous service of 5 (five) years, in the event of their superannuation, retirement, resignation, death or disablement due to accidents or diseases. The rule of 'five-year continuous service' is however relaxed in case of death or disablement of an employee. Gratuity is calculated at the rate of 15 (fifteen) days' wages for every completed year of service with the employer. The employer shall arrange to pay the amount of gratuity



within thirty days from the date it becomes payable to the person to whom the gratuity is payable. An employer who contravenes, or defaults in complying with, any of the provisions of this Act or made there under shall be punished with imprisonment for a minimum term of 3 months but which may extend to one year, or with fine being minimum ₹ 10,000/- but which may extend to ₹ 20,000/-, or with both.

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951 (“MSMED Act”) inter-alia seeks to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. The MSMED Act inter-alia empowers the Central Government to classify by notification, any class of enterprises including inter-alia, a company, a partnership, firm or undertaking by whatever name called, engaged in the manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 as: (i) a micro enterprise, where the investment in plant and machinery does not exceed ₹ 25,00,000/- (Rupees Twenty Five Lakhs Only); (ii) a small enterprise, where the investment in plant and machinery is more than ₹ 25,00,000/- (Rupees Twenty Five Lakh Only) but does not exceed ₹ 5,00,00,000/- (Rupees Five Crores Only); or (iii) a medium enterprise, where the investment in plant and machinery is more than ₹ 5,00,00,000/- (Rupees Five Crores Only) but does not exceed ₹ 10,00,00,000/- (Rupees Ten Crores Only). In case of enterprises engaged in providing or rendering of services, the enterprise may be classified as: (i) a micro enterprise, where the investment in equipment does not exceed ₹ 10,00,000/- (Rupees Ten Lakhs Only); (ii) a small enterprise, where the investment in equipment is more than ₹ 10,00,000/- (Rupees Ten Lakhs Only) but does not exceed ₹ 2,00,00,000/- (Rupees Two Crores Only); or (iii) a medium enterprise, where the investment in equipment is more than ₹ 2,00,00,000/- (Rupees Two Crores Only) but does not exceed ₹ 5,00,00,000/- (Rupees Five Crores Only). The MSMED Act also inter-alia stipulates that any person who intends to establish, a micro or small enterprise or a medium enterprise engaged in rendering of services, may at his discretion and a medium enterprise engaged in the manufacture or production of goods as specified hereinabove, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

B. TAX RELATED LAWS

Income-tax Act, 1961

The Income-tax Act, 1961 (“IT Act”) is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on 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, including those relating to Tax Deduction at Source, Advance Tax, and Minimum Alternative Tax and like. Every such Company is also required to file its returns by September 30 of each assessment year.

Professional Tax

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrollment from the assessing authority.

The Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 is applicable to our Company.

Central Goods and Services Tax Act, 2017



The Central Goods and Services Tax Act, 2017 (“CGST Act”) regulates the levy and collection of tax on the intra-State supply of goods and services by the Central Government or State Governments. The CGST Act amalgamates a large number of Central and State taxes into a single tax. The CGST Act mandates every supplier providing the goods or services to be registered within the State or Union Territory it falls under, within 30 days from the day on which he becomes liable for such registration. Such registrations can be amended, as well as cancelled by the proper office on receipt of application by the registered person or his legal heirs. There would be four tax rates namely 5%, 12%, 18% and 28%. The rates of GST applied are subject to variations based on the goods or services. Under GST, SGST is a tax levied on Intra State supplies of both goods and services by the State Government and will be governed by the SGST Act. CGST will also be levied on the same Intra State supply but will be governed by the Central Government. The Maharashtra Goods and Services Tax Act, 2017 is applicable to the company.

Integrated Goods and Services Tax Act, 2017

Integrated Goods and Services Tax Act, 2017 (“IGST Act”) is a Central Act enacted to levy tax on the supply of any goods and/or services in the course of inter-State trade or commerce. IGST is levied and collected by Centre on interstate supplies. The IGST Act sets out the rules for determination of the place of supply of goods. Where the supply involves movement of goods, the place of supply shall be the location of goods at the time at which the movement of goods terminates for delivery to the recipient. The IGST Act also provides for determination of place of supply of service where both supplier and recipient are located in India or where supplier or recipient is located outside India. The provisions relating to assessment, audit, valuation, time of supply, invoice, accounts, records, adjudication, appeal etc. given under the CGST Act are applicable to the IGST Act.

C. ENVIRONMENTAL LAWS

Our Company is also required to obtain clearances under the Environment (Protection) Act, 1986, and other environmental laws such as the Water (Prevention and Control of Pollution) Act, 1974, the Water (Prevention and Control of Pollution) Cess Act, 1977 and the Air (Prevention and Control of Pollution) Act, 1981, before commencing its operations. To obtain an environmental clearance, a no-objection certificate from the concerned state pollution control board must first be obtained, which is granted after a notified public hearing, submission and approval of an environmental impact assessment (“EIA”) report and an environment management plan (“EMP”).

Water

Legislations to control water pollution are listed below:

The **Water (Prevention and Control of Pollution) Act, 1974** prohibits the discharge of pollutants into water bodies beyond a given standard, and lays down penalties for non-compliance. The Water Act also provides that the consent of the State Pollution Control Board must be obtained prior to opening of any new outlets or discharges, which is likely to discharge sewage or effluent

The **Water (Prevention and Control of Pollution) Cess Act, 1977** provides for the levy and collection of a cess on water consumed by persons carrying on certain industries and by local authorities, with a view to augment the resources of the Central Board and the State Boards for the prevention and control of water pollution constituted under the Water (Prevention and Control of Pollution) Act, 1974.

Air

Legislations to control air pollution are listed below:

The **Air (Prevention and Control of Pollution) Act, 1981** requires that any individual or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions must apply in a prescribed form and obtain consent from the state pollution control board prior to commencing any activity. National Ambient Air Quality Standards (NAAQS) for major pollutants were notified by the Central Pollution Control Board in April 1994.

D. OTHER LAWS

Competition Act, 2002

The Competition Act, 2002 (“Competition Act”) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-

competitive agreements, abuse of dominant position and combinations. The Competition Commission of India (“Competition Commission”) which became operational from May 20, 2009 has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

The Companies Act, 2013

The Companies Act, 2013 (“Companies Act”), has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Companies Act deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning and winding up of companies. The Companies Act prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors.

The 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. However, the document can be accepted as evidence in criminal court.

The Maharashtra Stamp Act, 1958

The Maharashtra Stamp Act, 1958 is expedient to consolidate and amend the law relating to stamps and rates of stamp duties in the State of Maharashtra and prescribes the different rates of duties on the instrument falling within the various descriptions set-out in Schedule I of the Maharashtra Stamp Act, 1958.

Transfer of Property Act, 1882

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the Transfer of Property Act, 1882 (“T.P. Act.”). The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter.

The T.P. Act recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

- Sale: The transfer of ownership in property for a price paid or promised to be paid.
- Mortgage: The transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The T.P. Act recognizes several forms of mortgages over a property.
- Charges: Transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.
- Leases: The transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.
- Leave and License: The transfer of a right to do something upon immovable property without creating interest in the property.

Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses.



The Registration Act, 1908

The Registration Act, 1908 was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Act is used for proper recording of transactions relating to other immovable property also. The Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

The Indian Contract Act, 1872

The Indian Contract Act, 1872 (“Contract Act”) codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

The Specific Relief Act, 1963

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

The Trademarks Act, 1999

Under the Trademarks Act, 1999 (“Trademarks Act”), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks (“the Registrar”), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

The Copyright Act, 1957 ("Copyright Act")

The Copyright Act grants protection to the authors of literary, artistic, dramatic, musical, photographic, cinematographic or sound recording works from unauthorized uses. Various rights including ownership and economic rights are conferred on the author. These include the right to reproduce the work in any form, issue copies to the public, perform it, and offer for sale and hire. The penalty for general infringement of copyright is imprisonment of maximum 3 (three) years and a fine of up to ₹ 2, 00,000/- (Rupees Two Lakhs Only).

Foreign Exchange Management Act, 1999

Foreign investment in manufacturing sector is governed by the provisions of the FEMA read with the applicable regulations. The Department of Industrial Policy and Promotion (“DIPP”), Ministry of Commerce and Industry has issued ‘Consolidated FDI Policy Circular of 2020’ (“FDI Policy”) which consolidates the policy framework on Foreign Direct Investment (“FDI”), with effect from October 15, 2010. The FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till October 15, 2020. The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 (“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. The foreign investment in our Company is governed inter alia by the FEMA, as amended, FEMA Regulations, as amended, the FDI Policy issued and amended by way of press notes, and the SEBI FPI Regulations



Currently, 100% FDI is permitted under the automatic route in the companies which are engaged in manufacturing activities

However, an entity 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, can invest only under the Government route



HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as SP Refractories Private Limited on January 18, 2007 under the Companies Act, 1956 with the Registrar of Companies, Mumbai bearing Registration number 167114. The status of the Company was changed to public limited and the name of our Company was changed to SP Refractories Limited vide Special Resolution dated October 11, 2021. The fresh certificate of incorporation consequent to conversion was issued on October 28, 2021 by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U51909MH2007PLC167114.

Our Company has 7 shareholders as on the date of filing of this Prospectus.

OVERVIEW

Our Company SP Refractories Limited is engaged in manufacturing and supplying Refractory Material made using hydrated lime, Calcined Alumina and other raw materials. Our core focus is on refractory cement which is a niche and high margin cement widely used in iron & steel and construction industries because of its thermal conductivity, Maximum strength and Heat resistance.

Our Company began its operations in the year 2007 with manufacturing of refractory cement and castables. Before incorporation of the company, Late Sri. Prabodh Kale, was running the established business of refractory cement in a partnership firm named Shanark Industries based out of Nagpur. Post his demise, his wife; Namita Kale took the business activities forward under SP Refractories Limited as the promoter along with her daughters Shweta Kale and Prajakta Kale.

Our Company has one Manufacturing facility at M- 10, MIDC, Hingna, Nagpur and the adjoining premise M- 11-1 & M-11-2, MIDC, Hingna, Nagpur is being used as Godown and storage facility. The manufacturing facility is located in MIDC which is well-developed industrial area of Nagpur.

We have a healthy client base due to our quality product, customized solutions and large product line. We have clinkers manufacturing capacity of 4000 MT per year and Clinkers crushing capacity of 6000 MT per year. We get clinkers manufactured from outsider on job work basis and thereafter process of crushing the clinkers, blending and packing of refractory cement in powder form carries out in our manufacturing facility for excess capacity of crushing. Further, as and when required we purchase clinkers from third party and carry out process of crushing the clinkers, blending and packing of refractory cement in powder form to utilize our excess capacity of crushing.

We have dedicated semi-automatic machines and skilled operators for manual checking of raw materials as well as Finished Goods. Our Testing and QC Technical team combined with our testing equipments ensures the quality of raw material dispensed in the production process and also the finished goods delivered to our customers. This helps in improving our procurement process thus reducing wastages, returns and other related costs.

Our revenue from operations was ₹ 2,569.54 lakhs, ₹ 2,096.56 lakhs and ₹ 1,852.70 lakhs for Fiscal 2021, 2020 and 2019, respectively and grew at a CAGR of 11.52 % and ₹ 1,447.30 lakhs for Six months period ended September 30, 2021. Our EBITDA was ₹ 149.00 lakhs, ₹ 122.09 lakhs and ₹ 90.34 lakhs for Fiscal 2021, 2020 and 2019, respectively and grew at a CAGR of 18.15 % over such period, and ₹ 133.75 lakhs for Six months period ended September 30, 2021. Our restated profit after tax was ₹ 75.35 lakhs, ₹ 39.93 lakhs and ₹ 20.59 lakhs for Fiscal 2021, 2020 and 2019, respectively and grew at a CAGR of 54.12 % and ₹ 80.74 lakhs for Six months period ended September 30, 2021

MAJOR EVENTS IN THE HISTORY OF OUR COMPANY

Year	Key Events/Milestones/Achievements
January, 2007	Incorporation of the Company
December, 2007	Purchase of Manufacturing Facility
March, 2020	Cross Turnover of 20 Crore
October, 2021	Conversion of Company from Private to Public Limited



MAIN OBJECTS OF OUR COMPANY

To carry on the business of manufacturers, processing and trading of refractories materials, articles or goods of every description of allied products.

CHANGES IN THE REGISTERED OFFICE OF OUR COMPANY

Date of Change	Changed From	Change to	Reason for change
May 21, 2007	Plot No 227, Pushpak, Ramnagar, Nagpur - 440010	10-A, Anjuman Complex, Pandit Jawaharlal Marg, Sadar, Nagpur- 440001	Administrative Reasons
May 30, 2011	10-A, Anjuman Complex, Pandit Jawaharlal Marg, Sadar, Nagpur- 440001	M-10, M-11/1 & M-11/2, MIDC Industrial Area, Hingna Road, Nagpur- 440016	Administrative Reasons

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY IN LAST 10 YEARS

The following changes have been made to the Memorandum of Association of our Company:

Sr. No.	Date of Shareholder's Resolution	Nature of Amendment
1.	August 14, 2007	Clause V of the Memorandum of Association was amended to reflect: The initial Authorized Share Capital shares of ₹ 5,00,000 (Five Lakh) divided into 50,000 (Fifty Thousand) Equity Shares of ₹ 10 each was increased to ₹ 60,00,000 (Sixty Lakhs) divided into 6,00,000 (Six Lakh) Equity Shares of ₹ 10 each pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on August 14, 2007.
2.	March 08, 2021	The Authorized Share Capital shares of ₹ 60,00,000 (Sixty Lakhs) divided into 6,00,000 (Six Lakh) Equity Shares of ₹ 10 each was increased to ₹ 1,85,00,000 (One Crore Eighty Five Lakhs) divided into 18,50,000 (Eighteen Lakhs Fifty Thousand) Equity Shares of ₹ 10 each pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on March 08, 2021.
3.	October 11, 2021	The name of our company was changed from 'SP Refractories Private Limited' to 'SP Refractories Limited' consequent to which a certificate of Incorporation dated October 28, 2021 was issued by the Registrar of Companies, Mumbai.

OUR HOLDING COMPANY

As on the date of this Prospectus, our Company does not have any Holding Company.

OUR SUBSIDIARIES / JOINT VENTURE

As on the date of this Prospectus, there are no subsidiaries of our Company.

THE AMOUNT OF ACCUMULATED PROFIT / (LOSSES) NOT ACCOUNTED FOR BY OUR COMPANY

There is no accumulated profit / (losses) not accounted for by our Company.

FINANCIAL PARTNERS

We do not have any financial partners as on the date of this Prospectus.

STRATEGIC PARTNERS

We do not have any strategic partners as on the date of this Prospectus.



SHAREHOLDERS' AGREEMENT

Our Company has not entered into any Shareholders Agreement as on the date of this Prospectus.

OTHER AGREEMENTS

Except the contracts / agreements entered in the ordinary course of the business carried on or intended to be carried on by our Company, we have not entered into any other agreement / contract as on the date of this Prospectus.

COLLABORATION

Our Company has not entered into any Collaboration as on the date of this Prospectus.

ACQUISITION OF BUSINESSES/UNDERTAKINGS, MERGER, AMALGAMATION OR REVALUATION OF ASSETS IN LAST 10 YEARS

Our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any mergers, amalgamation or revaluation of assets in the last ten years.

LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY INTO NEW GEOGRAPHIES OR EXIT FROM EXISTING MARKETS, CAPACITY/ FACILITY CREATION OR LOCATION OF PLANTS

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, capacity/facility creation, and location of our manufacturing facilities, see "*Our Business*" on page 79 of this Prospectus.

TIME/COST OVERRUN IN SETTING UP PROJECTS

As on date of this Prospectus, there has been no time and cost overruns in the Company.

LOCK-OUT AND STRIKES

There have been no material instances of strikes or lock-outs at any time in our Company.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/ BANKS

As on date of this Prospectus, our Company has not made any defaults / re-scheduling of its borrowings.

INJUNCTION OR RESTRAINING ORDERS

There are no injunctions/restraining orders that have been passed against the company.



OUR MANAGEMENT

BOARD OF DIRECTORS

As on the date of this Prospectus, our Board consists of 5 (Five) Directors including one (1) Whole Time Director (1) Executive Director (1) Non – Executive Director (2) Non - Executive Independent Directors out of which Three (3) Directors are Woman Directors

The details of the Directors are as mentioned in the below table:

Sr. No.	Name , Father's/Husband's Name, Designation, Address, Date of Birth, Occupation, Term and DIN	Nationality	Age	Other Directorships
1.	<p>Namita Prabodh Kale (Whole-time Director)</p> <p>Date of Birth: April 13, 1963</p> <p>Address: Plot No. 227, Pushpak Ram Nagar, University Campus, Nagpur – 440033.</p> <p>Date of Appointment as Director: Since Incorporation</p> <p>Date of Re-designation as Whole-time Director: November 11, 2021</p> <p>Term: Appointed as Whole-time Director for a period of Five years i.e. till November 10, 2026 and is not liable to retire by rotation.</p> <p>Occupation: Business</p> <p>DIN:01586375</p>	Indian	58 years	NIL
2.	<p>Shweta Prabodh Kale (Executive Director)</p> <p>Date of Birth: April 07, 1984</p> <p>Address: Plot No. 227, Pushpak Ram Nagar, University Campus, Nagpur – 440033.</p> <p>Date of Appointment as Director: Since Incorporation</p> <p>Term: Liable to retire by rotation.</p> <p>Occupation: Business</p> <p>DIN: 01586321</p>	Indian	37 years	NIL

Sr. No.	Name , Father's/Husband's Name, Designation, Address, Date of Birth, Occupation, Term and DIN	Nationality	Age	Other Directorships
3.	<p>Prajakta Prabodh Kale (<i>Non-Executive Director</i>)</p> <p>Date of Birth: April 05, 1988</p> <p>Address: Plot No. 227, Pushpak Ram Nagar, University Campus, Nagpur – 440033.</p> <p>Date of Appointment as Director: Since Incorporation</p> <p>Date of Re-designation as Non-Executive Director: November 09, 2021</p> <p>Term: Liable to retire by rotation.</p> <p>Occupation: Business</p> <p>DIN:01586299</p>	Indian	33 years	NIL
4.	<p>Manish Tarachand Pande (<i>Non-Executive Independent Director</i>)</p> <p>Date of Birth: October 27, 1987</p> <p>Address: LIG II -89, Amravati Road, Nagpur, Near Hanuman Mandhir, Dawalameti Mhada Colony, Waddhamana, Nagpur– 440023.</p> <p>Date of Appointment as Non-Executive Independent Director: November 11, 2021</p> <p>Term: Appointed as Non-Executive Independent Director for a period of Five years i.e. till November 10, 2026 and is not liable to retire by rotation.</p> <p>Occupation: Professional</p> <p>DIN:08712019</p>	Indian	34 years	<ul style="list-style-type: none"> • Nirmitee Robotics India Limited



Sr. No.	Name , Father's/Husband's Name, Designation, Address, Date of Birth, Occupation, Term and DIN	Nationality	Age	Other Directorships
5.	<p>Kushal Sanjay Sabadra (Non-Executive Independent Director)</p> <p>Date of Birth: July 06, 1989</p> <p>Address: Samadhan Station Road, Shrawagi Plot Akola – 444001.</p> <p>Date of Appointment as Non-Executive Independent Director: November 11, 2021</p> <p>Term: Appointed as Non-Executive Independent Director for a period of Five years i.e. till November 10, 2026 and is not liable to retire by rotation</p> <p>Occupation: Professional</p> <p>DIN:09392436</p>	Indian	32 years	NIL

BRIEF PROFILE OF OUR DIRECTORS

Namita Prabodh Kale, aged 58 years is the Whole-time Director of the company. She is one of the promoters of our Company. She has obtained the Bachelor Degree in Arts from K. J. Somaiya College of Arts And Commerce, Mumbai. Post demise of Late Sri. Prabodh Kale , his wife; Namita Kale took the business activities forward under SP Refractories Limited as the promoter along with her daughters Shweta Kale and Prajakta Kale in the year 2007. She has experience of 14 Years in the business of refractories. She is currently responsible for the overall working of the Company and is instrumental in making strategic decisions for the Company and has been guiding force behind the growth of the company

Shweta Prabodh Kale, aged 37 Years is the Executive Director of the company. She is also one of the promoters of our Company. She has completed her Bachelor Degree of Commerce from Nagpur University in the year 2005. She has also completed her Post graduation in Business Management (Finance) from Wigan & Leigh College, United Kingdom in the year 2007. She has an overall business experience of over a decade. She was also appointed as Chief Financial Officer w.e.f November 09, 2021. She looks after Financial and other business matters of the company.

Prajakta Prabodh Kale, aged 33 years is the Non-Executive Director of the company. She is also one of the promoters of our Company. She completed her Bachelor's degree in dental surgery from KLE institute of Dental Sciences in the year 2011 and masters in dental surgery from Datta Meghe Institute of Medical Sciences in the year 2015. She is an orthodontist with more than 8 years of experience in the field of medicine and healthcare. Apart from being associated with our company she is running a Dental clinic. As a Promoter Director, she provides her mentorship and guidance to the Management from time to time.

Manish Tarachan Pande, aged 34 years is Non-Executive Independent Director of our Company. He holds a B.com degree awarded by Nagpur University and is an Associate member of Institute of Company Secretaries of India. He has over 6 years of experience in the field of compliance, legal and secretarial. He is currently the Company Secretary of Fortune Biotech Ltd.

Kushal Sanjay Sabadra, aged 32 Years is Non-Executive Independent Director of our Company. He has completed his bachelor's degree in Commerce from University of Amaravati in the year 2013. He is a member of the Institute of Chartered Accountants of India since 2013. He is running a practicing Chartered Accountant Firm named Kushal Sabadra & Associates. He has a wide experience of 8 Years in the field of Statutory Bank Audit, Tax Audit/ Statutory Audit, Internal Audit, Stock Destruction Audit, etc.

CONFIRMATIONS

As on the date of this Prospectus:



1. Except as stated below; none of the Directors of our Company are related to each other as per Section 2 (77) of the Companies Act, 2013.
 - Shweta Prabodh Kale and Prajakta Prabodh Kale are daughters of Namita Prabodh Kale.
2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of the Directors are categorized as a wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1) (III) of SEBI (ICDR) Regulations.
5. None of our Directors are or were directors of any 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.

DETAILS OF BORROWING POWERS

Pursuant to a special resolution passed at an Extra-Ordinary General Meeting of our Company held on November 11, 2021 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company be and are hereby authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 5000 lakhs.

COMPENSATION PAYABLE TO OUR DIRECTORS

1. Namita Prabodh Kale, Whole Time Director

The compensation payable to our Whole Time Director will be governed as per the terms of their appointment and shall be subject to the provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof).

