RED HERRING PROSPECTUS
Dated: January 18, 2024
Please read Section 26 and 32 of the
Companies Act, 2013
100% Book Built Issue

MEGATHERM INDUCTION LIMITED

(Formerly known as Megatherm Induction Private Limited)

CIN: U31900WB2010PLC154236

Registered Office	Contact Person	Email and Telephone	Website
Plot- L1 Block GP, Sector V, Electronics Complex, Saltlake City Kolkata-700091, West Bengal, India.	Abanti Saha Basu, Company Secretary & Compliance Officer	**E-mail:** cs@megatherm.com **Tel No:** + 91 33 4088 6200	**Website:** www.megatherm.com

Promoters of the Company	SHESADRI BHUSAN CHANDA, SATADRI CHANDA AND MEGATHERM ELECTRONICS PRIVATE LIMITED

DETAILS OF THE ISSUE

Type	Fresh Issue Size (in ₹ lakhs)	OFS Size (by no. of Shares or by amount in ₹)	Total Issue Size (in ₹ lakhs)	Eligibility
Fresh Issue	Upto 49,92,000 Equity shares aggregating upto Rs. [●] Lakhs	Nil	₹ [•] Lakhs	This Issue is being made in terms of regulation 229(2) and 253(1) of chapter IX of the SEBI (ICDR) Regulations, 2018 as amended.

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

RISK IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under ***"Basis for Issue Price"*** on page 82 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Red Herring Prospectus. Specific attention of the investors is invited to the section ***"Risk Factors"*** beginning on page 25 of this Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares Issued through Red Herring Prospectus are proposed to be listed on the SME Platform of NSE ("NSE EMERGE"). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, our Company has received "in principle" approval letter dated January 12, 2024 from NSE ("NSE EMERGE") for using its name in the Offer Document for listing of our shares on the SME Platform of NSE. For the purpose of this Issue, the Designated Stock Exchange will be National Stock Exchange of India Limited ("NSE").

BOOK RUNNING LEAD MANAGER TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
Hem Securities Ltd.	Sourabh Garg	**Email:** ib@hemsecurities.com; **Tel. No.:** +91- 022- 49060000

REGISTRAR TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
Bigshare Services Pvt. Ltd. **BIGSHARE SERVICES PRIVATE LIMITED**	Babu Raphel	**Email:** ipo@bigshareonline.com; **Tel No.:** +91-022-62638200

BID/ISSUE PERIOD

ANCHOR PORTION ISSUE OPENS/CLOSES ON: JANAURY 24, 2024*	BID/ISSUE OPENS ON: JANAURY 25, 2024	BID/ISSUE CLOSES ON: JANAURY 30, 2024**

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

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

RED HERRING PROSPECTUS
100% Book Built Issue
Dated: January 18, 2024
Please read Section 26 and 32 of the Companies Act, 2013

MEGATHERM INDUCTION LIMITED

(Formerly known as Megatherm Induction Private Limited)

CIN: U31900WB2010PLC154236

Our Company was originally incorporated as a Private Limited Company under the name of "Megatherm Transmission & Distribution Private Limited" on October 22, 2010 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Kolkata, West Bengal. Further, pursuant to the special resolution passed by the shareholders in the Extra Ordinary General Meeting held on September 16, 2015 the name of our Company was changed from "Megatherm Transmission & Distribution Private Limited" to "Megatherm Induction Private Limited" and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Kolkata, West Bengal dated September 23, 2015. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on November 15, 2022, our Company was converted into a Public Limited Company and consequently the name of our Company was changed from "Megatherm Induction Private Limited" to "Megatherm Induction Limited" vide a fresh certificate of incorporation dated December 20, 2022, issued by the Registrar of Companies, Kolkata, West Bengal. For further details please refer to chapter titled ***"History and Corporate Structure"*** beginning on page 131 of this Red Herring Prospectus.

Registered Office: Plot- L1 Block GP, Sector V, Electronics Complex, Saltlake City Kolkata-700091, West Bengal, India.

Tel No: + 91 33 4088 6200; **E-mail:** cs@megatherm.com; **Website:** www.megatherm.com;

Contact Person: Abanti Saha Basu, Company Secretary & Compliance Officer

Promoters of our Company: Shesadri Bhusan Chanda, Satadri Chanda and Megatherm Electronics Private Limited

DETAILS OF THE ISSUE

INITIAL PUBLIC OFFER OF UPTO 49,92,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (THE "EQUITY SHARES") OF MEGATHERM INDUCTION LIMITED ("OUR COMPANY" OR "THE ISSUER" OR "MIL")) AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS ("PUBLIC ISSUE") OUT OF WHICH 2,50,800 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 47,41,200 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹[●] LAKHS IS HERE IN AFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.50% AND 25.16% RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

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

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

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see ***"Issue Procedure"*** beginning on page 254 of this Red Herring Prospectus.

ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled ***"Issue Procedure"*** beginning on page 254 of this Red Herring Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under ***"Basis for Issue Price"*** on page 82 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Red Herring Prospectus. Specific attention of the investors is invited to the section ***"Risk Factors"*** beginning on page 25 of this Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares Issued through Red Herring Prospectus are proposed to be listed on the SME Platform of NSE ("NSE EMERGE"). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, our Company has received "in-principle" approval letter dated January 12, 2024 from NSE ("NSE EMERGE") for using its name in the Offer Document for listing of our shares on the SME Platform of NSE ("NSE EMERGE"). For the purpose of this Issue, the Designated Stock Exchange will be National Stock Exchange of India Limited ("NSE").

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
Hem Securities Ltd.	Bigshare Services Pvt. Ltd.
HEM SECURITIES LIMITED 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India **Tel. No.:** +91- 022- 49060000; **Fax No.:** +91- 022- 22625991 **Email:** ib@hemsecurities.com **Investor Grievance Email:** redressal@hemsecurities.com **Website:** www.hemsecurities.com **Contact Person:** Sourabh Garg **SEBI Regn. No.** INM000010981	**Bigshare Services Private Limited** **Address:** S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093, Maharashtra, India. **Telephone**: +91 22 6263 8200; **Facsimile**: +91 22 6263 8299 **Email**: ipo@bigshareonline.com **Investor Grievance Email**: investor@bigshareonline.com **Website**: www.bigshareonline.com **Contact Person**: Babu Raphel **SEBI Registration Number**: MB/INR000001385 **CIN**: U99999MH1994PTC076534

ISSUE PROGRAMME

ANCHOR PORTION ISSUE OPENS/CLOSES ON: JANUARY 24, 2024*	BID/ISSUE OPENS ON: JANUARY 25, 2024	BID/ISSUE CLOSES ON: JANAURY 30, 2024 **

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

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

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

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

Notwithstanding the foregoing, terms used in of the sections ***"Statement of Special Tax Benefits", "Financial Information of the Company"*** *and* ***"Main Provisions of the Articles of Association"*** *on page 88, 157 and 286 respectively, shall have the meaning ascribed to such terms in such sections.*

General Terms

Terms	Description
"MIL", "the Company", "our Company", "Issuer" and "Megatherm Induction Limited"	Megatherm Induction Limited, a Company incorporated in India under the Companies Act, 1956, having its Registered office at Plot- L1 Block GP, Sector V, Electronics Complex Salt lake City Kolkata-700091 West Bengal, India.
"we", "us" and "our"	Unless the context otherwise indicates or implies refers to our Company.
"you", "your" or "yours"	Prospective investors in this Issue.

Company related and Conventional terms

Term	Description
AOA / Articles / Articles of Association	Articles of Association of our Company, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as the Company's Audit Committee in accordance with Regulation 18 of the SEBI (LODR) Regulations and Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 as described in the chapter titled ***"Our Management"*** beginning on page 136 of this Red Herring Prospectus.
Auditors/ Statutory Auditors	The Statutory Auditors of our Company being M/s. M S K A & Associates. Chartered Accountants (F.R.N: 105047W).
Bankers to our Company	Indian Bank
Board of Directors / the Board / our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled ***"Our Management"*** beginning on page 136 of this Red Herring Prospectus.
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company being Mr. Satadri Chanda.
CIN	Corporate Identification Number being U31900WB2010PLC154236
Companies Act / Act	The Companies Act, 2013 and amendments thereto and erstwhile Companies Act 1956 as applicable
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Abanti Saha Basu (M. No.: A69276)
Corporate Promoter	Shall mean Megatherm Electronics Private Limited. For further details, please refer to section titled ***"Our Promoters & Promoter Group"*** beginning on page 150 of this Red Herring Prospectus.
CSR Committee/ Corporate Social Responsibility Committee	The corporate social responsibility committee of our Board, constituted in accordance with the Section 135 of the Companies Act and as described in the chapter titled **"Our Management"** beginning on page 136 of this Red Herring Prospectus.
Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Directors Identification Number.
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified. For details of our Directors, see ***"Our Management"*** on page 136 of this Red Herring Prospectus
DP/ Depository Participant	A depository participant as defined under the Depositories Act, 1996.
DP ID	Depository's Participant's Identity Number
Equity Shareholders/ Shareholders	Persons/ Entities holding Equity Shares of our Company.
Equity Shares	Equity Shares of the Company of face value of Rs. 10/- each unless otherwise specified in the context thereof.
Executive Directors	Executive Directors are the Managing Director & Whole-time Directors of our Company.
Fugitive economic offender	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
GIR Number	General Index Registry Number.
HUF	Hindu Undivided Family
IBC	The Insolvency and Bankruptcy Code, 2016
Independent Director	An Independent Director as defined under Section 2(47) of the Companies Act, 2013 and as defined under the SEBI (LODR) Regulations. For details of our Independent Directors, see ***"Our Management"*** on page 136 of this Red Herring Prospectus.
Ind AS or Indian Accounting Standards	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
ISIN	International Securities Identification Number. In this case being INE531R01010.
IT Act	The Income Tax Act, 1961 as amended till date.
JV/ Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI Regulations, Section 2(51) of the Companies Act, 2013. For details, see section titled ***"Our Management"*** on page 136 of this Red Herring Prospectus.
LLP	Limited Liability Partnership
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Megatherm Induction Limited as amended from time to time.
MD or Managing Director	The Managing Director of our Company, Mr. Shesadri Bhusan Chanda.
Materiality Policy	The policy adopted by our Board on January 13, 2023 for identification of Group Companies, material outstanding litigation and material outstanding dues to creditors, pursuant to the disclosure requirements under the SEBI (ICDR) Regulations, 2018 as amended from time to time.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with Section 178 of the Companies Act, 2013 as described in the chapter titled ***"Our Management"*** beginning on page 136 of this Red Herring Prospectus.
Non-Executive Director	A Director not being an Executive Director. For details of our Independent Directors, see ***"Our Management"*** on page 136 of this Red Herring Prospectus
NRIs / Non-Resident Indians	A person resident outside India, as defined under Foreign Exchange Management Act , 1999 and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Non-debt instruments) Rules, 2019
Promoter(s)	Shall mean promoters of our Company i.e. Mr. Shesadri Bhusan Chanda, Mr. Satadri Chanda and Megatherm Electronics Private Limited. For further details, please refer to section titled ***"Our Promoters & Promoter Group"*** beginning on page 150 of this Red Herring Prospectus.
Promoter Group	Includes such Persons and companies constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 as enlisted in the section ***"Our Promoters and Promoter Group"*** beginning on page 150 of this Red Herring Prospectus.
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.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.

Registered Office of our Company	The Registered Office of our Company situated at Plot- L1 Block GP, Sector V, Electronics Complex Salt lake City Kolkata-700091 West Bengal India.
Reserve Bank of India / RBI	Reserve Bank of India constituted under the RBI Act.
Restated Financial Information	The Restated Financial statements of our Company, comprising of the Restated Statement of Assets and Liabilities as at September 30, 2023, March 31 2023, 2022 and 2021 and the Restated Statements of Profit and Loss and Cash Flows for the Fiscals ended September 30, 2023, March 31 2023, 2022 and 2021 of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto.
RoC/ Registrar of Companies	Registrar of Companies, Nizam Palace, 2nd MSO Building, 2nd Floor, 234/4, A.J.C.B. Road, Kolkata - 700020, West Bengal, India.
SEBI (ICDR) Regulations /ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Act/ SEBI	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015/SEBI Listing Regulations/ Listing Regulations/SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
Stakeholders' Relationship Committee	Stakeholders' relationship committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and regulation 20 of SEBI (Listing obligations and disclosure requirements) regulations 2015 as described in the chapter titled ***"Our Management"*** beginning on page 136 of this Red Herring Prospectus
Stock Exchange	Unless the context requires otherwise, refers to, National Stock Exchange of India Limited.
Shareholders	Shareholders of our Company from time to time.
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Subscriber to MOA	Initial Subscribers to MOA being Mr. Shesadri Bhusan Chanda, Mr. Satadri Chanda and Mrs. Ayati Chanda.

Issue Related Terms

Terms	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an applicant as proof of registration of the Application.
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Applicants.
Allotment/Allot/Allotted	Unless the context otherwise requires, means the allotment of Equity Shares, pursuant to the Issue to the successful applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Allottee (s)	A successful applicant to whom the Equity Shares are allotted.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least Rs. 200 lakhs.

Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Managers during the Anchor Investor Bid/ Issue Period
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Bid/ Issue Period	One Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed.
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the Book Running Lead Managers
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Managers, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
Applicant/ Investor	Any prospective investor who makes an application pursuant to the terms of the Red Herring Prospectus and the Application form.
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of Red Herring Prospectus.
Application Form	The form, whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purposes of this Red Herring Prospectus.
Application Supported by Block Amount (ASBA)	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorising an SCSB to block the Bid Amount in the ASBA Account and will include amounts blocked by the SCSB upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism.
ASBA Account	A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a Retail Individual Investor linked to a UPI ID, which will be blocked in relation to a Bid by a Retail Individual Investor Bidding through the UPI Mechanism.
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Ahmedabad.
ASBA Bidder	Any prospective investor(s) / Bidder (s) in this Issue who apply(ies) through the ASBA process except Anchor Investor.
ASBA Form/ Bid cum Application	An Application form (with or without UPI ID, as applicable), whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus or the Prospectus.
Bankers to the Issue/ Public Issue Bank/ Sponsor Bank	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being Axis Bank Limited.
Banker to the Issue Agreement	Agreement dated November 24, 2023 entered into amongst the Company, Book Running Lead Manager, the Registrar, Sponsor Bank/Banker to the Issue.
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 254 of this Red Herring Prospectus.
Bid	An indication to make an offer during the Bid/ Issue Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Issue Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly.

Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue.
Bid Lot	[●] equity shares and in multiples of [●] equity shares thereafter.
Bid/ Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, which shall be notified in in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Kolkata Edition of Regional newspaper Ekdin where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Issue closing Date also to be notified on the website and terminals of the Syndicate, SCSB's and Sponsor Bank, as required under the SEBI ICDR Regulations.
Bid/ Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Kolkata Edition of Regional newspaper Ekdin where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Period	Except in relation to any Bids received from the Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date or the QIB Bid/ Issue Closing Date, as the case may be, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided however that the Bidding/ Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders.
First Bidder/Applicant/Bidders	Bidder(s) whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Bidding	The process of making a Bid.
Bidding/ Collection Centers	Centers at which the Designated intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, specified locations for syndicates, broker centers for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Book Building Process/ Book Building Method	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue in this case being Hem Securities Limited, SEBI Registered Category I Merchant Banker.
Broker Centers	Broker Centres notified by the Stock Exchanges, where the investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the price band above which the Issue Price will not be finalized and above which no Bids (or a revision thereof) will be accepted.
Client ID	Client identification number of the Applicant's beneficiary account.
Collection Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms.
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Collecting Registrar and Share Transfer Agent	Registrar to an Issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the LM, the Registrar to the Issue and the Stock Exchange.

Cut off Price	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investor) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the applicants such as their Address, PAN, name of the applicants father/husband, investor status, Occupation and Bank Account details.
Designated Date	The date on which the instructions are given to the SCSBs to unblock the ASBA Accounts including the accounts linked with UPI ID and transfer the amounts blocked by SCSBs as the case may be, to the Public Issue Account in terms of the Red Herring Prospectus and the aforesaid transfer and instructions shall be issued only after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant and a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes. Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange i.e., www.nseindia.com
Designated RTA Locations	Such locations of the RTAs where Applicant 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 i.e., www.nseindia.com
Designated Intermediaries/Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depositary Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity)
Designated Market Maker	Member Brokers of NSE who are specifically registered as Market Makers with the NSE SME Platform. In our case, Hem Finlease Private Limited is the sole Market Marker.
Designated Stock Exchange	National Stock Exchange of India Limited (SME Platform of NSE i.e., NSE EMERGE)
DP ID	Depository Participant's Identity Number
Draft Red Herring Prospectus	Draft Red Herring Prospectus dated September 28, 2023 issued in accordance with Section 26 of the Companies Act, 2013
Eligible NRI	A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity shares issued thereby and who have opened Demat accounts with SEBI registered qualified depositary participants.
Escrow Account(s)	The account(s) to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/ NEFT/ RTGS in respect of the Bid Amount when submitting a Bid.
FII/ Foreign Institutional Investors	Foreign Institutional Investor as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be Accepted
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the

	block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 notified by the SEBI from time to time.
Issue Agreement	The Issue Agreement dated September 11, 2023 between our Company and Book Running Lead Manager.
Issue/Public Issue/Issue size/Initial Public Issue/Initial Public Offering/ IPO	The Initial Public Issue of upto 49,92,000 Equity shares of Rs. 10/- each at issue price of Rs. [●]/- per Equity share, including a premium of Rs. [●]/- per equity share aggregating to Rs. [●] lakhs
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled ***"Objects of the Issue"*** beginning on page 73 of this Red Herring Prospectus.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the Stock Exchange.
BRLM/Book Running Lead Manager	Book Running Lead Manager to the Issue, in this case being Hem Securities Limited (HSL).
Lot Size	[●]
Mandate Request	Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
Market Maker	Member Brokers of NSE who are specifically registered as Market Makers with the NSE (SME platform.). In our case, Hem Finlease Private Limited is the sole Market Marker
Market Making Agreement	The Market Making Agreement dated December 05, 2023 between our Company, Book Running Lead Manager and Market Maker.
Market Maker Reservation Portion	The reserved portion of 2,50,800 Equity Shares of Rs.10 each at an Issue price of Rs. [●] each is aggregating to Rs. [●] Lakhs to be subscribed by Market Maker in this issue.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 47,41,200 equity Shares of Rs. 10/- each at a price of Rs. [●] per Equity Share (the "Issue Price"), including a share premium of Rs. [●] per equity share aggregating to Rs. [●] Lacs.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.
Net Proceeds	The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Issue Proceeds and Issue expenses, please refer to the section titled ***"Objects of the Issue"*** beginning on page 73 of this Red Herring Prospectus.
Non-Institutional Investors / NIIs	All Bidders that are not QIBs, RIBs or Eligible Employees Bidding in the Employee Reservation Portion and who have Bid for Equity Shares, for an amount of more than Rs. 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Issue, consisting of 7,11,600 Equity Shares, which shall be available for allocation on a proportionate basis to Non-Institutional Investors, subject to valid Bids being received at or above the Issue Price.
Non- Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these

	Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Pay-in-Period	The period commencing on the Bid/Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/ or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of Rs. [●] and the maximum price (Cap Price) of Rs. [●] and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid/ Issue Opening Date.
Pricing Date	The date on which our Company in consultation with the BRLM, will finalize the Issue Price.
Prospectus	The Prospectus, to be filed with the Registrar of Companies in accordance with the provisions of Section 26 of the Companies Act, 2013, containing, *inter alia,* the Issue Price will be determined before filing the Prospectus with Registrar of Companies.
Public Issue Account	Account to be opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the Applicant, on the Designated Date.
Qualified Institutional Buyers/ QIBs	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of 23,70,000 Equity Shares aggregating to Rs.[●] lakhs which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLMs), subject to valid Bids being received at or above the Issue Price or Anchor Investor Offer Price (for Anchor Investors)..
Qualified Institutional Buyers/ QIBs/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations.
Red Herring Prospectus / RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Registrar/ Registrar to the Issue/ RTA/ RTI	Registrar to the Issue, in this case being Bigshare Services Private Limited.
Registrar Agreement	The agreement dated September 28, 2023 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership either NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on the website of the Stock Exchange.
Refund Account(s)	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
Refund Bank/ Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being Axis Bank Limited.
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable

Refund Account(s)	Accounts to which the monies to be refunded to the Bidders is transferred from the Public Issue Account in case listing of the Equity Shares does not occur.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Regulation S	Regulation S under the Securities Act
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018.
Retail Individual Investors / RIIs	Individual Bidders, submitting Bids, who have Bid for Equity Shares for an amount not more than Rs. 2,00,000/- in any of the bidding options in the Net Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Retail Portion	The portion of the Issue being not less than 35% of the Net Issue, consisting of 16,59,600 Equity Shares, available for allocation to Retail Individual Bidders.
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid Cum Application Forms or any previous Revision Form(s), as applicable. QIBs and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 DATED November 10, 2015 issued by SEBI.
SEBI SAST / SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended.
Self-Certified Syndicate Bank(s) / SCSB(s)	Shall mean a Banker to an Issue registered under Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SME Exchange	SME Platform of NSE i.e., "NSE EMERGE"
SEBI (PFUTP) Regulations/PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
Specified Securities	Equity shares offered through this Red Herring Prospectus.
Sponsor Bank	Sponsor Bank means a Banker to the Issue registered with SEBI, which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI (National Payments Corporation of India) in order to push the mandate, collect requests and / or payment instructions of the Retail Investors into the UPI.
Securities laws	Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.
Sub Syndicate Member	A SEBI Registered member of NSE appointed by the BRLM and/ or syndicate member to act as a Sub Syndicate Member in the Issue.
Syndicate	Includes the BRLM, Syndicate Members and Sub Syndicate Members.
Syndicate Agreement	The agreement dated December 05, 2023 entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue.
Syndicate ASBA Bidding Locations	Bidding Centers where an ASBA Bidder can submit their Bid in terms of SEBI Circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi
Syndicate Members/ Members of the Syndicate	Intermediaries registered with SEBI eligible to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being Hem Finlease Private Limited.
Systemically Important Non-	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.

Banking Financial Company	
Transaction Registration Slip/ TRS	The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Applicant as proof of registration of the Application.
Underwriter	The BRLM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations, 2018 and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time. Underwriter in this case being Hem Securities Limited.
Underwriting Agreement	The Agreement dated December 05, 2023 entered between the Underwriter, LM and our Company.
UPI	UPI is an instant payment system developed by the NCPI, it enables merging several banking features, seamless fund routing & merchant payment into one hood. UPI allow instant transfer of money between any two bank accounts using a payment address which uniquely identifies a person's bank account
"UPI Circulars"	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 and any subsequent circulars or notifications issued by SEBI or any other governmental authority in this regard from time to time
UPI ID	ID created on Unified Payment Interface (UPI) for single window mobile payment system developed by the National Payment Corporation of India (NPCI)
UPI ID Linked Bank Account	Account of the RIIs, applying in the issue using the UPI mechanism, which will be blocked upon accepting the UPI mandate to the extent of the appropriate application amount and subsequent debit of funds in the case of allotment.
UPI Mandate Request/ Mandate Request	A request (intimating the RII by way of notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
UPI PIN	Password to authenticate UPI transaction
"UPI Mechanism"	The mechanism that was used by an RIB to make a Bid in the Offer in accordance with the UPI Circulars on Streamlining of Public Issues
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Venture Capital Fund/VCF	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter(s) or a fraudulent borrower	Wilful defaulter as defined under Regulation 2(1) (lll) of the SEBI (ICDR) Regulations.
Working Day	In accordance with Regulation 2(1)(mmm) of SEBI (ICDR) Regulations, 2018, working days means, all days on which commercial banks in Mumbai are open for business. However, in respect of– (a) announcement of Price Band; and (b) Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

Technical and Industry Related Terms

Term	Description
CCM	Continuous Casting Machine
CF	Current Fed
CU	Copper
D.R.I.	Direct Reduced Iron
DI	Ductile Iron Pipe
EPC	Engineering, Procurement and Construction
HVAC	Heating, ventilation and air conditioning
ISO	International Organization for Standardization

IT	Information Technology
KV	Kilovolt
LRF	Ladle Refining Furnace
MVA	Market Value Added
PDE	Power Distribution Equipment
PLC	Programmable Logic Controllers
PWM	Pulse With Modulation
R&D	Research & Development
TMT	Thermo Mechanically Treatment
TPA	Thermoplastic polyamide elastomers

Conventional terms and Abbreviations

Abbreviation	Full Form
Rs. / Rupees/ INR	Indian Rupees
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
AMT	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B. A	Bachelor of Arts
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
Companies Act, 2013	Companies Act, 2013 to the extent in force pursuant to the notification of sections of the Companies Act, 2013 along with the relevant rules made thereunder as amended.
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions that have ceased upon notification of the Companies Act, 2013) along with the relevant rules made thereunder
CA	Chartered Accountant
CAIIB	Certified Associate of Indian Institute of Bankers
CB	Controlling Branch
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CSR	Corporate Social Responsibility
C.P.C.	Code of Civil Procedure, 1908
CrPC	Code of Criminal Procedure, 1973

CENVAT	Central Value Added Tax
CST	Central Sales Tax
CWA/ICWA	Cost and Works Accountant
CMD	Chairman and Managing Director
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortization
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
EPFA	Employee's Provident Funds and Miscellaneous Provisions Act,1952
EMI	Equated Monthly Installment
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non Resident Account
FIPB	Foreign Investment Promotion Board
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FCNR Account	Foreign Currency Non Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
Fis	Financial Institutions
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	"Foreign Portfolio Investor" means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992
FTA	Foreign Trade Agreement
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Finance Act	Finance Act, 1994
Fraudulent Borrower	A fraudulent borrower as defined in Regulation 2(1) (lll) of the SEBI ICDR Regulations.
FV	Face Value
GoI/Government	Government of India
GDP	Gross Domestic Product
GST	Goods and Services Tax
GVA	Gross Value Added
HUF	Hindu Undivided Family
HNI	High Net Worth Individual
HSL	Hem Securities Limited
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
ISIN	International Securities Identification Number
IST	Indian Standard Time
ICWAI	The Institute of Cost Accountants of India
IMF	International Monetary Fund

IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IT	Information Technology
IT Act	InformationTechnologyAct,2000
IFRS	International Financial Reporting Standards
INR / Rs./ Rupees/ Rs.	Indian Rupees, the legal currency of the Republic of India
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS	Indian Accounting Standards as referred to in and notified by the Ind AS Rules
Ind AS Rules	The Companies (Indian Accounting Standard) Rules, 2015
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
BRLM	Book Running Lead Manager
LLB	Bachelor of Law
Ltd.	Limited
LLP	Limited Liability Partnership
MAT	Minimum Alternate Tax
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
M. A	Master of Arts
MCA	Ministry of Corporate Affairs, Government of India
M. B. A	Master of Business Administration
MAT	Minimum Alternate Tax
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MSME	Micro, Small and Medium Enterprises
MAPIN	Market Participants and Investors Database
NA	Not Applicable
NCLT	National Company Law Tribunal
Net worth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus (Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit & Loss Account
NACH	National Automated Clearing House
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NCT	National Capital Territory
NPV	Net Present Value
NRIs	Non-Resident Indians
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and

	immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue.
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PGDBA	Post Graduate Diploma in Business Administration
PLR	Prime Lending Rate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
P.O.	Purchase Order
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
Q.C.	Quality Control
RoC	Registrar of Companies
RBI	The Reserve Bank of India
Registration Act	Registration Act, 1908
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SME	Small and Medium Enterprises
SCSB	Self-Certified syndicate Banks
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investments Funds) Regulations, 2012, as amended.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI (PFUTP) Regulations / PFUTP Regulations	Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
SEBI Regulations/ SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
SEBI Takeover Regulations / Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended from time to time.
SEBI	Securities and Exchange Board of India
STT	Securities Transaction Tax

Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Sec.	Section
SENSEX	Bombay Stock Exchange Sensitive Index
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SSI	Small Scale Industry
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
Trade Marks Act	Trade Marks Act, 1999
TIN	Taxpayers Identification Number
UIN	Unique identification number
U.N.	United Nations
US/United States	United States of America
U.S. Securities Act	The United States Securities Act, 1933
USD/ US$/ $	United States Dollar, the official currency of the Unites States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value Added Tax
VCF	Venture Capital Funds
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may Be.
Wilful Defaulter(s)	Company or person categorized as a willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India and includes any company whose director or promoter is categorized as such and as defined under Regulation 2(1)(lll) of the SEBI (ICDR) Regulations, 2018.
WDV	Written Down Value
WTD	Whole Time Director
w.e.f.	With effect from
-, (Rs.)	Represent Outflow

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

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

Certain Conventions

In this Red Herring Prospectus, the terms "we", "us", "our", the "Company", "our Company", unless the context otherwise indicates or implies, refers to Megatherm Induction Limited. All references in the Red Herring Prospectus to "India" are to the Republic of India. All references in the Red Herring Prospectus to the "U.S.", "USA" or "United States" are to the United States of America.

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

Use of Financial Data

Unless stated otherwise, throughout this Red Herring Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Red Herring Prospectus is derived from our restated financial information prepared for the for the period ended September 30, 2023, and year ended March 31, 2023, 2022 and 2021 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled ***"Financial Information of the Company"*** beginning on page 157 of this Red Herring Prospectus.

There are significant differences between Indian GAAP, the International Financial Reporting Standards ("IFRS") and the Generally Accepted Accounting Principles in the United States of America ("U.S. GAAP"). Accordingly, the degree to which the Indian GAAP financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.
Any percentage amounts, as set forth in ***"Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations"*** and elsewhere in the Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company's restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, 2018, as stated in the report of our Auditor, set out in section titled ***"Financial Information of the Company"*** beginning on page 157 of this Red Herring Prospectus. There are no subsidiaries of our Company as on date of the Red Herring Prospectus. Our fiscal year commences on April 1 of every year and ends on March 31 of every next year.

For additional definitions used in this Red Herring Prospectus, see the section ***"Definitions and Abbreviations"*** on page 1 of this Red Herring Prospectus. In the section titled ***"Main Provisions of the Articles of Association"***, on page 286 of the Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

Use of Industry & Market Data

Unless stated otherwise, industry and market data and forecast used throughout the Red Herring Prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

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

In accordance with the SEBI (ICDR) Regulations, 2018 the section titled ***"Basis for Issue Price"*** on page 82 of the Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

Currency of Financial Presentation

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

Any percentage amounts, as set forth in ***"Risk Factors"***, ***"Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operations"*** on page 25, 105 and 208 respectively of this Red Herring Prospectus, unless otherwise indicated, have been calculated based on our restated financial statements prepared in accordance with Indian GAAP.