The compensation package payable to him as resolved in the shareholders meeting held on December 07, 2021 is stated hereunder:

The total remuneration Payable to Namita Prabodh Kale, Whole Time Director, shall not exceed a sum of ₹ 60.00 lakhs per annum (inclusive of salary, perquisites, benefits, incentives and allowances) for a period of 3 years from December 01, 2021 to November 30, 2024.

2. Shweta Prabodh Kale, Executive Director

The compensation payable to our Executive Director will be governed as per the terms of their appointment and shall be subject to the provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof).

The compensation package payable to him as resolved in the shareholders meeting held on December 07, 2021 is stated hereunder:

The total remuneration Payable to Shweta Prabodh Kale, Executive Director, shall not exceed a sum of ₹ 12.00 lakhs per annum (inclusive of salary, perquisites, benefits, incentives and allowances) for a period of 3 years from December 01, 2021 to November 30, 2024.

3. Prajakta Prabodh Kale , Non-Executive Director



The compensation package payable to her as resolved in the shareholders meeting held on December 07, 2021 is stated hereunder:

Commission not exceeding 12.00 lakhs p.a. for a period of 3 years from December 01, 2021 to November 30, 2024 as may be approved by the Board of Directors of the Company (including a committee thereof). The said commission shall be paid in addition to the sitting fees (if any).

REMUNERATION/COMPENSATION/COMMISSION PAID TO DIRECTORS BY OUR COMPANY AND OUR SUBSIDIARIES

The remuneration / Compensation (including other benefits) paid to our Executive and Non- Executive Director by our company / subsidiary Companies/ associate Companies, for F.Y. 2020-21 is as follows:

(₹ in lakhs)

Sr. No.	Name of Director	Remuneration / Compensation paid
1.	Namita Prabodh Kale	18.00
2.	Shweta Prabodh Kale	12.00
3.	Prajakta Prabodh Kale	12.00

SITTING FEES PAYABLE TO NON – EXECUTIVE INDEPENDENT DIRECTOR.

Pursuant to the resolution dated December 10, 2021 passed by the Board of Directors of our Company, the Non-Executive Independent Directors of our Company would be entitled to a sitting fee of ₹ 1,500 for attending every meeting of Board or its committee thereof.

SHAREHOLDING OF OUR DIRECTORS

Our Articles of Association do not require our Directors to hold any qualification shares. Further, the details of the shareholding of our Directors as on the date of this Prospectus are as follows:

Sr. No.	Name of the shareholder	No. of Equity Shares	Percentage of Pre-Issue Capital (%)
1.	Shweta Prabodh Kale	7,20,999	48.33%
2.	Prajakta Prabodh Kale	7,20,972	48.32%
3.	Namita Prabodh Kale	49,925	3.35%

INTEREST OF DIRECTORS

All Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of our Board or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

The Directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by or allotted to the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them.

Other than Namita Prabodh Kale, Shweta Prabodh Kale and Prajakta Prabodh Kale, who are the founders and the Directors of our Company, none of our Directors have any interest in the promotion or formation of our Company.

None of our Directors have any interest in any property acquired or proposed to be acquired by the Company.

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 Directors except the normal remuneration for services rendered as Directors.

No loans have been availed by our Directors from our Company.

None of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company.



None of the Directors is party to any bonus or profit-sharing plan of our Company other than the performance linked incentives given to each of the Directors in accordance with the terms of their appointment.

Except as disclosed in “Annexure XXVI - Related Party Transactions” on page no. 136 of this Prospectus, our Directors do not have any interest in the Company or its business.

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Name of the Director	Date of Change	Reason for Change
Namita Prabodh Kale	November 11, 2021	Re-designation as Whole-time Director
Prajakta Prabodh Kale	November 09, 2021	Re-designation as Non-Executive Director
Manish Tarachand Pande	November 11, 2021	Appointment as Non-Executive Independent Director
Kushal Sanjay Sabadra	November 11, 2021	Appointment as Non-Executive Independent Director

CORPORATE GOVERNANCE

In addition to the applicability of provisions of Companies Act, 2013 with respect to corporate governance, provisions of the SEBI (LODR) Regulations, 2015 have also been complied with, to the extent applicable to our Company.

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. We have complied with the requirements of the applicable regulations, including Regulations, in respect of Corporate Governance including constitution of the Board and its Committees. The Corporate Governance framework is based on an effective Independent Board, the Board’s supervisory role from the executive management team and constitution of the Board Committees, as required under law.

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 Prospectus, our Company has five (5) Directors. Out of five (5) Directors, there is one (1) Whole-time Director (1) Executive Director (1) Non – Executive Director (2) Non –Executive Independent Directors.

The following committees have been constituted for compliance with Corporate Governance requirements:

- A. Audit Committee;
- B. Stakeholders Relationship Committee;
- C. Nomination and Remuneration Committee;

A. AUDIT COMMITTEE

Our Board has constituted the Audit Committee vide Board Resolution dated December 10, 2021 in accordance with the Section 177 of the Companies Act, 2013. The audit committee comprises of:

Name of the Directors	Nature of Directorship	Designation in Committee
Kushal Sanjay Sabadra	Non – Executive Independent Director	Chairman
Manish Tarachand Pande	Non – Executive Independent Director	Member
Namita Prabodh Kale	Whole Time Director	Member

The Company Secretary & Compliance Officer of the Company will act as the Secretary of the Committee.

The scope of Audit Committee shall include but shall not be restricted to the following:

- a. Overseeing our Company’s financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b. Recommending to the Board, the appointment, re-appointment, and replacement, remuneration and terms of appointment of the internal auditor, cost auditor and statutory auditor and the fixation of audit fee;
- c. Reviewing and monitoring the auditor’s independence and performance and the effectiveness of audit process;

- d. Approving payments to the statutory auditors, internal and cost auditors for any other services rendered by statutory auditors, internal and cost auditors;
- e. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - i. Matters required to be stated in the Director's responsibility statement to be included in the Board's report in terms of Section 134(3)I 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; and
 - vii. Qualifications and modified opinions in the draft audit report.
- f. Reviewing with the management, the quarterly, half – yearly and annual financial statements before submission to the Board for approval;
- g. Scrutiny of inter-corporate loans and investments;
- h. Valuation of undertakings or assets of our Company, wherever necessary;
- i. Evaluating internal financial controls and risk management systems;
- j. Approving or subsequently modifying transactions of our Company with related parties, provided that the audit committee may make omnibus approval for related party transactions proposed to be entered into by our Company subject to such conditions as may be prescribed;

Explanation: The term “related party transactions” shall have the same meaning as provided in Regulation 2(1) (zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or Companies Act, 2013.

- k. 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- l. Evaluating undertakings or assets of our Company, wherever necessary;
- m. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- n. Reviewing, with the management, the performance of statutory and internal auditors and adequacy of the internal control systems;
- o. 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;
- p. Discussing with internal auditors on any significant findings and follow up thereon;
- q. 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;

- r. Discussing with statutory auditors, internal auditors, secretarial auditors and cost auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- s. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- t. Approving appointment of the chief financial officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- u. Reviewing the functioning of the whistle blower mechanism, in case the same is existing;
- v. Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws; and
- w. Formulating, reviewing and making recommendations to the Board to amend the Audit Committee charter from time to time.
- x. Reviewing the utilisation of loan and/or advances from investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
- y. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The powers of the Audit Committee include the following:

- i. To investigate activity within its terms of reference;
- ii. To seek information from any employees;
- iii. To obtain outside legal or other professional advice;
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary; and
- v. To have full access to the information contained in the records of the Company.

The Audit Committee shall mandatorily review the following information:

- i. Management discussion and analysis of financial condition and result 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;
- v. The appointment, removal and terms of remuneration of the chief internal auditor; and
- vi. Statement of deviations:
 - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and
 - 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 Listing Regulations



Meeting Of Audit Committee and Relevant Quorum

The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum for audit committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

B. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Our Board has constituted the Stakeholders' Relationship Committee vide Board Resolution December 10, 2021 in accordance with Section 178 of the Companies Act, 2013. The Stakeholder's Relationship Committee comprises of:

Name of the Directors	Nature of Directorship	Designation in Committee
Prajakta Prabodh Kale	Non-Executive Director	Chairman
Manish Tarachand Pande	Non – Executive Independent Director	Member
Shweta Prabodh Kale	Executive Director	Member

The Company Secretary of the Company will act as the Secretary of the Committee.

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

- Allotment and listing of our shares in future.
- Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
- Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
- Reference to statutory and regulatory authorities regarding investor grievances;
- To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- To do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

Meeting of Stakeholder's Relationship Committee and Relevant Quorum

The quorum necessary for a meeting of the Stakeholder's Relationship Committee shall be two members or one third of the members, whichever is greater.

C. NOMINATION AND REMUNERATION COMMITTEE

Our Board has constituted the Nomination and Remuneration Committee vide Board Resolution December 10, 2021 in accordance with section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee comprises of:

Name of the Directors	Nature of Directorship	Designation in Committee
Manish Tarachand Pande	Non – Executive Independent Director	Chairman
Kushal Sanjay Sabadra	Non – Executive Independent Director	Member
Prajakta Prabodh Kale	Non – Executive Director	Member

The Company Secretary of our Company acts as the Secretary to the Committee.

- Formulate 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;
- Formulation of criteria for evaluation of independent directors and the Board;
- Devising a policy on Board diversity;



- d. Identifying persons who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance. Our Company shall disclose the remuneration policy and the evaluation criteria in its annual report;
- e. Analysing, monitoring and reviewing various human resource and compensation matters;
- f. Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- g. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
- h. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- i. Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- j. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or
 - ii. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;
- k. Determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and

Perform such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by such committee

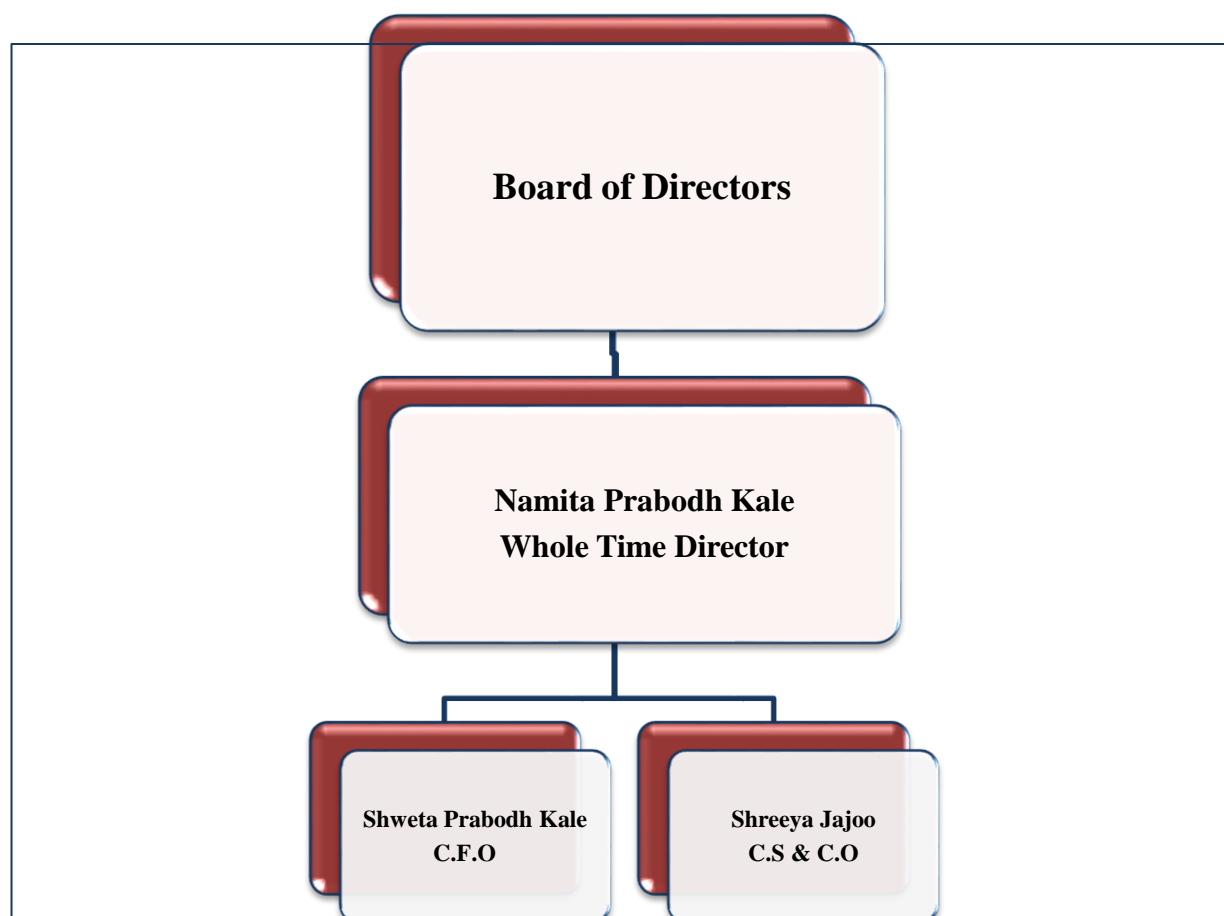
Meeting of Nomination and Remuneration Committee and Relevant Quorum

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee is required to meet at least once a year.

POLICY ON DISCLOSURES & INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

The provisions of Regulation 8 and 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the Stock Exchange. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of our Equity Shares on stock exchange. Further, Board of Directors have approved and adopted the policy on insider trading in view of the proposed public issue. Our Board is responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the code of conduct under the overall supervision of the board.

ORGANIZATIONAL STRUCTURE



Terms & Abbreviations

- C.F.O. - Chief Financial Officer
- C.S & C.O. - Company Secretary and Compliance Officer



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:

Name of Employee	Designation	Date of Appointment	Compensation for last Financial Year (₹ in Lakhs)	Qualification	Name of Previous Employee(s)	Total Years of Experience
Shweta Prabodh Kale*	Chief Financial Officer	November 09, 2021	12.00	<ul style="list-style-type: none"> B.com Post Graduation Diploma in Business Management(Finance) 	<ul style="list-style-type: none"> Was Running her own Partnership firm named “New flame Enterprises” 	14 Years
Shreeya Jajoo	Company Secretary & Compliance Officer	November 09, 2021	Nil	<ul style="list-style-type: none"> B.com Company Secretary 	<ul style="list-style-type: none"> Eureka Stock & Share Broking Services Ltd 	1.5 Years Internship Experience

* Shweta Prabodh Kale is the Executive Director and CFO of our company. For details of his profile including remuneration please refer –“Our Management” on page no. 100 of this Prospectus

Other Notes –

- The aforementioned KMP’s are on the payrolls of our Company as permanent employees.
- Further, none of our KMPs is forming part of related parties as per the Accounting Standard 18. For details, please see the chapter titled “Financial Information- Annexure XXVI of Restated Financial Statements” on page no. 119 of this Prospectus.

RELATIONSHIP AMONGST KEY MANAGEMENT PERSONNEL

None of the aforementioned KMPs is related to each other.

RELATIONSHIP BETWEEN THE KEY MANAGERIAL PERSONNEL AND DIRECTORS

Except as disclose below, none of the KMP’s are related to Directors.

Shweta Prabodh Kale is daughter of Namita Prabodh Kale and sister of Prajakta Prabodh Kale.

SHAREHOLDING OF THE KEY MANAGEMENT PERSONNEL

None of our KMPs holds any shares of our Company as on the date of this Prospectus except Shweta Prabodh Kale holds 7, 20,999 Equity Shares. For further details please see chapter titled “Capital Structure” on page no. 50 of this Prospectus.

SERVICE CONTRACTS WITH KEY MANAGERIAL PERSONNEL

Our Key Managerial Personnel have not entered into any service contracts with our Company which provide for any benefits upon termination of their employment in our Company.

INTEREST OF KEY MANAGERIAL PERSONNEL

None of our Key Management Personnel has any interest in our Company except to the extent of their remuneration, benefits, reimbursement of expenses incurred by them in the ordinary course of business. Our Key Managerial Personnel may also be interested to the extent of Equity Shares, if any, held by them and any dividend payable to them and other distributions in respect of such Equity Shares.



LOANS TAKEN BY KEY MANAGEMENT PERSONNEL

None of our Key Managerial Personnel have any outstanding loan from our Company as on the date of this Prospectus Except as disclosed in “Annexure XXVI - Related Party Transactions” on page no. 136 of this Prospectus.

ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS/ CUSTOMERS/ SUPPLIERS

There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Key Managerial Personnel was selected as a member of our senior management.

BONUS OR PROFIT SHARING PLAN OF THE DIRECTORS AND KEY MANAGEMENT PERSONNEL

There is no profit sharing plan for the Key Managerial Personnel. However, our Company makes performance linked bonus payments, in accordance with their terms of appointment.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO OUR DIRECTORS AND KEY MANAGERIAL PERSONNEL

There is no contingent or deferred compensation payable to our Directors and Key Managerial Personnel, which does not form part of their remuneration.

EMPLOYEE SHARE PURCHASE AND EMPLOYEE STOCK OPTION PLAN

Presently, we do not have ESOP/ESPS scheme for employees.

PAYMENT OR BENEFIT TO OUR KEY MANAGERIAL PERSONNEL

Except for the payment of salaries and yearly bonus, we do not provide any other benefits to our employees.

CHANGES IN OUR KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS FROM THE DATE OF FILING OF THIS PROSPECTUS

The changes in our Key Managerial Personnel during the three years immediately preceding the date of filing of this Prospectus are set forth below.

Name	Designation	Date of Appointment / Change in Designation	Reason
Shreeya Jajoo	Company Secretary & Compliance Officer	November 09, 2021	Appointment
Shweta Prabodh Kale	Chief Financial Officer	November 09, 2021	Appointment



OUR PROMOTERS AND PROMOTER GROUP


THE PROMOTERS OF OUR COMPANY ARE:

Namita Prabodh Kale
Shweta Prabodh Kale
Prajakta Prabodh Kale

As on the date of this Prospectus, our Promoters hold 14, 91,896 Equity Shares in aggregate, representing 100.00% of the issued, subscribed and paid-up Equity Share capital of our Company. For details of the build-up of our Promoters' shareholding in our Company, please see "Capital Structure –Shareholding of our Promoters" beginning on page no. 50 of this Prospectus.

The details of our Promoters are provided below:

Namita Prabodh Kale	
	<p>Namita Prabodh Kale, aged 58 years is the Whole-time Director of the company. She is one of the promoters of our Company. She has obtained the Bachelor Degree in Arts from K. J. Somaiya College of Arts And Commerce, Mumbai. Post demise of Late Sri. Prabodh Kale , his wife; Namita Kale took the business activities forward under SP Refractories Limited as the promoter along with her daughters Shweta Kale and Prajakta Kale in the year 2007. She has experience of 14 Years in the business of refractories. She is currently responsible for the overall working of the Company and is instrumental in making strategic decisions for the Company and has been guiding force behind the growth of the company</p> <p>Date of Birth: April 13, 1963</p> <p>Address: Plot No. 227, Pushpak Ram Nagar, University Campus, Nagpur – 440033</p> <p>PAN: AEJPK5708C</p> <p>Passport No.: J9291944*</p> <p>Driver's License No.: N.A</p> <p>Name of Bank: Punjab National Bank</p> <p>Bank A/c No.:3761000100497848</p> <p>Other Interests: NIL</p>
Shweta Prabodh Kale	
	<p>Shweta Prabodh Kale, aged 37 Years is the Executive Director of the company. She is also one of the promoters of our Company. She has completed her Bachelor Degree of Commerce form Nagpur University in the year 2005. She has also completed her Post graduation in Business Management (Finance) from Wigan & Leigh College, United Kingdom in the year 2007. She has an overall business experience of over a decade. She was also appointed as Chief Financial Officer w.e.f November 09, 2021. She looks after Financial and other business matters of the company</p> <p>Date of Birth: April 07, 1984</p> <p>Address: Plot No. 227, Pushpak Ram Nagar, University Campus, Nagpur – 440033</p> <p>PAN: ANHPK6697F</p> <p>Passport No.: T9039328</p> <p>Driver's License No.: NA</p> <p>Name of Bank: Punjab National Bank</p> <p>Bank A/c No.:3761000100486347</p> <p>Other Interests: NIL</p>
Prajakta Prabodh Kale	
	<p>Prajakta Prabodh Kale, aged 33 years is the Non-Executive Director of the company. She is also one of the promoters of our Company. She completed her Bachelor's degree in dental surgery from KLE institute of Dental Sciences in the year 2011 and masters in dental surgery from Datta Meghe Institute of Medical Sciences in the year 2015. She is an orthodontist with more than 8 years of experience in the field of medicine and healthcare. Apart from being associated with our company she is running a Dental clinic. As a Promoter Director, she provides</p>

	her mentorship and guidance to the Management from time to time.
	Date of Birth: April 05, 1988
	Address: Plot No. 227, Pushpak Ram Nagar, University Campus, Nagpur – 440033
	PAN: ASPPK0307F
	Passport No.: M9409179
	Driver's License No.: MH31 20130006253
	Name of Bank: Punjab National Bank
	Bank A/c No.: 3761000100486356
	Other Interests: NIL

**Passport of Namita Prabodh Kale expired on July 18, 2021 and is in the process of Renewal*

For the complete profile of Our Promoters educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see “*Our Management*” on page no. 100 of this Prospectus.

Other Undertakings and Confirmations

We confirm that the Permanent Account Number, Aadhar Card Number, Bank Account Number, Passport Number of our Promoters have been submitted to the Stock Exchange at the time of filing of the Draft Prospectus with the Stock Exchange.

Our Promoters and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulters or a fraudulent borrowers 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.

No violations of securities laws have been committed by our Promoters or members of our Promoter Group or any Group Companies in the past or are currently pending against them. None of (i) our Promoters and members of our Promoter Group or persons in control of or on the boards of bodies corporate forming part of our Group 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.

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 Prospectus.

Experience of our Promoters in the Business of our Company

For details in relation to experience of our Promoters in the business of our Company, please refer the chapter “*Our Management*” beginning on page no. 100 of this Prospectus.

Interest of Promoters

None of our Promoters / Directors have any interest in our Company except to the extent of compensation payable / paid, rents on properties owned by their relatives but used by our company and reimbursement of expenses (if applicable) and to the extent of any equity shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapters titled “*Capital Structure*”, “*Financial Information*” and “*Our Management*” beginning on page nos. 50, 119 and 100 of this Prospectus.

Except as stated otherwise in this Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters is directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by



our Company other than in the normal course of business. For further details, please refer the section titled “Restated Financial Statement - Annexure XXVI – Related Party Transactions” on page no. 119 of this Prospectus.

Interest of Promoters in the Promotion of our Company

Our Company is currently promoted by the promoters in order to carry on its present business. Our Promoters is interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

Interest of Promoters in the Property of our Company

Our Promoters has confirmed that he does not have any interest in any property acquired by our Company within three years preceding the date of this Prospectus or proposed to be acquired by our Company as on the date of this Prospectus except as mentioned under the section “*Our Business -Properties*” and “*Financial Information- Annexure XXVI of Restated Financial Statements*” on page nos. 79 and 119 respectively, of this Prospectus.

Further, other than as mentioned in the chapter titled “*Our Business*” on page no.79 of this Prospectus our Promoters does not have any interest in any transactions in the acquisition of land, construction of any building or supply of any machinery.

Business Interests

Our Promoters is 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 such firm or company in cash or shares or otherwise by any person for services rendered by it or by such firm or company in connection with the promotion or formation of our Company.

Our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of filing of this Prospectus or proposes to enter into any such contract in which our Promoters is directly or indirectly interested and no payments have been made to it in respect of the contracts, agreements or arrangements which are proposed to be made with it.

Payment of Amounts or Benefits to the Promoters or Promoter Group During the last two years

Except as stated in the Section titled “*Financial Information- Annexure XXVI of Restated Financial Statements*” on page no.119 of this Prospectus, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the date of this Prospectus.

Material Guarantees

Except as stated in the “*Financial Indebtedness*” and “*Financial Information*” beginning on page nos.152 and 119 of this Prospectus respectively, our Promoters has not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Prospectus.

OUR PROMOTERS GROUP

Apart from our Promoters, as per Regulation 2(1) (pp) of the SEBI (ICDR) Regulation, 2018, the following individuals and entities shall form part of our Promoter Group:

A. Natural Persons who are Part of the Promoter Group

As per Regulation 2(1) (pp) (ii) of the SEBI (ICDR) Regulations, 2018, the following individuals form part of our Promoter Group:

Name of the Promoters	Name of Relative	Relationship with the Promoter
Shweta Prabodh Kale	Prabodh Shankerao Kale	Father
	Namita Prabodh Kale	Mother
	Jagdish Joshi	Spouse
	Janhavi Joshi	Daughter
	Prajakta Kale	Sister



Name of the Promoters	Name of Relative	Relationship with the Promoter
	H V Joshi	Spouse's Father
	Saroj Joshi	Spouse's Mother
	Arvind Joshi	Spouse's Brother
Prajakta Prabodh Kale	Prabodh Shankerao Kale	Father
	Namita Prabodh Kale	Mother
	Kartik Parmeshwar	Spouse
	Shweta Prabodh Kale	Sister
	T A Parameshwar	Spouse's Father
	Saroja Parmeshwar	Spouse's Mother
Namita Prabodh Kale	Dattatray Bhat	Father
	Leela Bhat	Mother
	Prabodh Shankerao Kale	Spouse
	Shweta Kale	Daughter
	Prajakta Kale	
	Priti Pravin Pandit	Sister
	Kalpana Bhaskar Bhanose	
	Neelam Ashok Charne	
	Shankar Rao Kale	Spouse's Father
	Pushplata Kale	Spouse's Mother
	Prashant Kale	Spouse's Brother
	Tushar Kale	
	Kavita Jatkar	

B. Companies / Corporate Entities Forming Part of the Promoter Group

As per Regulation 2(1) (pp) (IV) of the SEBI (ICDR) Regulations, 2018, No Companies/Trusts/ Partnership firms/HUFs or Sole Proprietorships are forming part of our Promoter Group.

Shareholding of the Promoter Group in our Company

For details of shareholding of members of our Promoter Group as on the date of this Prospectus, please see the chapter titled "*Capital Structure – Notes to Capital Structure*" beginning on page no. 50 of this Prospectus.

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 Prospectus

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 nos. 20 and 153 of this Prospectus.



OUR GROUP COMPANY

In terms of the SEBI ICDR Regulations, the term —Group Company includes such companies (other than Promoters and subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements, as covered under the applicable accounting standards, and also other companies as considered material by our Board. Pursuant to a resolution dated December 10, 2021, our Board has noted that in accordance with the SEBI ICDR Regulations and for the purpose of disclosure in this Prospectus, group companies of our Company shall include (i) the companies with which there were related party transactions as disclosed in the Restated Financial Statements; or (ii) such other company as deemed material by our Board. For the purposes of (ii) above, in terms of the materiality policy, a company (other than our Subsidiaries) shall be considered material and disclosed as a group company if the companies which are members of the Promoter Group of our Company and with which there were transactions in the most recent financial year and any stub period for which restated audited financial statements are included in the Issue Documents, which individually or in the aggregate, exceed 10% of the total restated revenue of the Company for the latest restated annual financial statements.

Accordingly, based on the parameters outlined above, our Company does not have any group company as on the date of this Prospectus.



DIVIDEND POLICY

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. The shareholders of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

There are no dividends declared by our Company in the last three Financial Years.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by Our Company.



SECTION VII- FINACIAL INFORMATION

FINANCIAL STATEMENTS

To,
The Board of Directors,
SP Refractories Limited
M- 10, M-11-1, M-11-2,
MIDC, Hingna,
Nagpur-440016

Dear Sir/Ma'am,

1. We have examined the attached Restated Financial Statement along with the significant accounting policies and related notes of SP Refractories Limited (the 'Company') as at and for the period ended on September 30, 2021 and for the financial years ended on March 31, 2021, 2020 and 2019 annexed to this report and prepared by the Company for the purpose of inclusion in the Draft Prospectus / Prospectus (being collectively referred as "Offer Document") in connection with its proposed Initial Public Offer ("IPO") on the Emerge Platform of the NSE Limited ("NSE Emerge").
2. The said Restated Financial Statements and other Financial Information have been prepared in accordance with the requirements of:
 - i) Section 26 of Part I of Chapter III to the Companies Act, 2013("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
 - ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
 - iii) The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Offer Document being issued by the Company for its proposed IPO of equity shares on Emerge Platform of the NSE Limited ("NSE Emerge"); and
 - iv) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("Guidance Note").
3. We have examined the accompanied 'Restated Statement of Profit and Loss' (**Annexure – II**) for the six months period ended September 30, 2021 and for the financial years ended on March 31, 2021, 2020 and 2019 and the 'Restated Statement of Assets and Liabilities' (**Annexure-I**) as on those dates, forming Part of the 'Financial Information' dealt with by this Report, detailed below. Both read together with the Significant Accounting Policies and Notes to Accounts (**Annexure – IV & V**) thereon, which are the responsibility of the Company's management. The information has been extracted from the financial statements for the six months period ended September 30, 2021 and the financial years ended on March 31, 2021, 2020 and 2019. The Financial Statements for the six months period ended on September 30, 2021 was audited by us, M/s. Zoeb Anwar & Co., Chartered Accountant, being the Statutory Auditor of the Company, which is approved by the Board of Directors as on that date and upon which we have placed our reliance while reporting & The Financial Statements for the year ended March 31, 2021 have been re-audited by us. The Financial Statements for the year ended March 31, 2021 and March 31, 2020 and March 31, 2019 was audited by Sanjay Chindaliya & Co, Chartered Accountant, being the then Statutory Auditor of the Company, which are all approved by the Board of Directors as on that date and upon which we have placed our reliance while reporting.
4. In terms of Schedule VI (Part A) (11) (II) (i) of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts of SP Refractories Limited, we, M/s. Zoeb Anwar & Co, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.

5. Based on our examination, we further report that:
- a. The “Restated Summary Statement of Assets and Liabilities” as set out in **Annexure I** to this report, of the Company as at September 30, 2021 and March 31, 2021, 2020 and 2019 is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV & V** to this Report.
 - b. The “Restated Summary Statement of Profit and Loss” as set out in **Annexure II** to this report, of the Company for the period ended on September 30, 2021 and for the financial years ended on March 31, 2021, 2020 and 2019 is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV & V** to this Report.
 - c. The “Restated Summary Statement of Cash Flow” as set out in **Annexure III** to this report, of the Company for the period ended on September 30, 2021 and for the financial years ended on March 31, 2021, 2020 and 2019 is prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV & V** to this Report.
 - d. The Restated Financial Statements have been made after incorporating adjustments for:
 - i. The changes, if any, in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting period /years.
 - ii. Prior period and other material amount in the respective financial years to which they relate.
 - iii. Extra-ordinary items that need to be disclosed separately in the accounts requiring adjustments.

Which are stated in the Notes to Accounts as set out in **Annexure V**.
 - e. There were no qualifications in the Audit Reports issued by Statutory Auditor(s) for the financial period ended on September 30, 2021 and for the financial years ended on March 31, 2021, 2020 and 2019 which would require adjustments in this Restated Financial Statements of the Company.
 6. At the request of the company, we have also examined the following financial information (“Other Financial Information”) proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:

Annexure of Restated Financial Statements of the Company:-

- i. Schedule Of Share Capital, As Restated (Annexure VI)
- ii. Schedule Of Reserves And Surplus, As Restated(Annexure VII)
- iii. Schedule Of Long Term Borrowings, As Restated (Annexure VIII)
- iv. Schedule Of Short term Borrowings, As Restated (Annexure IX)
- v. Schedule Of Trade Payables As Restated (Annexure X)
- vi. Schedule Of Other Current Liabilities As Restated(Annexure XI)
- vii. Statement Of Fixed Assets, As Restated(Annexure XII)
- viii. Schedule Of Long Term Loans And Advances, As Restated(Annexure XIII)
- ix. Schedule Of Trade Receivables, As Restated (Annexure XIV)
- x. Schedule Of Cash And Cash Equivalents, As Restated (Annexure XV)
- xi. Schedule Of Short Term Loans And Advances, As Restated (Annexure XVI)
- xii. Schedule Other Current Assets, As Restated (Annexure XVII)
- xiii. Schedule Of Revenue, As Restated (Annexure XVIII)
- xiv. Schedule Of Other Income, As Restated (Annexure XIX)
- xv. Schedule Of Statement Of Cost Of Material Consumed, As Restated (Annexure XX)
- xvi. Schedule Of Employee Benefit Expenses , As Restated (Annexure XXI)
- xvii. Schedule Of Finance Cost, As Restated (Annexure XXII)



- xviii. Schedule Of Depreciation And Amortization, As Restated (Annexure XXIII)
- xix. Schedule Of Dividend Declared, As Restated (Annexure XXIV)
- xx. Schedule Of Contingent Liability, As Restated(Annexure XXV)
- xxi. Schedule Of Related Party Transactions, As Restated (Annexure XXVI)
- xxii. Statement Of Tax Shelter (Annexure XXVII)
- xxiii. Statement Of Accounting Ratios, As Restated (Annexure XXVIII)
- xxiv. Statement Of Capitalization, As Restated (Annexure XXIX)

7. In our opinion, the Restated Financial Statements and the other Financial Information set forth in Annexure I to XXIX read with the significant accounting policies and notes to the restated financial statements have been prepared in accordance with section 26 of Companies Act, 2013 and the SEBI Regulations and the Guidance Note on the reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI).

Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As a result of these regrouping and adjustments, the amount reported in the financial information may not necessarily be the same as those appearing in the respective audited financial statements for the relevant years.

8. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
10. This report is intended solely for your information and for inclusion in the Offer document in connection with the Company's proposed IPO of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For M/s. Zoeb Anwar & Co
Chartered Accountants
FRN: 116532W

Zoeb I. Anwar
(Proprietor)
Membership No: 101496
Place: Nagpur
Date: February 24, 2022
UDIN: 22101496ADYYCW9369

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ANNEXURE I
STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(Rs.in Lakhs)

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
EQUITY AND LIABILITIES				
1. Shareholder's funds				
a) Share Capital	149.19	149.19	49.73	49.73
b) Reserves and surplus	398.61	317.87	341.98	302.06
Total Shareholder's Fund(1)	547.80	467.06	391.71	351.79
2. Share application money pending allotment	-	-	-	-
3. Non-current liabilities				
a) Long term borrowings	16.70	25.96	29.55	49.65
b) Deferred Tax Liabilities (Net)	5.89	5.89	7.55	8.24
Total(3)	22.60	31.85	37.10	57.89
4. Current liabilities				
a) Short Term Borrowing	378.31	352.97	383.54	325.46
b) Trade payables	192.77	100.88	41.44	13.51
c) Other Current Liabilities	90.73	104.40	44.54	43.36
d) Short-term provisions	-	-	-	-
Total(4)	661.80	558.26	469.52	382.33
TOTAL - 1+2+3+4	1,232.20	1,057.17	898.33	792.01
ASSETS				
1. Non - Current Assets				
a) Fixed Assets				
i.) Tangible assets	178.05	190.01	200.62	206.68
ii) Intangible Assets	-	-	-	-
iii) Capital WIP	-	-	-	-
b) Deferred Tax Assets	-	-	-	-
c) Long Term Loans and advances	57.57	7.58	107.82	57.21
Total(1)	235.62	197.59	308.44	263.89
2. Current Assets				
a) Inventories	216.1	138.95	131.67	119.95
b) Trade Receivables	657.81	695.45	447.19	400.78
c) Cash and Bank Balances	0.70	0.25	0.81	1.64
d) Short-term loans and advances	16.81	24.93	10.22	5.75
e) Other Current Assets	105.16	-	-	-
Total(2)	996.58	859.58	589.89	528.12
TOTAL	1,232.20	1,057.17	898.33	792.01



ANNEXURE II
STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED

(₹ in Lakhs)

Particulars	For the year ended,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
INCOME				
Revenue from Operations	1,447.30	2,569.54	2,096.56	1,852.70
Other Income	0.34	2.94	3.03	3.25
Total Revenue (A)	1,447.64	2,572.48	2,099.59	1,855.95
EXPENSES				
Cost of Material Consumed	1,117.94	1,900.91	1,552.28	1,343.20
Changed In Inventory of Wip & Finished Goods	(14.66)	45.91	1.29	14.33
Employee Benefit Expenses	116.10	194.47	172.34	174.40
Financial Cost	12.37	20.76	44.38	39.84
Depreciation & Amortisation cost	12.27	23.69	22.48	22.36
Other Expenses	94.51	282.20	251.59	233.69
Total Expenses (B)	1,338.53	2,467.94	2,044.36	1,827.82
Profit before exceptional and extraordinary items and tax (A-B)				
Exceptional items		-	-	-
Profit Before Tax (D)	109.11	104.55	55.23	28.14
Tax Expense :				
(i)Current Tax	28.37	30.85	15.99	8.49
(ii)Deferred Tax Charge	-	(1.65)	(0.69)	(0.94)
Total Tax Expense /(Credit) (E)	28.37	29.20	15.30	7.55
Profit for the year (D-E)	80.74	75.35	39.93	20.59



ANNEXURE III
CASH FLOW STATEMENT, AS RESTATED

(₹ in Lakhs)

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Cash Flow From Operating Activities				
Net Profit Before Tax	109.11	104.55	55.23	28.14
Adjustments for :				
Depreciation/Amortisation	12.27	23.69	22.48	22.36
Interest Received	(0.33)	(2.33)	(0.68)	(1.48)
Finance cost	12.37	20.76	44.38	39.84
Operating Profit Before Working Capital Adjustment	133.42	146.67	121.42	88.85
Adjustment for Changes in Working Capital				
Trade and other payable	91.89	59.44	27.93	(45.41)
Short-term provisions/borrowing	25.32	(30.57)	58.06	(6.87)
Other Current Liabilities	(13.67)	59.86	1.18	5.63
Trade and other Receivables	37.64	(248.26)	(46.41)	81.44
Long Term Loans & Advances	(49.99)	100.24	(50.61)	(49.58)
Short Term Loans & Advances	8.12	(14.71)	(4.47)	5.41
Inventories	(77.15)	(7.28)	(11.72)	12.71
Other Current Assets	(105.16)	-	-	-
Cash Flow Generated from Operations	50.42	65.38	95.38	92.18
Taxes Paid	28.37	30.85	15.99	8.49
Net Cash flow from Operating activities (A)	22.05	34.53	79.39	83.69
Cash Flow From Investing Activities				
(Purchase)/Sale of Fixed Assets	(0.30)	(13.07)	(16.42)	(18.59)
Interest Received	0.33	2.33	0.68	1.48
Net Cash Flow from Investing Activities (B)	0.03	(10.74)	(15.74)	(17.11)
Cash Flow From Financing Activities				
Proceeds from/ (Repayment of) Borrowing	(9.26)	(3.59)	(20.10)	(25.63)
Finance cost	(12.37)	(20.76)	(44.38)	(39.84)
Net Cash Flow From Financing Activities (C)	(21.63)	(24.35)	(64.48)	(65.47)
Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	0.45	(0.56)	(0.83)	1.10
Cash & Cash equivalent at the beginning of the year	0.25	0.81	1.64	0.54
Cash & Cash Equivalent at the end of the year	0.70	0.25	0.81	1.64



ANNEXURE IV

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(A) CORPORATE INFORMATION

SP Refractories Limited (formerly known as “SP Refractories Private Limited”) is a Limited Company domiciled in India and incorporated under the provisions of the Companies Act having Corporate Identity No. (CIN): U51909MH2007PLC167114. The Company is engaged in manufacturing, exporting and supplying high quality Refractory Material.

(B) SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

I. The Company follows the mercantile system of accounting and recognizes Income and Expenditure on an accrual basis except those with significant uncertainties.

II. The Financial Statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 2013. And in accordance with the accounting principles accepted in India and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India, to the extent applicable.

III. Accounting Policies not specifically referred to otherwise are consistent and in consonance with the generally accepted accounting principles followed by the Company.

b. Use of Estimates

The Preparation of Financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known to be materialized.

c. Current/ non-current classification

An asset has been being classified as current when it satisfies any of the following criteria:—

- It is expected to be realised in, or is intended for sale or consumption in, the company’s normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realised within twelve months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets have been classified as non-current.

3. A liability has been classified as current when it satisfies any of the following criteria:—

- It is expected to be settled in the company’s normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within twelve months after the reporting date; or
- The company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

d. Cash Flow Statement

Cash Flows are reported using the indirect method, whereby the profit before tax is adjusted for the effects of the transactions of non-cash nature. The cash flows from operating, investing & financing activities of the company

has been separated as per the requirements of Accounting Standard (AS) – 3 “Cash Flow Statement” issued by The Institute of Chartered Accountants of India (ICAI).

e. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the Revenue can be reliably measured

Sale of Goods: Revenue from sale of goods is recognized when all the risks and rewards of ownership of goods have been passed to buyer, usually on delivery of the goods. Sales are being accounted for at Gross Sales value excluding Duties & Taxes thereon. Duties & Taxes have been accounted for separately through Duties & Taxes A/c under Current Liabilities. The Company collects Duties and Taxes including Sales taxes and Value added taxes (VAT) and Goods and Service Tax (GST) on the behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue

f. Fixed assets and Depreciation

Fixed assets are calculated as per the schedule II of the Companies Act, 2013 and carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance

g. Impairment of Assets:

The management periodically assesses, using external and internal sources, whether there is an indication that the asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. An impairment loss for an asset is reversed if and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. There is no impairment loss as on the balance sheet date.

h. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investment. Current investment is carried at lower of cost and fair value determined on an individual item basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

i. Employee Benefit

The Company has not made any provision in respect of Retirement Benefits of Employees & the expenditure claimed if any is on basis of actual payment made during the year.

j. Borrowing Cost

Borrowing Cost includes Interest and Other Cost incurred in connection with the borrowing of funds. Borrowing Cost that is directly attributable to the construction of a qualifying asset is capitalized as Cost of the respective asset.

k. Segment Reporting

The company is engaged in only one business hence no information has been furnished in accordance with AS 17 on “Segment Reporting” issued by the Institute Of Chartered Accountants Of India

l. Earnings Per Share

The Company reports Basic earnings per equity share in accordance with the Accounting Standard - 20 on Earning per Share. In determining earning per share, the Company considers the net profit after tax and includes the post

tax effect of any extraordinary/exceptional items. The number of shares used in computing basic earning per share is the weighted average number of equity shares outstanding during the period. The numbers of shares used in computing diluted earning per share comprises the weighted average number of equity shares that would have been issued on the conversion of all potential equity shares. Dilutive potential equity shares have been deemed converted as of the beginning of the period, unless issued at a later date.

m. Taxes on Income

Current Tax:

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same.

Deferred Tax:

Deferred tax is measured on based on the tax rate and tax laws enacted or substantially enacted at the balance date. Deferred tax assets are recognized only if there is reasonable/virtual certainty that they will be realized. No deferred tax provision has been created. No Deferred Tax Asset / (Liability) provision has been made in view of losses.

n. Gratuity

Provision for Gratuity is not applicable to the Company.

o. Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present Obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are generally not provided for in the books of accounts and are separately shown in the Financial statements

p. Cash and cash equivalents

Cash and cash equivalent includes cash on hand, demand deposits with banks, other short-term highly liquid Investments.



**ANNEXURE V
NOTES TO ACCOUNTS**

1. Managerial Remuneration

(₹ in lakhs)

Particulars	For the year ended,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Directors' Remuneration				
Salary and allowances	37.44	42.00	42.00	31.80

2. Remuneration to Auditors

(₹ in lakhs)

Particulars	For the year ended,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Audit Fees	-	2.00	2.00	-
For Taxation Matters	-	-	-	-
Other Certification	-	-	-	0.44
Total	-	2.00	2.00	0.44

3. Deferred Tax

Deferred tax liability on account of timing difference between taxable income and accounting income for the year is accounted for by applying the tax rate and laws enacted on substantially enacted as of the balance sheet date. Deferred tax assets are recognised only to the extent of virtual certainty of its realization or adjustments against deferred tax liability.

The company has accounted for Income Tax in compliance with the accounting standard relating "accounting for taxes on Income" (As-22) issued by the Chartered Accountants of India.

Particulars	For the year ended,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Deferred tax liabilities/(assets) arising on account of timing difference in:				
Opening Balance	5.89	7.55	8.24	9.18
Depreciation	-	(1.65)	(0.69)	(0.94)
Closing Balance	5.89	5.89	7.55	8.24

4. Information regarding Foreign Exchange earnings and expenditure

Particulars	For the year ended,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Exports calculated on FOB Basis	-	-	-	-
Royalty, Know How, Professional & Consultation Fees	-	-	-	-
Interest & Dividend	-	-	-	-



Other Income	-	-	-	-
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- There are no dues as required to be disclosed U/S 22 of the Micro, Small & Medium Enterprises Development Act, 2006.
- The Management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required.
- There is no Auditor's Qualification in any of the audited Financial Statements as at and for the period ended September 30, 2021 and financial years ended March 31, 2021, March 31, 2020 and March 31, 2019.

ADJUSTMENTS MADE IN RESTATED FINANCIAL STATEMENTS / REGROUPING NOTES

Adjustments / Regroupings having impact on profit

No Changes have been done, which impact the Profit and Loss of the company.

Adjustments / Regroupings not having impact on profit

Appropriate adjustments have been made in the restated summary statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018.