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

FORWARD LOOKING STATEMENTS

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

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

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Inability to promptly identify and respond to changing customer preferences or evolving trends
3. Failure to successfully upgrade our product portfolio, from time to time;
4. Any change in government policies resulting in increases in taxes payable by us;
5. Our ability to retain our key managements persons and other employees;
6. Changes in laws and regulations that apply to the industries in which we operate.
7. Our ability to grow our business;
8. general economic, political and other risks that are out of our control;
9. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
10. Company's ability to successfully implement its growth strategy and expansion plans ;
11. failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
12. inability to successfully obtain registrations in a timely manner or at all;
13. occurrence of Environmental Problems & Uninsured Losses;
14. conflicts of interest with affiliated companies, the promoter group and other related parties;
15. any adverse outcome in the legal proceedings in which we are involved; and
16. Concentration of ownership among our Promoters.
17. We depend on our brand recognition and reputation and our failure to maintain or enhance our brand image could have a material adverse effect on our business, financial condition, and results of operations.

For further discussion of factors that could cause our actual results to differ, see the Section titled ***"Risk Factors", "Our Business" and " Management's Discussion and Analysis of Financial Condition and Results of Operations"*** beginning on page 25, 105 and 208 respectively of the Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

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

SUMMARY OF OFFER DOCUMENT

A. OVERVIEW OF BUSINESS

Our company is engaged in the business of manufacturing of induction heating and melting products by means of electric induction like induction melting furnace and induction heating equipment. Besides induction melting & heating equipments our company produces various up-stream & down-stream plant & machineries associated with steel melt shops such as, transformers, ladle refining furnaces, continuous casting machines, fume extraction systems etc. Our Company also manufacturers electric arc furnaces for alloys & special steel making industries, our services portfolio includes turnkey solutions for steel plant, which involves design, engineering, supply, erection & commissioning of the steel melt shops using both insourced & outsourced plant & machineries and after sales service, involving maintenance contracts & spare parts business.

B. OVERVIEW OF THE INDUSTRY

The secondary Steel sector is treading on a growth path and is expected to play a major role in steel production of India in the light of trends towards increased usage of scrap based steel production. A large number of new production capacities are being added to meet the growing demand. The secondary sector has enormously improved its performance in last two decades with regard to energy usage due to continuous institutional efforts and also interventions through energy efficiency projects funded by government for penetration of energy efficient technologies in this sector. The sector is installing secondary metallurgy equipments like LRFs, VDs to produce quality products. The sector has largely shifted from ingot casting to continuous casting of billets which has helped to get rid of many quality problems.

C. PROMOTERS

Mr. Shesadri Chanda Bhusan, Mr. Satadri Chanda and Megatherm Electronics Private Limited are the Promoters of our Company.

D. DETAILS OF THE ISSUE

This is an Initial Public Fresh Issue of upto 49,92,000 Equity Shares of face value of Rs. 10 each of our Company for cash at a price of Rs. [●] per Equity Share (including a share premium of Rs. [●] per Equity Share) aggregating to Rs. [●] lakhs (**"The Issue"**), out of which 2,50,800 Equity Shares of face value of Rs. 10 each for cash at a price of Rs. [●] per Equity Share aggregating up to Rs. [●] lakhs will be reserved for subscription by the market maker to the issue (the **"Market Maker Reservation Portion"**). The Issue less Market Maker Reservation Portion i.e. Issue of 47,41,200 Equity Shares of face value of Rs. 10 each, at an issue price of Rs. [●] per Equity Share for cash, aggregating to Rs. [●] lakhs is hereinafter referred to as the **"Net Issue"**. The Public Issue and Net Issue will constitute 26.50% and 25.16 % respectively of the post- issue paid-up Equity Share capital of our Company.

E. OBJECTS OF THE ISSUE

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

Sr. No	Particulars	Amt (Rs. in Lacs)
1.	Funding capital expenditure towards construction of factory shed and installation of additional plant and machinery	1490.37
2.	To meet Working Capital requirements	2600.00
3.	General Corporate Purpose	[●]
	Total	[●]

F. PRE-ISSUE SHAREHOLDING OF PROMOTER AND PROMOTER GROUP

Our Promoters and Promoter Group collectively holds 1,36,98,729 Equity shares of our Company aggregating to 98.92% of the pre-issue paid-up Share Capital of our Company. Following are the details of the shareholding of the Promoters and Promoter Group, as on date of this Red Herring Prospectus: -

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	Promoters				

1.	Mr. Shesadri Chanda Bhusan	7,500	0.05	7,500	0.04
2.	Mr. Satadri Chanda	3,600	0.03	3,600	0.02
3.	Megatherm Electronics Private Limited	1,36,83,729	98.81	1,36,83,729	72.63
	Sub Total (A)	**1,36,94,829**	**98.89**	**1,36,94,829**	72.69
	Promoters Group				
4.	Ayati Chanda	3,750	0.03	3,750	0.02
5.	Christina Paul Chowdhury	75	0.00	75	0.00
6.	Aaditeya Datta	75	0.00	75	0.00
	Sub Total (B)	**3900**	**0.03**	**3900**	0.02
	Grand Total (A+B)	**1,36,98,729**	**98.92**	**1,36,98,729**	72.71

G. SUMMARY OF FINANCIAL INFORMATION

Following are the details as per the restated financial statements for the period September 30, 2023 & financial years ended on March 31, 2023, 2022 and 2021: -

Amt. (Rs. in lakhs)

Sr. No	Particulars	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1.	Share Capital	1384.87	923.25	923.25	913.25
2.	Net Worth	5821.98	5062.64	3662.23	3512.13
3.	Total Income (Revenue from operation)	14687.50	26588.15	18783.13	10900.92
4.	Profit/(loss) after tax	759.34	1400.41	110.10	309.12
5.	Earnings per Share*	5.48	10.11	0.80	2.25
6.	Net Asset Value per Share*	42.04	36.56	26.44	25.55
7.	Total Borrowings (including current maturities of long term borrowings)	4480.46	4282.04	4038.80	4327.04

**based on weighted average number of shares after considering the effect of bonus issue made by the company on August 09, 2023 in the ratio of 1 equity share for every 2 equity shares held.*

H. AUDITOR QUALIFICATIONS

The Audited Financial Statement does not have any auditor qualification.

I. SUMMARY OF OUTSTANDING LITIGATIONS

Our Company and group companies are involved in certain legal proceedings. A brief detail of such outstanding litigations as on the date of this Red Herring Prospectus are as follows:

Litigations/Matters involving our Company:-

(Rs. in Lakhs)

Nature of Cases	No. of Outstanding Cases	Amount in dispute/demanded to the extent ascertainable
Criminal Matter	2	3.84

Litigations involving the Director/Individual Promoter of the Company:-

(Rs. in Lakhs)

Nature of Cases	No. of Outstanding Cases	Amount in dispute/demanded to the extent ascertainable*
Criminal Cases	2	3.84
Direct Tax	2	19.75

**to the extent ascertainable*

Litigations involving the Corporate Promoter of the Company:-

(Rs. in Lakhs)

Nature of Cases	No. of Outstanding Cases	Amount in dispute/demanded to the

		extent ascertainable*
Direct Tax	2	1.24

**to the extent ascertainable*

Litigations involving our Group Company (which may have a material impact on us):-

(Rs. in Lakhs)

Nature of Cases	No. of Outstanding Cases	Amount in dispute/demanded to the extent ascertainable
Direct Tax	6	1015.46

Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Red Herring Prospectus.

*For further details, please refer to the chapter titled **"Outstanding Litigations and Material Developments"** on page 218 of this Red Herring Prospectus.*

J. RISK FACTORS

For details on the risks involved in our business, please see the Chapter titled ***"Risk Factors"*** beginning on page *25* of this Red Herring Prospectus.

K. SUMMARY OF CONTINGENT LIABILITIES

Amt. (Rs. in lakhs)

Particulars	As at			
	30-09-23	31-03-23	31-03-22	31-03-21
Contingent liabilities in respect of:				
Guarantee issued by bank	374.56	187.11	170.72	192.31
Letter of credit by bank	2750.38	2708.61	1727.04	1127.86
Total	**3124.94**	**2895.72**	**1897.76**	**1320.17**

Particulars	As at			
	30-09-23	31-03-23	31-03-22	31-03-21
Provision for warranty				
Opening balance of provision for warranty	137.76	93.23	64.99	0.00
Add: Created during the year	91.81	169.35	93.23	64.99
Less: Utilized during the year	86.97	124.82	64.99	0.00
Closing balance of provision for warranty	**143.60**	**137.76**	**93.23**	**64.99**

For further details, please refer to Note 29 – Contingent Liabilities and commitments of the chapter titled ***"Financial Information of the Company"*** on page 191 of this Red Herring Prospectus.

L. SUMMARY OF RELATED PARTY TRANSACTIONS

Following is the summary of the related party transactions entered by the Company (based on Restated Financial Statements) for the period September 30, 2023 and financial years ended on March 31, 2023, 2022 and 2021: -

(i) List of related party and relationship where control exists

a) Enterprises having control over the Company with which transaction has taken place during the year and previous year.
Megatherm Electronics Private Limited - Immediate holding company

b) Fellow Subsidiaries (with whom transactions have taken place during the year and previous year):
EMT Megatherm Private Limited

c) Enterprises having significant influence over the Company with which transaction has taken place during the year and previous year.

SC Aqua Vitae Private Limited

(ii) Names of the other related parties with whom transactions have taken place during the year

a) Key Managerial Personnel

Mr. Shesadri Bhusan Chanda, Chairman and Managing Director
Mr. Satadri Chanda, Director
Mr. Vikas Varshneya , Director (up to 16-07-2021)
Mrs. Christina Paulchowdhury
Mrs. Nisha Bhopalka, C.S

(iii) Details of transactions with related parties

(Amt in Rs. Lakhs)

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Relating to Profit and Loss account				
Sale of Products/services				
EMT Megatherm Private Limited	1,433.17	0.00	564.22	699.02
Megatherm Electronics Private Limited	1,230.01	1816.61	564.89	242.72
Purchase of Products/Services				
EMT Megatherm Private Limited	624.48	0.00	0.00	1198.01
Sale of Export Licenses				
Megatherm Electronics Private Limited	-	0.00	6.74	0.00
Interest Expenses				
Megatherm Electronics Private Limited	-	19.83	20.40	105.22
Rent and Electricity Expenses				
Megatherm Electronics Private Limited	63.50	115.77	110.72	111.41
Salaries/ Managerial Remuneration				
Mr. Shesadri Bhusan Chanda	31.20	62.40	28.00	18.00
Mr. Satadri Chanda	43.50	82.90	38.50	24.00
Mr. Vikas Varshneya , Director (upto 16-07-2021)	0.00	0.00	5.80	12.50
Mrs Abanti Saha Basu , C.S	0.22	0.00	0.00	0.00
Mrs. Nisha Bhopalka , C.S	0.55	1.44	1.49	1.49
Relating to Balance Sheet				
Loan Repayment				
Megatherm Electronics Private Limited	0.00	204.00	0.00	900.00
Asset Purchased				
Megatherm Electronics Private Limited	738.86	0.00	0.00	0.00
EMT Megatherm Private Limited	0.00	0.00	138.77	0.00
Advance given				
Megatherm Electronics Private Limited	675.00	1450.00	0.00	0.00
SC Aqua Vitae Private Limited	0.00	0.00	6.00	0.00
Advance refunded				
Megatherm Electronics Private Limited	0.00	1450.00	0.00	0.00
SC Aqua Vitae Private Limited	0.00	6.00	0.00	0.00

Trademark on lease				
Megatherm Electronics Private Limited	400.00	0.00	0.00	0.00
Balances at the year end				
Particulars	**30 September 2023**	**31 March 2023**	**31 March 2022**	**31 March 2021**
Trade Receivables				
EMT Megatherm Private Limited	984.89	0.00	757.48	185.12
Megatherm Electronics Private Limited	331.29	1293.27	603.42	1065.92
Advance to supplier and others				
SC Aqua Vitae Private Limited	0.00	0.00	6.00	0.00
Closing Balance in Interest Payable				
Megatherm Electronics Private Limited	0.00	0.00	18.36	20.39
Closing Balance in Loan				
Megatherm Electronics Private Limited	0.00	0.00	204.00	220.50

For further details, please refer to the Note 36 – Related Party Disclosures of chapter titled ***"Financial Information of the Company"*** on page **194** of this Red Herring Prospectus.

M. DETAILS OF FINANCING ARRANGEMENTS

There are no financing arrangements whereby the promoters, members of the promoter group, the directors of the issuer and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Red Herring Prospectus.

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

Sr. No.	Name of Promoters	Total No. of Equity Shares	Weighted Average Price (in Rs. per equity share)
1.	Satadri Chanda	1,200	-
2.	Shesadri Bhusan Chanda	2,500	-
3.	Megatherm Electronics Private Limited	45,61,243	-

O. AVERAGE COST OF ACQUISITION OF SHARES

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

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
1.	Satadri Chanda	3,600	6.39
2.	Shesadri Bhusan Chanda	7,500	6.67
3.	Megatherm Electronics Private Limited	1,36,83,729	13.77

P. PRE IPO PLACEMENT

Our Company is not considering any pre-IPO placement of equity shares of the Company.

Q. EQUITY SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH

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

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Benefits Accrued to our Company	Name of Allottee	No. of Shares Allotted

March 25, 2016	13,22,422	10	40	Conversion of unsecured loan into Equity Shares	Reduction in Debt component of the Company	Megatherm Electronics Private Limited	13,22,422
March 25, 2017	30,22,535	10	23.27	Conversion of unsecured loan into Equity Shares	Reduction in Debt component of the Company	Megatherm Electronics Private Limited	30,22,535
March 31, 2018	12,57,529	10	23.27	Conversion of unsecured loan into Equity Shares	Reduction in Debt component of the Company	Megatherm Electronics Private Limited	12,57,529
August 09, 2023	46,16,243	10	-	Bonus in the ratio of 1:2 i.e. 1 Equity Share for every 2 Equity Shares held	*Capitalization of Reserves & Surplus	Shesadri Bhusan Chanda	2,500
						Ayati Chanda	1,250
						Satadri Chanda	1,200
						Megatherm Electronics Private Limited	45,61,243
						Vikas Vershneya	50,000
						Christina Paul Chowdhury	25
						Aaditeya Datta	25

R. SPLIT/ CONSOLIDATION OF EQUITY SHARES

Not Applicable

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

Not Applicable

SECTION III: RISK FACTORS

An investment in Equity Shares involves a high degree of risk. prospective investors should carefully consider all the information in this Red Herring Prospectus, particularly the "Financial Information of the Company" and the related notes, "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 157, 105 & 208 respectively and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.

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

This Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved.

Materiality

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

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

Note:

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

In this Red Herring Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in "Risk Factors" beginning on page 25 and "Management Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 208 unless otherwise indicated, has been calculated on the basis of the amount disclosed in the "Audited Financial Statements, as restated" prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP).

INTERNAL RISK FACTORS

1. ***Our loan agreements requires our Corporate Promoter to pledge Equity Shares of our Company with lenders. Any breach by our Company of certain covenants under the financing agreements may entitle these lenders to exercise their rights under the financing agreements and reduce the shareholding of our Corporate Promoter, which may adversely affect our business.***

Our Corporate Promoter i.e. Megatherm Electronics Private Limited is required to pledge their shareholding of Equity Shares as security for the loans availed by our Company as per the terms of the sanction letter. Any default under the financing agreements pursuant to which these securities have been pledged will entitle the lenders, to enforce the pledge over these securities. If these pledges are enforced, the shareholding of our Corporate Promoter in our Company may be reduced and we may face certain impediments in taking decisions and the lenders will be entitled to attend general meetings of our Company, and exercise voting rights in respect of the pledged Equity Shares. For further details on such loan agreements, see "Statement of Financial Indebtedness" beginning on page 204.

As a result of the above, we may not be able to conduct our business or implement our strategies as currently planned without the prior approvals of the lenders, which may adversely affect our business, cash flows and prospects.

2. We significantly depend upon few of the raw material suppliers for manufacturing of induction heating and melting products and transformers. Volatility in the supply and pricing of our raw materials may have an adverse effect on our business, financial condition and results of operations.

Our production requires substantial amounts of raw materials which majorly includes metal sheets, transformer oil, CRGO coils etc., which are subject to significant price volatility. The amount spent for the procurement of raw materials from our top ten suppliers, as a percentage of our total purchases, was 44.14% for the period September 30, 2023, 45.05% in Fiscal 2023, 49.96% in the period Fiscal 2022 and 61.59% in the period Fiscal 2021. Our cost of raw materials consumed for period September 30, 2023 was Rs. 11773.71 lakhs which represents 80.16% of our revenue from operations, Fiscal 2023 was Rs. 20329.04 lakhs, which represented 76.46% of our revenue from operations and for Fiscal 2022 was Rs. 14808.65 lakhs, which represented 78.84% of our revenue from operations. Our ability to remain competitive, maintain costs and profitability depend, in part, on our ability to source and maintain a stable and sufficient supply of raw materials at acceptable prices.

We do not have long term agreements with any of our raw material suppliers and we acquire such raw materials pursuant to our purchase orders. Raw material supply and pricing can be volatile due to a number of factors beyond our control, including global demand and supply, general economic and political conditions, tariff disputes, transportation and labour costs, labour unrest, natural disasters, competition, import duties, the outbreak of infectious diseases such as COVID-19 or currency exchange rates and there are inherent uncertainties in estimating such variables, regardless of the methodologies and assumptions that we may use. Further, discontinuation of such supply or a failure of these suppliers to adhere to the delivery schedule or the required quality could hamper our production schedule and therefore affect our business and results of operations.

There can be no assurance that demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials. If we were to experience a significant or prolonged shortage of raw materials from any of our suppliers, and we cannot procure the raw materials from other sources, we would be unable to meet our production schedules for our key products and to deliver such products to our customers in a timely manner, which would adversely affect our sales, margins and customer relations. Any delay in the supply or delivery of raw materials to us by our suppliers may in turn delay our process of manufacture and delivery of products to our customers and this may have an adverse effect on our business, cash flows and results of operations. Additionally, our inability to predict market conditions may result in us placing supply orders for inadequate quantities of such raw materials. Therefore, we cannot assure you that we will be able to procure adequate supplies of raw materials in the future, as and when we need them and on commercially acceptable terms.

3. We may not be able to realize the amounts, partly or at all, reflected in our Order Book which may materially and adversely affect our business, prospects, reputation, profitability, financial condition and results of operation.

As of December 31, 2023, our Company's has an order book of over Rs. 28000 Lakh at order value less amount billed representing manufacturing and supply of metal melting, hardening equipment and transformers. The future earnings of our company are related to the successful production and delivery of the equipment in the order book, which may not be realized due to cancellations or scope or schedule adjustments. Moreover, factors beyond our control or the control of our clients may postpone the work order or cause its cancellation. Due to the possibility of cancellations or changes in scope and delivery schedule, resulting from our clients' discretion or problems we encounter during production process or reasons outside our control or the control of our clients, we cannot predict with certainty when, if or to what extent an equipment forming part of our order book will be produced and delivered. Delays in the production and delivery of the equipment can lead to clients delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such purchase orders. Even relatively short delays or difficulties could result in our failure to receive, on a timely basis or at all, all payments due. This could have an adverse effect on our business operations, revenue and profitability.

4. Under-utilization of our manufacturing capacities and an inability to effectively utilize our existing manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.

As of date of Red Herring Prospectus, we own and operate one manufacturing facility in Kharagpur, West Bengal with an aggregate installed production capacity of 300 equipment per annum for manufacturing of induction heating and melting equipment including furnace and transformers. In Fiscals 2023, 2022 and 2021, our overall capacity utilization was as detailed below:

Particular	March 31, 2021	March 31, 2022	March 31, 2023
Installed Capacity	300	300	300

Actual production	95	147	162
Capacity Utilization	31.67%	49.00%	54.00%

Our capacity utilization levels are dependent on our ability to carry out uninterrupted operations at manufacturing facility as well as on the market demand of the products sold by us. Among others, the capacity utilization also depends upon the availability of raw materials, labour, industry/ market conditions and procurement practice followed by our customers. In the event we are unable to achieve considerable capacity utilization of our current manufacturing facility, it would result in operational inefficiencies which could have a material adverse effect on our business, results, financial condition and future prospects. Under-utilization of our manufacturing capabilities over extended periods, or significant under-utilization in the short-term, could materially and adversely impact our business, growth prospects and future financial performance.

5. We are subject to strict performance requirements, including, but not limited to, quality and delivery, by our customers, and any failure by us to comply with these performance requirements may lead to the cancellation of existing and future orders, recalls or warranty and liability claims.

We are engaged in the manufacturing and supply of critical and complex products which are required to meet precise and specific requirements including in terms of quality, measurements and tolerances. Failure by us to achieve or maintain compliance with these requirements or quality standards may disrupt our ability to supply products sufficient to meet our customers' demands, lead to the cancellation of existing and future orders, result in us incurring costs for repairing or replacing defective products as well as conducting product recalls and paying warranty and liability claims, any of which could have a material adverse effect on our business, financial condition, results of operations and cash flows. Our purchase orders, have standard liability clauses in relation to quality and delivery of our products, which ordinarily do not have any limits. Accordingly, we are required to provide warranty for such quality and delivery related obligations, which may or may not be capped in terms of time or monetary value. Further, the supply of defective products may result in our customers initiating litigation against us, which could materially harm our reputation, business, financial condition, cash flows and results of operations. Furthermore, we may be subject to liability claims by third parties in the event that the use of any of our products results in personal injury or property damage, which could adversely affect our reputation and business and, to the extent not covered by insurance, our results of operations, financial condition and cash flows. While there have been no instances where we were subject to any product liability claims in the last three Fiscals, we cannot guarantee that we can continue to comply with all regulatory requirements or the quality standards required by our customers and there can be no assurance that no product liability claim will arise in the future.

6. We depend on the large industries for selling of our products which may effects our revenue from operation and profits.

We are engaged in the manufacturing of induction heating and melting equipment like induction furnace, ARC melting furnace, ladle refining furnace, continuous casting machines, billet heaters, surface hardening machines and transformers, which totally designed and manufactured for large industries and not for the general public or use in the homes. Thus we are completely dependent on industries and large organizations which use these products, this dependency on industries may affect our profits and revenue. In case these industries refuse to accept the delivery of the product manufactured by us it would be very difficult for us to find an alternative market to sell the manufactured product, any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations

7. Substantial portion of our revenues has been dependent upon few customers. The loss of any one or more of our major customer would have a material adverse effect on our business, cash flows, results of operations and financial condition.

The substantial portion of our revenues has been dependent upon few customers. For instance, our top ten customers for the period ended September 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 accounted for 47.01%, 41.98%, 30.53% and 36.81% of our revenue from operations for the respective year/period. Our reliance on a limited number of customers for our business exposes us to risks, that may include, but are not limited to, reductions, delays or cancellation of orders from our significant customers, a failure to negotiate favorable terms with our key customers or the loss of these customers, all of which would have a material adverse effect on the business, financial condition, results of operations, cash flows and future prospects of our Company.

In addition, we received orders from our customers on purchase order basis and we have not entered into any long term agreements with our customers and the success of our business is significantly dependent on maintaining good relationship with them. The loss of one or more of these significant customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows.

Further, there is no guarantee that we will retain the business of our existing key customers or maintain the current level of business with each of these customers. In order to retain some of our existing customers, we may also be required to offer terms to such customers which may place restraints on our resources. Additionally, our revenues may be adversely affected if there is an adverse change in any of our customers' strategies or if our customers decide to choose our competitors over us or if there is a significant reduction in the volume of our business with such customers.

8. Our Group Company have incurred losses in past and any operating losses in the future could adversely affect the results of operations and financial conditions of our group company.

The details of profit and loss of our Group Company in past years are as follows: -

Group Company	For the year ended on (in Rs. Lakhs)		
	March 31, 2023	**March 31, 2022**	**March 31, 2021**
EMT Megatherm Private Limited	(91.20)	(495.28)	(1526.51)
SC Auqa Vitae Private Limited	0.02	(0.01)	(0.01)

Further, as on March 31, 2022, our group company i.e., EMT Megatherm Private Limited has a negative networth of Rs. 660.99 lakhs. Also, due to the above losses in our group Company namely EMT Megatherm Private Limited, our holding company and corporate promoter has also incurred losses on a consolidated basis as mentioned below –

Corporate Promoter	For the year ended on (in Rs. Lakhs)		
	March 31, 2023	**March 31, 2022**	**March 31, 2021**
Megatherm Electronics Private Limited (consolidated basis)	1446.92	(357.20)	(960.15)

Any operating losses could adversely affect the overall operations of the group and financial conditions and also divert the attention of the management and promoter towards the group company which could have an adverse effect on our operations and financials. For more information, regarding the Company, please refer chapter titled ***"Our Group Companies"*** beginning on page 227 of this Red Herring Prospectus.

9. Delays or defaults in client payments could affect our operations.

We may be subject to working capital risks due to delays or defaults in payment by clients, which may restrict our ability to procure raw materials and make payments when due. In addition, any delay or failure on our part to supply the required quantity or quality of products, within the time stipulated by our agreements, to our customers may in turn cause delay in payment or refusal of payment by the customer. Our outstanding debtors as on September 30, 2023 stood at Rs. 2177.39 lakhs out of which Rs. 247.27 lakhs represent trade receivables which are outstanding for over 1 year. Further, our company has considered trade receivables amounting to Rs. 116.04 lakhs as doubtful debt against which provision have also be made to the extent of Rs. 116.04 lakhs in the books of accounts. Any defaults/delays by our customers in meeting their payment obligations to us may have a material effect on our business, financial condition and results of operations.

10. There are certain outstanding legal proceedings involving Our Company, Promoters, Directors and Group Companies*. Any failure to defend these proceedings successfully may have an adverse effect on our business prospects, reputation, financial conditions and result of ongoing operations.

Our Company and Group Companies are involved in certain legal proceedings, which if determined, against us could have an adverse impact on our business prospects, reputation, financial conditions and result of ongoing operations. For details kindly refer chapter titled ***"Outstanding Litigation and Material Developments"*** at page 218 of this Red Herring Prospectus. A brief detail of such outstanding litigations as on the date of this Red Herring Prospectus are as follows:

Litigations/Matters involving our Company:-

(Rs. in Lakhs)

Nature of Cases	No. of Outstanding Cases	Amount in dispute/demanded to the extent ascertainable
Criminal Matter	2	3.84

Litigations involving the Director/Individual Promoter of the Company:-

(Rs. in Lakhs)

Nature of Cases	No. of Outstanding Cases	Amount in dispute/demanded to the extent ascertainable*
Criminal Cases	2	3.84
Direct Tax	2	19.75

**to the extent ascertainable*

Litigations involving the Corporate Promoter of the Company:-

(Rs. in Lakhs)

Nature of Cases	No. of Outstanding Cases	Amount in dispute/demanded to the extent ascertainable*
Direct Tax	2	1.24

**to the extent ascertainable*

Litigations involving our Group Company (which may have a material impact on us):-

(Rs. in Lakhs)

Nature of Cases	No. of Outstanding Cases	Amount in dispute/demanded to the extent ascertainable
Direct Tax	6	1015.46

Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Red Herring Prospectus.

For further details on above litigations, please refer to the chapter titled ***"Outstanding Litigation and Material Developments"*** on page 218 of this Red Herring Prospectus.

11. Product designing is very important part for our equipment for which we rely on our team and third party consultant. Any loss or error by these employees or consultants may have an adverse effect on our equipment and operations.

The designing of the equipment is a very crucial step for the proper functioning of the equipment, delivering the desired results and efficiency. We have a team for designing, engineering and drawing the blue prints of the equipment to be manufactured. We have a team of around 67 engineers who are supported by third-party consultants and industry experts to ensure compliance with the design specifications and quality standards laid down by the industry and customers. In case the design are not correct it may lead to orders being cancellation by the customer and/or loss of production as the final product will not match the customer specification. Further, we believe that for effective production process and better material management designing is very important task, and in case of any error at the designing stage may lead to loss of production which could have an adverse effect on our operations, business and reputation.

12. The trademark used by our Company is registered in the name of our Corporate Promoter i.e. Megatherm Electronics Private Limited and we have not entered into any exclusive agreement for usage of the trademarks.

The trademark megatherm used by our Company is registered in the name of our Corporate Promoter, Megatherm Electronics Private Limited. Although, we have obtained permission from the aforementioned company to use the said trademarks vide a Trademark licensing agreement dated September 30, 2023. In the event, the corporate promoter decide to use the trademark for any other product or industry or in case of withdrawal of permission by them to use the said trademark, we may not be able to use the said trademarks for the future period which may cause damages to our business prospects, reputation and goodwill. For details, relating to the trademarks used by us, please refer to chapter titled "Our Business" beginning on page 105 of this Red Herring Prospectus.

13. Our Corporate Promoters and Group Company is engaged in the similar line of business as of our Company. There are no non - compete agreements between our Company and such entities. We cannot assure that our Promoters will not favour the interests of such entities over our interest or that the said entities will not expand which may increase our competition and may adversely affect business operations and financial condition of our Company.

Our Corporate Promoter and Group Company, namely, Megatherm Electronics Private Limited is engaged in the manufacturing of electrical equipment's and EMT Megatherm Private Limited is engaged in the manufacturing of induction melting and heating equipment's and ARC melting furnace, ladle refining furnace, transformers, which is the same line of business of our Company. Further, we have not entered into any non-compete agreement with any of the said entities. We cannot assure that our Promoters who have

common interest in said entities will not favour the interest of the said entities. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and aforesaid entities in circumstances where our respective interests diverge. In cases of conflict, our Promoters may favour other entities in which our Promoter has interests. There can be no assurance that our Promoters or our Promoter Group entities will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations.

14. Our business and our financial condition would be materially and adversely affected if we fail to obtain new purchase orders and contracts.

Our company is engaged in the business of induction metal heating and melting equipment including furnace and transformers. Our revenue from operations is dependent on the receipt of new purchase orders from the customers. As part of our business, we receive the RFQ from the customers along with the details and specifications of the product to be manufactured. Based on the product design and specifications we provide the quotations to the customers, work order are typically awarded to us based on the satisfaction of prescribed qualification criteria and the price quoted by our company. There can be no assurance that we would always be able to get the purchase order in our favour. The growth of our business mainly depends on our ability to obtain new contracts related to the production of induction metal heating and melting equipment including furnace and transformers. Generally, it is very difficult to predict whether and when we will be awarded a new contract. Our future results of operations and cash flows can fluctuate materially from period to period depending on the timely award of contracts, commencement of production and timely delivery of the products as per the customer specifications. If we are unable to obtain new contracts for our business, our business will be materially and adversely affected.

15. Proper functionality and efficient working of the induction melting, hardening equipment and transformers manufactured by us play an integral role in the operations of our customers any issue in functioning of these equipment may significantly impact our company's finances and reputation.

The equipment manufactured by us plays very crucial role in the industry where they are used like steel making, automobile sector, power sector etc. In case the equipment do not meet the desired results expected from them or does not function efficiently it may affect the company's reputation among the customer, require us to undertake service repairs and even cancellation of future orders. Further, failure of the equipment may lead to halt of production at the customer premises or improper functionality may lead to industrial accidents at the factory/premises of our customers which may lead to legal disputes or claims being initiated against our company. Any such legal dispute or claim may lead to diversion of the attention of the management and loss of resources to defend the legal dispute or payment of claims initiated by the customers, which may affect our reputation, business operation and profitability.

16. We do not own the Registered Office and certain other place of business from where we operate our business activities. Any dispute in relation to use of the premises would have a material adverse effect on our business and results of operations.

Our Registered office, Sales Office, Branch Office have been taken on rent and the Factory have been taken on lease from West Bengal Electronics Industry Development Corporation Limited. All these properties are not owned by our company, for further details of the property refer section "Our Business" beginning on page 105. In the event that the existing lease deeds or rent agreements are terminated or they are not renewed on commercially acceptable terms, we may suffer a disruption in our operations.

There can be no assurance that we will, in the future, be able to retain or/and renew the agreements for the existing locations on same or similar terms, or will be able to find alternate locations for the existing offices and operating locations on similar terms favorable to us, or at all. We may also fail to negotiate the renewal of our lease deeds and/or rent agreements for our premises, either on commercially acceptable terms or at all, which could result in increased rental rates for subsequent renewals or searching of new premises, or to close facilities in desirable locations, affecting our financial condition and operations. In the event that the existing agreements are terminated or they are not renewed on commercially acceptable terms, we may suffer a disruption in our operations which could materially and adversely affect our business, financial condition and results of operations.

17. Fluctuations in the exchange rate of foreign currencies could result in currency transactions losses.

Our business involves exports transactions with our customers, which is paid in foreign currencies. A depreciation of Rupee against these foreign currencies would mean that our export of products would become expensive and will impact our export cost. During the FY 2021-22, 2022-23 and September 30, 2023 the exports at FOB value accounted for approximately Rs. 3743.40 lakhs, Rs. 6826.20 lakhs and Rs. 3088.51 lakhs respectively which represent approximately 19.93%, 25.67% and 21.03% of our revenue from operations. The exchange rate between the Rupee and these foreign currencies has fluctuated substantially in recent years and may continue to fluctuate significantly in the future. We bear the complete risk of currency exchange rate fluctuations. Further, the exchange gain and

loss accounted during the FY 2021-22, 2022-23 and period September 30, 2023 was approximately gain of Rs. 36.45 lakhs, loss of Rs. 28.35 lakhs and gain of Rs. 19.45 lakhs respectively. We cannot assure you that, in future we will be able to completely manage the foreign exchange gain or loss. Any depreciation in the rupee against the foreign currency and our ability to mitigate the loss incurred due to same may have an adverse effect on our profitability and business opportunity.

18. Our Group company namely EMT Megatherm Private Limited have in the past entered into a compromise settlement with the Bank. However, the company have made the payment towards the compromise amount and have received no dues certificate from the Bank.

Our Group Company, EMT Megatherm Private Limited have entered into a compromise settlement amounting to Rs. 11 crores with the State Bank of India during FY2021. Later, during the year 2021, the said loan account of our group company have been closed and subsequently a NOC was received from the Bank dated May 12, 2021. The matter have been settled and resolved and there are no impact of the same on our company and its directors. Although there are no further development in the said matters, but in case of any actual or alleged non-compliance with regulatory requirements, our Group Company or members of the Promoter group could be subject to investigations and administrative or judicial proceedings that may result in substantial penalties and/or diversion of management's attention, which could negatively affect our reputation and may have a material adverse effect on our business operations..

19. Our Company has not yet placed orders for machineries and equipment required by us for expansion of our manufacturing facility. Any delay in placing the orders or supply of plant and machinery may result in time and cost overruns, and may affect our profitability.

Our Company proposes to acquire machineries and equipment for expansion of our manufacturing facility. Our Company has identified the machineries to be acquired and has received the quotations from the suppliers, but we have not placed final orders for all of the machineries and equipment aggregating to Rs. 1596.08 lakhs. We have already placed order for machineries amounting to Rs. 261.45 lakhs and have paid an advance amounting to Rs. 105.71 lakhs representing 16.38% of our total expenditure which are proposed to be acquired for our expansion plan by utilization of Issue Proceeds. Our Company is further subject to risks on account of inflation in the price of construction and plant and machinery. Since the part funding for the plant and machinery is from the IPO proceeds, any delay in access to IPO proceeds would eventually delay the process of placing the orders. The purchase of machineries and equipment's would require us to consider factors including but not limited to pricing, delivery schedule and after-sales maintenance. There may be a possibility of delay at the supplier's end in providing timely delivery of these machineries and equipment, which in turn may delay the implementation of our expansion plan. Further, the quotations relied upon by us in arriving at the total cost of construction, machineries and equipment are valid for a specific period of time and may lapse after the expiry of the specific period. Consequent upon which, there could be a possible escalation in the cost of machineries and equipment's proposed to be acquired by us at the actual time of purchase, resulting in increase in the project cost, which may result in cost overruns, and may affect our profitability. For further details read section "Objects of the Issue" beginning on page 73 of the Red Herring Prospectus.

20. Activities involving our manufacturing process can be dangerous and can cause injury to people or property in certain circumstances. A significant disruption at our manufacturing facility may adversely affect our production schedules, costs, sales, and ability to meet customer demand.

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

Interruptions in production may also increase our costs and reduce our sales, and may require us to make substantial capital expenditures to remedy the situation or to defend litigation that we may become involved in as a result, which may negatively affect our profitability, business, financial condition, results of operations and prospects.

21. If we are unable to retain and hire skilled employees, or to maintain good relations with our workforce, our business and financial condition may be adversely affected.

Our ability to provide quality products and services and to manage the complexity of our business depends, in part, on our ability to retain and attract skilled personnel in the areas of management, product engineering, design, manufacture, servicing, sales, information

technology, and finance. Competition for such personnel is intense and the cost of retaining or replacing such personnel may affect our profitability. In addition, our strategies for growth have placed, and are expected to continue to place, increased demands on our management's and employees' skills and resources. Further, our manufacturing activities are labour intensive, requiring our management to undertake significant labour interface, and expose us to the risk of industrial action. As of September 30, 2023, we had a total work force of 278 employees employed by our company on a full-time basis apart from the on roll employees we also employ personnels on contractual basis.

We cannot ensure that we will not be subject to work stoppages, strikes or other types of conflicts with our employees or contract workers in the future. Any such event, at our current facilities or at any new facilities that we may commission or acquire in the future, may adversely affect our ability to operate our business and serve our customers, and impair our relationships with key customers and suppliers, which may adversely impact our business and financial condition. Any changes in the existing labour laws, may increase our labour cost and may also increase time spent by the management in labour related matters, which could impact our business and results of operations. If labour laws become more stringent or are more strictly enforced, it may become difficult for us to maintain flexible human resource policies, discharge employees or downsize, any of which could have an adverse effect on our business, results of operations, financial condition and cash flows.

22. Our continued operations are critical to our business and are subject to operating risks such as breakdown or failure of machinery, disruption to power sources or any temporary shutdown of our manufacturing facilities, in the event of which, our business, results of operations, financial condition and cash flows can be adversely affected.

Our manufacturing facility is subject to operating risks, such as the breakdown or failure of machinery, power supply or processes, performance below expected levels of efficiency, obsolescence of equipment or machinery, labour disputes, natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. Our customers rely significantly on the timely delivery of our products and our ability to provide an uninterrupted and timely supply of our products is critical to our business. We also require substantial electricity for our manufacturing facilities which is sourced from state electricity boards. For Fiscal 2021, Fiscal 2022, Fiscal 2023 and period September 30, 2023, our power and fuel costs was Rs. 73.74 lakhs, Rs. 83.32 lakhs, Rs. 98.36 lakhs and 66.48 lakhs, constituting 0.70%, 0.45%, 0.40% and 0.48%, respectively, of our total expenses. If supply is not available for any reason, we will need to rely on alternative sources, which may not be able to consistently meet our requirements and are high on costs, thereby adversely affecting our cost of production and profitability. Further, if, for any reason such electricity is not available, we may need to shut down our plants until an adequate supply of electricity is restored. Our customer relationships, business and financial results may be materially adversely affected by any disruption of manufacturing operations, including as a result of any of the factors mentioned above.

23. Our Company operates under several statutory and regulatory permits, licenses and approvals. Our inability to obtain, renew or maintain the statutory and regulatory licenses, permits and approvals required to operate our business may have an adverse effect on our business & operations.

We require various statutory and regulatory licenses, permits and approvals to operate our business. We need to make compliance and applications at appropriate stages of our business to continue our operations. There can be no assurance that the relevant authorities will issue these approvals or licenses, or renewals thereof in a timely manner, or at all. Further any default by our Company in complying with the same may result in the cancellation of such licenses, approvals or registrations which may adversely affect our operations and financial strength.

Further, certain licenses and registrations obtained by our Company contain certain terms and conditions, which are required to be complied by us. Any default by our Company in complying with the same, may result in inter alia the cancellation of such licenses, consents, authorizations and/or registrations, which may adversely affect our operations. There can be no assurance that the relevant authorities will issue or renew any of such permits or approvals in time or at all. Failure to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business.

24. Our induction heating and melting equipment business and transformer business is dependent on growth in the metal and steel industry, that may contribute to fluctuations in our results of operations and financial condition.

The sale of our induction furnace, metal heating and melting equipment and transformers to a large extent depends on the metal and steel industry. The equipment we manufacture are majorly used in the metal and steel industry. Further, the major raw material used by us for manufacturing of the induction furnace, induction heating and melting equipment and transformers includes metal sheets, wires and coils. In case of any slowdown in the steel and metal industry, we may face disruption from customer and suppliers side. If there is any slowdown in the industry it may lead to reduction in orders from the customers, delay or re-schedule of the delivery commitments

and delay or defaults in payments from the customer. Further, metal being the major raw material required by our company, there may be circumstances where due to slowdown in the industry the suppliers may reduce their production and it may become difficult for us to procure the requisite material required for our production. Thus, in case there is any slowdown in the steel or metal industry it may have an adverse effect on our business, revenue and operations.

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

In the past, the rent agreement for the lease of the registered office and the branch office were not registered with the authorities. For details of the rent agreement and property refer section "Our Business" beginning on page 105 of this Red Herring Prospectus. However the company has vacated the branch office as on date and have also paid advance for the purchase of the registered office. Hence, both the said rent agreements stand cancelled as on the date but we may be held liable in the future for any delay in the said registration which may make the available documents inadmissible in any legal proceeding or may require us to pay any fine or penalty for inadequate stamping.

26. Failure or disruption of our information technology may adversely affect our business, financial condition, results of operations and prospects.

We have established the SAP system, towards streamlining our operational, accounting and administrative functions. We significantly rely on our information technology systems for undertaking business decisions. We believe that we have deployed adequate information technology security systems including data backup and retrieval mechanisms, in all our facilities. However, any failure or disruption in the operation of these systems or the loss of data due to such failure or disruption (including due to human error or sabotage) may affect our ability to plan, track, record and analyze our production process, work in progress and sales, process financial information, meet business objectives based on information technology initiatives such as product life cycle management, manage our creditors, debtors, manage payables and inventory or otherwise conduct our normal business operations, which may increase our costs and otherwise adversely affect our business, financial condition, results of operations and prospects.

Further, unavailability of, or failure to retain, well trained employees capable of operating and working with our information technology systems may lead to inefficiency or disruption of information technology systems thereby adversely affecting our ability to operate efficiently.

27. Our failure to identify and understand evolving industry trends and preferences may adversely affect our business.

Changes in regulatory or industry requirements or in competitive technologies may render certain of our products obsolete or less attractive. Our ability to anticipate changes in technology and regulatory standards and to successfully develop and introduce new and enhanced products on a timely basis is a significant factor in our ability to remain competitive. If we are unable to obtain knowledge about industry trends and preferences in a timely manner, or at all, we may be unable to effectively implement our strategies, and our business and results of operations may be adversely affected. Moreover, we cannot assure you that we will be able to achieve the technological advances that may be necessary for us to remain competitive or that certain of our products will not become obsolete. We are also subject to the risks generally associated with new product or technology being introduced in the market, which may lead to situations including lack of market acceptance, delays in product development and failure of products to operate properly, which could have an adverse impact on our business and results of operations.

28. We participate and operate in competitive markets and may face competition from different players in the market which may have an adverse effect on our business, cash flows, financial condition and results of operations.

We operate in highly competitive markets and there are no specific entry barriers to the industry in which we operate. But, high capital requirement, manufacturing setup, product knowledge, customer validation and approvals process, expectation from customers for high quality standards and stringent specifications may act as barriers to new entrants. There are several strategies adopted by our competitors to increase their market shares including pricing, discounts, multi-location operations, multi-level marketing etc.

In India, these competitors include companies which are engaged in the manufacturing of transformers and metal heating and heat treatment machineries. To protect our existing market share or capture additional market share in this highly competitive environment, we may be required to increase expenditure for promotions and introduce and establish new products or services. There can be no assurance that our current or potential competitors will not offer products and services comparable or superior to those that we offer at the same or lower prices, adapt more quickly to changes in customer preferences, or expand their operations at a faster pace than we do.

Increased competition may result in price reductions, reduced profit margins and loss of market share, thereby causing an adverse effect on our operations, prospects and financial condition

29. Our growth depends on our expertise and initiatives to develop new products and/or improve our existing products and if we do not succeed we may suffer loss of our competitive advantage.

The development and commercialization of improved and/or new products is complex, time-consuming and costly, and its outcome is inherently uncertain. Accordingly, substantial effort, funds and other resources are spent towards such activities. We cannot guarantee that the improved and/or new products introduced in the future will be successful or will continue to be successful. Thus due to inherent risks associated with new product introductions, including uncertainties about trade and consumer acceptance, increased expenditure may not prove successful in maintaining or enhancing our market share and could result in lower profitability. In the event that such products are unsuccessful, we may lose some of are established clientele or reputation, which could have an adverse effect on our financial position, business operations, results of operations and future prospects.

30. We have experienced significant growth in the past few years, and if we are unable to sustain or manage our growth, our business, results of operations and financial condition may be adversely affected.

As per our Restated Financial Information, our revenue from operations for Fiscal 2021, Fiscal 2022 and Fiscal 2023 was Rs. 10900.92 lakhs, Rs. 18783.13 lakhs and Rs. 26588.15 lakhs, respectively, representing a CAGR of 56.17%. In case we are unable to sustain our rates of growth, due to a variety of reasons including a decline in the demand for our products, increased price competition, non-availability of raw materials, lack of management availability, or a general slowdown in the economy. A failure to sustain our growth may have an adverse effect on our business, results of operations and financial condition.

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

There are few discrepancies noticed in some of our corporate records relating to forms filed with the Registrar of Companies, which for instance, few of our corporate records relating to e-forms filed with the Registrar of Companies, which inter-alia includes clerical errors in the Annual Returns filed by our Company in past years. Also, some discrepancies in relation to appointment of Directors like improper resolutions due to clerical errors were attached in e-forms. Further, Our company has not complied with certain statutory provisions in the past including but not limited to the details as mentioned in this risk factor for instance, our Company has not filed Form CHG-1 for creation of charge on vehicle loans taken in the past, which is non-compliance of section 77 of the Companies Act, 2013 read with rules made thereunder and attracts penalty under section 86 of the Companies Act, 2013, however no such loans are outstanding as on date. Any cognizance of the non-compliance taken by the regulatory authority shall be addressed by the company promptly. Also, the company has in the past failed to file Form MGT14 for increasing the limits specified under section 180 of the Companies Act with regards to the loans and advances taken by the Company, however as on date of this Red Herring Prospectus our company has complied with the provisions of section 180 of the Companies Act by according shareholders' approval vide extra ordinary general meeting and the consequent form MGT-14 for the same has been filed with Registrar of Companies.

Further, the share transfer deed in respect to transfer of shares of our Company in the year 2010-11, 2012-13 and 2013-14 are not traceable. Accordingly, we have relied on the other corporate records maintained by the Company such as statutory registers and the forms filed with RoC to ascertain the information for the missing corporate records.

Although, no show cause notice in respect of the above has been received by the Company till date, any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of corporate and other law could impact the financial position of the Company to that extent.

32. Our net cash flows from financing and investing activities have been negative in some years in the past. Any negative cash flow in the future may affect our liquidity and financial condition.

Our cash flow from our financing and investing activities have been negative in the past. Following are the details of our cash flow position during the last three financial years based on restated financial statements are: -

Particulars	For the year ended (in Rs. Lakhs)			
	September 30,	March 2023	March 2022	March 2021

	2023			
Net cash flow from Operating activities	149.83	2577.64	1722.37	1395.23
Net cash flow from Investing activities	(993.69)	(1977.32)	(304.11)	(453.71)
Net cash flow from Financing activities	(52.07)	(340.56)	(747.58)	(569.59)

For details, please see the chapter titled ***"Financial Information of Our Company"*** on page 157 of this Red Herring Prospectus. Any negative cash flows in the future could adversely affect our results of operations and consequently our revenues, profitability and growth plans.

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

The borrowing facilities availed by our company from bank are rated by a credit rating agency. The credit ratings assigned to our Company, by Crisil an S&P Global Company vide their credit report August 2023 was Long Term Rating - CRISIL BBB-/Stable and Short Term Rating - CRISIL A3. Though the ratings have not been downgraded in the past three years, any downgrade in our credit ratings by rating agencies in future may increase our costs of accessing funds in the capital markets and adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such funding is available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures or other purposes.

34. We have incurred indebtedness which exposes us to various risks which may have an adverse effect on our business and results of operations

Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows, general market conditions, economic and political conditions in the markets where we operate and our capacity to service debt. As on September 30, 2023, our total outstanding indebtedness was Rs. 4480.46 Lakhs. Our significant indebtedness in future may result in substantial amount of debt service obligations which could lead to:

a. increasing our vulnerability to general adverse economic, industry and competitive conditions;
b. limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
c. affecting our credit rating;
d. limiting our ability to borrow more money both now and in the future; and
e. increasing our interest expenditure and adversely affecting our profitability.

If the loans are recalled on a short notice, we may be required to arrange for funds to fulfil the necessary requirements. The occurrence of these events may have an adverse effect on our cash flow and financial conditions of the company. For further details regarding our indebtedness, see "Statement of Financial Indebtedness" on page 204 of this Red Herring Prospectus.

35. Loans availed by Our Company has been secured on personal guarantees of our Director. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected in case of invocation of any personal guarantees provided by our Directors.

Our Promoter, Mr. Shesadri Bhusan Chanda, Mr. Satadri Chanda and Megatherm Electronics Private Limited has provided personal guarantee to secure a significant portion of our existing borrowings taken from the banks and may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the personal guarantees provided by the aforesaid may be invoked which could negatively impact their reputation and net worth. Also, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation. We may also not be successful in procuring alternate guarantees/ alternate security satisfactory to the lenders, as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details regarding loans availed by our Company, please refer "Statement of Financial Indebtedness" on page 204 of this Red Herring Prospectus.

36. Ineffective execution of marketing programs and reduced marketing expenditure could have an adverse effect on our sales.

We spend a significant amount on our advertising and sales promotions. During the period September 30, 2023 and Fiscal 2023 we undertake Rs. 96.29 lakhs and Rs. 102.52 lakhs towards advertising and sales promotion which has helped us in attaining a revenue from operations amounting to Rs. 14687.50 lakhs and Rs. 26588.15 lakhs. Our future growth and profitability may depend upon our marketing strategies and the sales promotion activities undertaken by our company. Although, the primary factors in determining the

buying decisions in the business include customer confidence, price points for our products, and quality of customer service. However, the ability to differentiate our products from competitors by its branding and sales promotion programs is an important factor in attracting customers. As a result, from time to time we undertake brand building exercise and marketing programs to enhance our brand visibility. If these programs are ineffectively executed or the level of support for them is reduced, it could affect our ability to attract customers. Further, we cannot assure you that we will be able to accurately estimate our marketing expenditure. In case our marketing expenses are lesser than market standards, our marketing programs may be perceived ineffective. However, if our marketing expenses are higher than the market standards, it may adversely affect our income and results of operations. Any such event may have an adverse effect on our business operations and financial position.

37. Fraud, theft, employee negligence or similar incidents may adversely affect our results of operations and financial condition.

As on September 30, 2023 we had total inventory consisting of raw material, work in progress and finished goods to the value of Rs. 7856.00 Lakhs. Our business operations require us to maintain large amounts of inventory at times. Our operations may be subject to incidents of theft or damage to inventory in transit, prior to or during factory stocking and display. Although we have set up various security measures and follow stringent operational processes but, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future, which could adversely affect our results of operations and financial condition. Additionally, in case of losses due to fraud, theft or damage caused by other casualties, there can be no assurance that we will be able to recover from our insurer the full amount of any such loss in a timely manner, or at all. If we incur a significant inventory loss due to third-party or employee theft or misconduct and if such loss exceeds the limits of, or is subject to an exclusion from, coverage under our insurance policies, it could have a material adverse effect on our business, results of operations and financial condition.

38. Our contingent liabilities and commitments as stated in our Restated Financial Statements could affect our financial condition.

Our Contingent liability and commitments as on September 30, 2023 was Rs. 3268.54 Lakhs. If this contingent liability materializes, fully or partly, the financial condition of our Company could be affected.

(Amt in Rs. Lakhs)

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
a) Contingent Liabilities:				
(i) Guarantee Issued By Bank	374.56	187.11	170.72	192.31
(ii) Letter of Credit By Bank	2,750.38	2708.61	1727.04	1127.86

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
b) Provision for Warranty				
Opening Balance of Provision for Warranty	137.76	93.23	64.99	0.00
Add : Created during the year	92.81	169.35	93.23	64.99
Less : Utilized during the year	86.97	124.82	64.99	0.00
Closing Balance of Provision for Warranty	**143.60**	**137.76**	**93.23**	**64.99**

For more information, regarding our contingent liabilities and commitments, please refer "Note 29" in chapter titled "Financial Information of the Company" beginning on page **191** of this Red Herring Prospectus.

39. Our Company in the past has entered into Related Party Transactions and may continue to do so in future also, which may affect our competitive edge and better bargaining power if entered with non-related parties resulting into relatively more favourable terms and conditions and better margins.

Our Company has entered into various transactions with our Directors, Promoter and Promoter Group members/ entities. These transactions, inter-alia includes, remuneration, interest payment, loans and advances, etc. Our Company has entered into such transactions due to easy proximity and quick execution. The sale and purchase transactions entered with related party amounts to 22.38%, 6.82%, 6.03% and 19.58% of our total revenue for the period September 30, 2023, March 31, 2023, 2022 and 2021 respectively. However, there is no assurance that we could not have obtained better and more favorable terms than from transaction with related parties. Additionally, while it is our belief that all our related party transactions have been conducted on an arm's length basis, we cannot provide assurance that we could have achieved more favorable terms had such transactions been entered with third parties. Our Company may enter into such transactions in future also and we cannot assure that in such events there would be no adverse effect on results of our operations. For details of transactions, please refer to "Note 36" on "Related Party Transactions" under Section titled "Financial Information of the Company" and Chapter titled "Capital Structure" beginning on page 191 and 59 respectively of this Red Herring

Prospectus. All related party transactions entered into by us in the last three financial years have been at arms' length, in the interests of our Company and in compliance with the companies act and other applicable laws..

40. Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Red Herring Prospectus is based on certain assumptions and has been subjected to rounding off, and thus our future production and capacity utilization may vary.

Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Red Herring Prospectus is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials and assumptions relating to operational efficiencies. Actual production levels and utilization rates may differ significantly from the estimated production capacities or historical estimated capacity utilization information of our facilities. Undue reliance should therefore not be placed on our production capacity or historical estimated capacity utilization information for our existing facilities included in this Red Herring Prospectus. For further information, see the section titled "Our Business" on page 105 of this Red Herring Prospectus.

41. We depend on third-parties for our transportation needs. Any disruptions may adversely affect our operations, business and financial condition.

We do not have an in-house transportation facility and we rely on third party transportation and other logistic facilities for transportation of products to our various places. For this purpose, we hire services of transportation companies. Our reliance on such third party logistics providers may increase as we expand our operations. Further, the value of our goods carried by such third-party transporters is typically much higher than the consideration paid for transportation, due to which it may be difficult for us to recover compensation for damaged, delayed or lost goods. Our operations and profitability are dependent upon the availability of transportation and other logistic facilities in a time and cost efficient manner. Accordingly, our business is vulnerable to increased transportation costs including as a result of increase in fuel costs, transportation strikes, delays, damage or losses of goods in transit and disruption of transportation services because of weather related problems, strikes, lock-outs, accidents, inadequacies in road infrastructure or other events.

Although we have not experienced any disruptions in the past, any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or non-supply or may require us to look for alternative sources which may be cost inefficient, thereby adversely affecting our operations, profitability, reputation and market position**.**

42. We are subject to restrictive covenants under our credit facilities that limit our operational flexibility.

The loan agreements entered into by us with banks contain specific covenants which require us to obtain the prior approval/ permission from the banks on the occurrence of certain events such as formulation of any scheme of amalgamation or reconstruction, undertaking of any new project or expansion, making any substantial change in our management set up, any change in our capital structure resulting in reduction of capital, etc. We are required to obtain consent/ approval from our lender before undertaking any such steps which have been mentioned in the loan agreements. There can be no assurance that such consents will be granted or that we will be able to comply with the financial covenants under our financing arrangements. In the event we breach any financial or other covenants contained in any of our financing arrangements, we may be required under the terms of such financing arrangements to immediately repay our borrowings either in whole or in part, together with any related costs. This may adversely impact our results of operations and cash flows. For further details on the Cash Credit Limits and other banking facilities, please see "Statement of Financial Indebtedness" on page 204 of this Red Herring Prospectus.

43. We are heavily dependent on our individual Promoters and Key Managerial Personnel for the continued success of our business through their continuing services and strategic guidance and support.

Our success heavily depends upon the continued services of our Key managerial personnel, along with support of our individual Promoters. We also depend significantly on our Key Managerial Persons for executing our day-to-day activities. The loss of any of our individual Promoter and Key Management Personnel, or failure to recruit suitable or comparable replacements, could have an adverse effect on us. The loss of service of the individual Promoters and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. If we are unable to retain qualified employees at a reasonable cost, we may be unable to execute our growth strategy. For further details of our Directors and key managerial personnel, please refer to Section ***"Our Management"*** on page 136 of this Red Herring Prospectus.

44. We deploy advanced technologies in the manufacturing, designing and installation of induction heating and melting products and ttransformers. Any incapability to adopt a new technology or change in the requirement of a particular technology by the government authorities may affect our position.

The manufacturing, designing and installation of our products like induction heating and melting products and transformers is technically complex, time consuming and resource intensive because of complex manufacturing process and strict adherence to customers specifications and requirements. We constantly upgrade our technical abilities to offer our clients the full range of products at lower cost and without compromising on quality. To use existing infrastructure to its maximum by avoiding major civil works, and provide cost effective and viable solutions, meeting the effluent norms at the same time. In the event of any change in the requirement by the government authorities/bodies of any technology presently used, which we are not able to provide or we lack sufficient expertise in that technology, we will not be in a position to undertake such work orders for lack of technical qualification and our competitors may get an advantage due to our incapability which could have an adverse effect on our business and revenue from operations.

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

The proposed fund requirement for our proposed expansion plans by installing additional machinery and working capital requirements, as detailed in the section titled "Objects of the Issue" is to be funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute our future plans/strategy within the given timeframe. For details, please refer to the Chapter titled ***"Objects of the Issue"*** beginning on page 73 of this Red Herring Prospectus.

46. Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business.

Our company has obtained insurance coverage in respect of certain risks. Our insurance coverage consists of burglary insurance policy, standard fire and special perils policy, marine sales turnover policy and vehicle insurance policy. While we believe that the insurance coverage maintained by us is adequate and consistent with the size of our business. However, there is no assurance that the insurance policy taken by us will be adequate for us to cover the losses. If we suffer any uninsured loss or if claim made by us in respect of an insurance is not accepted or any loss occurred by us is in excess of the insurance coverage may adversely affect our operation, results and financials. For further information, see the section titled ***"Our Business"*** on page 105 of this Red Herring Prospectus.

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

Our Company is engaged in manufacturing and production which attracts tax liability such as Goods and Service Tax, Income Tax, and Professional Tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contribution with Provident Fund and ESI. Though, we have deposited the required returns under various applicable Acts but there is no assurance that any delay with regards to payment of taxes or filing of returns may not happen in future. Further, the Company has been filing the return with delayed fees under above applicable acts but any demand or penalty raise by concerned authority in future for any previous year and current year for such non-compliance or delay will affect the financial position of the Company..

48. The Objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. Any variation between the estimation and actual expenditure as estimated by the management could result in execution delays or influence our profitability adversely.

The deployment of funds as stated in the "Objects of the Issue" beginning on page 73 of the Red Herring Prospectus is entirely at the discretion of our management and has not been appraised by any independent agency. Further, the purposes for which the Net Proceeds are to be utilized have not been appraised by an independent entity and are based on our estimates and on third-party quotations. In the event, for whatsoever reason, we are unable to execute our plans, we could have a significant amount of unallocated net proceeds. In such a situation, we would have broad discretion in allocating these net proceeds from the Issue without any action or approval of our shareholders. In case the assumptions on which these estimates have been made are not correct or they become un-realistic then there will be a variation in the estimates and the actual expenditure incurred which could result in execution delays and have an adverse effect on our operations and profitability.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our Dividend history refer to the Section ***"Dividend Policy"*** on page 156 of the Red Herring Prospectus.