ANNEXURE VI SCHEDULE OF SHARE CAPITAL, AS RESTATED

(₹in lakhs)

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Equity Share Capital				
Authorised Share capital				
6,00,000 Equity Shares of Rs.10/- each			60.00	60.00
18,50,000 Equity Shares of Rs.10/- each	185.00	185.00	-	-
TOTAL	185.00	185.00	60.00	60.00
Issued Subscribed and Paid Up Equity Share Capital :				
4,97,300 Equity Shares of Rs 10/- each	49.73	49.73	49.73	49.73
9,94,600 Equity Shares of Rs 10/- each	99.46	99.46	-	-
TOTAL	149.19	149.19	49.73	49.73

Details of Shareholders holding more than 5% Shares

Name	As at Sep 30, 2021		As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	Number of shares held	%	Number of shares held	%	Number of shares held	%	Number of shares held	%
Mrs. Shweta Kale	720,999	48.33%	720,999	48.33%	240,333	48.33%	240,333	48.33%
Mrs. Prajakta kale	720,972	48.33%	720,972	48.33%	240,324	48.33%	240,324	48.33%

**Reconciliation of number of shares outstanding:**

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Equity Shares				
Equity shares at the beginning of the year of Rs. 10/- each	1,491,900	497,300	497,300	497,300
Add: Shares issued during the year	-	994,600	-	-
Equity Shares at the end of the year	1,491,900	1,491,900	497,300	497,300

**ANNEXURE VII
SCHEDULE OF RESERVES AND SURPLUS, AS RESTATED***(₹in lakhs)*

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Share Premium	-	48.73	48.73	48.73
Less; Bonus Issued	-	(48.73)	-	-
Closing Balance	-	-	48.73	48.73
Profit & Loss A/c				
Opening Balance	317.87	293.26	253.33	232.74
Add: Profit / (Loss) for the year transferred to reserves	80.74	75.35	39.93	20.59
Less; Bonus Issued	-	(50.73)	-	-
Closing Balance	398.61	317.87	293.26	255.33
Total	398.61	317.87	341.98	302.06

**ANNEXURE VIII
SCHEDULE OF LONG TERM BORROWINGS, AS RESTATED***(₹in lakhs)*

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Unsecured Loans				
Loan from Directors	16.70	25.96	24.56	21.08
Loan from Bank	-	-	4.99	28.57
TOTAL	16.70	25.96	29.55	49.65

Notes:-

For terms and conditions of Long term borrowings, refer Financial Indebtedness.



**ANNEXURE IX
SCHEDULE OF SHORTTERM BORROWINGS, AS RESTATED**

(₹in lakhs)

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Cash Credit Limit	378.31	352.97	383.54	325.46
T O T A L	378.31	352.97	383.54	325.46

**ANNEXURE X
SCHEDULE OF TRADE PAYABLES AS RESTATED**

(₹in lakhs)

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
I) OTHERS	-	-	-	-
i) Less than 1 Year	-	13.47	15.79	10.58
ii) More than 1 Year and Less than 3 Years	-	-	-	-
iii) More than 3 Years	2.93	2.93	2.93	2.93
II) MSME				
i) Less than 1 Year	189.84	84.48	22.72	-
ii) More than 1 Year and Less than 3 Years	-	-	-	-
iii) More than 3 Years	-	-	-	-
T O T A L	192.77	100.88	41.44	13.51

**ANNEXURE XI
SCHEDULE OF OTHER CURRENT LIABILITIES AS RESTATED**

(₹in lakhs)

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Audit Fees Payable	-	2.00	1.50	-
Payment to statutory authorities	48.30	60.94	28.85	31.58
Provisions for Employee benefits	26.29	11.29	6.98	5.87
Other Liabilities	16.14	30.17	7.21	5.91
T O T A L	90.73	104.40	44.54	43.36

**ANNEXURE XII
STATEMENT OF FIXED ASSETS, AS RESTATED**

(₹in lakhs)

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
FACTORY BUILDING & OFFICE BUILDING				
Opening Balance	23.84	23.84	23.84	23.41
Addition during the year	-	-	-	0.43
Depreciation during the year	0.35	0.69	0.69	0.72
Accumulated Depreciation	6.74	6.39	5.70	5.01
Closing Balance	17.10	17.45	18.14	18.83



Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Plant and Machinery				
Opening Balance	295.09	282.52	267.68	258.44
Addition during the year	-	12.57	14.84	9.24
Depreciation during the year	9.34	18.11	17.45	16.43
Accumulated Depreciation	178.23	168.89	150.78	133.33
Closing Balance	116.86	126.20	131.74	134.35
Office Equipment				
Opening Balance	3.67	3.51	3.51	2.17
Addition during the year	0.30	0.16	-	1.34
Depreciation during the year	0.09	0.18	0.13	0.18
Accumulated Depreciation	1.43	1.34	1.16	1.03
Closing Balance	2.54	2.33	2.35	2.48
Computer and computer peripherals				
Opening Balance	3.51	3.18	3.18	2.89
Addition during the year	-	0.33	-	0.29
Depreciation during the year	0.21	0.18	-	0.07
Accumulated Depreciation	3.35	3.14	2.96	2.96
Closing Balance	0.16	0.37	0.22	0.22
VEHICLE				
Opening Balance	35.25	35.25	36.18	28.92
Addition during the year	-	-	(0.93)	7.26
Depreciation during the year	1.41	2.85	2.74	2.93
Accumulated Depreciation	34.97	33.56	30.71	27.97
Closing Balance	0.28	1.69	4.54	8.21
ELECTRIC INSTALLATION				
Opening Balance	8.88	8.88	6.38	6.38
Addition during the year	-	-	2.50	-
Depreciation during the year	0.14	0.27	0.04	0.60
Accumulated Depreciation	6.24	6.10	5.83	5.19
Closing Balance	2.64	2.78	3.05	0.59
POLLUTION CONTROL EQUIPMENT				
Opening Balance	21.83	21.83	21.83	21.83
Addition during the year	-	-	-	-
Depreciation during the year	0.69	1.38	1.38	1.38
Accumulated Depreciation	7.63	6.94	5.56	4.18
Closing Balance	14.20	14.89	16.27	17.65
COMPRESSOR				
Opening Balance	0.36	0.36	0.36	0.36
Addition during the year	-	-	-	-
Depreciation during the year	0.01	0.02	0.02	0.02
Accumulated Depreciation	0.12	0.11	0.09	0.07
Closing Balance	0.24	0.25	0.27	0.29
LAND				
Opening Balance	24.05	24.05	24.05	24.05
Addition during the year	-	-	-	-
Depreciation during the year	-	-	-	-



Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Accumulated Depreciation	-	-	-	-
Closing Balance	24.05	24.05	24.05	24.05
Tangible Gross Block	416.78	416.48	403.42	387.01
Total Accumulated Depreciation	238.73	226.49	202.81	180.34
Net Block	178.05	190.01	200.62	206.68

ANNEXURE XIII
SCHEDULE OF LONG TERM LOANS AND ADVANCES, AS RESTATED

(₹in lakhs)

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Non Current Investments and loans and advances	57.57	7.58	107.82	57.21
TOTAL	57.57	7.58	107.82	57.21

ANNEXURE XIV
SCHEDULE OF TRADE RECEIVABLES, AS RESTATED

(₹in lakhs)

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
I) Undisputed Trade Receivables- Considered Good				
i) Less Than 6 Months	654.38	673.16	415.90	393.97
ii) 6 Months-1 Year	-	-	29.61	-
iii) 1-2 Years	-	20.61	-	0.47
iv) 2-3 Years	3.43	-	-	4.16
v) More than 3 Years	-	1.68	1.68	2.18
Total	657.81	695.45	447.19	400.78

ANNEXURE XV
SCHEDULE OF CASH AND CASH EQUIVALENTS, AS RESTATED

(₹in lakhs)

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Cash and Cash Equivalents				
Cash-in-Hand	0.60	0.15	0.71	0.87
Balance with Banks	0.10	0.10	0.10	0.77
Other Bank Balances				
Balance in FD	-	-	-	-
Balances with Bank for other commitments				
Fixed deposit for Performance guarantee and Bank guarantee	-	-	-	-
Total	0.70	0.25	0.81	1.64



**ANNEXURE XVI
SCHEDULE OF SHORT TERM LOANS AND ADVANCES, AS RESTATED**

(₹ in lakhs)

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Advances to Employees	1.93	1.82	-	0.13
Other Deposit payable	-	-	0.71	-
Advance Income Tax	14.00	22.00	9.00	5.50
TDS Receivable	0.88	1.11	0.51	0.12
Total	16.81	24.93	10.22	5.75

**ANNEXURE XVII
SCHEDULE OTHER CURRENT ASSETS, AS RESTATED**

(₹ in lakhs)

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Preliminary Expenses not written off	10.48	-	-	-
Advance to Vendor	94.68	-	-	-
Total	105.16	-	-	-

**ANNEXURE XVIII
SCHEDULE OF REVENUE, AS RESTATED**

(₹ in lakhs)

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Sale of Goods	1,447.30	2,569.54	2,096.56	1,852.70
Total	1,447.30	2,569.54	2,096.56	1,852.70

**ANNEXURE XIX
SCHEDULE OF OTHER INCOME, AS RESTATED**

(₹ in lakhs)

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Interest received on Fixed Deposit/Others	0.33	2.33	0.68	1.48
Discount Received	0.01	0.61	-	1.67
Miscellaneous	-	-	2.35	0.10
TOTAL	0.34	2.94	3.03	3.25

**ANNEXURE XX
SCHEDULE OF STATEMENT OF COST OF MATERIAL CONSUMED, AS RESTATED**

(₹ in lakhs)

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Cost of Raw material Consumed	1,040.41	1,786.19	1,518.39	1,313.09
Cost Of Consumables	70.17	105.99	26.44	30.11
Miscellaneous	7.36	8.73	7.45	-
Total	1,117.94	1,900.91	1,552.28	1,343.20



ANNEXURE XXI
SCHEDULE OF EMPLOYEE BENEFIT EXPENSES, AS RESTATED

(₹ in lakhs)

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Salaries and wages	73.09	141.44	120.98	134.45
Contribution to PF	3.54	6.22	2.83	2.93
Staff welfare expenses	1.79	4.20	5.61	3.99
Director Remuneration	37.44	42.00	42.00	31.80
ESIC Expense	0.24	0.61	0.92	1.23
Total	116.10	194.47	172.34	174.40

ANNEXURE XXII
SCHEDULE OF FINANCE COST, AS RESTATED

(₹ in lakhs)

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Bank Interest and Charges	11.23	17.95	41.84	34.21
Interest of Financial Institution	-	-	-	5.63
Interest on unsecured loan	1.14	2.81	2.54	
T O T A L	43.31	206.26	193.02	188.59

ANNEXURE XXIII
SCHEDULE OF DEPRECIATION AND AMORTIZATION, AS RESTATED

(₹ in lakhs)

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Depreciation during the year	12.27	23.69	22.48	22.36
T O T A L	12.27	23.69	22.48	22.36

ANNEXURE XXIV
SCHEDULE OF DIVIDEND DECLARED, AS RESTATED

(₹ in lakhs)

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
On Equity Shares				
Fully Paid up Share Capital (₹ in Lakhs)	149.19	149.19	49.73	49.73
Face Value (Rs)	10.00	10.00	10.00	10.00
Paid up value per share (Rs)	10.00	10.00	10.00	10.00
Rate of Dividend	-	-	-	-
Total Dividend	-	-	-	-
Corporate Dividend tax on above	-	-	-	-



**ANNEXURE XXV
SCHEDULE OF CONTINGENT LIABILITY, AS RESTATED**

(₹ in lakhs)

Particulars	As at			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
By employees for Wages and Other Benefits	-	-	-	-
Statutory Dues & Taxes under Dispute	-	-	-	-
Contingent Liabilities on financial assurance under Bank Guarantee / Letter of Credit (LC)	-	-	-	-
Guarantees given by the Company	-	-	-	-
TOTAL	-	-	-	-

**ANNEXURE XXVI
SCHEDULE OF RELATED PARTY TRANSACTIONS, AS RESTATED**

As per Accounting Standard 18 on related party disclosure issue by the Institute of Chartered Accountants of India, the Company's related parties are disclosed below:

(i) Key Managerial Personnel & Their Relatives

As at,			
30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Namita Kale	Namita Kale	Namita Kale	Namita Kale
Shweta Kale	Shweta Kale	Shweta Kale	Shweta Kale
Prajakta Kale	Prajakta Kale	Prajakta Kale	Prajakta Kale

Particulars	Key Management Personnel			
	As At			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
1) Finance				
Opening Balance	25.96	24.56	21.08	36.66
Loan taken during the year	-	3.50	1.20	12.26
Repaid during the year	10.28	4.70	-	27.85
Interest During the year	1.02	2.59	2.28	-
Outstanding at the end of the year	16.70	25.96	24.56	21.08
2) Expenses				
Remuneration	37.44	42.00	42.00	31.80
Rent	2.40	4.80	1.20	-
3) Expenses payable	-	-	-	-
Remuneration Payable	22.40	7.82	3.97	3.14
4) Finance				



**ANNEXURE XXVII
STATEMENT OF TAX SHELTER**

(₹ in lakhs)

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Tax Rates				
Income Tax Rate (%)	25.00%	25.00%	25.00%	25.00%
Surcharge	0.00%	7.00%	0.00%	0.00%
	25.00%	26.75%	25.00%	25.00%
Education Cess	4.00%	4.00%	4.00%	4.00%
Income Tax Rate (%)	26.00%	27.82%	26.00%	26.00%
Minimum Alternate Tax Rate (%)	18.50%	15.00%	18.50%	18.50%
Education Cess	4.00%	4.00%	3.00%	3.00%
Minimum Alternate Tax Rate (%)	19.24%	15.60%	19.06%	19.06%
Income from Business or Profession				
Restated Profit before tax as per books (B)	109.11	104.55	55.23	28.14
Income considered separately				
Interest income	0.33	-	0.68	1.48
Total income considered separately (C)	0.33	-	0.68	1.48
Timing Differences				
Add : Book Depreciation	12.27	23.69	22.48	22.36
Less : Income Tax Depreciation Allowance	2.02	17.32	19.03	18.60
Total Timing Differences (D)	10.25	6.37	3.45	3.76
Permanent Differences				
Add : Disallowable under Sec 36,37	-	-	-	0.16
Total Permanent Differences (E)	-	-	-	0.16
Income from Business or Profession (F) = (B-C+D+E)	119.03	110.92	58.00	30.58
Income from other sources				
Interest income	0.33	-	0.68	1.48
Total Income from other sources (G)	0.33	-	0.68	1.48
Deductions under Chapter VIA				
Deduction under 80G	-	-	-	-
Total Deductions under Chapter VIA (H)	-	-	-	-
Total Taxable income (A+F+G-H)	119.36	110.92	58.68	32.06
Income Tax on above	31.03	30.86	15.26	8.33
Book Profit for MAT	109.11	104.55	55.23	28.14
MAT on Book Profit	20.99	16.31	10.53	5.36
Tax paid as per normal or MAT	NORMAL	NORMAL	NORMAL	NORMAL
Add: Interest Payable		1.16	0.53	0.15
Tax Payable	31.03	32.02	15.79	8.48
Tax Paid as per return	-	32.02	15.79	8.48
Difference		(0.00)	(0.00)	0.00

Note:

1. The aforesaid Statement of tax Shelters has been prepared as per the 'Restated Profit and Loss Account.

CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS

There has been no change in the Accounting Policies in the last three (3) years.

CHANGES IN ACCOUNTING PERIOD

There has been no change in the accounting period of the Company.



OTHER FINANCIAL INFORMATION

ANNEXURE XXVIII STATEMENT OF ACCOUNTING RATIOS, AS RESTATED

(₹ in lakhs)

Particulars	As at,			
	30 th Sep 2021	31 st March 2021	31 st March 2020	31 st March 2019
Restated PAT as per P & L Account	80.74	75.35	39.93	20.59
EBITDA	133.75	149.00	122.09	90.34
Actual Number of Equity Shares outstanding at the end of the year	1,491,900	1,491,900	497,300	497,300
Equivalent Weighted Avg number of Equity Shares at the end of the year	1,491,900	1,491,900	1,491,900	1,491,900
Diluted Weighted Avg number of potential Equity Shares at the end of the year	1,491,900	1,491,900	1,491,900	1,491,900
Share Capital	149.19	149.19	49.73	49.73
Reserves & Surplus	398.61	317.87	341.98	302.06
Misc. Expenses not w/off	10.48	-	-	-
Net Worth	537.32	467.06	391.71	351.79
Current Assets	996.58	859.58	589.89	528.12
Current Liabilities	661.80	558.26	469.52	382.33
Current Ratio	1.51	1.54	1.26	1.38
Earnings Per Share (EPS):				
Basic EPS	5.41	5.05	2.68	1.38
Diluted EPS	5.41	5.05	2.68	1.38
Return on Net Worth (%)	15.03%	16.13%	10.20%	5.85%
Net Asset Value Per Share (Rs) - based on actual no. of equity shares at the end of the year	36.02	31.31	78.77	70.74
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00	10.00

Notes on Accounting Ratios:

- a. Formulas used for calculating above ratios are as under:
 - i. Basic EPS is being calculated by using the formula: (Net Profit before Extra-ordinary items but after tax/Equivalent Weighted Average No. of outstanding shares)
 - ii. Net Asset Value is being calculated by using the formula: (Net Worth /Actual Number of Equity Shares at year end)
 - iii. Return on Net worth is being calculated by using the formula: (Profit After Tax / Networth)
- b. Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of Equity Shares issued during period 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.
- c. The Calculation of Earnings per Share (EPS) as disclosed in the Profit and Loss Account has been made in accordance with Accounting Standard (AS - 20) on Earnings per Share issued by the Institute of Chartered Accountants of India.
- d. As there is no dilutive capital in the company, Basic and Diluted EPS are similar.
- e. The above Ratios have been computed on the basis of the Restated Financial Information for the respective period. The above statements should be read with the Notes to Restated Financial Statements.



CAPITALISATION STATEMENT

ANNEXURE XXIX STATEMENT OF CAPITALIZATION, AS RESTATED

(₹ in lakhs)

Particular	Pre Issue (as at March 31, 2021)	Pre Issue (as at Sep 30, 2021)	Post Issue
Borrowing			
Long Term Debt	25.96	16.70	16.70
Short Term Debt	352.97	378.31	378.31
Total Debts (A)	378.93	395.01	395.01
Equity (Shareholder's funds)			
Equity share capital	149.19	149.19	178.95
Reserve and Surplus	317.87	398.61	636.69
Total Equity(B)	467.06	547.80	815.64
Total Debts / Equity Shareholder's funds	0.81	0.72	0.48

Note:

⁽¹⁾The above has been computed on the basis of Restated Financials of the Company.



MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards and other applicable provisions of the Companies Act.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

BUSINESS OVERVIEW

Our Company SP Refractories Limited is engaged in manufacturing and supplying Refractory Material made using hydrated lime, Calcined Alumina and other raw materials. Our core focus is on refractory cement which is a niche and high margin cement widely used in iron & steel and construction industries because of its thermal conductivity, Maximum strength and Heat resistance.

Our Company began its operations in the year 2007 with manufacturing of refractory cement and castables. Before incorporation of the company, Late Sri. Prabodh Kale, was running the established business of refractory cement in a partnership firm named Shanark Industries based out of Nagpur. Post his demise, his wife; Namita Kale took the business activities forward under SP Refractories Limited as the promoter along with her daughters Shweta Kale and Prajakta Kale.

Our Company has one Manufacturing facility at M- 10, MIDC, Hingna, Nagpur and the adjoining premise M- 11-1 & M-11-2, MIDC, Hingna, Nagpur is being used as Godown and storage facility. The manufacturing facility is located in MIDC which is well-developed industrial area of Nagpur.

We have a healthy client base due to our quality product, customized solutions and large product line. We have clinkers manufacturing capacity of 4000 MT per year and Clinkers crushing capacity of 6000 MT per year. We get clinkers manufactured from outsider on job work basis and thereafter process of crushing the clinkers, blending and packing of refractory cement in powder form carries out in our manufacturing facility for excess capacity of crushing. Further, as and when required we purchase clinkers from third party and carry out process of crushing the clinkers, blending and packing of refractory cement in powder form to utilize our excess capacity of crushing.

We have dedicated semi-automatic machines and skilled operators for manual checking of raw materials as well as Finished Goods. Our Testing and QC Technical team combined with our testing equipments ensures the quality of raw material dispensed in the production process and also the finished goods delivered to our customers. This helps in improving our procurement process thus reducing wastages, returns and other related costs.

Our revenue from operations was ₹ 2,569.54 lakhs, ₹ 2,096.56 lakhs and ₹ 1,852.70 lakhs for Fiscal 2021, 2020 and 2019, respectively and grew at a CAGR of 11.52 % and ₹ 1,447.30 lakhs for Six months period ended September 30, 2021. Our EBITDA was ₹ 149.00 lakhs, ₹ 122.09 lakhs and ₹ 90.34 lakhs for Fiscal 2021, 2020 and 2019, respectively and grew at a CAGR of 18.15 % over such period, and ₹ 133.75 lakhs for Six months period ended September 30, 2021. Our restated profit after tax was ₹ 75.35 lakhs, ₹ 39.93 lakhs and ₹ 20.59 lakhs for Fiscal 2021, 2020 and 2019, respectively and grew at a CAGR of 54.12 % and ₹ 80.74 lakhs for Six months period ended September 30, 2021

Our Strengths



Significant Developments after Sep 30, 2021 that may affect our Future Results of Operations

After September 30, 2021, The Company has acquired land from our promoters, for details; please see “Properties” under the chapter titled “Our Business” on page 79. Apart from that, The Directors confirm that there have been no events or circumstances since the date of the last financial statements as disclosed in the Prospectus which materially or adversely affect or is likely to affect the profitability of our Company, or the value of our assets, or our ability to pay liabilities within next twelve months.

RECENT DEVELOPMENT

Impact of COVID-19

Since the onset of the COVID-19 pandemic in March 2020, our Company has responded swiftly by implementing various processes to ensure our operations continue seamlessly. In 2020, cases of the novel corona virus started rapidly increasing in India, which led the government of India to impose a nationwide lockdown. The spread of Covid-19 and its recent developments have had and might continue to have repercussions across local, national and global economies. As, we are engaged in the manufacturing of refractory cement, our products were identified as essential goods and our operations were shut down during only for initial period and thereafter we were able to operate. The demand for refractory cement was stagnant and even increased a bit during the pandemic which has a slight positive impact on our business. However, due to limited availability of logistics and supply chain constraints, we were impacted during the initial period of the lockdown. We continued our operations after making arrangements to meet the government’s requirements on sanitization, people movement and social distancing.

We have experienced sustained growth in recent years and continued to do so during the Covid-19 pandemic. We consider that our swift response and proactive steps taken have mitigated the impact of COVID- 19 pandemic on our business and personnel thus far. And we were able to remain growth oriented and profit oriented. The future impact of COVID-19 or any other severe communicable disease on our business and results of operations depends on several factors including those discussed in “Risk Factors” on page 20 of this Prospectus. We are continuously monitoring the economic conditions and have outlined certain measures to combat the pandemic situation and to minimize the impact on our business. For more details, see Risk Factors Affecting Results of Operations and Financial Condition – COVID-19 Pandemic on page 20 of this Prospectus.



FACTORS AFFECTING OUR RESULT OF OPERATIONS

Except as otherwise stated in the Prospectus and the Risk Factors given in the Prospectus, the following important factors could cause actual results to differ materially from the expectations include, among others:

- 1. We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain and renew such approvals and licenses in timely manner or comply with such rules and regulations or at all may adversely affect our operations.***

We require several statutory and regulatory permits, licenses and approvals to operate our business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our Company's operations, thereby having a material adverse effect on our business, results of operations and financial condition. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. However, till date no penalty has been levied on the Company in respect of the above non-compliances. Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. For further details, please see chapters titled "Key Regulations and Policies" and "Government and Other Key Approvals" at pages 89 and 158 respectively of this Prospectus.

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

We rely substantially on third party transportation providers for the supply of our products to our customers. Transportation strikes / non-availability of Transportation could have an adverse effect on our ability to deliver the same to our customers. In addition, transportation costs in India have been steadily increasing over the past several years. While usually the end consumer bears the freight cost, we may not always be able to pass on these costs to our customers. Continuing increases in transportation costs or unavailability of transportation services for our products may have an adverse effect on our business, financial condition, results of operations and prospects.

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

- 3. Our Company has availed unsecured loan from our Directors / Promoters which is repayable on demand. Any demand from the lender for repayment of such unsecured loan may affect our cash flow and financial condition***

Our Company, as per the restated audited financial statement as on March 31, 2021 has availed unsecured loans of Rs. 25.96 lakhs at an interest rate of 12% p.a. which are repayable on demand. Further, as on September 30, 2021 the total outstanding of Unsecured Loans was Rs.16.70 lakhs. Sudden recall may disrupt our operations and also may force us to opt for high interest bearing funding, resulting in financial burden. Further, we will not be able to raise funds at short notice and thus result in shortage of working capital fund. For further details, please refer to the section "Unsecured Loans" under "Financial Statements" beginning on page no. 119 of this Prospectus. Any demand for the repayment of such unsecured loans, may adversely affect our cash flow and financial condition.

- 4. We are dependent on a few suppliers for supply of raw materials and any major disruption to the timely and adequate supplies of our raw materials could adversely affect our business, results of operations and financial condition***



Our Company is dependent on a few suppliers for procuring the raw materials for manufacturing of its products and we do not currently have long term contracts or exclusive supply arrangements with any of our vendors. For the financial year ended March 31, 2021 and for the six months period ended September 30, 2021, our top ten suppliers accounted for approximately 98.33% and 98.34%, respectively.

We believe that the quality of raw materials, the transparent pricing, location advantage, etc. are also some of the major reasons our Company prefers to procure these raw materials from these suppliers. Any failure of the supplier to deliver these raw materials in the necessary quantities or to adhere to delivery schedules or specified quality standards and technical specifications would adversely affect our business operations and our ability to deliver orders on time and at the desired level of quality. As a result, we may lose customers and incur liabilities for failure to execute orders, which could have a material adverse effect on our business financial condition and results of operations.

General economic and business conditions

As a Company with its complete operations in India, we are affected by general economic conditions in the country and in particular economic factors that affect pharmaceutical industry in India. India's gross domestic product, or GDP, has been and will continue to be of importance in determining our operating results and future growth.



RESULTS OF OUR OPERATIONS

(₹ in lakhs)

Particulars	For the period ended		For the year ended March 31,					
	Sep 30, 2021	% of Total Income	2021	% of Total Income	2020	% of Total Income	2019	% of Total Income
INCOME:								
Revenue from Operations	1,447.30	99.98%	2,569.54	99.89%	2,096.56	99.86%	1,852.70	99.82%
Other Income	0.34	0.02%	2.94	0.11%	3.03	0.14%	3.25	0.18%
Total Income	1,447.64	100.00%	2,572.48	100.00%	2,099.59	100.00%	1,855.95	100.00%
EXPENSES:								
Cost of Material Consumed	1,117.94	77.23%	1,900.91	73.89%	1,552.28	73.93%	1,343.20	72.37%
Changed In Inventory of WIP & Finished Goods	(14.66)	(1.01%)	45.91	1.78%	1.29	0.06%	14.33	0.77%
Employee Benefit Expenses	116.10	8.02%	194.47	7.56%	172.34	8.21%	174.40	9.40%
Finance Cost	12.37	0.85%	20.76	0.81%	44.38	2.11%	39.84	2.15%
Depreciation	12.27	0.85%	23.69	0.92%	22.48	1.07%	22.36	1.20%
Other Expenses	94.51	6.53%	282.20	10.97%	251.59	11.98%	233.69	12.59%
Total Expenses (B)	1,338.53	92.46%	2,467.94	95.94%	2,044.36	97.37%	1,827.82	98.48%
Net Profit / (Loss) before tax	109.11	7.54%	104.55	4.06%	55.23	2.63%	28.14	1.52%
Less: Tax expense								
(i) Current tax	28.37	1.96%	30.85	1.20%	15.99	0.76%	8.49	0.46%
(ii) Deferred tax	-	0.00%	(1.65)	(0.06%)	(0.69)	(0.03%)	(0.94)	(0.05%)
Total Tax Expense	28.37	1.96%	29.20	1.14%	15.30	0.73%	7.55	0.41%
Net Profit / (Loss) after tax	80.74	5.58%	75.34	2.93%	39.93	1.90%	20.59	1.11%



Main Components of our Profit and Loss Account

Income

Our total income comprises of revenue from operations and other income.

Revenue from Operations

Our revenue from operations represents sale of goods and it represents 99.98%, 99.89%, 99.86%, and 99.82% our total income for the period ended Sep 30, 2021 and for the fiscals 2021, 2020 and 2019 respectively.

Other Income

Our other income comprises of interest income and discount. Other income, as a percentage of total income was 0.02%, 0.11%, 0.14%, and 0.18% for the six months period ended Sep 30, 2021 and for the fiscals 2021, 2020 and 2019 respectively.

Expenditure

Our total expenditure primarily consists of Cost of material consumed, Change in Inventories of WIP& Finished Goods, Employee Benefit Expenses, Finance cost, Depreciation expenses and other expenses.

Cost of Material Consumed

It consists of cost of raw materials consumed, cost of consumables and miscellaneous costs.

Changes in Inventories

Consists of changes in work-in-progress and finished products, if any.

Employee Benefit Expenses

Employee benefit expenses comprises of salaries, staff welfare expenses, contribution to PF and director's remuneration.

Depreciation & Amortisation Cost

Depreciation Expenses consist of depreciation on the Tangible assets of our company i.e. Plant & Machinery, Computer, Office Equipment, Factory, Office Building, Vehicle etc.

Finance costs

Finance cost includes Bank Interest and charges and Interest on Unsecured Loans.

Other Expenses

Other expenses include advertisement expenses, insurance, transport expenses, printing and stationery, telephone expenses, legal expenses, consultation expenses, business promotion expenses, other related expenses to material purchase and Manufacturing, Audit Fees, security charges, Rent expenses, postage and courier expenses, repairs and maintenance expenses and other miscellaneous expenses.

Provision for Tax

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.



Review for the six (6) months period ended Sep 30, 2021

Income

Our total income for the six months period ended Sep 30, 2021 was ₹1,447.64 lakhs. In the mentioned period, the revenue earned from operations was 99.98% and other income was 0.02% of the total income.

Cost of Materials Consumed

The cost of materials consumed for six months period ended Sep 30, 2021 was ₹1,117.94 lakhs. As a proportion of our total income, it was 77.23 %.

Change in Inventory of WIP & Finished Goods

Change in inventory for the Six months period ended Sep 30, 2021 was negative ₹14.66 lakhs. As a proportion of our total income it was (1.01%).

Employee Benefit Expenses

Employee Benefit Expenses for the six months period ended Sep 30, 2021 was ₹116.10 lakhs. As a proportion of our total income it was 8.02%.

Financial Cost

Financial Cost for the six months period ended Sep 30, 2021 was ₹12.37 lakhs i.e. 0.85 % of the total income for the period

Depreciation cost

Depreciation for the six months period ended Sep 30, 2021 was ₹12.27 lakhs. As a proportion of total income it was 0.85%.

Other Expenses

Other Expenses for the six months period ended Sep 30, 2021 was ₹94.51 lakhs. As a proportion of our total income it was 6.53%.

Profit/ (Loss) before Tax

Profit before Tax for the six months period ended Sep 30, 2021 was ₹ 109.11 lakhs. I.e. 7.54% of our total income.

Tax Expenses

Our company's tax expenses for the six months period ended Sep 30, 2021 was ₹ 28.37 lakhs consisting of current tax, which represented 1.96 % of the total income.

Profit/ (Loss) after Tax

Profit after Tax for the six months period ended Sep 30, 2021 was ₹80.74 lakhs i.e. 5.58% of our total income.

Fiscal 2021 compared with fiscal 2020

Income

In fiscal 2021, our total income increased by ₹472.98 lakhs or 22.56 %, from ₹2,096.56 lakhs in fiscal 2020 to ₹2,569.54 lakhs in fiscal 2021. The increase in the year 2021 was due to increase in our capacity utilization since our products were identified as essential goods and our operations were shut down only for initial period of covid-19 pandemic and thereafter we were able to operate.

Other income decreased by ₹0.09 lakhs or 2.97%, from ₹ 3.03 lakhs in fiscal 2020 to ₹2.94 lakhs in fiscal 2021.



Cost of Material Consumed

Cost of material consumed increased by ₹ 348.63 lakhs or 22.46 %, from ₹1,552.28 lakhs in Fiscal 2020 to ₹1,900.91 lakhs in Fiscal 2021.

Change in Inventory

Changes in Inventories shows a variance of 3,458.91 % from ₹ 1.29 lakhs in Fiscal 2020 to ₹ 45.91 lakhs in Fiscal 2021.

Employee Benefit Expenses

Employee Benefit Expenses increased by ₹22.13 lakhs or 12.84%, from ₹172.34 lakhs in fiscal 2020 to ₹194.47 lakhs in fiscal 2021. This increase was mainly due to increase in salaries and wages and contribution to PF as compared to last fiscal.

Finance Cost

Finance cost decreased by ₹ 23.62 lakhs or 53.22 % from ₹44.38 lakhs in fiscal 2020 to ₹20.76 lakhs in fiscal 2021. The decrease was due to decrease in Bank interest and charges.

Depreciation Expenses

Depreciation expenses increased by ₹ 1.21 lakhs or 5.38 % from ₹22.48 lakhs in fiscal 2020 to ₹23.69 lakhs in fiscal 2021. This decrease was due to WDV effect on the existing assets.

Other Expenses

Other expenses increased by ₹30.61 lakhs or 12.17 % from ₹251.59 lakhs in fiscal 2020 to ₹282.20 lakhs in Fiscal 2021. The increase was majorly due to increase in certain expense like other related expenses to material purchase and Manufacturing, consultancy charges, transport charges, legal and professional fees, rent expenses, repairs and maintenance etc

Profit/ (Loss) before Tax

The increase in revenue from operations has led to increase in our Profit before tax by ₹49.31 lakhs or 89.27 % from ₹55.23 lakhs in fiscal 2020 to ₹104.55 lakhs in fiscal 2021 was due to increase in our capacity utilization since our products were identified as essential goods and our operations were shut down only for initial period of covid-19 pandemic and thereafter we were able to operate.

Tax Expenses

The Company's tax expenses had increased by ₹13.90 lakhs or 90.85 % from ₹15.30 lakhs in the Fiscal 2020 to ₹29.20 lakhs in Fiscal 2021 due to increase in profit.

Profit/ (Loss) after Tax

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹35.41 lakhs or 88.67 %, from ₹39.93 lakhs in fiscal 2020 to ₹75.34 lakhs in fiscal 2021.

Fiscal 2020 compared with fiscal 2019

Income

In fiscal 2020, our total income increased by ₹243.86 lakhs or 13.16 %, from ₹1,852.70 lakhs in fiscal 2019 to ₹ 2,096.56 lakhs in fiscal 2020. The increase in the year 2020 was due to increase in the revenue from operations and other income as compared to last year.

Other income decreased by ₹0.22 lakhs or 6.77 %, from ₹3.25 lakhs in fiscal 2019 to ₹3.03 lakhs in fiscal 2020. The decrease in the year 2020 was due to decrease in discount received.



Cost of Material Consumed

Cost of material consumed increased by ₹ 209.08 lakhs or 15.57 %, from ₹1,343.20 lakhs in Fiscal 2019 to ₹1,552.28 lakhs in Fiscal 2020.

Change in Inventory

Changes in Inventories shows a variance of negative 91 % from ₹ 14.33 lakhs in Fiscal 2019 to ₹ 1.29 lakhs in Fiscal 2020.

Employee Benefit Expenses

Employees benefit expenses decreased by ₹2.06 lakhs or 1.18 %, from ₹174.40 lakhs in fiscal 2019 to ₹172.34 lakhs in fiscal 2020. This decrease was mainly due to decrease in salaries and wages to employees.

Finance Cost

Finance cost during the year increased by ₹4.54 lakhs or 11.40 %, from ₹39.84 lakhs in fiscal 2019 to ₹44.38 lakhs in fiscal 2020. The decrease was due to decrease in bank interest availed from bank.

Depreciation Expenses

Depreciation expenses increased by ₹ 0.12 lakhs or 0.54% from ₹22.36 lakhs in fiscal 2019 to ₹22.48 lakhs in fiscal 2020. This decrease was due to WDV effect on the existing assets.

Other Expenses

Other expenses increased by ₹17.90 lakhs or 7.66 % from ₹233.69 lakhs in fiscal 2019 to ₹251.59 lakhs in Fiscal 2020. The decrease was majorly due to increase in certain expense like consultancy charges, transport charges, office expenses, conveyance expenses , rent expenses and Business promotion expenses.

Profit/ (Loss) before Tax

The increase in revenue from operations has led to increase in our Profit before tax by ₹27.10 lakhs or 96.32 % from ₹28.14 lakhs in fiscal 2019 to ₹55.23 lakhs in fiscal 2020.

Tax Expenses

The Company's tax expenses had increased by 7.75 lakhs or 102.65 % from ₹7.55 lakhs in the Fiscal 2019 to ₹15.30 lakhs in Fiscal 2020 due to increase in profit.

Profit/ (Loss) after Tax

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹ 19.35 lakhs or 94 % from ₹20.59 lakhs in fiscal 2019 to ₹39.93 lakhs in fiscal 2020.

Cash Flows

(₹in lakhs)

Particulars	For period ending Sep 30,2021	For the year ended March 31		
		2021	2020	2019
Net Cash from Operating Activities	22.05	34.53	79.39	83.69
Net Cash from Investing Activities	0.03	(10.74)	(15.74)	(17.11)
Net Cash used in Financing Activities	(21.63)	(24.35)	(64.48)	(65.47)
Net Increase / (Decrease) in Cash and Cash equivalents	0.45	(0.56)	(0.83)	1.10



Cash Flows from Operating Activities

Net cash from operating activities for the period ended Sep 30, 2021 was ₹22.05 lakhs as compared to the PBT of ₹109.11 lakhs for the same period. This difference is primarily on account of changes in trade and other receivables, trade and other payables, other current liabilities, short term provisions/borrowing, short term loans and advances, long term loans and advances, inventories and other current assets.

Net cash from operating activities in fiscal 2021 was ₹34.53 lakhs as compared to the PBT of ₹104.55 lakhs for the same year. This difference is primarily on account of changes in trade and other receivables, trade and other payables, other current liabilities, short term provisions/borrowing, short term loans and advances, long term loans and advances and inventories.

Net cash from operating activities in fiscal 2020 was ₹ 79.39 lakhs as compared to the PBT of ₹55.23 lakhs for the same year. This difference is primarily on account of changes in trade and other receivables, trade and other payables, other current liabilities, short term provisions/borrowing, short term loans and advances, long term loans advances and inventories.

Net cash from operating activities in fiscal 2019 was ₹83.69 lakhs as compared to the PBT of ₹28.14 lakhs for the same year. This difference is primarily on account of changes in trade and other receivables, trade and other payables, other current liabilities, short term provisions/borrowing, short term loans and advances, long term loans advances and inventories.

Cash Flows from Investment Activities

For the period ended Sep 30, 2021 the net cash invested in investing activities was ₹ 0.03 lakhs. This was majorly on account of purchase of fixed assets and interest received.

In fiscal 2021, the net cash invested in investing activities was negative ₹10.74 lakhs. This was majorly on account of purchase of fixed assets and interest received.

In fiscal 2020, the net cash invested in Investing Activities was negative ₹15.74 lakhs. This was majorly on account of sale of fixed assets and interest received and interest received.

In fiscal 2019, the net cash invested in Investing Activities was negative ₹17.11 lakhs. This was majorly on account of purchase of fixed asset and interest received.

Cash Flows from Financing Activities

Net cash from financing activities for the period ending Sep 30, 2021 was negative ₹ 21.63 lakhs. This was on account of proceeds/repayments from borrowing and finance cost.

Net cash from financing activities in fiscal 2021 was negative ₹ 24.35 lakhs. This was on account of proceeds/repayments from borrowing and finance cost.

Net cash from financing activities in fiscal 2020 was negative ₹64.48 lakhs. This was on account of proceeds/repayments from borrowing and finance cost.

Net cash from financing activities in fiscal 2019 was negative ₹65.47 lakhs. This was on account of proceeds/repayments from borrowing and finance cost.

OTHER MATTERS

1. Unusual or infrequent events or transactions

Except as described in this Prospectus, during the period/ years under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. Significant economic changes that materially affected or are likely to affect income from continuing Operations



Other than as described in the Section titled “*Financial Information*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” on page 119 and 141 respectively of this Prospectus respectively, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations

Other than as described in the chapter titled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Conditions and Result of Operations*” on page 20 and 141 respectively of this Prospectus respectively, best to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

4. Future relationship between Costs and Income

Other than as described in the chapter titled “*Risk Factors*” on page 20 of this Prospectus, best to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

5. The extent to which material increases in revenue or income from operations are due to increased volume, introduction of new services or increased prices

Increases in revenues are by and large linked to increase in volume of business activity thereby, serving more customers.

6. Status of any publicly announced new services or business segments

Please refer to the chapter titled “*Our Business*” on page 79 of this Prospectus.

7. The extent to which the business is seasonal.

Our business is not seasonal in nature.

8. Any significant dependence on a single or few suppliers or customers

The revenues from our top 5 and top 10 customers constituted approximately 46.54 % and 65.01 % respectively for Fiscal 2021. For period ending Sep 30, 2021, the revenue from our top 5 and top 10 customers constituted approximately 47.22 % and 65.24 % respectively of the revenue from operations. For further details, please refer chapter “*Our Business*” on page 79 of this Prospectus.

9. Competition Conditions

We operate in a competitive atmosphere. Our competition varies by market; geographic areas and type of product Our Company mainly face competition from local unorganised players. Some of our competitors may have greater resources than those available to us. While product quality, brand value, distribution network, etc are key factors among competitors. Price still is the deciding factor in most cases. Further, this industry is fragmented with many small and medium sized companies and entities, which manufactures some of these products at various levels, which may adversely affect our business operation and financial condition. Due to industry’s fragmented nature, there is no authentic data available to our Company on total industry size and markets share of our Company vis-a-vis the competitors. Further, there are no entry barriers in this industry and any expansion in capacity of existing manufacturers would further intensify competition. . Moreover, as we seek to diversify into new geographical areas, we face competition from competitors that have a pan-India presence and also from competitors that have a strong presence in regional markets. We intend to continue competing vigorously to capture more market share and manage our growth in an optimal way. Amongst listed Companies, we face competition from companies such as Morganite Crucible (India) Limited, Rhi Magnesita India Ltd and IFGL Refractories Limited, Rassi Refractories Limited.



FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings as on September 30, 2021 together with a brief description of certain significant terms / material covenants of the relevant financing arrangements.

(₹ in lakhs)

Nature of Borrowing	Amount
Secured Borrowings	378.31
Unsecured Borrowings	16.70
Total	395.01

A. Details of Secured Loans

(₹ in lakhs)

Name of Lenders	Type of Loan	Date of Sanction	Amount Sanctioned	Amount outstanding as on September 30, 2021	Security
Indusind Bank Limited	Cash Credit	December 24,2020	400.00	378.31	Note 1

Particulars	Interest Rate	Security Details
Note 1	Floating rate of CD Six months CC/OD + 4.48 presently 8% p.a. at monthly rest, presently applicable Bank's CD-Six Months – CC/OD is 3.52%	<p>Primary Security: Stock and Book debts</p> <p>Collateral Security:</p> <ol style="list-style-type: none"> M-10, MIDC, Industrial Area, Nagpur District – Nagpur. Standing in the name of M/s SP Refractories Limited All movable fixed assets of SP Refractories Limited <p>Additionally secured by Guarantors: Prajakta Prabodh kale, Shweta Prabodh kale, Namita Prabodh kale</p>

B. Details of Unsecured Borrowings:

Our Company during the past has availed some unsecured loans from Directors, the amount outstanding to them as on September 30, 2021 is set out below:

(₹ in lakhs)

Sr. No.	Nature of Borrowing	Amount
1.	Loan from Directors	16.70
Total		16.70

The above loans from Directors and Related Parties carry an interest rate of 12% p.a. and are repayable on demand



SECTION VIII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no:

A. (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; or (iv) Material Litigation (as defined below); involving our Company, Directors or Promoters. Our Board, in its meeting held on December 10, 2021 determined that all litigations pertaining to the company, its directors/promoters/group companies which are in the nature of criminal, statutory/regulatory and taxation related are deemed material by the Board. Further, the Board considers all other litigation pertaining to the company, its directors/promoters/group companies/subsidiaries which are above a claim amount equal to or exceeding 10 lakhs as material litigation (“Material Litigation”).

B. Disciplinary actions including penalty imposed by SEBI or stock exchanges against the Promoters in the last 5 (five) Financial years including outstanding action.

C. (i) outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on December 10, 2021, determined that all outstanding dues owed by the Company to small scale undertaking and other creditors exceeding 10 lakhs are considered as material by our Board and the same will be disclosed in the Annual report of the Company. Details of outstanding dues to creditors(including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI ICDR Regulations have been disclosed on our website at www.sprefractories.com.

Our Company, Directors and Promoters are not Wilful Defaulters or a fraudulent borrowers.