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

The average cost of acquisition of Equity Shares of our Promoter i.e., Shesadri Bhusan Chanda, Satadri Chanda and Megatherm Electronics Private Limited are lower than the face value of Equity Shares i.e., Rs. 10/-. For further details regarding the average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares of our Promoters in our Company, please see Chapter titled "Capital Structure" beginning on page 59 of this Red Herring Prospectus

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

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above Rs.10,000.00 Lacs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee.

52. Any future issuance of Equity Shares, or convertible securities or other equity linked securities by us and any sale of Equity Shares by our significant shareholders may dilute your shareholding and 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 may dilute your shareholding in the Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. No assurance may be given that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our significant shareholders, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that we will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

53. 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 1,36,94,829 of the equity share capital of the company. As a result of the same they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholder's vote. Such a concentration of the ownership may also have the effect of delaying, preventing or deterring any change in the control of our company. In addition to the above, our promoters 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.

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

The issue price of the equity shares has been based on many factors and may not be indicative of the market price of our Equity Shares after the Issue. For further information please refer the section titled ***"Basis for Issue Price"*** beginning on page 82 of the Red Herring Prospectus. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price.

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

We have not independently verified data from industry publications contained herein and although we believe these sources to be

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

EXTERNAL RISK FACTORS:

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

Our Company is subject to various regulations and policies. For details see section titled ***"Key Industry Regulations and Policies"*** beginning on page 118 of this Red Herring Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse effect on our business, financial condition and results of operations.

57. 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.

The Government of India may implement new laws or other regulations that could affect the metal heating and meting furnace, automobile, locomotive industry and power distribution sector, which could lead to new compliance requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our 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 88 of this Red Herring Prospectus. 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.

58. 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, 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. 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.

59. 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 any other country 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.

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

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

61. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our Company's business.

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our Company's ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could harm our Company's business and financial performance and ability to obtain financing for capital expenditures.

62. The extent to which the Coronavirus disease (COVID-19) or outbreak of any other severe communicable disease may affect our business and operations in the future is uncertain and cannot be predicted

The outbreak, or threatened outbreak, of any severe epidemic caused due to viruses (particularly COVID19) 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 COVID19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines, shelter in place orders, and shutdowns. These measures have impacted and may further impact our workforce and operations, the operations of our customers, and those of our respective vendors and suppliers. In case the steps taken to control such situations are inadequate, may cause significant economic disruption in India and in the rest of the world. Further, the scope, duration and frequency of such measures and the adverse effects of any such diseases could be uncertain and could be severe. 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.

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

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

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

The Government of India has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse effect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue in case there is any change in the political stability. Any significant change in India's political situation and policies could disrupt business and economic conditions in India and thereby affect our business.

65. Natural disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India, or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations.

THE ISSUE

PRESENT ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS	
Equity Shares Offered through Public Issue[(1)]	Issue of upto 49,92,000* Equity Shares of face value of Rs.10 each fully paid-up of our Company.
Out of which:	
Issue Reserved for the Market Makers	Up to 2,50,800 Equity Shares aggregating to Rs. [●] Lakhs.
Net Issue to the Public	Up to 47,41,200 Equity Shares aggregating to Rs. [●] Lakhs.
Out of which*	
A. QIB Portion	Not more than 23,70,000 Equity Shares aggregating up to Rs. [●] lakhs.
Of which	
i) Anchor Investor Portion	Up to [●] Equity Shares aggregating up to Rs. [●] lakhs.
ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares aggregating up to Rs. [●] lakhs.
Of which	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Up to [●] Equity Shares aggregating up to Rs. [●] lakhs.
(b) Balance of QIB Portion for all QIBs including Mutual Funds	Up to [●] Equity Shares aggregating up to Rs. [●] lakhs.
B. Non-Institutional Portion	Not less than 7,11,600 Equity Shares aggregating up to Rs. [●] lakhs.
C. Retail Portion	Not less than 16,59,600 Equity Shares aggregating up to Rs. [●] lakhs.
Pre and Post – Issue Equity Shares	
Equity Shares outstanding prior to the Issue	1,38,48,729 Equity Shares of face value of Rs.10 each.
Equity Shares outstanding after the Issue	1,88,40,729 Equity Shares of face value Rs.10 each.
Use of Net Proceeds by our Company	Please see the chapter titled ***"Objects of the Issue"*** on page 73 of this Red Herring Prospectus.

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

*[(1)] Public issue of upto 49,92,000 Equity Shares face value of Rs.10.00 each for cash at a price of Rs. [●] per Equity Share of our Company aggregating to Rs. [●] Lakhs. 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 refer to section **"Issue Structure"** beginning on page 250 of this Red Herring Prospectus.*

Notes:

1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.

2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on September 04, 2023 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on September 05, 2023.

3) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e., not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to non-institutional bidders.

4) Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.

Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please refer section titled ***"Issue Procedure"*** beginning on page 254 of this Red Herring Prospectus.

SUMMARY OF FINANCIAL STATEMENTS

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakhs)

Particular	As at the Year/Period ended			
	30/09/2023	31/03/2023	31/03/2022	31/03/2021
I. EQUITY AND LIABILITIES				
1) Shareholders' funds				
(a) Share capital	1,384.87	923.25	923.25	913.25
(b) Reserves and surplus	4,437.11	4,139.39	2,738.98	2,598.88
	5,821.98	**5,062.64**	**3,662.23**	**3,512.13**
2) Non-current liabilities				
(a) Long-term borrowings	1,144.79	1,372.23	877.01	1,686.94
(b) Deferred tax liabilities (net)	315..56	307.06	254.97	311.74
(c) Long-term Provision	146.6	137.88	137.11	103.84
	1,606.99	**1,817.17**	**1,269.09**	**2,102.52**
3) Current liabilities				
(a) Short-term borrowings	3,335.67	2,909.81	3,161.79	2,640.10
(b) Trade payables				
Dues of Micro and Small Enterprises	1,482.57	1,830.68	1,449.91	1,326.05
Dues to Other	2,920.91	2,296.60	2,298.96	1,570.38
(c) Other current liabilities	5,651.35	5,117.97	5,303.02	3,386.94
(d) Short-term provisions	220.81	163.00	117.76	106.94
	13,611.31	**12,318.06**	**12,331.44**	**9,030.41**
TOTAL	**21,040.28**	**19,197.87**	**17,262.76**	**14,645.06**
II. ASSETS				
1) Non-current assets				
(a) Property, Plant and Equipment and Intangible assets				
(i) Property, Plant and Equipment	6,119.50	5,733.75	3,938.56	4,295.87
(ii) Intangible assets	78.47	68.05	15.61	-
(iii) Capital work-in-progress	160.83	61.52	247.89	13.43
	6,358.80	**5,863.32**	**4,202.06**	**4,309.30**
(b) Other non-current assets	1,053.62	934.55	157.38	149.96
	7,412.42	**6,797.87**	**4,359.44**	**4,459.26**
2) Current assets				
(a) Investments	300.00	-	-	-
(b) Inventories	7,856.00	7,109.34	6,851.11	5,336.69
(c) Trade receivables	2,177.39	2,322.00	2,508.25	2,462.34
(d) Cash and Cash Equivalents	794.13	1,690.06	1,430.30	759.62
(e) Other bank balances	494.76	412.44	374.41	228.35
(f) Short-term loans and advances	1,700.16	843.67	1,677.22	1,376.89
(g) Other current assets	305.42	22.49	62.03	21.91
	13,627.86	**12,400.00**	**12,903.32**	**10,185.80**
TOTAL	**21,040.28**	**19,197.87**	**17,262.76**	**14,645.06**

RESTATED STATEMENT OF PROFITS AND LOSSES

(Rs. in Lakhs)

PARTICULARS	`For the period / Year ended on			
	30/09/2023	31/03/2023	31/03/2022	31/03/2021
I. Revenue from operations	14687.50	26,588.15	18,783.13	10,900.92
II. Other Income	44.81	55.69	63.79	26.11
III. Total Income (I + II)	**14732.31**	**26,643.84**	**18,846.92**	**10,927.03**
IV. Expenses				
Cost of materials consumed	11773.71	20,329.04	14,808.65	7,646.17
Changes in inventories of finished goods and work-in-progress	(608.50)	(218.78)	283.43	(43.38)
Employee benefits expense	777.75	1,305.03	1,032.76	669.19
Finance costs	250.49	583.80	499.35	706.48
Depreciation and amortisation expense	161.72	242.82	206.02	210.44
Other expenses	1,368.46	2,418.46	1,864.71	1,312.61
Total expenses	**13,723.63**	**24,660.37**	**18,694.92**	**10,501.51**
V. Profit before tax	**1008.68**	**1,983.47**	**152.00**	**425.52**
VI. Tax expenses				
Current tax	**240.84**	**530.97**	**98.67**	**86.93**
Deferred tax (credit) / charge	**8.50**	**52.09**	**(56.77)**	**29.47**
Net Tax Expenses	**249.34**	**583.06**	**41.90**	**116.40**
VII. Profit for the year	**759.34**	**1,400.41**	**110.10**	**309.12**
VIII. Earnings per equity share [nominal value of share Rs 10 each (previous year Rs 10 each)]				
Basic	**5.48**	**10.11**	**0.80**	**2.25**
Diluted	**5.48**	**10.11**	**0.80**	**2.25**

RESTATED STATEMENT OF CASH FLOWS

(Rs. in Lakhs)

Particular	For the Period/ Year ended on							
	30/09/2023		31/03/2023		31/03/2022		31/03/2021	
Cash Flow from Operating Activities								
Profit Before Provision for Taxation		1,008.68		1,983.47		152.00		425.52
Adjustments for:								
Depreciation & Amortisation	161.72		242.82		206.02		210.44	
Gain on foreign exchange fluctuation	(13.86)							
Provision for Gratuity	23.45							
Bad Debts/Advances written off	2.04		25.45		65.16		35.18	
Provision for Doubtful Debts/Advances	65.04		30.00		21.00		-	
Interest Expenses	250.49		583.80		499.35		706.48	
Interest Income	(16.87)		(13.82)		(26.00)		(19.29)	
Loss on sale/discard of Fixed Assets	-		1.23		63.53		-	
Provision for Warranties	92.81		169.35		93.23		-	
		564.82		1,038.83		922.29		932.81
Operating Profit before Working Capital Changes		**1573.50**		**3,022.30**		**1,074.29**		**1,358.33**
Adjustments for:								
(Increase) in trade receivables	89.51		(579.78)		(132.07)		(1,586.65)	
(Increase)/Decrease in loans and advances	(856.49)		721.12		(342.76)		261.72	
Decrease/(Increase) in Other Assets	(430.95)		25.08		(28.44)		(9.12)	
Increase in trade payables	278.08		378.41		852.44		(121.54)	
(Increase) in inventories	(746.66)		(258.23)		(1,514.42)		(324.41)	
(Decrease) in provisions	(49.70)		(120.72)		(69.28)		91.51	
(Decrease)/Increase in other current liabilities	533.38	(1,182.83)	(185.05)	(19.17)	1,916.08	681.55	907.53	219.32
Cash Generated from Operations		390.67		3,003.13		1,755.84		1,577.65
Direct Taxes Paid		(240.84)		(425.49)		(33.47)		(182.42)
Net Cash from Operating Activities		149.83		**2,577.64**		**1,722.37**		**1,395.23**
Cash Flow from Investing Activities								
Purchase of Property, Plant and Equipment, including movement in CWIP and capital advances	(657.18)		(1,905.32)		(162.31)		(94.71)	
Movement In Investment in Mutual Funds	(300.00)		-		-		-	
Movement In Fixed Deposits	(46.15)		(100.30)		(156.12)		(373.29)	
Interest received	9.64		28.30		14.32		14.29	
Net Cash used in Investing Activities		**(993.69)**		**(1,977.32)**		**(304.11)**		**(453.71)**

Cash Flow from Financing Activities								
Repayment of Long Term Borrowings	(211.65)		(730.57)		(978.51)		(213.91)	
Proceeds from Long Term Borrowings	410.07		1,238.43		336.50		941.00	
Increase/ (Decrease) in Cash Credit facility & other borrowings	-		(264.62)		353.77		(590.20)	
Proceeds from issuance of equity share capital	(250.49)		-		40.00		-	
Interest paid	(211.65)		(583.80)		(499.34)		(706.48)	
Net Cash from Financing Activities		**(52.07)**		**(340.56)**		**(747.58)**		**(569.59)**
		(895.93)		**259.76**		**670.68**		**371.94**
Cash and cash equivalents at the beginning of the year		1,690.06		1,430.30		759.62		387.68
Cash and cash equivalents at the end of the year		**794.13**		**1,690.06**		**1,430.30**		**759.62**
	30/09/2023		**31/03/2023**		**31/03/2022**		**31/03/2021**	
Cash and Cash Equivalents comprise: -								
Cash in hand		0.86		0.04		2.23		0.92
Bank Balances with Scheduled Banks:								
Current Account		793.27		1,690.02		1,428.07		758.70
		794.13		**1,690.06**		**1,430.30**		**759.62**

GENERAL INFORMATION

Brief Summary:

Our Company was originally incorporated as a Private Limited Company under the name of "Megatherm Transmission & Distribution Private Limited" on October 22, 2010 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Kolkata, West Bengal. Further, pursuant to the special resolution passed by the shareholders in the Extra Ordinary General Meeting held on September 16, 2015 the name of our Company was changed from "Megatherm Transmission & Distribution Private Limited" to "Megatherm Induction Private Limited" and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Kolkata, West Bengal dated September 23, 2015. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on November 15, 2022, our Company was converted into a Public Limited Company and consequently the name of our Company was changed from "Megatherm Induction Private Limited" to "Megatherm Induction Limited" vide a fresh certificate of incorporation dated December 20, 2022, issued by the Registrar of Companies, Kolkata, West Bengal.

For further details please refer to chapter titled ***"History and Corporate Structure"*** beginning on page 131 of this Red Herring Prospectus.

CIN	U31900WB2010PLC154236
Registration No.	154236
Date of Incorporation	October 22, 2010
Registered Office	Plot- L1 Block GP, Sector V, Electronics Complex, Salt lake City Kolkata-700091, West Bengal, India. **Email**: info@megatherm.com **Tel. No.**: + 91 33 4088 6200 **Website**: www.megatherm.com **CIN**: U31900WB2010PLC154236 **Registration Number**: 154236
Designated Stock Exchange	SME Platform of NSE "NSE EMERGE"
Listing of Shares offered in this Issue	SME Platform of NSE
Address of the Registrar of Companies:	**Registrar of Companies, Kolkata** Nizam Palace, 2nd MSO Building, 2nd Floor, 234/4, A.J.C.B. Road, Kolkata - 700020, West Bengal, India **Tel No:** + 033-2287 7390 **Fax No:** + 033-22903795 **Email id:** roc.kolkata@mca.gov.in **Website:** www.mca.gov.in

Board of Directors:

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

Sr. No.	Name of Directors	Designation	Address	DIN
1.	Shesadri Bhusan Chanda	Chairman & Managing Director	Megatherm Tower, 11th Floor, Plot L1, Block GP, Sector V, Salt Lake, Sech Bhawan, North 24 Parganas, West Bengal - 700091	00961593
2.	Satadri Chanda	Whole Time Director & CFO	Megatherm Tower, 11th Floor, Plot L1, Block GP, Sector V, Salt Lake, Sech Bhawan, North 24 Parganas, West Bengal - 700091	02302312
3.	Christina Paulchowdhury	Non-Executive Director	39, B.T. Road, Khardah (M), North 24 Paraganas, West Bengal 700116 India.	09257875
4.	Ankit Rathi	Independent Director	608, Balaji Heights Indralok Phase II, new Garden Nest Road near Gopal Darshan bldg., Bhainder east, Thane, Maharashtra – 401104, India	08456577

5.	Siddhartha Sen	Independent Director	Flat No- A-70, IIT Campus Kharagpur Technology West Midnapore Kharagpur, West Bengal 721302, India	09749054

For further details in relation to our Directors, please refer to chapter titled ***"Our Management"*** on page 136 of this Red Herring Prospectus.

Chief Financial Officer	Company Secretary & Compliance Officer
Mr. Satadri Chanda **Megatherm Induction Limited** **Address**: Plot- L1 Block GP, Sector V, Electronics Complex, Salt lake City Kolkata-700091, West Bengal, India. **Email**: cfo@megatherm.com **Tel. No.**: + 91 33 4088 6200 **Website**: www.megatherm.com	**Abanti Saha Basu** **Megatherm Induction Limited** **Address**: Plot- L1 Block GP, Sector V, Electronics Complex, Salt lake City Kolkata-700091, West Bengal, India. **Email**: cs@megatherm.com **Tel. No.**: + 91 33 4088 6200 **Website**: www.megatherm.com

Investor Grievances:

Investors can contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, noncredit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

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

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

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

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

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

Book Running Lead Manager to the Issue	Legal Advisor to the Issue
Hem Securities Limited **Address**: 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel,Mumbai-400013, Maharashtra, India **Tel No.:**+91-22-4906 0000 **Email**: ib@hemsecurities.com **Investor Grievance Email:** redressal@hemsecurities.com **Website**:www.hemsecurities.com **Contact Person**: Mr. Sourabh Garg **SEBI Reg. No.:** INM000010981	**M/S. M. V. Kini, Law Firm** Kini House, 6/39 Jangpura-B, New Delhi – 110014, India **Tel No.:** +91 – 11 – 24371038/39/ 40 **Fax No**. +91 – 11 – 2437 9484 **Email**: corporatedelhi@mvkini.com **Website**: www.mvkini.com **Contact Person**: Ms. Vidisha Krishan **Designation** - Partner
Registrar to the Issue	**Statutory Auditor**
Bigshare Services Private Limited **Address:** S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093, India.	**M/s. MSKA & ASSOCIATES** **Chartered Accountants,** **Address**: Floor 4, Duckback House 41, Shakespeare Sarani, Kolkata-700017,

Telephone: +91 22 6263 8200 Facsimile: +91 22 6263 8299 Email: ipo@bigshareonline.com Investor Grievance Email: investor@bigshareonline.com Website: www.bigshareonline.com Contact Person: Mr. Aniket Chindarkar SEBI Registration Number: MB/INR000001385 CIN: U99999MH1994PTC076534	West Bengal India. **Tel**: + 91 33 6766 1600 **Website**: www.mska.in **Email**: puneetagarwal@mska.in **Contact Person:** Mr. Puneet Agarwal FRN No. : 105047W Membership No.: 064824 **Peer Review Certificate Number**: 013267
Bankers to our Company	**Bankers to the Issue/ Refund Banker/Sponsor Bank***
Indian Bank **Address**: MCB, Mission Raw Branch **Contact Person** : Sourav Dutta **Mobile No:** +91 8420770647 **Email Id**:- M716@indianbank.co.in **Website**: https://indianbank.co.in/	**Axis Bank Limited** **Address**: Thapae House, 25, Brabourne Road, Kolkata, 700001 **Tel. No**.: +91 8334846461 **Email id**:- Brabourneroad.branchhead@axisbank.com **Contact Person**:- C.K. Shankar **Website**: www.axisbank.com **SEBI Registration Number**: INBI00000017 **CIN**: L65110GJ1993PLC020769
Syndicate Member	
Hem Finlease Private Limited **Address:** 203, Jaipur Tower, M I Road, Jaipur, Rajasthan 302001, India **Telephone:** 0141-4051000 **Email:** ib@hemsecurities.com **Website:** www.hemsecurities.com **Contact Person:** Ashok Soni **SEBI Registration Number:** INZ000167734	

Designated Intermediaries:

Self-Certified Syndicate Banks (SCSB's)

The list of SCSBs, as updated till date, is available on website of Securities and Exchange Board of India at below link. https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34; https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35
Investors are requested to refer the SEBI website for updated list of SCSBs and their designated branches.

Self-Certified Syndicate Banks eligible as Sponsor Banks for UPI

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

Syndicate SCSB Branches

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, as amended.

Registered Brokers

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

Registrar and Share Transfer Agents

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

Collecting Depository Participants (CDP's)

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

Brokers to the Issue

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

Experts Opinion

Our Company has not obtained any expert opinions except we have received consent from the Peer review Auditors of the Company to include their name as an expert in this Red Herring Prospectus in relation to the (a) Peer review Auditors' reports on the restated Audited financial statements; and (b) Statement of Special Tax Benefits (c) Statement of Financial Indebtedness and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Inter-se Allocation of Responsibilities

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

Monitoring Agency

As per SEBI (ICDR) Regulations, 2018, appointment of monitoring agency is required only if Issue size exceeds Rs. 10,000 Lakhs. Hence, our Company is not required to appoint a monitoring agency in relation to the issue. However, Audit Committee of our Company will be monitoring the utilization of the Issue Proceeds.

Green Shoe Option

No Green Shoe Option is applicable for this Issue.

Appraising Entity

None of the objects for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution.

Credit Rating

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

IPO Grading

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

Trustees

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

Debenture Trustees

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

Filing of Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus with the Designated Stock Exchange/SEBI/ROC

The Red Herring Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India.

The Draft Red Herring Prospectus was not filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus/Prospectus will be filed online through SEBI Intermediary Portal at https://siportal.sebi.gov.in.

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

Book Building Process

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process, and advertised in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Kolkata Edition of Regional newspaper Ekdin where our registered office is situated at least two working days prior to the Bid/ Issue Opening date. The Issue Price shall be determined by our Company, in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/ Issue Closing Date. Principal parties involved in the Book Building Process are:-

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

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

The Issue is being made through the Book Building Process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the "**Anchor Investor Portion**"), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which

will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Issue. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention are invited to the chapter titled ***"Issue Procedure"*** beginning on page 254 of the Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled ***"Issue Procedure"*** on page 254 of this Red Herring Prospectus.

Illustration of the Book Building and Price Discovery Process:

For an illustration of the Book Building Process and the price discovery process, please refer to the chapter titled ***"Issue Procedure"*** on page 254 of this Red Herring Prospectus.

Bid/ Issue Program:

Event	Indicative Dates
Bid/ Issue Opening Date	January 25, 2024
Bid/ Issue Closing Date	January 30, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	On or about January 31, 2024
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account (T+2)	On or about February 01, 2024
Credit of Equity Shares to Demat accounts of Allottees (T+2)	On or about February 01, 2024
Commencement of trading of the Equity Shares on the Stock Exchange (T+3)	On or about February 02, 2024

(1) Our Company in consultation with the Book Running Lead Manager may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date in accordance with the SEBI ICDR Regulations.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst

our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within three Working Days of the Bid/ Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (IST) during the Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Issue Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 A.M. to 3.00 P.M. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Applicant on Bid/Issue Closing Date may be extended in consultation with the BRLM, RTA and NSE taking into account the total number of applications received up to the closure of timings.

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

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

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

Underwriting

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

Pursuant to the terms of the Underwriting Agreement dated December 05, 2023 entered into by Company, Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (Rs. in Lakhs)	% of Total Issue Size Underwritten
Hem Securities Limited **Address**: - 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai 400013, India **Tel No.**: +91-22-4906 0000 **Email**: ib@hemsecurities.com **Investor Grievance Email**: redressal@hemsecurities.com **Website**: www.hemsecurities.com **Contact Person**: Rohit Sharma **SEBI Registration Number**: INM000010981	49,92,000	[●]	100%

**Includes* 2,50,800 *Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker,* Hem Finlease Private Limited *in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.*

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

Change in Auditors during the last three (3) years

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

Details of Statutory Auditor	Date of Change	Reason of Change
M/s. MSKA & Associates **Address**: Floor 4, Duckback House, 41, Shakespeare Sarani, Kolkata, West Bengal, India-700017. **Tel**: + 91 33 6766 1600 **Website**: www.mska.in **Email**: puneetagarwal@mska.in **Contact Person:** Mr. Puneet Agarwal FRN No. : 105047W Membership No.: 064824	November 30, 2021	Appointment of M/s. MSKA & Associates to ensure proper compliance.
M/s. Gupta Saharia & co. **Address**: Baidyanath Bhawan ,8E, Dacres Lane, 3rd Floor, Kolkata, West Bengal, India-700069 **Tel**: + 033-2213-1817 **Email**: peekay_64@yahoo.com **Contact Person:** Mr. Pawan Kumar Kedia FRN No. : 103446W Membership No.: 053567	November 30, 2021	Due to completion of tenure of 5 years

Withdrawal of the Offer

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

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

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

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares issued through the Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) the Filing of Red Herring Prospectus/ Prospectus with RoC.

Details of the Market Making arrangement for this Issue

Our Company has entered into a Market Making Agreement dated December 05, 2023 with the following Market Maker for fulfilling the Market Making obligations under this Issue:

Name	Hem Finlease Private Limited

Correspondence Address:	203, Jaipur Tower, M I Road, Jaipur, Rajasthan 302001, India
Tel No.:	0141-4051000
E-mail:	ib@hemsecurities.com
Website:	www.hemsecurities.com
Contact Person:	Ashok Soni
SEBI Registration No.:	INZ000168034
Market Maker Registration No.	SMEREG2020090906741

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Book Running Lead Manager and the Market Maker (duly registered with NSE to fulfill the obligations of Market Making) dated December 05, 2023 to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issuer.

Hem Finlease Private Limited, registered with SME Platform of NSE (NSE EMERGE) 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 fulfill 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:

- The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the NSE (NSE EMERGE) and SEBI from time to time.
- The minimum depth of the quote shall be Rs.1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME platform of NSE (NSE EMERGE) (in this case currently the minimum trading lot size is [●] equity shares; however, the same may be changed by the SME platform of NSE from time to time).
- After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes.
- There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
- Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
- There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while *force-majeure* will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final
- The Market Maker(s) shall have the right to terminate said arrangement by giving a six months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement. In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the BRLM to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its

duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the BRLM reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our office from 10.00 a.m. to 5.00 p.m. on working days.

- **Risk containment measures and monitoring for Market Makers:** Stock Exchange will have all margins, which are applicable on NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.

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

- **Price Band and Spreads:** The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time

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

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 Rs.20 Crore	25%	24%
Rs.20 to Rs.50 Crore	20%	19%
Rs.50 to Rs.80 Crore	15%	14%
Above Rs.80 Crore	12%	11%

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

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

Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

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

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

CAPITAL STRUCTURE

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

(Rs. in Lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
A	**Authorized Share Capital** 1,90,00,000 Equity Shares having Face Value of Rs. 10/- each	1900.00	-
B	**Issued, Subscribed & Paid-up Share Capital prior to the Issue** 1,38,48,729 Equity Shares having Face Value of Rs.10/- each	1384.87	-
C	**Present Issue in terms of this Red Herring Prospectus*** Upto 49,92,000 Equity Shares having Face Value of Rs. 10/-each at a Premium of Rs. [●] per share	499.20	[●]
	Which comprises of:		
D	**Reservation for Market Maker Portion** 2,50,800 Equity Shares of Rs.10/- each at a price of Rs.[●] per Equity Shares Share reserved as Market Maker Portion	25.08	[●]
E	**Net Issue to Public** Net Issue to Public of 47,41,200 Equity Shares of Rs.10/- each at a price of Rs.[●] per Equity Shares Share to the Public	474.12	[●]
	Of which:		
	i) At least 16,59,600 Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Retail Individual Investors	165.96	[●]
	ii) At least 7,11,600 Equity Shares aggregating upto Rs. [●] lakhs will be available for allocation to Non-Institutional Investor	711.60	[●]
	iii) Not more than 23,70,000 Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Qualified Institutional Buyers, five per cent. of which shall be allocated to mutual funds	237.00	[●]
F	**Issued, Subscribed and Paid up Equity Shares Share Capital after the Issue**		
	1,88,40,729 Equity Shares of face value of Rs.10/- each	1884.07	
G	**Securities Premium Account**		
	Before the Issue (as on date of this Red Herring Prospectus)	1241.69	
	After the Issue	[●]	

To be updated upon finalization of the Issue Price

**The Present Issue of upto 49,92,000 Equity Shares in terms of this Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated September 04, 2023 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra Ordinary General Meeting of the members held on September 05, 2023.*

Allocation to all categories shall be made on a proportionate basis subject to valid Applications received. 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 Book Running Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

Classes of Shares:-

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

Notes to Capital Structure:

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

Sr. No.	Particulars of Changes	Cumulative No. of Equity Shares	Face Value of Equity Shares Share	Cumulative Authorized Share Capital (Rs. in lakhs)	Date of Shareholders' Meeting	Whether AGM/EGM
1.	Upon incorporation	1,00,000	10/-	10.00	On Incorporation	-
2.	Increase in Authorized Share Capital from Rs.10.00 Lakhs to Rs. 700.00 Lakhs	70,00,000	10/-	700.00	December 07, 2010	EGM
3.	Increase in Authorized Share Capital from Rs. 700.00 Lakhs to Rs. 1000.00 Lakhs	1,00,00,000	10/-	1000.00	January 10, 2014	EGM
4.	Increase in Authorized Share Capital from Rs. 1000.00 Lakhs to Rs. 1500.00 Lakhs	1,50,00,000	10/-	1500.00	January 02, 2023	EGM
5.	Increase in Authorized Share Capital from Rs. 1500.00 Lakhs to Rs. 1900.00 Lakhs	1,90,00,000	10/-	1900.00	July 12, 2023	EGM

2. **Share Capital History of our Company:**

a) Equity Shares capital

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

Date of Allotment	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (including Premium if any) (Rs.)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Securities Premium (Rs.)	Cumulative Paid up Capital (Rs.)
Upon Incorporation	10,000	10	10	Cash	Subscription to MOA[(i)]	10,000	Nil	1,00,000
November 03, 2010	33,90,000	10	10	Cash	Right issue[(ii)]	34,00,000	Nil	3,40,00,000
March 31, 2011	1,30,000	10	200	Cash	Right issue[(iii)]	35,30,000	247,00,000	3,53,00,000
March 25, 2016	13,22,422	10	40	Other than Cash	Preferential allotment by way of conversion of unsecured loan into equity shares[(iv)]	48,52,422	6,43,72,660	4,85,24,220
March 25, 2017	30,22,535	10	23.27	Other than Cash	Preferential allotment by way of conversion of unsecured loan into equity shares[(v)]	78,74,957	10,44,81,705	7,87,49,570
March 31, 2018	12,57,529	10	23.27	Other than Cash	Preferential allotment by way of	91,32,486	12,11,69,115	9,13,24,860

					conversion of unsecured loan into equity shares[(vi)]			
November 10, 2021	1,00,000	10	40	Cash	Private placement[(vii)]	92,32,486	12,41,69,115	9,23,24,860
August 09, 2023	46,16,243	10	-	Other than Cash	Bonus issue in the ratio of 1:2[(viii)]	1,38,48,729	12,41,69,115	13,84,87,290

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

(i) Initial Subscribers to the Memorandum of Association subscribed 10,000 Equity Shares of Face Value of Rs. 10/- each, details of which are given below:

Sr. No.	Name of Subscribers	Number of Equity Shares Subscribed
1.	Shesadri Bhusan Chanda	5,000
2.	Ayati Chanda	2,500
3.	Satadri Chanda	2,500
	Total	**10,000**

(ii) Right Issue of 33,90,000 Equity Shares of Face Value of Rs. 10/- each as per the details given below:

Sr. No.	Name of Allottees	Number of Equity Shares Allotted
1.	Megatherm Electronics Private Limited	33,90,000
	Total	**33,90,000**

(iii) Right Issue of 1,30,000 Equity Shares of Face Value of Rs. 10/- each at a premium of Rs. 190/- each as per the details given below:

Sr. No.	Name of Allottee	Number of Equity Shares Allotted
1.	Wellworth Merchants Private Limited	5,000
2.	Millenium Vincorn Private Limited	10,000
3.	Mount View Commodities Private Limited	5,000
4.	Sofra Vinimay Private Limited	5,000
5.	Newway Parivahan Private Limited	12,500
6.	Ramesh Mercantile Private Limited	17,500
7.	Pratius Commercials Private Limited	7,500
8.	Prechha Commercials Private Limited	12,500
9.	Srija Chemo Private Limited	5,000
10.	Shri Mahasati Investments Limited	7,500
11.	Sharda Smelters Private Limited	7,500
12.	Ishan Tie Up Private Limited	5,000
13.	Sigma vintrade Private Limited	5,000
14.	Panghat Commercial Private Limited	6,500
15.	Chancellor Commodeal Private Limited	5,000
16.	Multiplus Resources Limited	6,000
17.	Shri Sati Finvest Private Limited	7,500
	Total	**1,30,000**

(iv) Pursuant to the conversion of the unsecured loan into the Equity shares, the Company issued and allotted 13,22,422 Equity Shares of Face Value of Rs. 10/- each at a premium of Rs. 30/- each as per the details given below:

Sr. No.	Name of Allottee	Number of Equity Shares Allotted
1.	Megatherm Electronics Private Limited	13,22,422
	Total	**13,22,422**

(v) Pursuant to the conversion of the unsecured loan into the Equity shares, the Company issued and allotted 30,22,535 Equity Shares of Face Value of Rs. 10/- each at a premium of Rs. 13.27/- each as per the details given below:

Sr. No.	Name of Allottee	Number of Equity Shares Allotted
1.	Megatherm Electronics Private Limited	30,22,535
	Total	**30,22,535**

(vi) Pursuant to the conversion of the unsecured loan into the Equity shares, the Company issued and allotted 12,57,529 Equity Shares of Face Value of Rs. 10/- each at a premium of Rs. 13.27/- each as per the details given below:

Sr. No.	Name of Allottee	Number of Equity Shares Allotted
1.	Megatherm Electronics Private Limited	12,57,529
	Total	**12,57,529**

(vii) Details of the Private placement of 1,00,000 Equity Shares of Face value of Rs. 10/- each at a premium of Rs. 30/- each as per the details given below:

Sr. No.	Name of Allottee	Number of Equity Shares Allotted
1.	Vikas Vershneya	1,00,000
	Total	**1,00,000**

(viii) *Bonus Issue of 46,16,243 Equity Shares of Face Value of Rs. 10/- each fully paid up in the ratio of 1 (One) equity shares for every 2 (Two) equity shares held on the record date i.e. August 09, 2023 as per the details mentioned below:*

S. No.	Name of Allottees	Number of Shares Allotted
1.	Shesadri Bhushan Chanda	2,500
2.	Ayati Chanda	1,250
3.	Satadri Chanda	1,200
4.	Megatherm Electronics Private Limited	45,61,243
5.	Vikas Vershneya	50,000
6.	Christina Paul Chowdhury	25
7.	Aaditeya Datta	25
	Total	**46,16,243**

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

b) Preference Share Capital:

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

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

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

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

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

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Benefits Accrued to our Company	Name of Allottee	No. of Shares Allotted
March 25, 2016	13,22,422	10	40	Conversion of unsecured loan into Equity Shares	Reduction in Debt component of the Company	Megatherm Electronics Private Limited	13,22,422
March 25, 2017	30,22,535	10	23.27	Conversion of unsecured loan into Equity Shares	Reduction in Debt component of the Company	Megatherm Electronics Private Limited	30,22,535
March 31, 2018	12,57,529	10	23.27	Conversion of unsecured loan into Equity Shares	Reduction in Debt component of the Company	Megatherm Electronics Private Limited	12,57,529
August 09, 2023	46,16,243	10	-	Bonus in the ratio of 1:2 i.e. 1 Equity Share for every 2 Equity Shares held	*Capitalization of Reserves & Surplus	Shesadri Bhusan Chanda	2,500
						Ayati Chanda	1,250
						Satadri Chanda	1,200
						Megatherm Electronics Private Limited	45,61,243
						Vikas Vershneya	50,000
						Christina Paul Chowdhary	25
						Aaditeya Datta	25

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

5. No Equity Shares have been allotted pursuant to any scheme approved under sections 230-234 of the Companies Act, 2013 or under the erstwhile corresponding provisions of the Companies Act, 1956.

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

7. Except for the Bonus Issue made on August 09, 2023 for 46,16,243 Equity Share as mentioned in point No. 3 above no Equity Shares have been issued at price below the Issue price within last one year from the date of the Red Herring Prospectus.

8. We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

9. **Shareholding Pattern of the Company**

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

I. Our Shareholding Pattern:-

Sr. No.	Category of shareholder	Nos. of shareholders	No. of fully paid up Equity Shares held	No. of Partly paid-up Equity Shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of Equity Shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class Equity Shares of Rs.10/- each^	Class e.g.: y	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX				X	XI=VII+X	XII		XIII		XIV
(A)	Promoter & Promoter Group	6	1,36,98,729	-	-	1,36,98,729	98.92	1,36,98,729	-	1,36,98,729	98.92	-	-	-		-		1,36,98,729
(B)	Public	1	1,50,000	-	-	1,50,000	1.08	1,50,000	-	1,50,000	1.08	-	-	-		-		1,50,000
(C)	Non-Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
	Total	**7**	**1,38,48,729**	**-**	**-**	**1,38,48,729**	**100.00**	**1,38,48,729**	**-**	**1,38,48,729**	**100.00**	**-**	-	**-**		**-**		**1,38,48,729**

The term "Encumbrance" has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Notes-

**As on date of this Red Herring Prospectus 1 Equity Shares share holds 1 vote. We have only one class of Equity Shares of face value of Rs. 10/- each.*

We have entered into tripartite agreement with CDSL & NSDL.

Our Company will file the shareholding pattern in the format prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity Shares. The shareholding pattern will be uploaded on the Website of the NSE before commencement of trading of such Equity Shares.

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

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

Sr. No.	Names of Shareholders	Equity Shares held (Face Value of Rs. 10 each)	% Pre Issue paid up Share Capital
1.	Megatherm Electronics Private Limited	1,36,83,729	98.81
2.	Vikas Vershneya	1,50,000	1.08
	Total	**1,38,33,729**	**99.89**

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

Sr. No.	Names of Shareholders	Equity Shares held (Face Value of Rs. 10 each)	% Pre Issue paid up Share Capital
1.	Megatherm Electronics Private Limited	1,36,83,729	98.81
2.	Vikas Vershneya	1,50,000	1.08
	Total	**1,38,33,729**	**99.89**

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

Sr. No.	Names of Shareholders	Equity Shares held (Face Value of Rs. 10 each)	% Pre Issue paid up Share Capital
1.	Megatherm Electronics Private Limited	91,22,486	98.81
2.	Vikas Vershneya	1,00,000	1.08
	Total	**92,22,486**	**99.89**

Details of shares held on January 18, 2023 and percentage held has been calculated based on the paid up capital of our Company as on January 18, 2023.

d) Two Years prior to the date of filing of this Red Herring Prospectus:-

Sr. No.	Names of Shareholders	Shares held (Face Value of Rs. 10 each)	% Pre Issue paid up Share Capital
1.	Megatherm Electronics Private Limited	91,22,486	99.89
	Total	**91,22,486**	**99.89**

Details of shares held on January 18, 2022 and percentage held has been calculated based on the paid up capital of our Company as on January 18, 2022.

11. Our Company has not made any Initial Public Offer of specified securities in the preceding two years.

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

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

As on the date of this Red Herring Prospectus, Our Promoters, Mr. Shesadri Bhusan Chanda, Mr. Satadri Chanda and M/s Megatherm Electronics Private Limited, collectively hold 1,36,94,829 Equity Shares of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

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

Date of Allotment and paid up/ Transfer	No. of Equity Shares	Face Value Per Share (Rs.)	Issue/ Acquisition/ Transfer Price (Rs.)	Consideration	Nature of Acquisition	Pre-Issue Shareholding % (adjusted as per face value)	Post-Issue Shareholding % (adjusted as per face value)
(A) Mr. Shesadri Bhusan Chanda							
On Incorporation	5,000	10	10	Cash	On Incorporation	0.05%	0.03%
August 09, 2023	2,500	10	-	Other than Cash	Bonus Issue in the ratio of 1:2	0.02%	0.01%
Total (A)	**7,500**					**0.07%**	0.04%
(B) Mr. Satadri Chanda							
On Incorporation	2,500	10	10	Cash	On Incorporation	0.03%	0.01%
November 14, 2022	(50)	10	-	Other than Cash	Transfer by way of Gift[(a)]	0.00%	0.00%
November 14, 2022	(50)	10	40	Cash	Transfer of Share[(b)]	0.00%	0.00%
August 09, 2023	1,200	10	-	Other than Cash	Bonus Issue in the ratio of 1:2	0.01	0.01%
Total (B)	**3,600**					**0.04%**	0.02%
(C) Megatherm Electronics Private Limited *							
November 03, 2010	33,90,000	10	10	Cash	Right Issue	36.72%	17.99%
December 07, 2010**	(1,70,000)	10	10	Cash	Transfer of Share[(c)]	(1.84)%	(0.90)%
March 29, 2013**	1,30,000	10	17	Cash	Acquisition by way of Share Transfer[(d)]	1.41%	0.69%
March 31, 2014**	1,70,000	10	9.05	Cash	Acquisition by way of Share Transfer[(e)]	1.84%	0.90%
March 25, 2016	13,22,422	10	40	Cash	Conversion of unsecured loan into Equity Shares	14.32%	7.02%
March 25, 2017	30,22,535	10	23.27	Cash	Conversion of unsecured loan into Equity Shares	32.73%	16.04%
March 31, 2018	12,57,529	10	23.27	Cash	Conversion of unsecured loan into Equity Shares	13.62%	6.67%
August 09, 2023	45,61,243	10	-	Other than Cash	Bonus Issue in the ratio of 1:2	32.93%	24.21%
Total (C)	**1,36,83,729**					**98.81%**	72.63%
Grand Total (A+B+C)	**1,36,94,829**					**98.89%**	72.68%

*Note: *As on date of the Red Herring Prospectus, one of our Promoter, Megatherm Electronics Private Limited have pledged 30,00,000 Equity Shares respectively, representing 2.17% of the outstanding paid up share capital of our Company, in favour of Indian Bank in relation to a loan availed by our Company. As of the date of this Red Herring Prospectus, except as disclosed above, none of the Equity Shares held by our Promoters are pledged or are otherwise encumbered.*

*** the share transfer deed in respect to transfer of shares of our Company are not traceable. Accordingly, we have relied on the other corporate records maintained by the Company such as statutory registers and forms filed with RoC.*

a) Details of acquisition by Adrived Chanda (minor) (Son of Satadri Chanda) by way of gift of 50 Equity Shares dated November 14, 2022.

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares Transferred
1.	November 14, 2022	Satadri Chanda	50
		Total	**50**

b) Details of acquisition by Mr. Christina Paul Chowdhury by way of transfer of 50 Equity Shares dated November 14, 2022.

Sr. No.	Date of Transfer	Name of Transferee	No. of Shares Transferred
1.	November 14, 2022	Satadri Chanda	50
		Total	**50**

c) Details of sale of Shares by Megatherm Electronics Private Limited of 1,70,000 Equity Shares dated December 07, 2010.

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares Transferred
1.	December 07, 2010	Shetty Manjaya Shrawan	1,70,000
		Total	**1,70,000**

d) Details of Acquisition by Megatherm Electronics Private Limited by way of transfer of 1,30,000 Equity Shares dated March 29, 2013

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares Transferred
1.	March 29, 2013	Wellworth Merchants Private Limited	5,000
2.	March 29, 2013	Millenium Vincorn Private Limited	10,000
3.	March 29, 2013	Mount View Commodities Private Limited	5,000
4.	March 29, 2013	Sofra Vinimay Private Limited	5,000
5.	March 29, 2013	Newway Parivahan Private Limited	12,500
6.	March 29, 2013	Ramesh Mercantile Private Limited	17,500
7.	March 29, 2013	Pratius Commercials Private Limited	7,500
8.	March 29, 2013	Prechha Commercials Private Limited	12,500
9.	March 29, 2013	Srija Chemo Private Limited	5,000
10.	March 29, 2013	Shri Mahasati Investments Limited	7,500
11.	March 29, 2013	Sharda Smelters Private Limited	7,500
12.	March 29, 2013	Ishan Tie Up Private Limited	5,000
13.	March 29, 2013	Sigma Vintrade Private Limited	5,000
14.	March 29, 2013	Panghat Commercial Private Limited	6,500
15.	March 29, 2013	Chancellor Commodeal Private Limited	5,000
16.	March 29, 2013	Multiplus Resources Limited	6,000
17.	March 29, 2013	Shri Sati Finvest Private Limited	7,500
		Total	**1,30,000**

e) Details of Acquisition by Megatherm Electronics Private Limited by way of transfer of 1,70,000 Equity Shares dated March 31, 2014

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares Transferred
1.	March 31, 2014	Shetty Manjaya Shrawan	1,70,000
		Total	**1,70,000**

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

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
1.	Satadri Chanda	3,600	6.67
2.	Shesadri Bhusan Chanda	7,500	6.39
3.	Megatherm Electronics Private Limited	1,36,83,729	13.77

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

Following are the details of pre and post Issue shareholding of persons belonging to the category **"Promoter and Promoter Group"**:

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	Promoters				
1.	Mr. Shesadri Chanda Bhusan	7,500	0.05	7,500	0.04
2.	Mr. Satadri Chanda	3,600	0.03	3,600	0.02
3.	Megatherm Electronics Private Limited	1,36,83,729	98.81	1,36,83,729	72.63
	Sub Total (A)	**1,36,94,829**	**98.89**	**1,36,94,829**	72.69
	Promoters Group				
4.	Ayati Chanda	3,750	0.03	3,750	0.02
5.	Christina Paul Chowdhury	75	0.00	75	0.00
6.	Aaditeya Datta	75	0.00	75	0.00
	Sub Total (B)	**3900**	**0.03**	**3900**	0.02
	Grand Total (A+B)	**1,36,98,729**	**98.92**	**1,36,98,729**	72.71

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

Date of Allotment/ Transfer	Name of Shareholders	No. of Equity Share	% of Pre issue Capital	Subscribed/ Acquire/ Transfer	Category of Allottees (Promoter/ Promoter Group/ Director)
August 09, 2023	Satadri Chanda	1200	0.00	Bonus Issue 1:2	Promoter & Director
August 09, 2023	Shesadri Bhusan Chanda	2500	0.01	Bonus Issue 1:2	Promoter & Director
August 09, 2023	Ayati Chanda	1250	0.01	Bonus Issue 1:2	Promoter group
August 09, 2023	Christina Paul Chowdhury	25	0.00	Bonus Issue 1:2	Promoter group & Director
August 09, 2023	Aaditeya Datta	25	0.00	Bonus Issue 1:2	Promoter Group

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

18. **Details of Promoters' Contribution Locked-in for Three Years**

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of 20.00% of the post issue capital held by our Promoters shall be considered as Promoter's Contribution **("Promoters Contribution")** and shall be locked-in for a period of three years from the date of allotment of Equity Shares issued pursuant to this Issue. The lock-in of Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Red Herring Prospectus, our Promoters collectively hold 1,36,94,829 Equity Shares constituting 98.89% of the Post – Issued, subscribed and paid up Equity Shares Share Capital of our Company, which are eligible for the Promoters' contribution.

Our Promoter, Megatherm Electronics Private Limited, have given written consent to include 38,20,000 Equity Shares held by them as part of Promoters Contribution constituting 20.28% of the post issue Equity Shares of our Company. Further, they have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters contribution, for a period of three years from the date of allotment in the Issue.

Date of Allotment/ Transfer and made fully Paid Up	No. of Equity Shares locked-in*	Face Value Per Share (Rs.)#	Issue/ Acquisition/ Transfer Price (Rs.) #	Nature of transaction	Post-Issue Shareholding %	Lock in Period
Megatherm Electronics Private Limited						
March 31, 2018	8,20,000	10	-	Conversion of unsecured loan into Equity Shares	4.35%	3 years
August 09, 2023	30,00,000	10	-	Bonus Issue	15.92%	3 years
Total	38,20,000				20.28%	

**Assuming full subscription to the Issue.*

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as **"Promoter"** under the SEBI (ICDR) Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoters Contribution as per Regulation 237 of the SEBI (ICDR) Regulations, 2018 and are being locked in for 3 years as per Regulation 238(a) of the SEBI (ICDR) Regulations, 2018 i.e. for a period of three years from the date of allotment of Equity Shares in this issue.

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

Eligibility of Share for "Minimum Promoters Contribution in terms of clauses of Regulation 237(1) of SEBI (ICDR) Regulations, 2018

Reg. No.	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
237(1)(a)(i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction	The minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible**
237 (1)(a)(ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoters' contribution	The minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible**
237 (1)(b)	Specified securities acquired by promoters during the preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer	The minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible.**

Reg. No.	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
237(1)(c)	Specified securities allotted to promoters during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms, where the partners of the erstwhile partnership firms are the promoters of the issuer and there is no change in the management: Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible	The minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible.**
237 (1)(d)	Specified securities pledged with any creditor.	Our Promoters have not included any shares which are pledged with any creditors. accordingly, the minimum promoter's contribution does not consist of such equity shares. **Hence Eligible.**

Details of Promoters' Contribution Locked-in for One Year

In terms of Regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoters contribution which is locked in for three years, as specified above, the entire pre-issue Equity Shares share capital constituting 1,00,28,729 Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

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

Other requirements in respect of lock-in:

1. In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018 the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution or a systemically important non-banking finance company or a housing finance company as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.
2. In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.
3. Further in terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 the specified securities held by the promoters and locked-in as per regulation 238 may be transferred to another promoter or any person of the promoter group or a new promoter or a person in control of the issuer subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

19. Neither, we nor our Promoters, Directors and the BRLM to this Issue have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.

20. As on the date of this Red Herring Prospectus, the entire Issued, Subscribed and Paid-up Share Capital of our Company is fully paid up. Since the entire issue price in respect of the issue is payable on application, all the successful applicants will be allotted fully paid up Equity Shares.

21. The BRLM i.e. Hem Securities Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of this Red Herring Prospectus.

22. As on the date of this Red Herring Prospectus, we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.

23. We have 7 (seven) shareholders as on the date of filing of this Red Herring Prospectus.

24. As on the date of filing of this Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer

25. Our Company has not raised any bridge loan against the proceeds of the Issue.

26. As on the date of this Red Herring Prospectus, one of our Promoter, Megatherm Electronics Private Limited have pledged 30,00,000 Equity Shares respectively, representing 2.17% of the outstanding paid up share capital of our Company, in favour of Indian Bank in relation to a loan availed by our Company.

27. We here by confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of the Red Herring Prospectus until the Equity Shares offered have been listed or application money unblocked on account of failure of Issue.

28. An over-subscription to the extent of 1% of the Issue, subject to the maximum post issue paid up capital of Rs. 25 Crore can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 1% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to 3 year lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.

29. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

30. Our Company shall comply with such disclosure and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.

31. There are no Equity Shares against which depository receipts have been issued.

32. Other than the Equity Shares, there is no other class of securities issued by our Company.

33. There are no safety net arrangements for this public issue.

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

35. Our Promoters and Promoter Group will not participate in this Issue.

36. This Issue is being made through Book Building process.

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

38. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Shares Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

39. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.

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

OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of upto 49,92,000 Equity Shares of our Company at an Issue Price of Rs. [●] per Equity Share. We intend to utilize the proceeds of the Issue to meet the following objects:-

1. Funding capital expenditure towards construction of factory shed and installation of additional plant and machinery.;
2. To meet Working Capital requirements
3. General Corporate Purpose

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

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

Our company is engaged in the business of manufacturing of induction heating and melting products like induction melting furnace, electric arc furnace, ladle refining furnace along with induction furnace support structure, furnace frame assembly, crucibles etc. and transformers with different capacity which can be used for power distribution or used for industrial purpose. We are also engaged in the business of setting up of steel melting shops (steel making setup) on turnkey basis and maintenance of the equipment installed by our company. The induction furnace manufactured by us are used by various ferrous and non-ferrous foundries for their metal melting, metal heating and metal hardening processes etc. The transformer manufactured by our company are used in different industries like steel and metal industry, locomotive industry and power distribution sector.

Net Proceeds

The details of the Net Proceeds are set forth below:

Particulars	Amt (Rs. in Lacs)
Gross Proceeds of the Issue	[●]
Less: Issue related expenses in relation to Issue[(1)]	[●]
Net Proceeds	[●]

[(1)] *To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.*

Requirement of Funds and Utilization of Net Proceeds

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

Sr. No	Particulars	Amt (Rs. in Lacs)
1.	Funding capital expenditure towards construction of factory shed and installation of additional plant and machinery	1490.37
2.	To meet Working Capital requirements	2600.00
3.	General Corporate Purpose**	[●]
	Total	[●]

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

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

Means of Finance

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

Sr. No	Particulars	Amt (Rs. in Lacs)
1.	Net Issue Proceeds	[●]
	Total	[●]

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

Subject to applicable law, if the actual utilization towards the Objects is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with the SEBI ICDR Regulations. In case of a shortfall in raising the requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilizing our internal accruals and seeking additional debt from existing and/or future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilisation of funds earmarked for the purpose set forth above, increased funding requirements for a particular purpose may be financed by surplus funds, if any, available in respect of other purposes for which funds are being raised in the Fresh Issue. Any variation in the utilisation of the Net Proceeds as disclosed in this Red Herring Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company. The Objects may be varied in the manner provided in "Objects of the Issue – Variation in Objects" on page 81. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

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

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled ***"Risk Factors"*** beginning on page 25 of this Red Herring Prospectus.

Details of Utilization of Net Proceeds

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

1. **Funding capital expenditure towards construction of factory shed and installation of additional plant and machinery.**

As on the date of this Red Herring Prospectus, Our Company operates from our manufacturing facility located at Plot H 1 & H-3/2 Vidyasagar Industrial Park, Village: Rupnarayanpur, Post: Jakpur, Kharagpur – 721301 where we undertake the manufacturing of induction heating and melting products like induction melting furnace, electric arc furnace, ladle refining furnace along with induction furnace support structure, furnace frame assembly, crucibles etc. We propose to expand the existing plant and machinery and further set-up new factory shed at the existing manufacturing facility which will be equipped with machines like winding machine, copper annealing furnace, cranes, oil tank, paint booth etc. with a project cost of Rs. 1596.08 lakhs. We have already placed order for machineries amounting to Rs. 261.45 lakhs and have paid an advance amounting to Rs. 105.71 lakhs representing 16.38% of our total proposed expenditure. By undertaking the proposed expansion our company will be able to gain the benefits of increase in capacity and sales by reducing the processing time, cost reduction and focus on export market due to technical upgradation. We intend to utilize a portion of the net proceeds of Rs. 1490.37 lakhs for funding capital expenditure towards construction of factory shed and installation of additional plant and machinery.

Estimated costs -

S. No	Machinery details	Part name	Qty.	PO details	Amt. (in Lakhs)
1.	S& L Bending Tool with HPP, control panel and Hose pipe and accessories	Formertron Engg. (I) Pvt. Ltd.	1	Purchase order dated September 11, 2023	3.40
2.	TRX Oil Tank	Sriti Udyog	1	Purchase order dated June 12, 2023	7.08
3	Anealing Furnace with accessories of Size -LxWxH-5 x 4 x5 Meter Max Temp 150 degree C	Maxzen	1	Purchase order dated September 21, 2023	35.78
4.	Anealing Furnace with accessories of Size -LxWxH-11.3 x 1.4 x1.2 Meter Max Temp 900 degree C		1		27.17
5.	EOT Cranes 2 MT -20 mtrs	Cranemen Services	1	Purchase order dated September 21, 2023	8.26
6.	EOT Cranes 2 MT -10 mtrs		1		5.02
7.	Oxygen & LPG Line	National Corporation	1	Purchase order dated July 21, 2023	8.80
8.	Double Column Semi-Automatic Horizontal Bandsaw Machine	Bhavya Machine Tools	1	Purchase order dated September 21, 2023	7.38
9.	Cut to Length Machine – straightening unit and its assembly parts	K K Machineries Pvt Ltd	1	Purchase order dated September 21, 2023	13.45
10.	Polishing machine and Rockwell superficial hardness Testing machines	Canan Testing Services	1	Purchase order dated May 17, 2023 and July 17, 2023	1.95
11.	Hydraulic Press Brake	Nugen Machineries Limited	1	Purchase order dated August 17, 2023	20.94
12.	Multiphysics design software	Comsol Multiphysics Pvt. Ltd	1	Purchase order dated July 25, 2023	21.92
13.	Refractory Oven 100KW	Maxzen	1	Purchase order dated September 25, 2023	11.80
14.	EOT Cranes 40 MT-14.5 mtrs	Maxzen	1		53.10
15.	EOT Cranes 5 MT -14.5 mtrs	Maxzen	2		35.40
Total estimated cost					**261.45**
Less – Advance already paid					105.71
Amount proposed to be funded for orders already placed					**155.74**

Details of the quotations for expansion –

S. No	Machinery details	Part name	Qty.	Quotation details	Amt. (in Lakhs)
1	Vacuum Drying Plant job loading trolley – 60 tons including erecting and commissioning charges	Savas Engineering Company Pvt. Ltd.	1	Quotation dated 15.01.2024 valid for 30 days	192.28
2	Vertical Winding Machine - Pitless Type (5 tons overfloor type)	Formertron Engg. (I) Pvt. Ltd.	1	Quotation dated 02.01.2024	67.26
3	Plano Miller Machine Complete with Electricals	Sagar Machinery	1	Quotation dated 10.01.2024 valid for 8 weeks	68.63
4.	Paint Booth[(f)]	Luoyang Best Import and Export Co., Ltd	3	Quotation dated 09.01.2024	38.89

5	Trimans Hydraulic Shearing Machine	Nugen Machineries Limited	1	Quotation dated 08.01.2024 valid for 8 weeks	22.39
6	EOT Cranes 6.3 MT -10 mtrs	GH Cranes India Private Limited	1	Quotation dated 05.01.2024 valid for 2 months	21.24
7	Software for HAAS Machines	Phillips Machinery Tools India Pvt. Ltd.	1	Quotation dated 03.01.2024 valid for 60 days	2.95
8	Nilkamal storage rack	Nilkamal Limited	1	Quotation dated 09.01.2024 valid for 60 days	7.67
9	Complete shed building area 43000 sq. ft. including basic building, steel work and civil work	Maxzen	43000 sq. fts	Quotation dated 12.01.2024 valid for 45 days	913.32
Total estimated cost					**1334.63**
Total amount proposed to be funded from IPO					**1490.37**

Notes:

a) We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. The actual cost of procurement and actual supplier/dealer may vary.

b) All quotations received from the vendors mentioned above are valid as on the date of this Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the machineries/equipment's or at the same costs.

c) The machinery/equipment models and quantity to be purchased are based on the present estimates of our management. The Management shall have the flexibility to revise such estimates (including but not limited to change of machinery or vendor or addition/deletion of any machinery) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other machinery, equipment's or utilities, as required for manufacturing. Furthermore, if any surplus from the proceeds remains after meeting the total cost of machineries, equipment's and utilities for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 25% of the amount raised by our Company through this Issue.

d) We are not acquiring any second hand machinery.

e) The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of machineries proposed to be acquired by us at the actual time of purchase, resulting in increase in the project cost.

f) 1USD = 83.26INR (Source – www.xe.com)

Further, cost can be escalated on account of freight expenses, installation charges, packaging & forwarding, custom duty etc. Such cost escalation would be met out of either of surplus portion of net issue proceeds (if any) or our internal accruals. All amounts are inclusive of taxes.

2. **To meet the Working Capital Requirement:**

We fund a majority of our working capital requirements in the ordinary course of business from banks facilities and internal accruals. Our Company requires additional working capital for funding its incremental working capital requirements and releasing the internal accruals deployed in working capital. The funding of the incremental working capital requirements will lead to a consequent increase in our profitability, ability to utilize internal accruals for growth opportunities and achieving the proposed targets as per our business plan.

The Company wants to increase the market share of its after sales spare parts business in both domestic & export market. However timely availability of spare parts is crucial for customers to reduce downtime of plant. As the customers are geographically dispersed, the urgency often drives them to source from local small time vendors / traders even at the cost of quality. The company is committing additional working capital in critical raw material stock, so as to drastically reduce spare parts processing time. To further improve

profitability the company is planning to maintain the creditor days and negotiate better prices. This too will increase the working capital requirement.