LITIGATION INVOLVING OUR COMPANY

A. LITIGATION AGAINST OUR COMPANY

1. Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY OUR COMPANY

1. Litigation Involving Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

LITIGATION INVOLVING OUR DIRECTORS

a) LITIGATION AGAINST OUR DIRECTORS

1. Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

b) LITIGATION FILED BY OUR DIRECTORS

1. Litigation Involving Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

LITIGATION INVOLVING OUR PROMOTERS

A. LITIGATION AGAINST OUR PROMOTERS

1. Litigation Involving Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Tax Liabilities

NIL

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY OUR PROMOTERS

1. Litigation Involving Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

LITIGATION INVOLVING GROUP COMPANY

A. LITIGATION AGAINST OUR GROUP COMPANY

1. Litigation involving Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY OUR GROUP COMPANY

1. Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL



Amounts owed to small scale undertakings and other creditors

As of September 30, 2021, our Company owes the following amounts to small scale undertakings, other creditors and material creditors:

Particulars	Number of Creditors	Amount involved (Rs. in lakhs)
Micro, Small and Medium Enterprise	39	50.76
Material Creditors	3	139.08
Other Creditor	1	2.93
Total Creditors	43	192.77

Details in relation to the amount owed by our Company to material creditors, small scale undertakings and other creditors as on September 30, 2021 are also available on www.sprefractories.com.

It is clarified that information provided on the website of our Company is not a part of this Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at its own risk.

Disciplinary action including penalty imposed by SEBI or stock exchanges against the promoters in the last five financial years

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoters during the last 5 financial years including outstanding actions.

Material developments occurring after last balance sheet date

Except as disclosed elsewhere in this Prospectus, there have been no material developments that have occurred after the Last Balance Sheet Date.



GOVERNMENT AND OTHER KEY APPROVALS

Our Company can undertake the Issue and our Company and Subsidiaries can undertake their respective current business activities, including on the basis of the list of material approvals provided below, and other than as stated below, no further material approvals from any regulatory authority are required to undertake the Issue or continue such business activities. Unless otherwise stated, these material approvals are valid as of the date of this Prospectus.

I. APPROVALS FOR THE ISSUE

1. The Board of Directors have, pursuant to Section 62(1)(c) and other applicable provisions of the Companies Act, 2013, by a resolution passed at its meeting held on December 03, 2021 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant to Section 62(1) (c) of the Companies Act, 2013, by special resolution passed in the extra ordinary general meeting held on December 07, 2021 authorized the Issue.
3. In-principle approval dated February 01, 2022 from the NSE Emerge for listing of the Equity Shares issued by our Company pursuant to the Issue.
4. Our Company's International Securities Identification Number (“ISIN”) is INE0JW501011.

II. APPROVALS PERTAINING TO INCORPORATION

A. Approvals obtained by the Company

1. Certificate of Incorporation dated January 18, 2007 issued under the name SP Refractories Private Limited by Registrar of Companies.
2. Fresh Certificate of Incorporation dated October 28, 2021 issued by Registrar of Companies pursuant to change of name from SP Refractories Private Limited to SP Refractories Limited.
3. The Corporate Identity Number of the Company is U51909MH2007PLC167114.

III. TAX AND LABOUR RELATED APPROVALS

A. Approvals obtained by the Company

Sr. No.	Description	Registration / Approval / Certificate Number	Issuing Authority	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)*	AAKCS5393R	Income Tax Department, Government of India	January 18, 2007	Valid until cancelled
2.	Tax Deduction Account Number (TAN)*	NGPS07898C	Income Tax Department, Government of India	July 4, 2007	Valid until cancelled
3.	Certificate of Registration and Allotment of Tax Identification Number (TIN) *	27760602094V	Department of Commercial Taxes, Government of Maharashtra	February-24-2011	Valid until cancelled
4.	Certificate of Registration issued under the provisions of Central Goods and Service Tax Act, 2017 for premise Plot No. 17, Dewan and Sons, Udyog Nagar, Mahim Palghar, Thane, Maharashtra, 401404*	27AAKCS5393R1Z9	Government of India	July 01, 2017	Valid until cancelled
5.	Certificate of Registration under the Employee Provident Fund	MH/66653	Regional Provident Fund Commissioner, Nagpur	October 22, 2008	Valid until cancelled



Sr. No.	Description	Registration / Approval / Certificate Number	Issuing Authority	Date of Issue	Date of Expiry
6.	Certificate of Registration under the Employee State Insurance Act, 1948.*	23-5463-67	Asst./Dy. Director, Employees' State Insurance Corporation	November 25, 2008	Valid until cancelled
7.	Certificate of Enrolment under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975*.	99691678275p	Commissioner of Sales tax	April 28, 2009	Valid until cancelled
8.	Certificate of Registration under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975*	27760602094P	Profession Tax Officer	March 06, 2009	Valid until cancelled

IV. KEY BUSINESS RELATED APPROVALS

A. Approvals obtained by the Company

Sr. No.	Description	Registration / Approval / Certificate Number	Issuing Authority	Date of Issue	Date of Expiry
1.	Factory License under Factories Act, 1948 for M- 10, MIDC, Hingna, Nagpur-440016, Maharashtra, India Maximum no. of workers that can be employed on any day during the year- 150*.	120502391900940	Directorate of Industrial Safety and Health	November 02,2021	December 31,2022
2	Consent to Establish under Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981 and Hazardous and Other Waste (Management and Trans boundary Movement) Rules, 2016*.	BO/MPCB/RO(HQ)/E/B- 1808000440	Maharashtra Pollution Control Board	August 09,2018	August 08,2023
3.	Consent to Operate under Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981 and Hazardous and Other Waste (Management and Trans boundary Movement) Rules, 2016*.	MPCB/UAN NO. 49835/180900221	Maharashtra Pollution Control Board	September 05, 2018	July 31, 2024
4.	Udyam Registration Certificate*	MH20B0021303	Ministry of Micro, Small and Medium Industries.	December 03, 2020	Valid until cancelled
5.	Electricity Approval for sanctioned load 39 KW with a CD: 62 KVA*	11884	Superintending Engineer Vasai Circle, Maharashtra State Electricity Distribution Co. Ltd.	October 05, 2012	Valid until cancelled

* Our Company has made applications to respective authorities for updating each of the aforesaid certificates to reflect its current name of our Company pursuant to conversion into a public limited company



V. INTELLECTUAL PROPERTY

For details regarding Intellectual Property, please refer chapter titled “Our Business” beginning on page no. 79 of this Prospectus.

VI. PENDING APPROVALS

A. *Pending For Renewal*

1. The Company has not yet applied to the concerned authorities for renewal of Certificate of Verification under the Maharashtra Legal Metrology (Enforcement) Rules, 2011 in respect of NAWI- Electronic scale.
2. The Company applied to the concerned authorities for renewal of Certificate of Contract Labour vide Application number 100049732109.

B. *Applications yet to be made*

1. The Company has not obtained No Objection Certificate from the concerned Fire Officer in accordance with the provisions of the Maharashtra Fire Prevention and Life Safety Measures Act, 2006, in respect of the Company’s manufacturing facility.



SECTION IX – OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Our Board of Directors have vide resolution dated December 03, 2021 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62 (1) (c) of the Companies Act, 2013.

The shareholders have authorized the Issue, by passing a Special Resolution at the Extra-Ordinary General Meeting held with a shorter notice on December 07, 2021 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

The Offer for Sale has been authorised by the Selling Shareholder by their consent letter dated December 01, 2021 and the No. of Equity Shares offered are as follows:

Sr. No.	Name of the Selling Shareholder	No. of Equity Shares Offered
1.	Shweta Prabodh Kale	1,24,800
2.	Prajakta Prabodh Kale	1,24,800
	Total	2,49,600

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

The Company has obtained approval from NSE vide letter dated February 01, 2022 to use the name of NSE in this Offer Document for listing of equity shares on the SME platform of the NSE i.e. EMERGE Platform of NSE. NSE is the designated stock exchange.

Prohibition by SEBI or Governmental Authorities

Our Company, our Promoters, Promoters Group, our Directors and our Selling Shareholders are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any other securities market regulator or any Governmental authority in any other jurisdiction or any other authority/court.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

Prohibition by RBI

Neither our Company, nor our Promoters, Selling Shareholders or Directors have been identified as a wilful defaulters or a fraudulent borrowers as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of this Prospectus.

Further, in view of the General Circular No. 07/2018 dated September 06, 2018 and General Circular No. 08/2018 dated September 10, 2018 issued by the Ministry of Corporate of Affairs, Government of India (“MCA”), our Company, our Promoters and our Promoters Group will ensure compliance with the SBO Rules, upon notification of the relevant forms, as may be applicable to them.

Association with Securities Market

We confirm that none of our Directors are associated with the Securities Market in any manner and no action has been initiated against these entities by SEBI at any time except as stated under the chapters titled “Risk factors”, “Our Promoters and Promoters Group”, “Our Group Company” and “Outstanding Litigations and Material Developments” beginning on page nos. 20,113 117 and153 respectively, of this Prospectus.



Eligibility for the Issue

Our Company is an “Unlisted Company” in terms of the SEBI (ICDR) Regulation; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

This Issue is being made in terms of Regulation 229 (1) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our Company whose post Issue face value capital does not exceed ten crores rupees, shall Issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”), in this case being the SME Platform of National Stock Exchange of India Limited i.e. EMERGE Platform of NSE).

As per Regulation 229 (3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of SME platform of the NSE in accordance with the Restated Standalone and Consolidated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations as below:

- Our Company was incorporated on January 18, 2007, with the Registrar of Companies, Mumbai under the Companies Act, 2013 in India.
- The Post-Issue paid up capital of the Company (face value) shall not be more than Rs. 25 Crores. The post Issue capital of our Company is Rs. 178.95 lakhs.
- Our Company has a track record of three years as on date of filing of this Prospectus.
- Our Company has positive cash accruals (Earnings before depreciation and tax) from operations for at least 2 (two) financial years preceding the date of filing of this Prospectus and the net worth of our Company is positive as per the latest audited financial statements.
- Our Company has not been referred to Board for Industrial and Financial Reconstruction (BIFR) and No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- No petition for winding up is admitted by a Court / NCLT of competent jurisdiction against our Company.
- No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the applicant Company.
- Our Company has a website: www.sprefractories.com

Our Company’s net worth and cash accruals from operations (earnings before depreciation and tax), based on the Restated Financial Statements included in this Prospectus for the period ended September 30, 2021 and for last three Fiscals ended March 31, 2021, 2020 and 2019 are set forth below:

(₹ in lakhs)

Particulars	For the period ended Sept 30, 2021	For the year ended March 31,		
		2021	2020	2019
Net Worth	547.80	467.06	391.71	351.79
Cash Accruals	121.38	128.24	77.71	50.50

⁽¹⁾ Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

⁽²⁾ Cash accruals” has been defined as the Earnings before depreciation and tax from operations.

Other Disclosures:

- We have disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting Company (ies), group Company (ies), companies promoted by the promoters/promoting Company (ies) of the applicant Company in the Prospectus.
- There are no Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting Company(ies), Company(ies), companies promoted



by the promoters/promoting Company(ies) during the past three years. Except as mentioned in the Prospectus. An auditor's certificate will be provided by the issuer to the exchange, in this regard.

- iii. We have Disclosed the details of the applicant, Promoters/Promoting Company(ies), Group Company(ies), companies promoted by the promoters/promoting Company(ies) litigation record, the nature of litigation, and status of litigation, For details, please refer the chapter “*Outstanding Litigation & Material Developments*” on page no. 153 of this Prospectus.
- iv. We have disclosed all details of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the Company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc. For Details, refer the chapter “*Outstanding Litigation & Material Developments*” on page no. 153 of this Prospectus.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- The Prospectus has been filed with NSE and our Company has made an application to NSE for listing of its Equity Shares on the EMERGE Platform of NSE. NSE is the Designated Stock Exchange.
- Our Company has entered into an agreement dated November 30, 2021 with CDSL and agreement December 08, 2021 with NSDL dated for dematerialisation of its Equity Shares already issued and proposed to be issued.
- The entire pre-Issue capital of our Company has shares fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- The entire Equity Shares held by the Promoters and Promoters Group is in dematerialised form.
- Our Company has made firm arrangements of finance through verifiable means towards seventy five per cent of the stated means of finance for funding from the issue proceeds, excluding the amount to be raised through the proposed public Issue or through existing identifiable internal accruals. For details, please refer the chapter “*Objects of the Issue*” on page no. 59 of this Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- (a) Neither our Company nor our Promoters, members of our Promoter Group or our Directors is debarred from accessing the capital markets by the SEBI.
- (b) None of our Promoters or Directors is Promoter or Directors of companies which are debarred from accessing the capital markets by the SEBI.
- (c) Neither our Company nor our Promoters or Directors is a wilful defaulters or a fraudulent borrowers.
- (d) None of our Promoters or Directors is a fugitive economic offender.

We further confirm that we shall be complying with all other requirements as laid down for such Issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

Further, in accordance with Regulation 268 (1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within four (4) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of four (4) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.



DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER, ARYAMAN FINANCIAL SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING 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 PROSPECTUS, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED SHALL FURNISH TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MARCH 03, 2022 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE PROSPECTUS.

Note:

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of section 26, 28 and 30 of the Companies Act, 2013.

Disclaimer from our Company, the Selling Shareholder and the Lead Manager

Our Company, the Selling Shareholder, the Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Issue Agreement.

All information shall be made available by our Company, the Selling Shareholders (to the extent that the information pertain to themselves and their respective portion of the Offered Shares) and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Applying Centers or elsewhere.

None among our Company or the Selling Shareholders is liable for any failure in (i) uploading the Applications due to faults in any software/ hardware system or otherwise; or (ii) the blocking of Applications Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism

Applying will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters 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 Offer, allot, 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, the Selling Shareholders 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 Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Selling Shareholders and their respective group companies, 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 or become customers to our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

This Issue is being made in India to persons resident in India including Indian nationals resident in India (who are not minors, except through their legal guardian), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. The Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause of the NSE

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/1488 dated February 01, 2022, permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.



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 Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Listing

Application has been made to EMERGE Platform of National Stock Exchange of India Limited for obtaining permission for listing of the Equity Shares being offered and sold in the Issue on its SME Platform after the allotment in the Issue. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within fifteen days from the closure of the Issue or such lesser time as may be specified by Securities and Exchange Board or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the EMERGE Platform of National Stock Exchange of India Limited mentioned above are taken within 6 Working Days of the Issue Closing Date.

The Company has obtained approval from NSE vide letter dated February 01, 2022 to use the name of NSE in this Offer document for listing of equity shares on EMERGE Platform of National Stock Exchange of India Limited.

Price Information of past issues handled by the Lead Manager

Sr. No.	Issue Name	Issue size (M in Cr.)	Issue Price (M)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing	
1.	Fabino Life Sciences Limited	3.24	36.00	13-01-22	38.45	-1.53%	-5.03%	NA	NA	NA	NA
2.	Suyog Gurbaxani Funicular Ropeways Ltd.	29.50	45.00	16-11-21	45.45	12.44%	-4.01%	-4.01%	1.11%	NA	NA
3.	CWD Ltd.	18.01	180.00	13-10-21	180.90	30.39%	-0.08%	100.83%	-0.20%	NA	NA
4.	Gretex Corporate Services Ltd.	5.13	170.00	09-08-21	172.00	9.38%	7.07%	19.29%	10.41%	17.65%	7.80%
5.	Times Green Energy (India) Ltd.	4.05	61.00	30-06-21	61.40	0.08%	0.20%	3.28%	13.69%	0.08%	9.41%
6.	Adeshwar Meditex Ltd.	9.75	25.00	28-06-21	25.25	0.20%	-0.55%	14.00%	13.87%	44.20%	8.32%
7.	Pavna Industries Ltd.	29.70	165.00	09-03-21	165.60	0.06%	-1.49%	1.21%	4.33%	9.09%	14.74%
8.	Net Pix Shorts Digital Media Ltd.	2.70	30.00	02-12-20	30.15	0.83%	7.29%	0.17%	12.73%	14.50%	8.80%
9.	Atal Realtech Ltd.	10.83	72.00	15-10-20	70.20	-31.94%	9.42%	-52.78%	24.70%	-51.94%	24.18%
10.	Nirmittee Robotics India Ltd.	3.24	185.00	21-04-20	189.00	19.46%	0.97%	35.14%	22.14%	79.86%	30.51%

Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year)

Financial Year	Total no. of IPOs	Total Funds Raised (M in Cr.)	Nos. of IPOs trading at discount - 30 th calendar day from listing day			Nos. of IPOs trading at premium - 30 th calendar day from listing day			Nos. of IPOs trading at discount - 180 th calendar day from listing day			Nos. of IPOs trading at premium - 180 th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22	6	69.68	0	0	0	0	1	4	0	0	0	0	1	1
2020-21	4	46.47	0	1	0	0	0	3	1	0	0	1	0	2
2019-20	7 ⁽¹⁾	103.47	0	0	1	0	0	4	0	1	2	0	0	4

⁽¹⁾As on the 30th Calendar day from the listing day, the price of Galactico Corporate Services Ltd. was exactly equal to its Issue Price and hence it is neither trading at Premium or Discount.

Notes:

- ⁽¹⁾ Since the listing date of Fabino Life Sciences Limited was on January 13, 2022, information related to closing price and benchmark index as on the 90th and 180th Calendar day from the listing date is not available.
- ⁽²⁾ Since the listing date of Suyog Gurbaxani Funicular Ropeways Limited was on November 16, 2021, information related to closing price and benchmark index as on the 180th Calendar day from the listing date is not available.
- ⁽³⁾ Since the listing date of CWD Limited on October 13, 2021, information related to closing price and benchmark index as on the 180th Calendar day from the listing date is not available.
- ⁽⁴⁾ The respective Designated Stock Exchange for each Issue has been considered as the Benchmark index for each of the above Issues.
- ⁽⁵⁾ In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.
- ⁽⁶⁾ Source: www.bseindia.com and www.nseindia.com BSE Sensex and Nifty Fifty as the Benchmark Indices



Track record of past issues handled by the Lead Manager

For details regarding the track record of the Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please see the website of Aryaman Financial Services Limited – www.afsl.co.in

Stock Market Data of Equity Shares

This being an initial public offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Consents

Consents in writing of: (a) The Selling Shareholder, the Directors, the Chief Financial Officer, Company Secretary & Compliance Officer and the Statutory Auditors; and (b) the Lead Manager, Registrar to the Issue, the Legal Advisors to the Issue, Banker to the Company, Banker to the Issue, Market Maker and Underwriters to act in their respective capacities, have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Section 26 and 28 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, M/s. Zoeb Anwar & Co., Chartered Accountants, have provided their written consent to the inclusion of their Report on Restated Financial Statements dated February 24, 2022 and Report on Statement of Tax Benefits dated February 24, 2022 which may be available to the Company and its shareholders, included in this Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Prospectus.

Expert Opinion

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

Our Company has received written consent from the Statutory Auditor namely, M/s. Zoeb Anwar & Co., Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect to their Report on Restated Financial Statements dated February 24, 2022 and Report on Statement of Tax Benefits dated February 24, 2022 and issued by them, included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Caution

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MoU for Issue Management entered into among the Lead Manager, the Promoter Selling Shareholders and our Company dated December 18, 2021 and addendum dated February 24, 2022, the Underwriting Agreement dated February 25, 2022 entered into among the Underwriter, our Company and the Promoter Selling Shareholders and the Market Making Agreement dated February 25, 2022 entered into among the Market Maker, Lead Manager and our Company. All information shall be made available by us and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres or elsewhere.

CAPITAL ISSUE DURING THE LAST FIVE YEARS

Previous Public and Rights Issues

We have not made any rights and public issues in the past, and we are an “Unlisted Company” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.



Previous Issues of Equity Shares otherwise than for Cash

Except as stated in the chapter titled “*Capital Structure*” beginning on page no.50 of this Prospectus, we have not issued any Equity Shares for consideration other than for cash.

Commission and Brokerage Paid on Previous Issues of our Equity Shares

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

Capital Issues in the last three (3) years by Listed Group Company (ies) / Subsidiaries / Associates

None of our Group Company(ies) / Subsidiaries / Associates that are listed on any Stock Exchange has made any Capital Issue in the last three (3) years.

PERFORMANCE VIS-À-VIS OBJECTS

Our Company

Our Company has not made any public issue (including any rights issue to the public) since its incorporation.

Listed Subsidiaries / Promoters

None of our Subsidiaries / Promoters is listed on any Stock Exchange and not made any rights and public issues in the past five (5) years.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY THE COMPANY

The Company has no outstanding debentures or bonds. The Company has not issued any redeemable preference shares or other instruments in the past.

DISPOSAL OF INVESTOR GRIEVANCES

Mechanism for Redressal of Investor Grievances

The Company and the Selling Shareholder has appointed Bigshare Services Private Limited as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue will handle investor’s grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-ordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

The Company shall obtain authentication on the SCORES and comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES

Our Board by a resolution on December 10, 2021 constituted a Stakeholders Relationship Committee. The composition of the Stakeholders Relationship Committee is as follows:



Name of the Directors	Nature of Directorship	Designation in Committee
Prajakta Prabodh Kale	Non-Executive Director	Chairman
Manish Tarachand Pande	Non – Executive Independent Director	Member
Shweta Prabodh Kale	Executive Director	Member

For further details, please see the chapter titled “*Our Management*” beginning on page no. 100 of this Prospectus.

The Company has also appointed Shreeya Jajoo as the Company Secretary and Compliance Officer for this Issue and she may be contacted at the Registered Office of our Company. The contact details are as follows:

Name: Shreeya Jajoo

Address: M-10, M-11/1 & M-11/2,
MIDC Industrial Area, Hingna Road,
Nagpur - 440016

Tel No: 07104-235388/07104-235399

Email: info@sprefractories.com

Investors can contact the Compliance Officer or the Registrar to the Issue or the Lead Manager in case of any pre- Issue or post- Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary accounts and refund orders.

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

Disposal of Investor Grievances by Listed Companies under the Same Management

For details of Investor Grievances by Listed Companies under the same Management, see the chapter “*Our Group Company*” beginning on page no. 117 of this Prospectus.

Exemption from complying with any provisions of securities laws, if any

Not Applicable



SECTION X – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being Allotted pursuant to this Issue shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of the Prospectus, the Abridged Prospectus, Application Form, any Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange(s), the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchange(s), the RoC and/or any other authorities while granting its approval for the Issue.

Ranking of Equity Shares

The Equity Shares being issued and transferred shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association, SEBI ICDR Regulations, SCRA and shall rank pari-passu in all respects including dividend with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment.

For further details, please see the section titled "Main Provisions of Articles of Association" on page no. 199 of this Prospectus.

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 (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Applicants who have been Allotted Equity Shares in the Issue, for the entire year, in accordance with applicable law. For further details, in relation to dividends, see "Dividend Policy" and "Main Provisions of the Articles of Association" beginning on page nos. 118 and 199 of this Prospectus.