Our Company proposes to utilize Rs. 2600 lakhs of the Net Proceeds in Fiscal 2024 towards our Company's working capital requirements. The balance portion of our Company working capital requirement shall be met from the working capital facilities availed and internal accruals. The incremental and proposed working capital requirements and key assumptions with respect to the determination of the same are mentioned below:

The below table sets forth the details of the holding period:

(Rs. In Lacs)

Sr. No.	Particulars	Actual			Estimated
		31-March-2021	31-March-2022	31-March-2023	31-March-2024
I	**Current Assets**				
	Inventories	5,336.69	6,851.11	7,109.34	9646.96
	Trade receivables	2,462.34	2,508.25	2,322.00	2984.38
	Cash and Cash Equivalents	759.62	1,430.30	1,690.06	804.20
	Other bank balances	228.35	374.41	412.44	900.00
	Short-term loans and advances	1,376.89	1,677.22	843.67	1011.76
	Other current assets	21.91	62.03	22.49	100.00
	Total(A)	**10,185.80**	**12,903.32**	**12,400.00**	**15447.30**
II	**Current Liabilities**				
	Trade payables	2,896.43	3,748.87	4,127.28	5026.27
	Other current liabilities	3,386.94	5,303.02	5,117.97	3080.00
	Short-term provisions	106.94	117.76	163.00	170.00
	Total (B)	**6,390.31**	**9,169.65**	**9,408.25**	**8276.27**
III	**Total Working Capital Gap (A-B)**	**3,795.49**	**3,733.67**	**2,991.75**	**7171.03**
IV	Funding Pattern				
	Borrowings	3795.49	3733.67	2991.75	4571.03
	Internal accruals				
	IPO Proceeds				2600.00

**As per the certificate dated September 27, 2023 issued by M/s. Jaipuria & Associates, Chartered Accountants.*

Key assumptions for working capital projections made by Our Company:

(Rs. in Lakhs)

Particulars	31-03-2021	31-03-2022	31-03-2023	31-03-2024
Debtors (in days)	82	49	32	35
Creditors (in days)	133	82	74	75
Inventories (in days)	256	166	129	159

Justification:

Sr. No.	Particulars
Debtors	Our Company's general credit terms vary across type of customers. We expect our Debtors holdings to be around 35 days for FY 2023-24, as compared to 32 days in FY 2022-23 & 49 days in FY 2021-22 and 82 days in FY 2020-21. In order to increase the turnover, we expect to maintain the debtors collection period in the range of 32 days to 35 days.
Creditors	Our Creditors payments days for the FY 2020-21 were 133 days, for FY 2021-22 were 82 days and for FY 2022-23 were 74 days and we expect to maintain it at around 75 days for FY 2023-24.
Inventories	Inventory levels are maintained by our Company depending upon the demand and delivery schedules. We have assumed Inventories turnover days to be around 159 days for FY 2023-24 as compared to 129 days in FY 2022-23. 166 days in FY 2021-22 and 256 days in FY 2020-21. Our inventories are significant and are

	expected to grow in line with the growth in our business. Further, with the increase in capex we expect our inventory requirements to increase significantly.

3. **General Corporate Purpose**

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Fresh Issue proceeds aggregating Rs. [●] towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act, 2013.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in the Red Herring Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

Public Issue Expenses

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

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

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

(1) Amounts will be finalized and incorporated in the Prospectus on determination of Offer Price. Offer expenses include applicable taxes, where applicable. Offer expenses are estimates and are subject to change.
(2) Selling commission payable to the SCSBs on the portion for Retail Individual Bidders. Non-Institutional Bidders, which are directly procured by the SCSBs, would be as follows

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

**Amount allotted is the product of the number of Equity Shares Allotted and the Offer Price. The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of BSE or NSE.*
(3) No uploading/ processing fees shall be payable by our Company to the SCSBs on the applications directly procured by them. Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by the members of the Syndicate/ sub-Syndicate/ Registered Broker/ CRTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

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

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

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

Members of the Syndicate/ RTAs/ CDPs (uploading charges)	*Rs.10 per valid application (plus applicable taxes)*
Sponsor Bank - Axis Bank Limited	*Rs.6 per valid Bid cum Application Form* (plus applicable taxes) The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.*

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

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

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

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

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

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

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

** Based on valid applications*

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

The Selling Commission payable to the Syndicate/ Sub-Syndicate Members will be determined on the basis of the Bid cum Application Form number/ series, provided that the application is also bid by the respective Syndicate/ Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the Bid cum Application Form number/ series of a Syndicate/ Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate/ Sub-Syndicate Member. Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the portion for RIBs and Non Institutional Bidders which are procured by them and submitted to SCSB for blocking, would be as follows: Rs. 10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

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

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Bank Agreement. Further, the processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

Proposed Schedule of Implementation:

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

(Rs. In Lakhs)

S. No.	Particulars	Amount to be deployed and utilized in	
		F.Y. 2023-24	F.Y. 2024-25
1.	Funding capital expenditure towards construction of factory shed and installation of additional plant and machinery.	389.92	1100.45
2.	To meet working capital requirements	2600.00	-
3.	General Corporate Purpose**	[●]	[●]
	Total	[●]	[●]

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

Funds Deployed and Source of Funds Deployed:

P Khetan & Co, Chartered Accountants vide their certificate dated January 18, 2024 have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

S. No.	Particulars	Amt (Rs. in Lacs)
1.	Funding capital expenditure towards construction of factory shed and installation of additional plant and machinery.	105.71
	Total	**105.71**

Sources of Financing for the Funds Deployed:

P Khetan & Co, Chartered Accountants vide their certificate dated January 18, 2024 have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

S. No.	Particulars	Amt (Rs. in Lacs)
1.	Internal Accruals	105.71
	Total	**105.71**

Appraisal

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

Shortfall of Funds

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

Bridge Financing Facilities

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

Monitoring Utilization of Funds

The Audit committee & the Board of Directors of our Company will monitor the utilization of funds raised through this public issue. Pursuant to Regulation 32 of SEBI Listing Regulation 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in the Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such

time that all the proceeds of the Issue have been utilized in full. The statement of funds utilized will be certified by the Statutory Auditors of our Company.

Interim Use of Proceeds

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

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

Variation in Objects

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

Other confirmations

There is no material existing or anticipated transactions with our Promoters, our Directors and our Company's key Managerial personnel, in relation to the utilization of the Net Proceeds.

BASIS FOR ISSUE PRICE

*Investors should read the following summary with the section titled "**Risk Factors**", the details about our Company under the section titled "**Our Business**" and its financial statements under the section titled "**Financial Information of the Company**" beginning on page 25, 105 and 157 respectively of the Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.*

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

QUALITATIVE FACTORS

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

1. Established Manufacturing facility
2. Technical capabilities for complex applications
3. Long standing relationship with our customers
4. Experienced and Qualified Promoters and Management team
5. Delivering financial performance with strong order book

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled ***"Our Business"*** beginning on page 105 of this Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled ***"Financial Information of the Company"*** on page 157 of this Red Herring Prospectus.

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

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

As per the Restated Financial Statements:-

Sr. No	Period	Basic & Diluted (Rs.)	Weights
1.	Financial Year ending March 31, 2023	10.11	3
2.	Financial Year ending March 31, 2022	0.80	2
3.	Financial Year ending March 31, 2021	2.25	1
	Weighted Average	**5.70**	**6**
	For September 30, 2023	5.48*	

not annualized

Notes:

i. *The figures disclosed above are based on the Restated Financial Statements of the Company.*
ii. *The face value of each Equity Share is Rs.10.00.*
iii. *Earnings per Share has been calculated in accordance with **Accounting Standard 20 – "Earnings per Share"** issued by the Institute of Chartered Accountants of India.*
iv. *The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.*
v. *Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of equity shares outstanding during the year/ period*

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

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

Particulars	(P/E) Ratio at the Floor Price	(P/E) Ratio at the Cap Price
P/E ratio based on the Basic & Diluted EPS, as restated for the period ending March 31, 2023	[●]	[●]
P/E ratio based on the Weighted Average EPS, as restated.	[●]	[●]

Industry P/E Ratio*	(P/E) Ratio
Industry Average – Electrotherm (India) Ltd.	-

**For the purpose of industry, we believe the companies engaged in the same sector or engaged in the similar line of business segment, however, they may not be exactly comparable in terms of size or business portfolio on a whole with that of our business. Average PE have been calculated based on the PE of the Peer company i.e. Electrotherm (India) Limited.*

Note:

i) The P/E ratio has been computed by dividing Issue Price with EPS.

ii) P/E Ratio of the Company is based on the Annual Report of the Company for the year 2022-23 and stock exchange data dated September 06, 2023.

3. Return on Net worth (RoNW)*

Sr. No	Period	RONW (%)	Weights
1	Period ending March 31, 2023	27.66%	3
2	Period ending March 31, 2022	3.01%	2
3	Period ending March 31, 2021	8.80%	1
	Weighted Average	**16.30%**	**6**
	For period September 30, 2023	13.04**	

***Restated Profit after tax/Net Worth*

***not annualized*

Note:

i. The RoNW has been computed by dividing net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year/period

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

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

Sr. No.	NAV per Equity Share	Outstanding at the end of the year (Amt. in Rs.)
1	As at March 31, 2023	36.56
2	As at March 31, 2022	26.44
3	As at March 31, 2021	25.55
4.	Period ending September 30, 2023	42.04
5	NAV per Equity Share after the Issue	
	(i) At Floor Price	[●]
	(ii) At Cap Price	[●]
6	Issue Price	[●]

**The above NAV has been calculated giving the effect of Bonus Share.*

Notes: -

1. *NAV per share =Restated Net worth at the end of the year/period divided by total number of equity shares outstanding at the end of the year/period.*
2. *Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account. It may be noted that equity component of financial instruments is excluded while calculating Net worth of the Company.*
3. *Issue Price per Equity Share will be determined by our Company in consultation with the Book Running Lead Manager.*

5. Comparison of Accounting Ratios with Industry Peers:

Name of Company	Current Market Price (Rs.)	Face Value	EPS		PE	RONW (%)	Book Value (Rs.)	Total Income (Rs. In lakhs)
			Basic	Diluted				
Megatherm Induction Limited	[●]	10	10.11	10.11	[●]	27.66%	36.56	26643.84
Peer Group								
Electrotherm (India) Ltd (Consolidated)	146.45	10	(9.28)	(9.28)	-	-	-	308074.00

Notes:

(i) Source – All the financial information for listed industry peers mentioned above is sourced from the Financial Results of the aforesaid companies for the year ended March 31, 2023 and stock exchange data dated September 06, 2023 to compute the corresponding financial ratios. For our Company, we have taken Current Market Price as the issue price of equity share. Further, P/E Ratio is based on the current market price of the respective scrips.

(ii) The EPS, NAV, RoNW and total Income of our Company are taken as per Restated Financial Statement for the Financial Year 2022-23.

(iii) NAV per share is computed as the closing net worth divided by the weighted average number of paid up equity shares as on March 31, 2023.

(iv) RoNW has been computed as net profit after tax divided by closing net worth.

(v) Net worth has been computed in the manner as specifies in Regulation 2(1) (hh) of SEBI (ICDR) Regulations, 2018.

(vi) The face value of Equity Shares of our Company is Rs. 10/- per Equity Share and the Issue price is [●] times the face value of equity share.

The Issue Price of Rs. [●] will be determined by our Company in consultation with the BRLM and will be justified by us in consultation with the BRLM on the basis of the above information. Investors should read the abovementioned information along with "Our Business", "Risk Factors" and "Restated Financial Statements" on pages 105, 25 and 157 respectively of this Red Herring Prospectus to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "Risk Factors" or any other factors that may arise in the future and you may lose all or part of your investments.

6. Key Performance Indicators

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated January 18, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Red Herring Prospectus. Further, the KPIs herein have been certified by M/s. P Khetan & Co., Chartered Accountants, by their certificate dated January 18, 2024.

The KPIs of our Company have been disclosed in the sections titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators” on pages 105 and 208, respectively. We have described

and defined the KPIs as applicable in "Definitions and Abbreviations" on page 1.

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

Key Performance Indicators of our Company

(All amounts in Rs. Lakhs)

Key Financial Performance	For the year			
	30-Sept-23	31-Mar-23	31-Mar-22	31-Mar-21
Revenue from operations[(1)]	14687.50	26588.15	18783.13	10900.92
EBITDA[(2)]	1376.08	2754.40	793.58	1316.33
EBITDA Margin[(3)]	9.37%	10.36%	4.22%	12.08%
PAT	759.34	1400.41	110.10	309.12
PAT Margin[(4)]	5.17%	5.27%	0.59%	2.84%
Networth[(5)]	5821.98	5062.64	3662.23	3512.13
RoNW(%)[(6)]	13.04%	27.66%	3.01%	8.80%
RoCE (%)[(7)]	12.22%	27.47%	8.46%	14.44%

Notes:

(1)Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements

(2)EBITDA is calculated as Profit before tax + Depreciation + Finance Cost - Other Income

(3) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

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

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

(6) Return on Net Worth is ratio of Profit after Tax and Net Worth.

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

Explanation for KPI metrics:

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
Networth	Net worth means the aggregate value of the paid-up share capital and reserves and surplus of the company which represent the value of shareholder's fund.
RoNW (%)	RoNW provides how efficiently our Company generates profits from shareholders' funds.
RoCE (%)	RoCE provides how efficiently our Company generates earnings from the capital employed in the business.

Key Financial Performance	Megatherm Induction Limited			
	30-Sept-23	31-Mar-23	31-Mar-22	31-Mar-21
Revenue from operations[(1)]	14687.50	26588.15	18783.13	10900.92
EBITDA[(2)]	1376.08	2754.40	793.58	1316.33
EBITDA Margin[(3)]	9.37%	10.36%	4.22%	12.08%
PAT	759.34	1400.41	110.10	309.12

PAT Margin[4]	5.17%	5.27%	0.59%	2.84%
Networth[5]	5821.98	5062.64	3662.23	3512.13
RoNW(%)[6]	13.04%	27.66%	3.01%	8.80%
RoCE (%)[7]	12.22%	27.47%	8.46%	14.44%
Key Financial Performance	**Electrotherm (India) Ltd (Consolidated)**			
	30-Sept-23	**31-Mar-23**	**31-Mar-22**	**31-Mar-21**
Revenue from operations[1]	98515	307405	283131	251806
EBITDA[2]	9077	9785	8644	21982
EBITDA Margin[3]	9.21%	3.118%	3.05%	8.73%
PAT	6746	(1182)	(4037)	4949
PAT Margin[4]	6.84%	-	-	1.97%
Networth[5]	(99057)	(109621)	(108236)	(104238)
RoNW(%)[6]	-	-	-	-
RoCE (%)[7]	8.92%	6.23%	0.51%	8.70%

Notes:

(1)Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements

(2)EBITDA is calculated as Profit before tax + Depreciation + Finance Cost - Other Income

(3) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

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

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

(6) Return on Net Worth is ratio of Profit after Tax and Net Worth.

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

Weighted average cost of acquisition

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

There has been no issuance of Equity Shares other than Equity Shares issued pursuant to a bonus issue on August 09, 2023, during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

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

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

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

Primary Transaction

Date	Shares allotted	Name of Person	Face Value	Issue Price	Nature of allotment	Nature of consideration	Total consideration
August 09, 2023	2,500	Shesadri Bhushan Chanda	10	Nil	Bonus Issue	Issue of Bonus Shares in ratio of 1:2	Nil
	1,250	Ayati Chanda					
	1,200	Satadri Chanda					

	45,61,243	Megatherm Electronics Private Limited					
	50,000	Vikas Vershneya					
	25	Christina Paul Chowdhury					
	25	Aaditeya Datta					
	46,16,243	Total					
November 10, 2021	100000	Vikas Vershneya	10	40	Private Placement	Cash	40,00,000
	100000	Total					

Secondary Transaction

Date	Name of Transferor	Name of Transferee	No. of Shares	Price per share	Adjusted price	Nature of transaction	Total consideration
November 14, 2022	Satadri Chanda	Adrived Chanda	50	10	-	Transfer by way of gift	-
		Christina Paulchowdhury	50	40	26.67	Transfer	2000
December 14, 2022	Adrived Chanda	Aaditeya Datta	50	40	26.67	Transfer	2000

Weighted average cost of acquisition & Issue price

Types of transactions	Weighted average cost of acquisition (Rs. per Equity Shares)	Floor price* (i.e., Rs. [●])	Cap Price i.e., Rs. [●])
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.	NA^	NA^	NA^
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	NA^	NA^	NA^
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(c) above	0.85	**[●]** times	[●] times

Note:
^There were no primary/ new issue of shares (equity/ convertible securities) as mentioned in paragraph 8(a) & 8(b) above, in last 18 months from the date of this Red Herring Prospectus.
** To be updated at Prospectus stage.*
*** Post adjustment of bonus shares.*

This is a Book Built Issue and the price band for the same shall be published 2 working days before opening of the Issue in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Kolkata edition of Regional newspaper Ekdin where the registered office of the company is situated each with wide circulation.

The Price Band/ Floor Price/ Issue Price shall be determined by our Company in consultation with the BRLM and will be justified by us in consultation with the BRLM on the basis of the above information. Investors should read the above mentioned information along with "Our Business", "Risk Factors" and "Restated Financial Statements" on pages 105, 25 and 157 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "Risk Factors" or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,
The Board of Directors
Megatherm Induction Limited
(*formerly known as Megatherm Induction Private Limited*)
Plot- L1 Block GP, Sector V,
Electronics Complex Salt lake City
Kolkata-700091, West Bengal

Dear Sir/Madam

Sub: Statement of possible special tax benefits available to Megatherm Induction Limited (the "Company"), its shareholders and the Material Subsidiaries (as defined hereinbelow) of Megatherm Induction Limited, under the direct and indirect tax laws, prepared in accordance with the requirements under Schedule VI (Part A)(9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ('SEBI ICDR Regulations').

1. We, M S K A & Associates ("the Firm"), Chartered Accountants, the statutory auditors of the Company hereby confirm that the enclosed statement in the Annexure prepared and issued by the Company (the "**Statement**"), which provides the possible special tax benefits available to the Company and its shareholders under the direct tax and indirect tax laws presently in force in India, including the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, the Customs Act, 1962 ,the Customs Tariff Act, 1975 and the Foreign Trade Policy 2015-2020 (which has been extended up to March 31, 2023),each as amended (collectively the "**Indian Taxation Laws**") and the rules, regulations, circulars and notifications issued in connection with the Indian Taxation Laws, each as amended by the Finance Act, 2023 and as applicable to the Assessment Year 2024-25 relevant to the financial year 2023-24. Several of these benefits are dependent on the Company, and its shareholders, as the case may be, fulfilling the conditions prescribed under the relevant provisions of the Indian Taxation Laws. Hence, the ability of the Company, its shareholders, to derive the possible special tax benefits is dependent upon their fulfilling such conditions, if any, which are based on business imperatives the Company, its shareholders, and/or the Material Subsidiaries face in the future, the Company, its shareholders and/or the Material Subsidiaries may or may not choose to fulfil such conditions for availing special tax benefits.

2. This statement of possible special tax benefits is required as per Schedule VI (Part A)(9)(L) of the SEBI ICDR Regulations. While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, its shareholders and the Material Subsidiaries, the same would include those benefits as enumerated in the Statement. Any benefits under the Indian Taxation Laws other than those specified in the Statement are considered to be general tax benefits available to the Company and its shareholders, and therefore not covered within the ambit of the Statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the Statement, have not been examined and covered by the Statement.

3. The benefits discussed in the enclosed Statement cover the possible special tax benefits available to the Company, its shareholders, and the Material Subsidiaries and do not cover any general tax benefits available to them.

4. The benefits stated in the enclosed Statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the distinct nature of the tax consequences and the changing tax laws, each investor is advised to consult their 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 (the "Offer") and we shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of the Statement. Also, any tax information included in this written communication was not intended or written to be used, and it cannot be used by the Company or the investor, for the purpose of avoiding any penalties that may be imposed by any regulatory, governmental taxing authority or agency.

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

6. Our views are based on the existing provisions of law and their interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

7. We do not express any opinion or provide any assurance on whether:

   - The Company and its shareholders will continue to obtain these benefits in the future;
   - The conditions prescribed for availing the benefits have been/would be met; and
   - The revenue authorities/courts will concur with the views expressed herein.

8. The contents of the enclosed Statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the Material Subsidiaries. We have relied upon the information and documents of the Company being true, correct, and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our Firm or any of our partners or affiliates, shall not be responsible for any loss, penalties, surcharges, interest or additional tax or any tax or non-tax, monetary or non-monetary, effects or liabilities (consequential, indirect, punitive or incidental) before any authority / otherwise within or outside India arising from the supply of incorrect or incomplete information of the Company.

9. This Statement is addressed to board of directors of the Company and has been issued at the specific request of the Company. The enclosed Statement is intended solely for your information and for inclusion in the red herring prospectus and any other material in connection with the Offer, and is not to be used, referred to or distributed for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. Any subsequent amendment / modification to provisions of the applicable laws may have an impact on the views contained in the Statement. While reasonable care has been taken in the preparation of this certificate, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration Number:105047W

Dipak Jaiswal
Partner
Membership No: 063682

UDIN: 23063682BGXVXD7126
Place: Kolkata
Date: September 22, 2023

Annexure to the Statement of Possible Special Tax Benefits available to Megatherm Induction Limited ('the Company') and its shareholders

A. Company and its shareholders

Direct Taxation

Outlined below are the possible special tax benefits available to the Company and its shareholders under the direct tax laws in force in India. This portion of the statement is as per the Income-tax Act, 1961 as amended by the Finance Act, 2023 read with the relevant rules, circulars and notifications applicable for the Financial Year 2023-24 relevant to the Assessment Year 2024-25, presently in force in India.

1. Possible Special income-tax benefits available to the Company

(i) Section 115BAA of the Income-tax Act, 1961 ('the Act'), as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a corporate tax rate of 22% (plus applicable surcharge and education cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified incentives/deductions or set-off of losses, depreciation etc. and claiming depreciation determined in the prescribed manner. In case a company opts for section 115BAA, provisions of Minimum Alternate Tax ('MAT') would not be applicable and unutilized MAT credit will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year. The Company may claim such beneficial tax rate in future years subject to giving away any other income-tax benefits under the Act (other than the deduction available under section 80JJAA and 80M of the Act) and fulfilling the then prevailing provisions under the Act.

The Company has not opted for the concessional tax regime as per the provisions of section 115BAA of the Act. The Company has unutilized MAT credit under section 115JAA of the Act pertaining to earlier years which can be set-off against the tax liability per the normal provisions of the Act.

(ii) Subject to fulfilment of prescribed conditions, the Company is entitled to claim deduction under section 80JJAA of the Act, of an amount equal to 30% of additional employee cost (pertaining to specified category of employees) incurred in the course of business in the financial year, for 3 assessment years including the assessment year relevant to the financial year in which such employment is provided. Said deduction shall be available subject to satisfaction of specified conditions.

(iii) As per section 80G of the Act, in case the Company makes eligible donations, the Company shall be entitled to a deduction of the amount donated. However, in certain cases, the amount of deduction shall be restricted to a lower of 50% of the amount donated or 10% of Gross Total Income.

2. Possible Special Income-tax Tax Benefits available to the Shareholders of the Company

Resident Shareholders

(i) There are no possible income-tax special tax benefits available to the shareholders of the Company for investing in the shares of the Company. However, such shareholders shall be liable to concessional tax rates on certain incomes (arising from sale of equity shares of the Company).

(ii) Section 112A of the Act provides for a concessional rate of tax with effect from April 1, 2019 (i.e. AY 2019-20). Any income, exceeding INR.1,00,000 arising from the transfer of a long-term capital asset (i.e. capital asset held for the period of 12 months or more) being an Equity Share in a company or a unit of an equity-oriented fund wherein Securities Transaction Tax is paid on both acquisition and transfer, income tax is charged at a rate of 10% without giving effect to indexation.

(iii) Section 111A of the Act provides for a concessional rate of tax @ 15% in respect of short-term capital gains (provided the short-term capital gains exceed the basic threshold limit of income exemption, where applicable) arising from the transfer of a short term capital asset (i.e., a capital asset held for the period of less than 12 months) being an Equity Share in a company or wherein STT is paid on both acquisition and transfer.

(iv) Separately, any dividend income received by shareholders would be subject to tax deduction at source by the Company under section 194 of the Act @ 10%. However, in the case of individual shareholders, this would apply only in case the dividend income exceeds INR 5,000. Further, dividend income is now taxable in the hands of shareholders.

Non-Resident Shareholders

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

(ii) Apart from the tax benefits available to each class of shareholders as such, there are no possible special income tax benefits available to the shareholders under the provisions of the Act for investing in the shares of the Company.

(iii) However, at present the Company does not have any non-resident shareholders.

Indirect Taxation

Outlined below are the possible special tax benefits available to the Company and its shareholders under the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 and applicable State Goods and Services Tax Act, 2017 ("GST Acts"), The Customs Act, 1962 ("Customs Act"), the Customs Tariff Act, 1975 ("Customs Tariff Act"), as amended by the Finance Act 2022, Foreign Trade Policy 2015-20including the relevant rules, regulations, notifications and circulars issued there under, applicable for the Financial Year 2022-23, presently in force in India.

1. Possible Special indirect-tax benefits available to the Company

I. Possible Special Indirect Tax Benefits available under the GST Acts

(i) The Company exports goods without payment of GST under a Letter of Undertaking.

(ii) The said goods are also supplied by the Company in domestic market which attract GST at the prescribed rates.

(iii) Apart from the above, no other possible special Indirect tax benefits by availed by the Company under the GST Acts in India.

II. Possible Special indirect tax benefits available under Customs Act and Customs Tariff Act

(i) The Company has claimed Basic Custom Duty and Social Welfare Cess exemption/concession amounting to INR 1,63,07,505/- and 16,30,751/- respectively during Financial Year 2022-23 with respect to import of certain inputs and machineries under Sr. No. 23, 24 of Exemption Notification No. 24/2005 - Customs dated 01 March, 2005, under Sr. No. 04 of Exemption Notification No. 25/2005-Customs, dated, 01 March, 2005, under Sr. No. 427 of Exemption Notification No. 69/2011-Customs, dated 29 July 2011 and under Sr. No. 376E(i), 377 of Exemption Notification No. 50 /2017-Customs, dated 30 June, 2017 for use in the manufacture of the specified finished goods.

(ii) The Company has received duty drawback under All Industry Rate (AIR) of Duty Drawback under Section 75 of the Customs Act, 1962 during the Financial Year 2022-23.

(iii) Apart from the above, no other possible special Indirect tax benefits are availed by the Company under the Customs Act and Tariff Act.

III. Possible Special indirect tax benefits available to the Company under Foreign Trade Policy 2015-20

(i) The company has received export benefit in the form of duty credit scrips under 'Merchandise Exports from India Scheme' ('MEIS') or 'Remission of Duties and Taxes on Export Products' ('RODTEP') (as the case may be) during Financial Year

2022-23. The aforesaid scrips are used for payment of Custom Duty on import of goods and excess (if any) are sold to other importers.

(ii) Apart from the above, no other possible special Indirect tax benefits are availed by the Company under the Foreign Trade Policy.

2. Possible Special Indirect Tax Benefits available to the Shareholders of the Company

The shareholders of the Company are not required to discharge any GST on transaction in securities of the Company. Securities are excluded from the definition of Goods as defined u/s 2(52) of the Central Goods and Services Tax Act, 2017 as well from the definition of Services as defined u/s 2(102) of the Central Goods and Services Tax Act, 2017. Accordingly, transactions in the security of the Company may not attract GST.

Apart from above, the shareholders of the Company are not eligible for any possible special tax benefits under the provisions of the GST Acts, Customs Act, Customs Tariff Act, as amended by the Finance Act 2022, Foreign Trade Policy 2015-20including the relevant rules, notifications and circulars issued there under.

Notes:

1. This Statement sets out only the possible special tax benefits available under the current provisions of Indian Taxation Laws.
2. The above Statement of possible special tax benefits sets out the provisions of the Indian Taxation Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.
3. The tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Indian Taxation Laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.
4. The tax benefits discussed in the Statement are not exhaustive and are only intended to provide general information to the investors and hence, are neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.
5. This part A of the statement (Company and its Shareholders) does not discuss any tax consequences in the country outside India of an investment in the shares. The shareholders in the country outside India are advised to consult their own advisors regarding possible Income tax consequences applicable to them.
6. The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:
   i. the Company or its shareholders will continue to obtain these benefits in future;
   ii. the conditions prescribed for availing the benefits have been/ would be met with; and
   iii. the revenue authorities/courts will concur with the view expressed herein.
7. The above views are based on the existing provisions of Indian Taxation Laws 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.

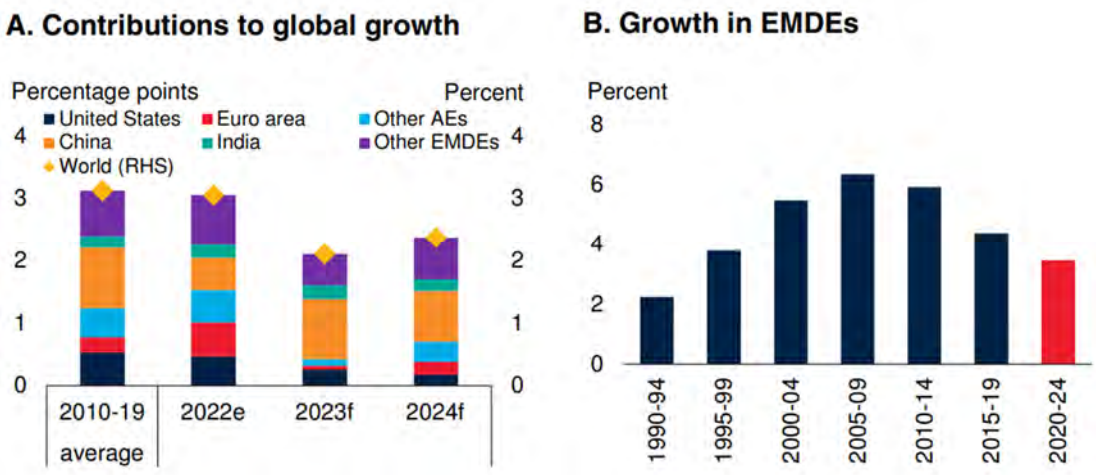
SECTION V – ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the issue has independently verified the information provided in this section. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.

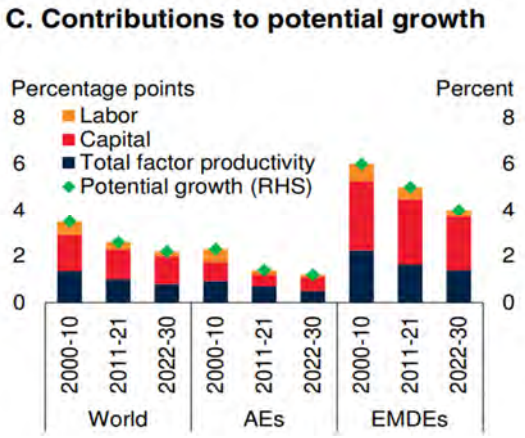
Global Economy Overview

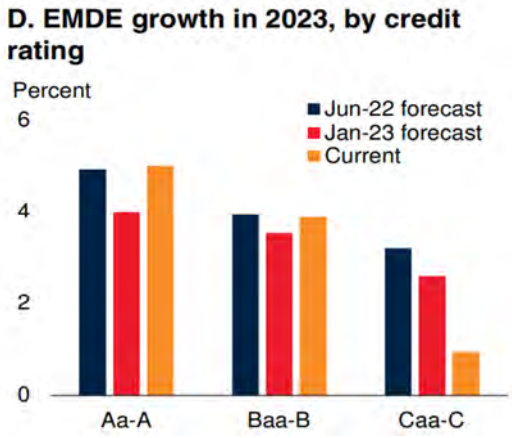
The global economy remains in a precarious state amid the protracted effects of the overlapping negative shocks of the pandemic, the Russian Federation's invasion of Ukraine, and the sharp tightening of monetary policy to contain high inflation. Global growth is projected to slow significantly in the second half of this year, with weakness continuing in 2024. Inflation pressures persist, and tight monetary policy is expected to weigh substantially on activity. Recent banking sector stress in advanced economies will also likely dampen activity through more restrictive credit conditions. The possibility of more widespread bank turmoil and tighter monetary policy could result in even weaker global growth. Rising borrowing costs in advanced economies could lead to financial dislocations in the more vulnerable emerging market and developing economies (EMDEs). In low-income countries, in particular, fiscal positions are increasingly precarious. Comprehensive policy action is needed at the global and national levels to foster macroeconomic and financial stability. Among many EMDEs, and especially in low-income countries, bolstering fiscal sustainability will require generating higher revenues, making spending more efficient, and improving debt management practices. Continued international cooperation is also necessary to tackle climate change, support populations affected by crises and hunger, and provide debt relief where needed. In the longer term, reversing a projected decline in EMDE potential growth will require reforms to bolster physical and human capital and labor-supply growth.



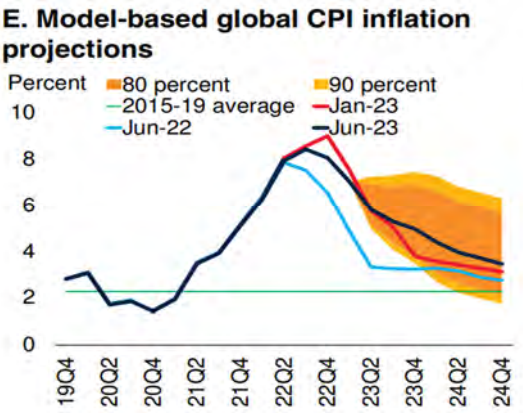
After growing 3.1 percent last year, the global economy is set to slow substantially in 2023, to 2.1 percent, amid continued monetary policy tightening to rein in high inflation, before a tepid recovery in 2024, to 2.4 percent. Tight global financial conditions and subdued external demand are expected to weigh on growth across emerging market and developing economies (EMDEs). Projections for many countries have been revised down over the forecast horizon, with upgrades primarily due to stronger-than-expected data at the beginning of 2023 more than offset by downgrades thereafter. Inflation has been persistent but is projected to decline gradually as demand weakens and commodity prices moderate, provided longer-term inflation expectations remain anchored. Global growth could be weaker than anticipated in the event of more widespread banking sector stress or if more persistent inflation pressures prompt tighter-than-expected monetary policy. Weak growth prospects and heightened risks in the near term compound a long-term slowdown in potential growth, which has been exacerbated by the overlapping shocks of the pandemic, the Russian Federation's invasion of Ukraine, and the sharp tightening of global financial conditions. This difficult context highlights a multitude of policy challenges. Recent bank failures call for

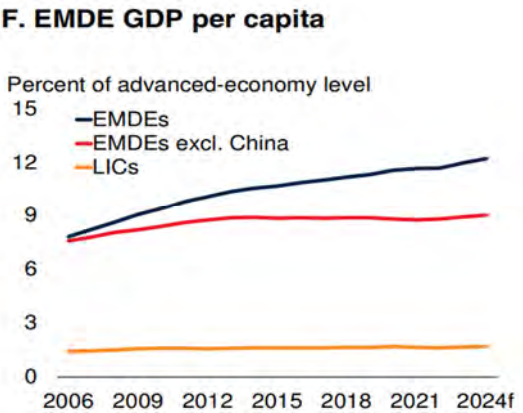
a renewed focus on global financial regulatory reform. Global cooperation is also necessary to accelerate the clean energy transition, mitigate climate change, and provide debt relief for the rising number of countries experiencing debt distress. At the national level, it is imperative to implement credible policies to contain inflation and ensure macroeconomic and financial stability, as well as undertake reforms to set the foundations for a robust, sustainable, and inclusive development path.





Global financial conditions have tightened as a result of policy rate hikes and, to a lesser extent, recent bouts of financial instability. Many banks experienced substantial unrealized losses due to the sharp rise in policy interest rates. Concerns about the viability of balance sheets of some banks led to depositor flight and market volatility in the United States and Europe earlier in the year, which were stemmed by a swift and extensive policy response. Financial markets remain highly sensitive to evolving expectations about the future path of interest rates of major central banks. Spillovers from banking turmoil in advanced economies to EMDEs have so far been limited. However, countries with more pronounced macroeconomic policy vulnerabilities, as reflected by lower credit ratings, have experienced slower growth and greater financial stress, including large currency depreciations and a sharp widening of sovereign spreads. Projections for 2023 growth in these economies have fallen by more than half over the past year.





Inflation pressures persist. Although global headline inflation has been decelerating as a result of base effects, abating supply chain pressures, and falling commodity prices, core inflation in many countries remains elevated, and inflation is above target in almost all inflation-targeting economies. Inflation is expected to continue to be above its pre-pandemic level beyond 2024. That said, inflation expectations in most inflation targeting countries have so far not undergone a major shift and appear to remain anchored. Energy prices have eased considerably since their peak in 2022 on account of weaker global growth prospects and a warmer-than-expected Northern winter, which reduced natural gas and electricity consumption. Metal prices increased in early 2023, reflecting signs of a stronger-than anticipated recovery in China, but subsequently retraced those gains. Agricultural prices have been easing on the back of good production prospects for most crops.

(**Source** - https://openknowledge.worldbank.org/server/api/core/bitstreams/6e892b75-2594-4901-a036-46d0dec1e753/content)

Indian Economy overview

India is one of the fastest growing economies of the world and is poised to continue on this path, with aspirations to reach high middle income status by 2047, the centenary of Indian independence. It is also committed to ensuring that its continued growth path is equipped to deal with the challenges of climate change, and in line with its goal of achieving net-zero emissions by 2070.

The growth of the past two decades has also led to India making remarkable progress in reducing extreme poverty. Between 2011 and 2019, the country is estimated to have halved the share of the population living in extreme poverty - below $2.15 per person per day (2017 PPP) (World Bank Poverty and Inequality Portal and Macro Poverty Outlook, Spring 2023). In recent years, however, the pace of poverty reduction has slowed especially during the COVID-19 pandemic, but has since moderated in 2021-22.

Certain challenges persist. Inequality in consumption continues, with a Gini index of around 35 over the past two decades. Child malnutrition has remained high, with 35.5 percent of children under the age of 5 years being stunted, with the figure rising to 67 percent for children in the 6-59 months age group. Headline employment indicators have improved since 2020 but concerns remain about the quality of jobs created and the real growth in wages, as well as around the low participation of women in the labor force.

India's aspiration to achieve high income status by 2047 will need to be realized through a climate-resilient growth process that delivers broad-based gains to the bottom half of the population. Growth-oriented reforms will need to be accompanied by an expansion in good jobs that keeps pace with the number of labor market entrants. At the same time, gaps in economic participation will need to be addressed, including by bringing more women into the workforce. The World Bank is partnering with the government in this effort by helping strengthen policies, institutions, and investments to create a better future for the country and its people through green, resilient, and inclusive development.

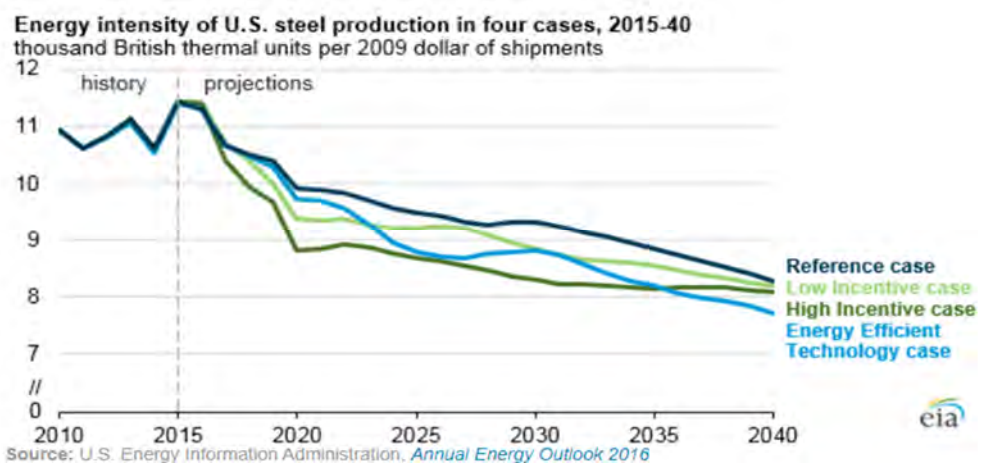
After real GDP contracted in FY20/21 due to the COVID-19 pandemic, growth bounced back strongly in FY21/22, supported by accommodative monetary and fiscal policies and wide vaccine coverage. Consequently, in 2022, India emerged as one of the fastest growing economies in the world, despite significant challenges in the global environment – including renewed disruptions of supply lines following the rise in geopolitical tensions, the synchronized tightening of global monetary policies, and inflationary pressures.

In FY22/23, India's real GDP expanded at an estimated 6.9 percent. Growth was underpinned by robust domestic demand, strong investment activity bolstered by the government's push for investment in infrastructure, and buoyant private consumption, particularly among higher income earners. The composition of domestic demand also changed, with government consumption being lower due to fiscal consolidation. Since Q3 FY22/23, however, there have been signs of moderation, although the overall growth momentum remains robust. The persisting headwinds – rising borrowing costs, tightening financial conditions and ongoing inflationary pressures – are expected to weigh on India's growth in FY23/24. Real GDP growth is likely to moderate to 6.3 percent in FY23/24 from the estimated 6.9 percent in FY22/23.

Both the general government fiscal deficit and public debt to GDP ratio increased sharply in FY20/21 and have been declining gradually since then, with the fiscal deficit falling from over 13 percent in FY20/21 to an estimated 9.4 percent in FY22/23. Public debt has fallen from over 87 percent of GDP to around 83 percent over the same period. The consolidation has largely been driven by an increase in revenues and a gradual withdrawal of pandemic-related stimulus measures. At the same time, the government has remained committed to increasing capital spending, particularly on infrastructure, to boost growth and competitiveness.

(**Source** - https://www.worldbank.org/en/country/india/overview)

Changes in steel production reduce energy intensity

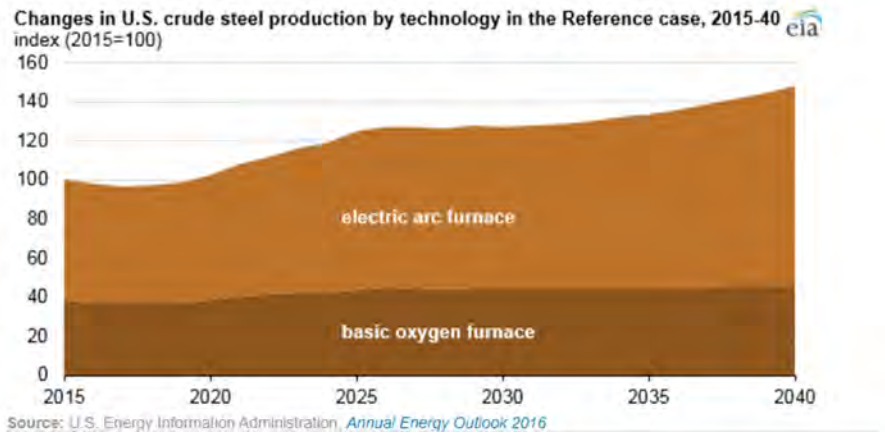


The manufacture of steel and related products is an energy-intensive process. In 2015, the steel industry accounted for 1.5% of all industrial shipments but 6.1% of industrial delivered energy consumption. In EIA's Annual Energy Outlook 2016 (AEO2016) Reference case, energy use in the steel industry increases by 11% over 2015–40. Over the same period, the steel industry's energy intensity falls by 27%, compared with an 18% reduction in total industrial energy intensity. Several alternative cases examine drivers for further energy intensity reductions in the steel industry.

Much of the change in energy intensity is attributed to the shift in steel production from primary to secondary (recycled) production. Primary production of steel typically uses a blast furnace to produce molten iron from iron ore, coking coal, and limestone. The molten iron is then converted into steel by a basic oxygen furnace. Secondary production of steel typically uses an electric arc furnace, with scrap providing the main input. In an electric arc furnace, scrap is melted using electricity. Natural gas can also supplement the melting process. Overall energy intensity of an electric arc furnace is significantly lower than the energy intensity of a basic oxygen furnace. The shift from using the basic oxygen furnace to the electric arc furnace since the early 1990s has contributed to the substantial reduction in energy intensity in the U.S. steel industry. According to calculations based on the Manufacturing Energy Consumption Survey and the World Steel Yearbook, from 1991 to 2010, the share of U.S. steel production using electric arc furnaces increased from 38% to 61%, while the energy intensity of crude steel production decreased by 37%. In the Reference case, the electric arc furnace share of crude steel production increases to 69% by 2040, further decreasing energy intensity.

An Issues in Focus analysis in AEO2016 includes three alternative cases that model the effects of technology choice on energy intensity in the steel industry. Two alternative cases introduce incentives for demand-side efficiency: the Low Incentive and High Incentive cases, which use an assumed carbon fee to increase the price of energy inputs. Fuel prices are affected based on their carbon intensity. Compared to the Reference case, the price of metallurgical coal is 20% higher in the Low Incentive case and 56% higher in the High Incentive case by 2025. Natural gas, which is less carbon-intensive than coal, has lower price increases in 2025, at 10% and 38% higher in the Low and High Incentive cases, respectively, compared to the Reference case. The Energy-Efficient Technology case assumes the adoption of more energy-efficient technologies over time than in the AEO2016 Reference case but no demand-side efficiency incentives. Existing technologies are retired sooner, and new technologies have shorter lifespans than in the AEO2016 Reference case, providing more opportunities for deployment of energy-efficient technologies.

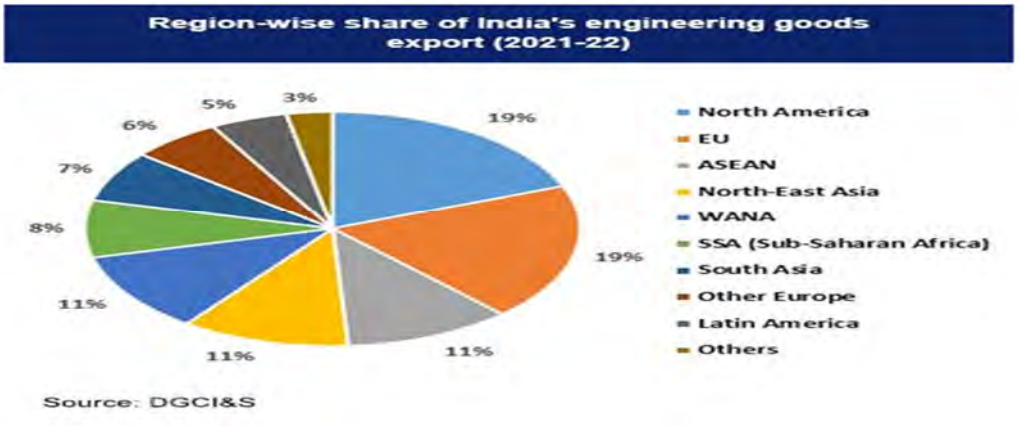
Cumulative steel energy intensity declines are similar in the all cases except the Energy Efficient Technology case, where energy intensity declines 32% from 2015 to 2040. The low turnover rate of equipment, which typically lasts for decades, means that it takes years for a large increase in basic oxygen furnace or electric arc furnace capacity to occur.



As a result, the use of energy to produce steel will generally not respond quickly to price or innovations in technology. Although the relative use of basic oxygen furnace and electric arc furnaces is generally similar across cases, the Energy Efficient Technology case includes greater adoption of more efficient post-furnace processing technologies, which further reduces energy intensity. The Low and High Incentive cases initially result in relatively larger declines in energy intensity, but by 2040 the differences between these cases and the Reference case are smaller.

Source : https://www.eia.gov/todayinenergy/detail.php?id=27292

EXPORT DESTINATIONS



India exports engineering products to the following regions: ASEAN, North-East Asia, Africa, EU, North America, CIS, Latin America, South Asia, Africa, Middle East, West Asia, etc. The top five Indian engineering goods importing countries are the USA, the UAE, Italy, Singapore, and Germany, with a share of 23.5%, 5.65%, 5.4%, 4.7%, and 4.46%, respectively, during April-July 2022-23 out of the 25 countries recorded positive cumulative growth in engineering exports during April-March 2022 over April-March 2021.

The share of top 25 importing nations of India's engineering goods accounted for 74.6% of India's total engineering exports in 2021-22. This significant-high share is evidence of the dependence of India's engineering export on the traditional markets. Italy, UAE, and Belgium were the top three importers of Indian Iron and Steel during 2021-22, whereas the US, German, and the UK were the top three importers of India's 'Products of Iron and Steel' during the same period as compared to 2020-21.

Indian industrial machinery saw the highest imports from the US during 2021-22. Thailand and Germany were the two immediate followers of the US, South Africa, Mexico, and Nigeria were the top three importers of India's automobiles during 2021-22 in India's global exports respectively over the same period last fiscal.

During 2021-22, the top three importers of India's non-ferrous metals and products were China, South Korea, and the US whereas the US, Germany, and France were the three top importers of Indian electrical machinery and components during the same period.

INDIA'S FINISHED STEEL PRODUCTION

Engineering is the largest industrial sector in India and accounts for 3.53% of the country's Gross Domestic Product (GDP). The country's engineering sector comprises manufacturing iron, steel, related products, non-ferrous metals, industrial machinery, automobiles, auto components, and other engineering products. The key goods exported under the industrial machinery category are IC (Internal combustion) engines and parts, industrial machinery for dairy, food processing, textiles, industrial machinery like boilers, parts, machinery for injecting moulding, valves, and ATMs.

India became a permanent member of the Washington Accord (WA) in June 2014. It is now part of an exclusive group of 17 countries that are permanent signatories of the WA, an elite international agreement on engineering studies and mobility of engineers. India's engineering sector has witnessed remarkable growth over the last few years, driven by increased investment in infrastructure and industrial production. In 2019, the government announced an investment of US$ 1.5 trillion (Rs. 100 lakh crore) in infrastructure development over the next five years. In the Union Budget 2022-23, the government gave a massive push to the infrastructure sector by allocating US$ 26.52 billion (Rs. 199,107 crore) to enhance the transport infrastructure. The engineering sector is an important component of the broader manufacturing sector, and the share of engineering products in overall manufacturing output is quite significant. It is also a highly organized sector dominated by large players employing over four million skilled and semi-skilled labor.



(Source: https://www.ibef.org/exports/engineering-goods-exports-from-india)

Improving resource efficiency and encouraging greater levels of material circularity

Use of coal-based direct reduction processes is unique to the Indian steel sector. This process is mainly used in smaller facilities to meet local steel demands, as opposed to exports. India's reliance on this technology is driven by availability of cheap domestic coal reserves, lack of sufficient domestic natural gas supplies as well as domestic coking coal of sufficient quality. The use of induction furnaces along with coalbased direct reduction often results in lower quality steel, as a result of the residual phosphorous which is not removed, unlike with EAFs. Improving the quality of the steel from this route would require either an additional refining step or the use of higher shares of good quality scrap. This is one of the reasons we are likely to see the market share of this route continue to decline, with most new steel capacity focused on the BF-BOF and EAF technologies.

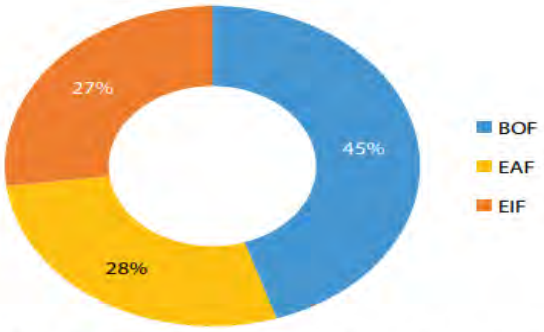


Figure 1: Route-wise crude steel production share, 2020-21

Source: (MoS, 2021a)

Blast furnace with basic oxygen furnace (BF-BOF), which is the dominant route in India. Costs of steel production vary based on the costs of coking coal, which can fluctuate significantly over time. Natural gas direct reduction is costlier in India due to the higher costs of natural gas, as well as uncertainty around its continuous availability. The range illustrated assumes delivered costs of $8/mmbtu to $12/mmbtu, which represents the historical range of imported natural gas prices, although current prices have been significantly higher. The costs of smelting reduction with CCUS assume that both capital and fixed operating costs are reduced versus the BF-BOF plant due to the removal of coke ovens, sintering plants and pellet factories. Moreover, using thermal coal over coking coal reduces the fuel costs. Without CCUS costs, the costs of steel production from a smelting reduction plant would be around 20% cheaper than the conventional BF-BOF route (Figure 43). However, with the addition of CCUS infrastructure at cost of around $20/tCO2 (IEA, 2020) (a range of $20-$80 is shown to reflect uncertainty), costs would be near equivalent to existing BF-BOF. There are also considerable uncertainties with regard to the availability of suitable sites for CCUS near the steel plant locations as well as the costs of CCUS infrastructure in India, which are reflected in the larger cost range for the SR-BOF CCUS route.

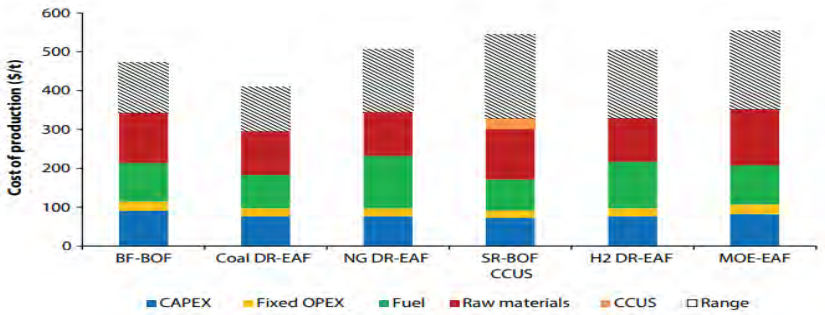


Figure 16: Costs of steel production by route[6]

Source: TERI analysis based on (IEA, 2019) and (MPP, 2021)

The application of best available energy efficient technologies (where cost-effective) should be encouraged, particularly in recently built capacity with long lifetimes. Our analysis shows that the application of best available technologies have the potential to reduce energy and emissions by around 15% across the two primary steelmaking routes (see Technical Annex). There are a number of older plants in dire need of modernization and by applying even the already widely adopted efficiency technologies, these plants can substantially improve their energy efficiency Investing in energy efficiency measures for electricity-based production (including electric arc furnaces and induction furnaces) represent 'low-regrets' options for further investment. Unlike coal-based production, most of which will most likely need to be retired by the mid-century, electricity-based production routes will continue to decarbonise as the electricity grid decarbonises.

Improving resource efficiency and encouraging greater levels of material circularity is vital for mitigating negative environmental impacts as India continues to grow. This includes encouraging greater use of scrap, which reduces the amount of raw material required for primary steel production, resulting in positive knockon effects for energy and emissions. The main scrap-based production route is the electric arc furnace (EAF). If we compare the raw materials, energy and emissions from the scrap-based route with a primary

steelmaking process, such as a blast furnace with a basic oxygen furnace (BF-BOF), we can clearly see the benefits of greater circularity in the steel sector.

The increasing availability of scrap plays an important role in reducing the amount of energy used for steelmaking, as this can be added to EAF as well as BF-BOF routes to varying extents. We assume on the basis of our analysis, that scrap use in the BF-BOF route will increase from an average of around 10% today to 20–25% by 2050, which helps increase the efficiency of the process (See Technical Annex). Designing steel products so that recycling is made easier, as well as building the appropriate recycling infrastructure can be done immediately and the MoS' Steel Scrap Recycling policy represents a positive first step. In doing so, scrap use in the BF-BOF route and in EAFs can be increased to reduce energy consumption and GHG emissions.

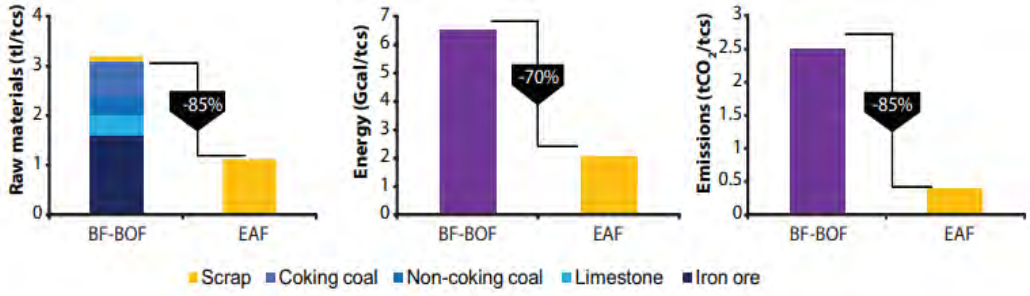


Figure 24: Material, energy and emissions benefits of scrap-based production

Source: TERI analysis based on data from BEE 2018; MoS 2017. Assuming an emissions intensity of electricity of 700gCO2/kWh.

Achieving Green Steel Roadmap to a Net Zero Steel Sector in India

https://www.teriin.org/

The National Steel Policy, 2017 envisage 300 million tonnes of production capacity by 2030-31. Government is making efforts to increase per capita consumption of steel to 158 kg/per capita by 2030-31. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors. The steel sector has always strived for continuous modernisation of older plants and upgradation to higher energy efficiency levels.

Indian secondary steel sector produced 38.5 million tons of crude steel in 2020-21 i.e 37% of total production of 103.54 million ton. Contribution to total finished steel production in 2020-21 of this sector was 40.88 million ton i.e. 42% of total national finished steel production of 96.20 million ton. In the long products' segment, contribution of this sector is approximately 55% in FY2021. It is also contributing significantly in the overall production of alloy steel, special steel and stainless steels. Secondary steel sector employs about 400,000 people, both directly and indirectly.

The Secondary steel sector reaches out to millions of people in urban & rural areas and hence, is a major force in meeting steel demand. The sector has created its niche in producing long products and special sections. Lower capital investment as compared to primary sector, lower overall environmental impacts, lower overheads, higher variety of sections and proximity to customers are some of its key strengths of this sector. The sector has an enormous potential for employment generation in the country. Secondary sector has an edge over primary sector because of lower capital & land requirements and distinguished capability to produce very special sections & customer base products. The sector is bound to play a major role in actualizing the vision of growth in steel production capacity of 300 million tons by 2030 set by Ministry of Steel, Government of India. Some of strength areas of secondary steel sector include the following:

- Flexibility to use variety of input materials
- Recycle scrap and other metallic wastes.
- Large user of iron ore fines/dust.
- Counters logistic bottlenecks
- Close to customers' door steps and caters retail customers

- Requires lesser land lock, thereby protects forest area and plantation
- Manufacturing capability of unique products, small sized products, need based tailor-made products, agricultural appliances, etc.
- Lesser capital requirement
- Generates local area employment and creates other business opportunities.
- Enhances entrepreneurs' base.
- Lesser damage to environment, lower water requirement and saves ground water.

The secondary Steel sector is treading on a growth path and is expected to play a major role in steel production of India in the light of trends towards increased usage of scrap based steel production. Existing units in this sector are being modernized/ expanded. A large number of new production capacities are being added to meet the growing demand. The secondary sector has enormously improved its performance in last two decades with regard to energy usage due to continuous institutional efforts and also interventions through energy efficiency projects funded by government for penetration of energy efficient technologies in this sector. The sector is installing secondary metallurgy equipments like LRFs, VDs to produce quality products. The sector has largely shifted from ingot casting to continuous casting of billets which has helped to get rid of many quality problems. The industry has started using cleaner fuels like PNG & producer gas which give better surface finish. Many tandem mills have come up in the sector, which not only help to increase productivity but also help in producing better quality products.

Government of India's initiatives like Make in India, Atam Nirbhar Bharat, Vocal for Local, specialty steel production-linked incentive (PLI) scheme, Pradhan Mantri Awas Yojna, Developing Smart Cities, improved road and rail connectivity by building highways, bridges and dedicated freight and superfast rail corridors etc. are few of the opportunities for this sector to perform better and smarter. “With the introduction of scrap recycling policy in the future, the contribution from secondary steel will further rise. The sector is also getting Institutional Support to improve its performance. National Institute of secondary steel technology (NISST) set up by Government of India is catering to technological development of the Secondary steel sector. The institute is serving the technological needs of the sector through training programmes/technical seminars, Process & Energy audits, technical consultancy and R&D projects.

Secondary Steel Sector is expected to receive more attention going forward, owing to changing National & International scenario with respect to shortage of quality raw materials like iron ore & coal, stricter environment laws for mining industry, shortage of water and non- agricultural land, higher capital costs for integrated steel production and likely boom in local availability of steel scrap with new transport policy of India. As increased usage of recyclable scrap for steel making and hence, increased role of Secondary sector in contributing to steel scenario is beyond doubt. India being a developing country and focusing on infrastructure developments, this sector is poised for an accelerated growth. However, the sector needs to duly address issues like quality and efficiency for competitive advantage in global market. The sector needs to increase production of value-added steel in India to reduce import. The production target for the secondary steel sector by 2025 is around 70-72 MT pa, comprising of arc furnace and induction furnace along with alloy and stainless steel producers under the category of secondary producers. Looking at the current scenario of around 40MT production by secondary producers through the above mentioned production, the expansion to be planned has to ensure doubling the production to 70 MT by 2024. As per estimates Secondary Steel Sector is expected to contribute about 35 – 40% of the crude steel capacity & production in 2030-31.