Face Value and Issue Price

The Equity Shares having a face value of ₹ 10 each are being issued in terms of this Prospectus at the price of ₹ 90 per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled "Basis for Issue Price" beginning on page no. 64 of this Prospectus.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- ✓ Right to receive dividend, if declared;
- ✓ Right to 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 offer 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; and
- ✓ Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the listing agreements with the Stock Exchange and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc., please see the section titled “*Main Provisions of Articles of Association*” beginning on page no. 199 of this Prospectus.

Allotment only in Dematerialised Form

In terms of Section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar and Share Transfer Agent to the Issue:

- 1) Tripartite agreement dated November 30, 2021 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.
- 2) Tripartite agreement dated December 08, 2021 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.

Market Lot and Trading Lot

Trading of the Equity Shares will happen in the minimum contract size of 1,600 Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by NSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of 1,600 Equity Share subject to a minimum allotment of 1,600 Equity Shares to the successful Applicants.

Minimum Number of Allottees

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within 6 Working days of closure of Issue.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Jurisdiction

The courts of Mumbai, India will have exclusive jurisdiction in relation to this Issue.

Nomination Facility to Investor

In accordance with Section 72(1) & 72(2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72(3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72(4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.



In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- ✓ 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.

In case the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Withdrawal of the Issue

Our Company and Selling Shareholders in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice will be issued by our Company within two (2) Working Days of the Issue Closing Date, providing reasons for not proceeding with the Issue. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchange will also be informed promptly.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs and Sponsor Bank (in case of RII's using the UPI Mechanism), to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. If our Company and the Selling Shareholder withdraws the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh Draft Prospectus with the stock exchange where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

ISSUE PROGRAMME

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Issue Opening Date	March 09, 2022
Issue Closing Date	March 11, 2022
Finalisation of Basis of Allotment with the Designated Stock Exchange	March 16, 2022
Initiation of Allotment / Refunds / Unblocking of Funds ⁽¹⁾	March 17, 2022
Credit of Equity Shares to demat accounts of Allottees	March 21, 2022
Commencement of trading of the Equity Shares on the Stock Exchange	March 22, 2022

⁽¹⁾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 Issue Closing Date, the Applicants shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable

The above timetable is indicative and does not constitute any obligation on our Company or the Selling Shareholders or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for



the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Applications and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Applications and any revision to the same shall be accepted between 10.00 a.m. and 3.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company nor the Selling Shareholders nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or the electronic Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSB or the member of the Syndicate for rectified data.

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if our Company does not receive the minimum subscription in the Issue or subscription level falls below aforesaid minimum subscription after the Issue Closing Date due to withdrawal of Applications or after technical rejections or any other reason; or in case of devolvement of Underwriting, aforesaid minimum subscription is not received within 60 days from the date of Issue Closing Date or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares in the Issue, our Company shall forthwith refund the entire subscription amount received in accordance with SEBI Regulations, the Companies Act, 2013 and applicable laws including the SEBI circular bearing no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and every Director of our Company, who are officers in default, shall pay interest at the rate of 15% per annum Subject to applicable law, a Selling Shareholders shall not be responsible to pay interest for any delay, unless such delay has been caused solely by such Selling Shareholders

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through this Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1, 00,000 (Rupees One Lakh) per application.

The Equity Shares have not been and will not registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the application law of such jurisdiction.



Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of 1,600 shares. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the EMERGE platform of NSE.

Restrictions, if any, on transfer and transmission of shares or debentures and on their consolidation or splitting

The lock-in of the pre- Issue capital of our Company as provided in “*Capital Structure*” beginning on page no. 50 of this Prospectus and except as provided in our Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, see “*Main Provisions of Articles of Association*” beginning on page no. 199 of this Prospectus.

New Financial Instruments

As on the date of this Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue.

Allotment of Securities in Dematerialised Form

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

Migration to Main Board

In accordance with the NSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the EMERGE Platform of NSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the NSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter IX of the SEBI ICDR Regulation, our Company may migrate to the main board of NSE from the EMERGE Platform of NSE on a later date subject to the following:

- If the Paid up Capital of the company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
- If the Paid up Capital of the company is more than ₹ 10 crores but below ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares issued through this Issue are proposed to be listed on the EMERGE Platform of NSE with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on EMERGE Platform of NSE. For further details of the market making arrangement please refer the chapter titled “General Information” beginning on page no. 42 of this Prospectus.



ISSUE STRUCTURE

This issue is being made in terms of Regulation 229 (1) of the Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our post issue face value capital does not exceed ten crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the EMERGE Platform of NSE). For further details regarding the salient features and terms of such this Issue, please see the chapters titled "Terms of the Issue" and "Issue Procedure" beginning on page nos. 172 and 180 respectively, of this Prospectus.

Issue Structure

Initial Public Offer of 5,47,200 Equity Shares for cash at a price of ₹ 90 per Equity Share (including a Share Premium of ₹ 80 per Equity Share), aggregating ₹ 492.48 Lakhs consisting of a Fresh Issue of 2,97,600 Equity Shares aggregating up to ₹ 267.84 Lakhs by our Company and an Offer for Sale of 2,49,600 Equity Shares aggregating ₹ 224.64 Lakhs by the Promoter Selling Shareholders.

The Issue comprises a reservation of 28,800 Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion") and Net Issue to Public of 5,18,400 Equity Shares of ₹ 10 each ("the Net Issue"). The Issue and the Net Issue will constitute 30.58% and 28.97%, respectively of the post Issue paid up equity share capital of the Company. The Issue is being made through the Fixed Price Process.

Particulars	Net Issue to Public	Market Maker Reservation Portion
Number of Equity Shares available for allocation ⁽¹⁾	5,18,400 Equity Shares	28,800 Equity Shares
Percentage of Issue Size available for Allocation	94.74% of the Issue Size	5.26% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of 1,600 Equity Shares and further allotment in multiples of 1,600 Equity Shares each. ⁽¹⁾ For further details please refer section explaining the Basis of Allotment in the GID.	Firm Allotment
Mode of Application	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Investors using Syndicate ASBA).	
Mode of Allotment	Compulsorily in dematerialised form.	
Minimum Application Size	<i>For Other than Retail Individual Investors:</i> Such number of Equity Shares in multiples of 1,600 Equity Shares such that the Application Value exceeds ₹ 2, 00,000. <i>For Retail Individuals Investors:</i> 1,600 Equity Shares	28,800 Equity Shares
Maximum Application Size	<i>For Other than Retail Individual Investors:</i> Such number of Equity Shares in multiples of 1,600 Equity Shares such that the Application Size does not exceed 5,18,400 Equity Shares, subject to applicable limits to the Applicant. <i>For Retail Individuals Investors:</i> Such number of Equity Shares in multiples of 1,600 Equity Shares such that the application value does not exceed ₹ 2,00,000.	28,800 Equity Shares
Trading Lot	1,600 Equity Shares	1,600 Equity Shares. However the



Particulars	Net Issue to Public	Market Maker Reservation Portion
		Market Maker may buy odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Who can Apply ⁽²⁾	<p><i>For Other than Retail Individual Investors:</i></p> <p>Resident Indian individuals, Eligible NRIs, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions societies and trusts.</p> <p><i>For Retail Individuals Investors:</i></p> <p>Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs.</p>	Market Maker
Terms of Payment ⁽³⁾	The entire Application Amount will be payable at the time of submission of the Application Form.	
Application Lot Size	1,600 Equity Share and in multiples of 1,600 Equity Shares thereafter	

⁽¹⁾ Since present issue is a fixed price issue, the allocation in the net Issue to the public category in terms of Regulation 253(2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

- a) Minimum fifty per cent to retail individual investors; and
- b) Remaining to:
 - (i) individual applicants other than retail individual investors; and
 - (ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

Explanation - For the purpose of sub-regulation (2), if the retail individual investor category is entitled to more than fifty per cent of the Offer size on a proportionate basis, the retail individual investors shall be allocated that higher percentage.”

²⁾ In case of joint Applications, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders.

⁽³⁾ In case of ASBA Applicants, the SCSB shall be authorised to block such funds in the bank account of the ASBA Applicant (including retail applicants applying through UPI mechanism) that are specified in the Application Form. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

ISSUE PROGRAMME

ISSUE OPENING DATE	March 09, 2022
ISSUE CLOSING DATE	March 11, 2022

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form. On the Issue Closing Date applications will be accepted only between 10.00 a.m. to 4.00 p.m. (Indian Standard Time).

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1.00 p.m. IST on the Issue Closing Date. Any time mentioned in this Prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public Issues, some



applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday)

Lot Size

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the “Circular”) standardized the lot size for Initial Public Issue proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

Issue Price(in ₹)	Lot Size(No. of shares)
Upto 14	10,000
More than 14 up to 18	8,000
More than 18 up to 25	6,000
More than 25 up to 35	4,000
More than 35 up to 50	3,000
More than 50 up to 70	2,000
More than 70 up to 90	1,600
More than 90 up to 120	1,200
More than 120 up to 150	1,000
More than 150 up to 180	800
More than 180 up to 250	600
More than 250 up to 350	400
More than 350 up to 500	300
More than 500 up to 600	240
More than 600 up to 750	200
More than 750 up to 1,000	160
Above 1,000	100

Further to the circular, at the Initial Public Offer stage the Registrar to Issue in consultation with Book Running Lead Manager, our Company and NSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO Lot Size at the application/allotment stage, facilitating secondary market trading. At the Initial Public Offering stage if the price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into. For example: if the proposed price band is at 24-28 then the Lot size shall be 4,000 shares.



ISSUE PROCEDURE

All Applicants should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 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 Securities contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchange and the LM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Applications by Retail Individual Applicant through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Applicants 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 Issue size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From 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.

SEBI through its circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 as amended from time to time, including pursuant to circular SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days (“UPI Phase I”), until June 30, 2019. Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), with effect from July 1, 2019, by SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors (“UPI Phase III”), as may be prescribed by SEBI. Accordingly, the Issue has been considered to be made under UPI Phase II, till any further notice issued by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. These circulars, to the extent already in force, are deemed to form part of this Prospectus

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 Issue Closing Date, the Applicants shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Our Company, the Selling Shareholders and Lead Manager 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 Prospectus. Applicants are advised to make their independent investigations and ensure that their Application 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 Prospectus and the Prospectus.

Further, the Company, the Selling Shareholders and the LM are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RII had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public Issue closure to listing continued to be six working days.

Phase II: This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three working days.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI Mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager.

FIXED PRICE ISSUE PROCEDURE

The Issue is being made in compliance with the provisions of Reg. 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be offered to Non Retail Category i.e. QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject compliance with Regulation 253(2) of the SEBI ICDR Regulations and subject to valid Applications being received from them at or above the Issue Price.

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



Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number/UPI ID (for RII Applicants using the UPI Mechanism), shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

APPLICATION FORM

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and the Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the NSE (www.nseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

All Applicants shall mandatorily participate in the Issue only through the ASBA process. RIIs are mandatorily required to use the UPI Mechanism for submitting their Applications to Designated Intermediaries and are allowed to use ASBA Process by way of ASBA Forms to submit their Applications directly to SCSBs.

RIIs applying using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Application Form and the Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Applicants (including Applicants using UPI Mechanism) must provide bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected or the UPI ID, as applicable, in the relevant space provided in the ASBA Form. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. RIIs using the UPI Mechanism may also apply through the mobile applications using the UPI handles as provided on the website of the SEBI

ASBA Applicants shall ensure that the Applications are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Applying Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIIs using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Registered Brokers, RTAs or CDPs. RIIs authorising an SCSB to block the Application Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Applicants must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Application Amount can be blocked by the SCSB or the Sponsor Bank, as applicable, at the time of submitting the Application

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour ⁽¹⁾
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

⁽¹⁾ Excluding electronic Application Form

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Application details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic applying system of the Stock Exchanges. For RIIs using UPI Mechanism, the Stock Exchanges shall share the Application details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds. For ASBA Forms (other than RIIs) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Applicants has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic Application 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 Application details already uploaded



For RIIs using UPI mechanism, the Stock Exchanges shall share the Application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIIs, 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 Application entered in the Stock Exchange bidding platform, and the liability to compensate RIIs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the Banker to an 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 an Issue. The Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Banker to the Issue for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021

The Sponsor Bank will undertake a reconciliation of Application responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Application requests and responses throughout their lifecycle on daily basis and share reports with the LM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and Issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with Issuer banks and Sponsor Banks on a continuous basis

Electronic registration of Applications

The Designated Intermediary may register the Applications using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Issue on a regular basis before the closure of the Issue.

On the Issue Closing Date, the Designated Intermediaries may upload the Applications till such time as may be permitted by the Stock Exchanges and as disclosed in the Prospectus.

Only Applications that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next working day following the Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Issue Period after which the Stock Exchange(s) send the Application information to the Registrar to the Issue for further processing

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 Regulation S) 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 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 Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Who Can Apply?

In addition to the category of Applicants set forth in the *General Information Document*, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- Scientific and/or industrial research organizations in India, which are authorised to invest in equity shares; and
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.



PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER, PROMOTERS, PROMOTER GROUP AND PERSONS RELATED TO PROMOTERS/PROMOTER GROUP

The LM 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 LM may subscribe to or purchase Equity Shares in the Issue, either in the QIB Portion or in Non Institutional Portion as may be applicable to such Applicants. Such Applying and subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of LM, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the LM or any associates of the LM, except Mutual Funds sponsored by entities which are associates of the LM or insurance companies promoted by entities which are associate of LM or AIFs sponsored by the entities which are associate of the LM or FPIs (other than individuals, corporate bodies and family offices), sponsored by the entities which are associates of the LM nor; (ii) any “person related to the Promoters 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 Promoters and members of the Promoter Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoters and members of the Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Our Promoters and members of our Promoter Group will not participate in the Issue, except in their capacity as Selling Shareholders tendering Equity Shares in the Offer for Sale

APPLICATION BY MUTUAL FUNDS

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company and the Selling shareholders in consultation with Lead Manager, reserves the right to reject any Application, without assigning any reason thereof. The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with the SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that such Applications clearly indicate the scheme concerned for which the Application is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company’s paid up share capital carrying voting rights.

APPLICATION by HUFs

Applications by HUFs Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: “Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Applications by HUFs may be considered at par with Applications from individuals.

APPLICATION BY ELIGIBLE NRIs

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Applicant applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of RIIs using the UPI Mechanism) to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) ASBA Accounts, and eligible NRI Applicant applying on a non-repatriation basis by using Resident Forms should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of RIIs applying using the UPI Mechanism) to block their Non-Resident Ordinary (“NRO”) accounts for the full Application Amount, at the time of the submission of the Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA regulations. NRIs applying in the Issue



through the UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such Application.

Eligible NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Issue, provided the UPI facility is enabled for their NRE / NRO accounts

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non- Residents (blue in colour).

For details of investment by NRIs, see “*Restrictions in Foreign Ownership of Indian Securities*” on page no. 198 of this Prospectus. Participation of eligible NRIs shall be subject to NDI Rules

APPLICATION BY FPI

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Non-Debt Instruments Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Non-Debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Applications made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any Applications without assigning any reason.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Issue to ensure there is no breach of the investment limit, within the timelines for Issue Procedure, as prescribed by SEBI from time to time.

AFPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognized stock exchange in India, and/ or may purchase or sell securities other than equity instruments.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may Offer, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to, inter alia, the following conditions:



- i. each offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- ii. Prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

The FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Further, Applications received from FPIs bearing the same PAN will be treated as multiple Applications and are liable to be rejected, except for Applications 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 Applications have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Applications 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 Applications, FPIs making multiple Applications 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 Application Forms that the relevant FPIs making multiple Applications 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 Applications will be rejected

Participation of FPIs in the Issue shall be subject to the FEMA Rules

APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS (VCF) AND FOREIGN VENTURE CAPITAL INVESTORS (FVCI)

The SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the SEBI VCF Regulations venture capital funds which have not re-registered as AIFs 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. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs

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 their investible funds in one Investee Company. A category III AIF cannot invest more than 10% of their investible funds in one Investee Company. A VCF registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. 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.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA Rules

Our Company, the Selling Shareholders or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only, and net of bank charges and commission.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing which, the Company and the Selling Shareholders in consultation with the LM, reserves the right to reject any application, without assigning any reason thereof.



APPLICATIONS BY INSURANCE COMPANIES

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company and the Selling Shareholders in consultation with the Lead Manager reserves the right to reject any Application 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:

- a. 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;
- b. 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
- c. 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 ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000 million or more but less than ₹ 2,500,000 million.*

Insurer companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by the IRDA from time to time including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (“**IRDA Investment Regulations**”).

APPLICATION BY PROVIDENT FUNDS / PENSION FUNDS

In case of Applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 25 Crores, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Application Form. Failing this, the Company and the Selling Shareholders in consultation with the Lead Manager reserves the right to reject any application, without assigning any reason thereof.

APPLICATIONS BY BANKING COMPANIES

In case of Applications 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 Application Form, failing which our Company and the Selling Shareholders in consultation with the LM, reserve the right to reject any Application without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the “Banking Regulation Act”), and Master Direction –Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 is 10% of the paid-up share capital of the investee company or 10% of the bank’s own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank’s paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI, provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank’s interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-



financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended. Applications by banking companies should not exceed the investment limits prescribed for them under the applicable laws

APPLICATION BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Applications made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the Lead Manager, reserves the right to reject any Application without assigning any reason thereof. Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

APPLICATIONS BY SCSBS

SCSBS participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013 issued by SEBI. Such SCSBS are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBS. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

APPLICATION UNDER POWER OF ATTORNEY

In case of Applications 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 ₹ 250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 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 Application Form. Failing this, our Company and the Selling Shareholders in consultation with the LM, reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. Our Company and the Selling Shareholders in consultation with the LM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company and the Selling Shareholders in consultation with the LM, may deem fit.

The above information is given for the benefit of the Applicants. Our Company, the Selling Shareholders and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure any single Application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus or the Prospectus

In accordance with RBI regulations, OCBs cannot participate in the Issue.

Information for the Applicants

In addition to the instructions provided to the Applicants in the *General Information Document for Investing in Public Issues*, Applicants are requested to note the following additional information in relation to the Issue.

1. The Issue Period shall be for a minimum of three Working Days and shall not exceed ten working days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding ten Working Days
2. The relevant Designated Intermediary will enter each Application into the electronic applying system as a separate Application and generate an acknowledgement slip ("**Acknowledgement Slip**"), for each price and demand option and give the same to the Applicant. Therefore, an Applicant can receive up to three Acknowledgement Slips for



each Application Form. It is the Applicant's responsibility to obtain the TRS from the relevant Designated Intermediary. The registration of the Application 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 Applicant revises his or her Application (in case of revision in the Price), 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 Application.

3. In relation to electronic registration of Applications, the permission given by the Stock Exchanges to use their network and software of the electronic applying 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 Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus or the Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
4. In the event of an upward revision in the Price, Retail Individual Applicants could either (i) revise their Application or (ii) shall make additional payment based on the revised Price (such that the total amount i.e., original Application Amount plus additional payment does not exceed ₹ 200,000. The revised Applications must be submitted to the same Designated Intermediary to whom the original Application was submitted. If the total amount (i.e., the original Application Amount plus additional payment) exceeds ₹ 200,000, the Applicant will be considered for allocation under the Non-Institutional Portion. If, however, the Retail Individual Applicant does not either revise the Application or make additional payment the number of Equity Shares applied for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Retail Individual Applicant and the Retail Individual Applicant is deemed to have approved such revised Application.
5. In the event of a downward revision in the Price, Retail Individual Applicant may revise their Application; otherwise, the excess amount paid at the time of Application would be unblocked after Allotment is finalised.
6. Any revision of the Application shall be accompanied by instructions to block the incremental amount, if any, to be paid on account of the upward revision of the Application.

The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Application(s) or lower the size of their Application(s) (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can revise their Application(s) during the Issue Period and withdraw their Application(s) until Issue Closing Date

Do's:

- 1) Check if you are eligible to apply as per the terms of this Prospectus and under applicable law, rules, regulations, guidelines and approvals; All Applicants should submit their Applications through the ASBA process only;
- 2) Ensure that you have apply within the Price Band
- 3) Read all the instructions carefully and complete the Application Form in the prescribed form;
- 4) Ensure that you have mentioned the correct ASBA Account number if you are not an RII applying using the UPI Mechanism in the Application Form and if you are an RII using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle) in the Application Form;
- 5) Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except in case of electronic Applications) within the prescribed time. Retail



Individual Applicants using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;

- 6) RIIs Applying in the Issue shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI (only for RIIs using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
- 7) Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries.
- 8) In case of joint Applications, ensure that first applicant is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first applicant is included in the Application Form;
- 9) Ensure that you request for and receive a stamped acknowledgement counterfoil by specifying the application number for all your Applications options as proof of registration of the Application Form for all your Applications options from the concerned Designated Intermediary;
- 10) If the first Applicants is not the ASBA Account holder (or the UPI-linked bank account holder, as the case may be), ensure that the Application Form is signed by the ASBA Account holder (or the UPI-linked bank account holder, as the case may be);
- 11) Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Applicant is included in the Application Forms. PAN of the First Applicant is required to be specified in case of joint Applications;
- 12) Ensure that you submit the revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- 13) Retail Individual Investors not using the UPI Mechanism, should submit their Application Form directly with SCSBs and not with any other Designated Intermediary;
- 14) Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (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) Applications 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 Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- 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 Application Form;
- 17) Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- 18) Ensure that Applications submitted by any person outside India is in compliance with applicable foreign and Indian laws;



- 19) Application by Eligible NRIs for a Amount of less than ₹ 2,00,000 would be considered under the Retail Category for the purposes of allocation and Applications for a Amount exceeding ₹ 2,00,000 would be considered under the Non-Institutional Category for allocation in the Issue
- 20) Since the allotment will be in dematerialised form only, ensure that the Applicant's depository account is active, the correct DP ID, Client ID , PAN and UPI ID, if applicable, are mentioned in their Application Form and that the name of the Applicant, the DP ID, Client ID , PAN and UPI ID, if applicable, 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, PAN and UPI ID, if applicable, available in the Depository database;
- 21) In case of ASBA Applicants (other than Retail Individual Applicants using UPI Mechanism), ensure that while Applying through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Applying 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>);
- 22) Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Issue Closing Date;
- 23) Ensure that when applying in the Issue using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the mobile application and the UPI handle being used for making the application in the Issue is also appearing in the "list of mobile applications for using UPI in public issues" displayed on the SEBI website
- 24) Ensure that you have correctly signed the authorisation/undertaking box in the 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 Application Amount mentioned in the Application Form at the time of submission of the Application. Application, in case of RIIs submitting their Applications and participating in the Issue through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Issue Amount and subsequent debit of funds in case of Allotment;
- 25) Retail Individual Applicants using the UPI Mechanism shall ensure that details of the Application 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 Applicant shall be deemed to have verified the attachment containing the application details of the Retail Individual Applicant in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount specified in the Application Form;
- 26) However, Applications received from FPIs bearing the same PAN shall not be treated as multiple Applications in the event such FPIs utilise the MIM Structure and such Applications have been made with different beneficiary account numbers, Client IDs and DP IDs;
- 27) FPIs making MIM Applications using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Applications are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Applications shall be rejected;
- 28) Retail Individual Applicants who wish to revise their Applications using the UPI Mechanism should submit the revised Applications with the Designated Intermediaries, pursuant to which RIIs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Application Amount in the RII's ASBA Account and
- 29) Ensure that the Demographic Details are updated, true and correct in all respects

The Application Form were liable to be rejected if the above instructions, as applicable, were not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 were liable to be rejected.

**Don'ts:**

- 1) Do not apply for lower than the minimum Application size;
- 2) Do not submit a Application using UPI ID, if you are not a RII;
- 3) Do not apply for an Amount exceeding ₹ 2, 00,000 (for Applications by Retail Individual Applicants).
- 4) Do not pay the Application Amount in cheques, demand drafts or by cash, money order or postal order or by stock invest or any mode other than blocked amounts in the bank account maintained with SCSB;
- 5) Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- 6) Do not Apply at Cut-off Price (for Applications by QIBs and Non-Institutional Applicants);
- 7) Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
- 8) Do not submit the Applications for an amount more than funds available in your ASBA account.
- 9) Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
- 10) In case of ASBA Applicants, do not submit more than one ASBA Forms per ASBA Account;
- 11) If you are a Retail Individual Applicant and are using UPI Mechanism, do not submit more than one Application Form for each UPI ID;
- 12) If you are a Retail Individual Applicant 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;
- 13) Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
- 14) Do not Apply on a Application Form that does not have the stamp of the relevant Designated Intermediary;
- 15) Do not submit the General Index Register (GIR) number instead of the PAN;
- 16) Do not submit incorrect details of the DP ID, Client ID PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- 17) Do not submit a Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- 18) Do not Apply 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);
- 19) Do not submit a Application/revise a Issue Amount, with a price less than the Issue Price;
- 20) Do not submit your Apply after 3.00 pm on the Issue Closing Date;
- 21) If you are a QIB, do not submit your Application after 3:00 pm on the QIB Issue Closing Date;
- 22) Do not Apply on another ASBA Form after you have submitted a Application to any of the Designated Intermediaries;
- 23) Do not Apply for Equity Shares in excess of what is specified for each category;



- 24) Do not fill up the Application Form such that the Equity Shares Application 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 Prospectus;
- 25) Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are available for blocking in the relevant ASBA Account or in the case of RIIs Applying using the UPI Mechanism, in the UPI-linked bank account where funds for making the Application are available;
- 26) Do not withdraw your Application or lower the size of your Application (in terms of quantity of the Equity Shares or the Application Amount) at any stage, if you are a QIB or a Non-Institutional Applicants. Retail Individual Applicant can revise their Applications during the Issue Period and withdraw their Applications on or before the Issue Closing Date;
- 27) Do not Apply, if you are an OCB;
- 28) Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Applications submitted by RIIs using the UPI Mechanism;
- 29) RIIs Applying through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected;
- 30) Do not submit more than one Application Form for each UPI ID in case of RIIs Applying using the UPI Mechanism; and
- 31) Do not submit Applications to a Designated Intermediary at a location other than Specified Locations. If you are a Retail Individual Applicant and are using UPI Mechanism, do not submit the ASBA Form directly with SCSBs.;

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to our Company Secretary and Compliance Officer. For details of our Company Secretary and Compliance Officer, see “*General Information*” on page no. 42 on this Daft Prospectus

For helpline details of the LM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “*General Information - Lead Manager*” on page no. 42 on this Daft Prospectus

GROUND FOR REJECTIONS

In addition to the grounds for rejection of Application on technical grounds as provided in the “*General Information Document for Investing in Public Offers*” Applicants are requested to note that Applications may be rejected on the following additional technical grounds.

1. Applications submitted without instruction to the SCSBs to block the entire Application Amount;
2. Applications which do not contain details of the Application Amount and the bank account or UPI ID (for RIBs using the UPI Mechanism) details in the Application Form;
3. Applications submitted on plain paper;
4. Applications submitted by Retail Individual Applicants using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Applications under the UPI linked Mechanism submitted by Retail Individual Applicants 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. Application Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Application submitted without the signature of the First Applicant or sole Applicants;



8. The ASBA Form not being signed by the account holders, if the account holder is different from the Applicant;
9. ASBA Form by the RIIs by using third party bank accounts or using third party linked bank account UPI IDs;
10. Applications by person 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;
11. GIR number furnished instead of PAN;
12. Application by Retail Individual Applicants with Application Amount for a value of more than ₹ 200,000
13. Applications by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
14. Applications accompanied by cheque(s), demand draft(s), stock invest, money order, postal order or cash;
15. Applications uploaded by QIBs after 4.00 p.m. on the QIB Issue Closing Date and by Non-Institutional Applicants uploaded after 4.00 p.m. on the Issue Closing Date, and Applications by Retail Individual Applicants uploaded after 5.00 p.m. on the Issue Closing Date, unless extended by the Stock Exchanges; and
16. Application 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 Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants 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 Applicant.

INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

In addition to the instructions for completing the Application Form provided in the sub-section "*General Information Document for Investing in Public Offers – Applying in the Offer – Instructions for filing the Application Form / Application Form*" Applicants 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. Applications must be in single name or in joint names (not more than three, and in the same order as their Depository Participant details).
2. Applications 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 Prospectus and in the Application Form.
3. Applications 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

- (a) Our Company will ensure that the Allotment and credit to the successful Applicants' depository account will be completed within six Working Days, or such period as may be prescribed by SEBI, of the Issue Closing Date or such other period as may be prescribed.
- (b) Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.
- (c) 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 LM 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 Applicants 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 Applicants shall not be less than the minimum Application lot, subject to the availability of shares in Retail Individual Applicants portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

Pre- Issue Advertisement

Subject to Section 30 of the Companies Act, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper, one Hindi language national daily newspaper and one regional language daily newspaper, each with wide circulation. In the pre- Issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

Signing of the Underwriting Agreement and the RoC Filing

- a) Our Company, the Lead Manager and the Market Maker have entered into an Underwriting Agreement on February 25, 2022.
- b) For terms of the Underwriting Agreement please see chapter titled “*General Information*” beginning on page no. 42 Of this Prospectus.
- c) We will file a copy of the Prospectus with the RoC in terms of Section 26, 28 and all other provision applicable as per Companies Act.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who:

- 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.

Undertaking by our Company

Our Company undertakes the following:

- 1) If our Company does not proceed with the Issue after the Issue Closing Date but before allotment, then the reason thereof shall be given as a public notice within two days of the 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 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 the time prescribed under applicable law or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants at the rate of 15.00% 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 applicant within the time prescribed under applicable law, 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 Prospectus are listed or until the Application 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 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 Application Forms from Applicants; 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.

Undertakings by Selling Shareholder

1. The Selling Shareholders undertakes the following in respect of itself as a Selling Shareholders and the Offered Shares:
2. that the Offered Shares are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or encumbrances and are eligible to be a part of the Offer for Sale, in accordance with Regulation 8 of the SEBI ICDR Regulations and shall continue to be in dematerialised form at the time of transfer
3. that they are the legal and beneficial owner of and have full title to the Offered Shares



4. that they shall provide all support and cooperation as may be reasonably requested by our Company and the LM to the extent such support and cooperation is in relation to its Offered Shares and in relation to necessary formalities for listing and commencement of trading at the Stock Exchanges, the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of the Offered Shares
5. that the Selling Shareholders specifically confirms that they shall not have any recourse to the proceeds of the Issue, until final listing and trading approvals have been received from the Stock Exchange
6. that they shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Applicants for making a Applications in the Issue, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Applications in the Issue, except as permitted under applicable law
7. that they shall not offer, lend, pledge, create lien, charge, encumber, sell, contract to sell or otherwise transfer or dispose of, directly or indirectly, any of the Equity Shares offered in the Issue
8. that they will provide such assistance as may be required by our Company and LM acting reasonably, in redressal of such investor grievances that pertain to the Equity Shares being offered pursuant to the Issue and statements specifically made or confirmed by it in relation to itself as a Selling Shareholders;
9. that they shall transfer the Offered Shares to an escrow demat account in accordance with the share escrow agreement to be executed between the parties to such share escrow agreement; and
10. The Selling Shareholders has authorised the Compliance Officer of our Company and the Registrar to the Issue to redress any complaints received from Applicants in respect of their Offered Shares

Utilization of Net Proceeds

Our Company specifically confirms and declares that:

- 1) All monies received out of the Issue of specified securities to public shall be credited/ 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 utilized 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 our Company indicating the purpose for which such monies have been utilised and;
- 3) Details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under the appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.



RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment under the FDI Policy and FEMA.

The Government has from time to time made policy pronouncements on foreign direct investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as Department of Industrial Policy and Promotion) (“DPIIT”), issued the FDI Policy, which is effective from October 15, 2020 (the “FDI Policy”), which subsumes and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions. For details, see “Key Regulations and Policies” on page no. 97 of this Prospectus.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that: (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations, (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI policy, and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Each Applicant should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Applicant shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and the applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) under Section 4(a) of the U.S. Securities Act, and (ii) outside the United States in offshore transactions as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. There will be no public offering of Equity Shares in the United States.

The above information is given for the benefit of the Applicants. Our Company, the Selling Shareholders and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applications for do not exceed the applicable limits under laws or regulations.



SECTION XI – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Pursuant to the Companies Act and the SEBI ICDR Regulations, the main provisions of the Articles of Association are detailed below. Capitalised terms used in this section have the meaning given to them in the Articles of Association.

Each provision below is numbered as per the corresponding article number in the Articles of Association and defined terms herein have the meaning given to them in the Articles of Association.

Public Company

2. The company is a Public Company within the meaning of section 2(71) of the Companies Act, 2013.

Share capital and variation of rights

3. (i) The Authorized Share Capital of the Company shall be as laid down in Memorandum of Association of the Company.

(ii) Subject to the provisions of the Companies Act 2013 and the applicable Rules made there under, the Company / Board shall have power to issue / allot shares, whether on preferential basis or otherwise, from time to time and the shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such persons, on such terms and conditions and at such times as the Directors think fit.

4. (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.

5. (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 company may issue new share certificates pursuant to consolidation or sub-division of share certificate(s) upon written request received from shareholder together with production and surrender of respective original share certificate(s). Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(iii) The provisions of Articles (5) and (6) shall mutatis mutandis apply to debentures of the company.

6. Except as required by law, no person shall be recognized 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 recognize (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.

7. (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 there under.
- (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.
8. (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.
9. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
10. 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

11. (i) The company shall have a first and paramount lien—
- (a) On every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
- (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:
- Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
- (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
- (iii) The 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 monies called or payable at a fixed time in respect of such shares.
12. 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.



13. (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.
14. (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

15. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

 - (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
 - (iii) A call may be revoked or postponed at the discretion of the Board.
 - (iv) The option or right to make call on shares shall not be given to any person except with the sanction of the Company in General Meetings. That is, it may delegate power to make calls on shares subject to approval of the shareholder in a general meeting of the company.
16. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.
17. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
18. (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.
19. (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.
20. 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 but shall not confer a right to dividend or to participate in profits.

Transfer of shares

21. (i) The Company shall use a Common form of transfer. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
22. The Board may, subject to the right of appeal conferred by section 58 decline to register—
- (a) The transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) Any transfer of shares on which the company has a lien.
23. The Board may decline to recognize 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.
24. On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, 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.
25. Subject to the provisions of Section 59 of Companies Act, 2013, the Board may decline to register any transfer of Shares on such grounds as it think fit in the benefit of the company (notwithstanding that the proposed transferee be already a Member), but in such case it shall, within two (2) months from the date the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer giving reasons for such refusal. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

Transmission of Shares

26. (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.
27. (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.
28. (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.
29. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

Forfeiture of Shares

30. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
31. 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.
32. 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.
33. (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.
34. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
- (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
35. (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
 - (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.
36. 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.

Alteration of Capital

37. 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. The Authorised Share Capital shall be as per the clause V (a) of Memorandum of Association of the company.
38. Subject to the provisions of section 61, the company may, by ordinary resolution,—
- (a) increase its authorised share capital by such amount as it thinks expedient.
 - (b) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (c) Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - (d) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
 - (e) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
39. Where shares are converted into stock:-
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
- Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
 - (c) Such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.
40. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—
- (a) Its share capital;
 - (b) Any capital redemption reserve account; or

(c) Any share premium account.

Capitalisation of profits

41. (i) The company in general meeting may, upon the recommendation of the Board resolve:-

- (a) that it is desirable to capitalize 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, Securities Premium Accounts or otherwise available for distribution; and
 - (b) That such sum is accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards:-
- (a) paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - (b) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
 - (c) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
- (iii) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
- (iv) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

42. (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 capitalized 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 capitalized, 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.

Dematerialisation of Securities

43. **For the purpose of this Article:-**

- i. **"Beneficial Owner"**: Beneficial Owner shall have the meaning assigned thereto in section 2(1) (a) of the Depositories Act, 1996

"Depositories Act": Depositories Act shall mean the Depositories Act, 1996 and includes any statutory modification or re-enactment thereof for the time being in force.

"Depository": Depository shall mean a Depository as defined in section 2(1) (e) of the Depositories Act, 1996.

"Member": Member shall mean a duly registered holder from time to time of the security of the company and includes every person whose name is entered as beneficial owner in the records of the Depository.

"Security": Security shall mean such security as may be specified by SEBI.

- ii. **"Dematerialization of Securities"**: Notwithstanding anything on the contrary contained in this Article, the company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form and further to rematerialize the securities held on depository pursuant to the Depositories Act, 1996 or any amendment thereof.
- iii. **"Option to hold securities in physical form or with depository"**: Every person holding securities of the company through allotment or otherwise shall have the option to receive and hold the same in the dematerialized form with a depository.
- iv. **"Beneficial Owner may opt out of a Depository"**: Every person holding securities of the company with a depository, being the beneficial owner thereof, may at any time opt out of the depository in the manner provided under the provisions of the Depositories Act and the Rules, if any, prescribed there under and on fulfilment of the conditions prescribed by the company from time to time, company shall issue the relevant security certificates to the beneficial owner thereof.
- v. **"Securities in Depositories to be in fungible form"**: All securities held by a depository shall be dematerialized and shall be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Companies Act, shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.
- vi. **"Rights of depository and beneficial owners"**: A depository shall be deemed to be the registered owner for the purposes of affecting the transfer of ownership of securities on behalf of the beneficial owners and shall not have any voting rights or any other rights in respect of the securities held by it.
- vii. Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all rights and benefits and be subject to all the liabilities in respect of his/her securities, which are held by a depository.
- viii. **"Transfer of securities"**: Transfer of security held in a depository will be governed by the provisions of the Depository Act, 1996. Nothing contained in Section 56 of the Companies Act, 2013 or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.
- ix. **"Register and Index of beneficial owners"**: The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles.
- x. **"Other matters"**: Notwithstanding anything contained in these Articles, the provision of Depositories Act, 1996 relating to dematerialisation of securities including any modification(s) or re-enactment thereof and Rules/Regulations made there under shall prevail accordingly.
- xi. Notwithstanding anything contained in the Act or the Articles, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic mode or by delivery of floppies or disks.

Nomination



44. Notwithstanding anything contained in Articles, every holder of shares(s) or debenture(s) of the Company may, at any time, nominate, in the prescribed manner, a person to whom these share(s) shall vest in the event of his death and the provisions of Section 109A and Section 109B of the Companies Act, 1956 shall apply in respect of such nomination.

The provisions of this Article shall apply mutatis mutandis to a depository of money with the Company as per the provisions of Section 58A of the Act.

Buy-Back of Shares

45. 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

46. All general meetings other than Annual General Meeting shall be called extraordinary general meeting.

47. (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

48. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

(iii) The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

(iv) 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.

(v) If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

Adjournment of Meeting

49. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting Rights



50. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
- (a) On a show of hands, every member present in person shall have one vote; and
 - (b) On a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
51. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
52. (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.
53. 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.
54. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
55. 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.
56. (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

57. 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.
58. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
59. 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

60. The minimum number of Directors shall be 3 and maximum number of directors shall be 15

The following shall be the First Directors of the Company:

- A) Shweta Prabodh Kale
- B) Namita Prabodh Kale
- C) Prajakta Prabodh Kale



61. (i) Subject to the provisions of the Act, the Company may pay any remuneration, as determined by the Board of Directors / General Meeting to all or any of its Directors for the services rendered by them / him in day to day management of the affairs of the company or any other type of services, whether professional in nature or not, for any of the purposes of the company, either by a fixed sum on monthly or annual basis and / or perquisites and / or a percentage of the profits or otherwise as may be determined by the Board or the members in General Meeting.

The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) In connection with the business of the company.

62. The Board may pay all expenses incurred in getting up and registering the company.

63. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

64. 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.

65. 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.

66. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Proceedings of the Board

67. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) Subject to the Articles herein, a director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

(iii) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(iv) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

68. 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

69. (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 numbers to be Chairperson of the meeting.



70. (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.
71. A committee may elect a Chairperson of its meetings.
72. 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.
73. (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.
74. 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.
75. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

76. Subject to the provisions of the Act,—
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
77. 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.

Managing Director

78. The business of the Company may be carried on by the Managing Director(s) who may be appointed by the Board of Directors / members in their General Meeting, from time to time who shall fix the terms, qualifications, remuneration, duties, authorities and powers. The Board may from time to time and subject to the provisions of the Act delegate to the Managing Director(s) such of their powers and duties and subject to such limitations and conditions as they may deem fit. The Board may from time to time, revoke, withdraw, alter or vary all or any of the powers conferred on him or dismiss him from office and appoint another in his place.
79. Subject to the provisions of section 179 and 180 of the Companies Act, 2013, the Managing Director of the Company, if any, shall be empowered to carry on the day to day business affairs of the Company. He shall have the general control, management and superintendence of the business of the Company with power to appoint and to dismiss employees and to enter into contracts on behalf of the Company in the ordinary course of business and to do and perform all other acts, deeds and things which in the ordinary course of business may be considered necessary/proper or in the interest of the Company.

The Seal



80. (i) The Board shall provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Dividends and Reserve

81. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
82. 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.
83. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
84. (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.
85. 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.
86. (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
87. 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.
88. 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.
89. No dividend shall bear interest against the company.
90. No unclaimed Dividend shall be forfeited before the claim becomes barred by law, and unclaimed Dividends shall be dealt with in accordance with the applicable provisions of the Act



Accounts

91. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

Winding Up

92. 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.
93. 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.
94. 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

95. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.



SECTION XII – 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 Prospectus) which are or may be deemed material will be attached to the copy of the Prospectus which will be delivered to the RoC for registration. Copies of the above mentioned contracts and also the documents for inspection referred to here under, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days (Monday to Friday) from the date of the Prospectus until the Bid/Issue Closing Date.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A. Material Contracts

- 1) Memorandum of Understanding dated December 18, 2021 and addendum dated February 24, 2022 between our Company, the Selling Shareholder and the Lead Manager.
- 2) Memorandum of Understanding dated December 18, 2021 between our Company, the Registrar to the Issue and Selling Shareholder.
- 3) Escrow Agreement dated February 25, 2022 between our Company, the Selling Shareholders, the Lead Manager, Escrow Collection Bank(s) / Sponsor Bank and the Registrar to the Issue.
- 4) Market Making Agreement dated February 25, 2022 between our Company, the Lead Manager and Market Maker.
- 5) Underwriting Agreement dated February 25, 2022 between our Company, the Selling Shareholders, the Lead Manager and the Market Maker.
- 6) Share Escrow Agreement dated February 25, 2022 between the Selling Shareholders, our Company, the Lead Manager and the Share Escrow Agent.
- 7) Tripartite agreement between the CDSL, our Company and the Registrar to the Issue dated November 30, 2021.
- 8) Tripartite agreement between the NSDL, our Company and the Registrar to the Issue dated December 08, 2021.

B. Material Documents

- 1) Certified true copies of the updated Memorandum and Articles of Association of our Company, as amended from time to time.
- 2) Copy of Certificate of Incorporation dated January 18, 2007 issued under the name SP Refractories Private Limited by Registrar of Companies.
- 3) Copy of Fresh Certificate of Incorporation dated October 28, 2021 issued by Registrar of Companies consequent to name change from SP Refractories Private Limited to SP Refractories Limited pursuant to the conversion of our Company into a Public Limited Company.
- 4) Resolution of the Board of Directors dated December 03, 2021 in relation to the Issue.
- 5) Resolution of the Shareholders of our Company passed at the Extra Ordinary General Meeting held with a shorter notice on December 07, 2021 in relation to the Issue.
- 6) Statutory Auditor's report for Restated Financials dated February 24, 2022 included in this Prospectus.
- 7) The Statement of Tax Benefits dated February 24, 2022 from our Statutory Auditors included in this Prospectus.



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- 8) Consents of our Directors, Selling Shareholders, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Banker(s) to the Company, Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Banker to the Issue, Underwriters and Market Maker to act in their respective capacities.
 - 9) Due Diligence Certificate(s) dated March 03, 2022 to SEBI by the Lead Manager.
 - 10) Approval from NSE vide letter dated February 01, 2022 to use the name of NSE in this Offer Document for listing of Equity Shares on the EMERGE Platform of the NSE.



DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government and / or the guidelines or regulations issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the 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, each as Amended, or the rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all statements and disclosures made in the Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

SD/-

Namita Prabodh Kale
Whole-time Director

SD/-

Shweta Prabodh Kale
Executive Director

SD/-

Prajakta Prabodh Kale
Non-Executive Director

SD/-

Manish Tarachand Pande
Non-Executive Independent Director

SD/-

Kushal Sanjay Sabadra
Non-Executive Independent Director

SIGNED BY THE CHIEF FINANCIAL OFFICER & COMPANY SECRETARY AND COMPLIANCE OFFICER

SD/-

Shweta Prabodh Kale
Chief Financial Officer

SD/-

Shreeya Jajoo
Company Secretary and Compliance Officer

Date: March 03, 2022

Place: Nagpur



DECLARATION BY SELLING SHAREHOLDER

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made in this Prospectus about or in relation to himself and the Equity Shares being offered by it in the Offer are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements or undertakings made by the Company or any expert or any other person(s) in this Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

SD/-

Shweta Prabodh Kale

Date: March 03, 2022

Place: Nagpur



DECLARATION BY SELLING SHAREHOLDER

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made in this Prospectus about or in relation to himself and the Equity Shares being offered by it in the Offer are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements or undertakings made by the Company or any expert or any other person(s) in this Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

SD/-

Prajakta Prabodh Kale

Date: March 03, 2022

Place: Nagpur