Manufacturing in India is driven by the key sectors such as Automobiles & Capital Goods and Steel is a key component for these sectors. There is enormous scope for increasing steel consumption in almost all sectors, e.g., infrastructure, automobiles, packaging, irrigation and water supply, engineering and capital goods, real estate and transportation. As the steel sector in India contributes nearly two per cent of the country's gross domestic product (GDP). The Indian secondary steel industry is poised to play an important role increasing the GDP of India. As per estimates Secondary Steel Sector is expected to contribute about 35 – 40% of the crude steel capacity & production in 2030-31. Demand for pig iron for merchant use, such as for castings and supplementary metallic in the electric arc or induction furnaces, is projected to increase to 17 MT by 2030-31. Similarly, demand for sponge iron is projected to increase to 80 MT by 2030-31. It is projected that the sponge iron capacity may increase to 114 MT by 2030-31 with around 30% share of gas based capacities under increased environmental considerations and long term availability of gas. Considering the above facts it is expected that Secondary Steel Sector is likely to play a great role in achieving $5 trillion economy by 2024.

Performance of Indian secondary steel sector in the Capacity of Mini Steel Plant – In the year 2020-21, this sector has produced 38.5 million tons of crude steel contributing about 37% of total crude steel production in the country. As finished steel, producing 40.88 million tons, this sector claims 42 % of country's finished steel production but in the area of long products , this sector could achieve about 55% of total production. Production in melting furnace in secondary steel sector is the conversion process from solid charge to

liquid steel by using electricity which at solidified stage shaped as ingot or concast products which are processed as forged or rolled product by way of production through hammer/ press and rolling/ re-rolling mills. Production efficiency factors are closely related to optimization of resource allocation, usage and control which maximizes economic efficiency of the plant satisfying market i.e. customers leading to higher opportunity costs. Since, highest value is spent at melting shop in the entire steel production route, it is necessary to pay attention on cost control and cost monitoring activities in this area.

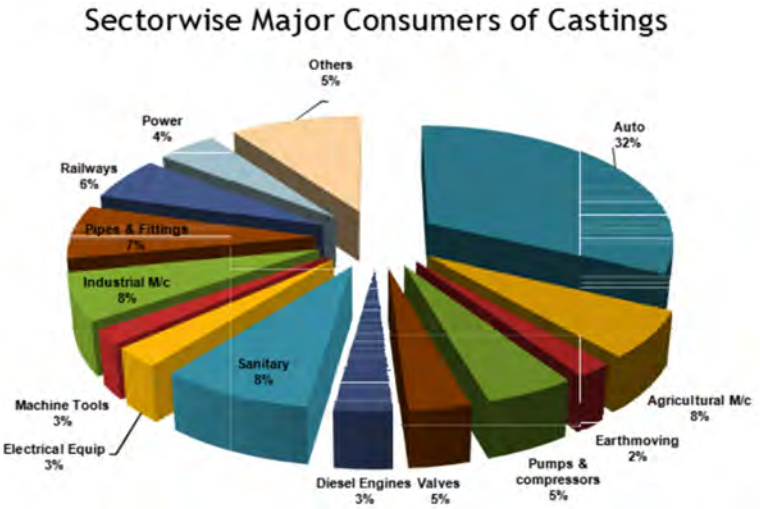
Route wise & Zone wise Breakup of melting units & Production as Secondary Sector (source: AIIFA)

Region	EAF (Nos)	Prodn ('000T)	% of Tot prodn	IF (Nos)	Prodn ('000T)	% of total IF Prodn	IF Working Capacity	% of Capability *
Eastern	170	9062	31.94	149	8120	25	11242	72
Western	236	18908	66.65	46	11262	34	14619	77
Northern	288	856	3.02	281	9063	28	9964	90
Southern	914	2541	8.96	858	5953	18	8671	66
Total	1608	28367	100	1334	32198			

Newsletters - https://www.aaiifa.org/

Indian Foundry Industry

The Indian foundry industry manufacturers metal cast components for applications in Auto, Tractor, Railways, Machine tools, Sanitary, Pipe Fittings, Defence, Aerospace, Earth Moving, Textile, Cement, Electrical, Power machinery, Pumps / Valves, Wind turbile generators etc. Foundry Industry has a turnover of approx. USD 19 billion with export approx. USD 3.1 billion. However, Grey iron castings have the major share i.e. approx 68% of total castings produced. There are approx 4500 units out of which 90% can be classified as MSMEs. Approx 1500 units are having International Quality Accreditation. Several large foundries are modern & globally competitive. Many foundries use cupolas using LAM Coke. However, these are gradually shifting to Induction Melting. There is growing awareness about environment & many foundries are switching over to induction furnaces & some units in Agra are changing over to cokeless cupolas.



(Source - foundryinfo-india.org/profile_of_indian.aspx)

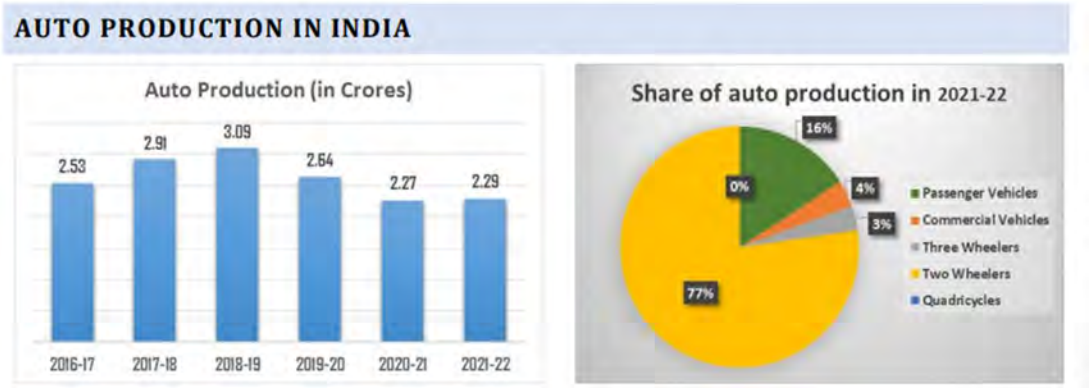
Automobile component industry

Indian Auto Component industry exports, which are currently valued at $20.1 Bn in FY21, are expected to reach $80 Bn by 2026. USA, Germany, UK, Thailand and Italy are the top destinations for exports. India's auto component industry recorded its highest trade surplus of $700 Mn in a financial year in 2021-22 Aftermarket segment which includes Tyre, battery, brake parts, is expected to reach $32 Bn

by 2026 from $9.8 Bn FY20. Auto components industry grows 34.8% to INR 2.65 lakh Cr in H1 FY23. The overall Indian auto components industry, which accounts for 2.3% of India's GDP currently, is set to become the 3rd largest globally by 2025.

(source - https://www.investindia.gov.in/sector/auto-components)

The automotive industry in India is one of the main pillars of the economy. With strong backward and forward linkages, it is a key driver of growth. Liberalization and conscious policy interventions over the past few years created a vibrant, competitive market, and brought several new players, resulting in capacity expansion of the automobile industry and generation of huge employment.1 The contribution of this sector to the National GDP has risen to about 7.1% now from 2.77% in 1992-93. It provides direct and indirect employment to over 19 million people. In the automobile market in India, Two-wheelers and passenger cars accounted for 77% and 18% market share respectively during the year 2021-22. Passenger car sales are dominated by small and midsized cars. Export of the total number of automobiles increased from 4,134,047 in 2020-21 to 5,617,246 in 2021-22, registering a positive growth of 35.9% India aims to double its auto industry size to Rs. 15 lakh crores by end of year 2024. There has been an FDI inflow of $33.77 billion in the industry from April 2000 till September 2022 which is around 5.48% of the total FDI inflows in India during the same period.

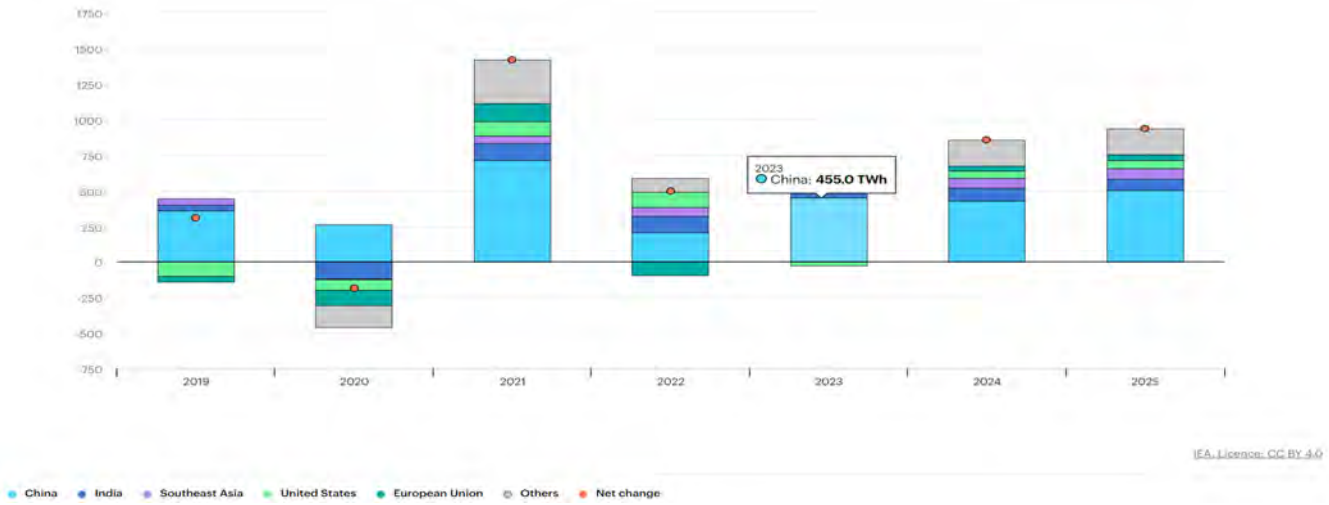


(Source - https://static.pib.gov.in/WriteReadData/specificdocs/documents/2023/feb/doc2023217160601.pdf)

Power Sector

World electricity demand remained resilient in 2022 amid the global energy crisis triggered by Russia's invasion of Ukraine. Demand rose by almost 2% compared with the 2.4% average growth rate seen over the period 2015-2019. The electrification of the transport and heating sectors continued to accelerate globally, with record numbers of electric vehicles and heat pumps sold in 2022 contributing to growth. Nevertheless, economies around the world, in the midst of recovering from the impacts of Covid-19, were battered by record-high energy prices. Soaring prices for energy commodities, including natural gas and coal, sharply escalated power generation costs and contributed to a rapid rise in inflation. Economic slowdowns and high electricity prices stifled electricity demand growth in most regions around the world.

Electricity demand in India and the United States rose, while Covid restrictions affected China's growth. China's zero-Covid policy weighed heavily on its economic activity in 2022, and a degree of uncertainty remains over the pace of its electricity demand growth. We currently estimate it to be 2.6% in 2022, substantially below its pre-pandemic average of over 5% in the 2015-2019 period. Further data expected in due course will provide greater clarity on trends in China in 2022, which could also have implications for the global picture. Electricity demand in India rose by a strong 8.4% in 2022, due to a combination of its robust post-pandemic economic recovery and exceptionally high summer temperatures. The United States recorded a significant 2.6% y-o-y demand increase in 2022, driven by economic activity and higher residential use to meet both heating and cooling needs amid hotter summer weather and a colder-than-normal winter.



(Source - https://www.iea.org/reports/electricity-market-report-2023/executive-summary)

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "Forward-Looking Statements" for a discussion of the risks and uncertainties related to those statements and also the section "Risk Factors" for a discussion of certain factors that may affect our business, financial condition, or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year. In this section, a reference to the "Company" or "we", "us" or "our" means Megatherm Induction Limited.

All financial information included herein is based on our "Financial information of the Company" included on page 157 of this Red Herring Prospectus.

Business Overview

Our company is engaged in the business of manufacturing of induction heating and melting products by means of electric induction like induction melting furnace and induction heating equipment. Besides induction melting & heating equipments our company produces various up-stream & down-stream plant & machineries associated with steel melt shops such as, transformers, ladle refining furnaces, continuous casting machines, fume extraction systems etc. Our Company also manufacturers electric arc furnaces for alloys & special steel making industries, our services portfolio includes turnkey solutions for steel plant, which involves design, engineering, supply, erection & commissioning of the steel melt shops using both insourced & outsourced plant & machineries and after sales service, involving maintenance contracts & spare parts business.

Following are the key industries to which the products manufactured by our company caters to–

1. Secondary Steel producers involved in scrap recycling.
2. Primary Steel producers involved in conversion of iron ore into sponge iron & subsequent conversion into steel through Induction Melting.
3. Auto ancillaries
4. Ordnance factories & Railways
5. DI pipe producers and diverse engineering industries involved in producing critical parts in its captive casting, forging & metal working units.

Our company was incorporated as a private limited company in the year 2010, with the vision to make its presence across steel, foundry, forging and various other metal working sectors. We stated the construction of our manufacturing facility at Kharagpur, West Bengal during the year 2016. We started our operations of manufacturing the induction furnace in the fiscal 2018 and reached a turnover of 3833 lakhs during the first year of operation. Further, during the year 2021, our company forayed into the manufacturing of transformers segment to cater to the growing demand in the power distribution sector and industrial transformers in the country. As of the date of this Red Herring Prospectus, we own and operate from our manufacturing facility located at Kharagpur, West Bengal. Our annual aggregate installed capacity for manufacturing of furnace and transformers is around 300 numbers as of March 31, 2023.

Our company is the subsidiary of Megatherm Electronics Private Limited. The journey of the group started in the year 1989 with the manufacturing of induction melting & heating equipment. With our experience, we gradually expand our product portfolio including transformers, metallurgical equipment and allied axillary equipment. Apart from this, we have ventured into the business of installation and setting up of steel melt shops. The installation of these steel shops involved planning and understanding of the customer's requirements. The company provides a complete solution to the customers for their steel making needs and include equipment's like transformers, induction melting furnaces, static frequency converters, water cooling plant, fume extraction system, ladle refining furnaces, continuous casting machines, in line induction billet heaters etc. As on December 31, 2023, we have an order book of approximately Rs. 28000 Lakhs.

We have over the years, expanded our customer base spread across many countries around the globe. Further, because of our commitment towards customer satisfaction and performance of our equipment in different sectors and different industry have helped us increase our revenues and operations. We export our products to South America (e.g. Argentina, Brazil, etc), Africa (e.g. South Africa,

Kenya, Tanzania, Ghana, Nigeria), Gulf (e.g. Saudi Arabia, UAE), Europe (e.g. Poland, France), SAARC (e.g. Bangladesh, Nepal, Bhutan) and South East Asia (e.g. Indonesia, Malaysia). For Fiscals 2023, 2022 and 2021 our exports were Rs. 6826.20 lakhs, Rs. 3743.40 lakhs and Rs. 3784.77 lakhs which constituted 25.67%, 19.93%, and 34.72% of our revenue from operations respectively .

Our manufacturing facilities have been certified in accordance with international standards of quality management systems such as ISO 9001:2015 from SGS United Kingdom Limited. Further, making the product more energy efficient is very important to gain and maintain the market share. To make the products more energy efficient and meet the customer specifications, we undertake research and development activities.

Our Company is led by Mr. Shesadri Bhusan Chanda and Satadri Chanda who are the individual Promoter and Executive Director of the Company. Our Promoter, Chairman and Managing Director, Shesadri Bhusan Chanda has been associated with the Company since incorporation and provide strategic guidance and oversees overall performance of our Company. He is a Bachelor of Electrical Engineering and has a work experience of around 45 years in the induction heating and electro-technical industry. Our Promoter and Whole Time Director, Satadri Chanda, holds a master's degree in science with major in industrial engineering from Virginia Polytechnic Institute and State University and has over 2 years of experience management consultancy and around 7 years in the induction and electrical engineering industry, and drives new investment and growth strategy besides managing day to day operations of our Company. Our Promoters and senior management have been instrumental in the growth of our business.

Our manufacturing facility is equipped with requisite infrastructure including machineries, testing laboratory and other handling equipment to facilitate smooth manufacturing process. To ensure efficiency of the products we have designed and established testing at different levels of production. For our products to be effective we need to ensure that they deliver the desired results with minimal energy loss and maximum energy efficiency. To ascertain the suitability of our raw materials, we have in-house testing laboratory that is responsible for conducting tests on raw materials to check their physical properties, so as to ensure that the product conform with the pre-determined standards.

Financial Snapshot

(All amounts in Rs. Lakhs)

Key Financial Performance	For the year			
	30-Sept-23	31-Mar-23	31-Mar-22	31-Mar-21
Revenue from operations[(1)]	14687.50	26588.15	18783.13	10900.92
EBITDA[(2)]	1376.08	2754.40	793.58	1316.33
EBITDA Margin[(3)]	9.37%	10.36%	4.22%	12.08%
PAT	759.34	1400.41	110.10	309.12
PAT Margin[(4)]	5.17%	5.27%	0.59%	2.84%
Networth[(5)]	5821.98	5062.64	3662.23	3512.13
RoNW(%)[(6)]	13.04%	27.66%	3.01%	8.80%
RoCE (%)[(7)]	12.22%	27.47%	8.46%	14.44%

Notes:

(1)Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements

(2)EBITDA is calculated as Profit before tax + Depreciation + Finance Cost – Other Income

(3) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

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

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

(6) Return on Net Worth is ratio of Profit after Tax and Net Worth.

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

Our Registered and other office:-

Purpose of Use	Location
Registered Office	Plot- L1 Block GP, Sector V, Electronics Complex Salt lake City Kolkata-700091
Branch Office	SDF Building -123 Plot No: RS-3 Khatain: RS-1, Salt Lake Electronics complex, Kolkata 700091
Sales Office	2A/13, Alauddin Khan Bithi, City Centre, Aurobinda, Bardhaman, West Bengal-713216

Factory	Plot H 1, Vidyasagar Industrial Park, Village: Rupnarayanpur, Post: Jakpur, Kharagpur – 721301, Under WBEIDCL

Geography-wise revenue break-up

Particulars	Fiscal year ended							
	September 30, 2023	% of Revenue	2022-23	% of Revenue	2021-22	% of Revenue	2020-21	% of Revenue
India	11598.99	78.97	19761.95	74.33	15039.73	80.07	7116.15	65.28
Other countries	3088.51	21.03	6826.20	25.67	3743.40	19.93	3784.77	34.72
Total Revenue	**14687.50**	**100.00**	**26588.15**	**100.00**	**18783.13**	**100.00**	**10900.92**	**100.00**

Our Product Portfolio

1. Induction melting furnace



We manufacture a wide range of induction furnaces with different weight categories. These furnace enables us to fulfill requirements of various metal industry segments including automobile casting, DI pipe casting, manganese steel casting, heavy engineering casting, casting of railway components, metal roll manufacturing etc.

An induction furnace is an electrical furnace in which the heat is applied by induction heating of metal. These furnace are used to melt iron and steel, copper, aluminum, and precious metals or make alloys of different compositions.

2. Induction Billet Heaters –



The induction billet heaters are used for heating of ferro-magnetic and austenitic quality steel billets to the forging temperature of 1200 – 1250 Celsius. These heaters can also be used for heating of non-ferrous metals like aluminum, copper and its alloys like brass and bronze. We also supply supplementary equipment like bin tipper, step loading feeder, inclined indexing loader, side transfer loader, hot billet extraction, pyrometric temperature detection and automatic billet rejection system.

These heaters utilize mass heating technology for the processes like forging, extrusion, rolling, annealing, bar heating, on line heating and cathode drying.

3. Induction Hardening & Heat-Treating Equipment



Induction heating is a non-contact heating process which utilizes the principle of electromagnetic induction to produce heat inside the surface layer of the metal. Induction hardening is a widely used process for the surface hardening of steel. The components are heated by means of an alternating magnetic field to a temperature within or above the transformation range followed by immediate quenching. A source of high frequency electricity is used to drive a large alternating current through a coil.

These machines are widely used in manufacturing air/gas cylinders, annealing of tube and pipe, pipe stress relieving, heating of billets for tube manufacturing etc.

4. Induction Heating Power Source (Static Frequency Converter)



Induction Melting & Heating Equipments are powered by Medium & High Frequency Converters. These converters accept multi-phase 50 Hz AC power from the grid, which is rectified to DC and then inverted back into single phase medium or high Frequency AC power. The conversion process is effected through Power Electronics Technology using Power Semiconductor Devices. These converters are linked to the induction load via Reactive power compensating Water Cooled Capacitor Bank.

5. Transformer



We manufactures different transformer to cater to various load requirement of customers. The transformers we manufacture include Converter Transformers which are used for induction melting / heating equipment, AC-DC Drives, industrial rectifier etc. Electric Arc and Ladle Refining Furnace Transformers, Distribution Transformers, Power Transformers and other transformers which are used mainly inductial purposes.

6. Ladle Refining Furnace



Ladle Refining Furnace (LRF) is used to adjust the chemical composition and raise the temperature of molten metal.

Ladle Refining Furnace are used for removal of oxygen (deoxidization), removal of hydrogen (degassing), reducing sulfur concentrations, removal of undesirable nonmetallic elements and changing the composition of remaining impurities. Ladle Refining Furnaces (LRF) are also used to hold the molten steel for casting operations. The LRF also acts as a buffer between the steel making furnace and the continuous casting machines.

7. Electric Arc Furnace



Our company manufactures electric arc furnace with the capacity for producing different heat sizes. These furnace are used for steelmaking and smelting of Non-Ferrous metal, used in Metallurgical Sector due to its diverse melting application which helps to produce Steel as per desired chemical composition.

The EAF effectively melts all type of scrap irrespective of chemical composition or size and also melts direct reduced iron (D.R.I) / Sponge Iron by creating an electric arc between electrodes and the metal

8. Continuous Casting Machine (CCM)



The Continuous Casting Machine is an equipment used to convert liquid steel into cast semis of the desired size such as billets, blooms, slabs or strips. The liquid steel is poured into molds, where it solidifies into a shell. The shell is then pulled out by rollers and cooled further.

The main components of this machine are Ladle sequencing car, Tundish, Tundish Car, Mould Jacket Assemblies, Mould Oscillator, Strand Guide Frames, Withdrawal-cum-straightening machine, Hydraulic pusher type skid bank, Electrical / Instrumentation etc.

Our Competitive Strength

1. Established Manufacturing facility

The manufacturing facilities of our company is located under WBEIDCL (West Bengal Electronics Industry Development Corporation Limited) at Plot H 1 & H – 3/2 Vidyasagar Industrial Park, Village – Rupnarayanpur, Post – Jakpur, Kharagpur – 721301. Our manufacturing units are equipped with the required machinery, equipment and infrastructure and capable to carry out end to end

manufacturing activities. Our years of experience in the metal heating and melting equipment has enabled us to meet our customers' customized and stringent requirements. We have capabilities across the different levels of our manufacturing process including product design and development, material sourcing, designing, testing and effectiveness, for meeting the requirement of our customers. Our manufacturing setup coupled with our experience in the industry not only gives us better control over the product quality and efficiency but also benefits us with cost advantages compared to our competitors. Our experience and established manufacturing facility have enabled us to deliver our products and provide timely solution to our customers in accordance with their requirements and specifications, in a cost-effective manner without compromising on quality.

2. ***Technical capabilities for complex applications***

We have over the years developed capabilities of working on complex manufacturing processes and producing goods like induction furnace, arc furnace, transformers etc. which require precision and engineering competence. Our Company develops and manufactures a different range of electric induction furnace and transformers and strive to make them more cost effective and environment friendly for our customers with our manufacturing process for our customers engaged in different industry verticals. All raw materials procured for manufacturing our products are sourced from trusted vendors and our quality control team applies stringent quality measurements at every manufacturing stage to ensure that our finished product confirms to the exact requirement of our customers and successfully passes all validations and quality checks. As we have established ourselves among our customers engaged in the ferrous and non-ferrous foundries for their metal melting, metal heating and metal hardening processes etc. The transformer manufactured by our company are used in different industries like steel and metal industry, locomotive industry and power distribution sector. Through successful delivery and quality consciousness of the products we manufacture, we believe that we are well positioned to capitalize on this opportunity and to take advantage of future orders placed by our customers. Due to the complexity of our manufacturing process, we have deployed stringent quality control systems at various stages manufacturing process, to ensure that our finished product confirms to the quality, safety feature, efficiency measures as per the requirements of our customers. Owing to the critical end applications of our products and such stringent quality requirements, we believe it becomes very difficult for new players to get into such complex manufacturing process.

3. ***Long standing relationship with our customers***

We have a well-diversified customer base all over India and different parts of globe, wherein we provide the products and the services as per the requirements of our customers. This reduces the intensity of any significant single customer's contribution in our revenues. Our products are used in various industries. Our top ten customers contribute 47.01%, 41.98%, 30.53% and 36.81% of our revenue from operations for the period September 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021. We have over the years developed and maintained good relationships with our customers by delivering them the desired products in terms of quality, cost effectiveness and energy efficiency. Our continuous focus on providing quality products and services consistently to our customers has helped us nurture long-term relationships with them. Our track record of delivering timely services and demonstrated industry expertise has helped in forging strong relationships with them. We also strive to maintain high customer retention and derive a significant proportion of our revenue from repeated business. We export our products to South America (e.g. Argentina, Brazil, etc), Africa (e.g. South Africa, Kenya, Tanzania, Ghana, Nigeria), Gulf (e.g. Saudi Arabia, UAE), Europe (e.g. Poland, France), SAARC (e.g. Bangladesh, Nepal, Bhutan) and South East Asia (e.g. Indonesia, Malaysia). Some of our domestic customers include Ordinance Factory, BHEL, Indian Railways, Tata Motors, Mahindra, CESC, Hindalco, Sundaram Fasteners, MM Forging, Talbros Axles, Shyam Metalics, Sarda Energy, Rashmi Metaliks, Prakash Industries and many more.

4. ***Experienced and Qualified Promoters and Management team***

Our Promoter, Chairman and Managing Director, Shesadri Bhusan Chanda has been associated with the Company since incorporation and provide strategic guidance and oversees overall performance of our Company. He is a Bachelor of Electrical Engineering and has a work experience of around 45 years in the induction heating and electro-technical industry. Our Promoter and Whole Time Director, Satadri Chanda, holds a master's degree in science with major in industrial engineering from Virginia Polytechnic Institute and State University and has 9 year experience with 2 year in management consultancy and 7 years in the induction and electrical engineering industry, and drives new investment and growth strategy besides managing day to day operations of our Company. Thus, we are well placed to capitalize the knowledge and experience of our management team which has been instrumental in growth of our Company. Our management team has substantial experience in the metal melting and heating products which we serve, which enables us to capture market opportunities, formulate and execute business strategies, manage client expectations as well as proactively respond to changes in the market conditions. Further, the promoters and management team is supported by experienced personnels having industry

knowledge. We therefore believe that our qualified management and employee base have enabled us to extend our operating capabilities, improved the technical quality of our products and facilitated our growth in the industry.

5. Delivering financial performance with strong order book

Our Company has been growing operationally and the result of the same is visible in our financial position which has witnessed consistent level of growth both in revenue and profitability. Our revenue from operations for the Financial Years ended on March 31, 2023, Financial Years ended on March 31, 2022 and Financial Years ended on March 31, 2021, respectively was Rs. 26588.15 lakhs, Rs. 18783.13 lakhs and Rs. 10900.92 lakhs, respectively, representing a CAGR of 56.17%. Our profit after tax for the Financial Years ended on March 31, 2023, Financial Years ended on March 31, 2022 and Financial Years ended on March 31, 2021, respectively was Rs. 1400.41 lakhs, Rs. 110.10 lakhs and Rs. 309.12 lakhs, respectively, representing a CAGR of 112.84%.

Further, the strength of our revenue and profitability have been backed by the robust and strong order book of the company representing approximately over Rs. 28000 Lakhs as on December 31, 2023. Our order book represents the value of the orders received by the company at the purchase order value less amount billed. The order book of the company includes manufacturing and supply of products like induction melting furnace, Transformer, rail end heater, Induction Billet Heater, Furnace Transformer etc.

Our Business Strategies:

1. Expanding our customer base

We have over the years established long-term relationships with our customers leading to recurring business engagements with them. We believe that our customer retention levels reflect our ability to provide high quality products. We strive to clearly understand our customers' business needs and provide products that meet their requirements and energy efficiency. We anticipate that our product offerings and the quality thereof will help us in increasing our share of business amongst our existing customers as well as increase our customer base. Also, we intend to leverage our long-standing relationship with our customers by capitalizing on the demand in the market.

Further, we plan on utilizing our geographical footprint to address the sourcing requirements of our existing multinational customers as and when they enter new markets, thereby consolidating our position across geographies. We believe we offer customers with a reliable, convenient and cost-effective option to satisfy their requirements and we intend to continue to leverage our diversified product portfolio and our industry standing to establish relationships with new multinational, regional and local customers and expand our customer base.

2. Increasing our Global presence

We export our products to South America (e.g. Argentina, Brazil, etc), Africa (e.g. South Africa, Kenya, Tanzania, Ghana, Nigeria), Gulf (e.g. Saudi Arabia, UAE), Europe (e.g. Poland, France), SAARC (e.g. Bangladesh, Nepal, Bhutan) and South East Asia (e.g. Indonesia, Malaysia). For Fiscals 2023, 2022 and 2021 our exports were Rs. 6826.20 lakhs, Rs. 3743.40 lakhs and Rs. 3784.77 lakhs which constituted 25.67%, 19.93%, and 34.72% of our revenue from operations respectively and plan to expand our export operations globally. Our primary focus is offering diversified and customized products based on our customer's specifications and requirements through a combination of increased capacities, reduced costs, wider range of product specifications and services adhering to global standards, marketing initiatives, competitive pricing and more efficient use of our resources, we intend to expand our global footprint with diversified applications for our products in various industries.

3. Focus on increasing operational efficiencies to improve returns

Offering quality products at attractive prices is a key aspect of maintaining and expanding our relationships with our customers. To that end, we have adopted several initiatives designed to improve our cost efficiency, and as one of our primary business strategies we intend to continue improving our cost efficiency.

We intend to use a variety of other manufacturing strategies, sourcing strategies and cost reduction strategies to continue to improve our operational efficiencies. For example, we are working on improving efficiency and manpower optimization, continually working on cost reduction including applying value analysis techniques to our products to reduce cost. We continue to invest in operational excellence throughout the organization.

4. Focus on consistently meeting quality standards

Our Company intends to focus on adhering to the quality standards of the products by undertaking further research and development initiatives and making our products more energy efficient and compliant with industry norms. Quality of the product is very important for the company from both customer point of view and regulatory point of view. Continuous quality review of products and timely corrective measures in case of quality diversion are keys for maintaining quality standards of the products. Providing the desired and good quality products help us in enhancing customer trust and maintaining long term relationships with customers.

Our Manufacturing facility

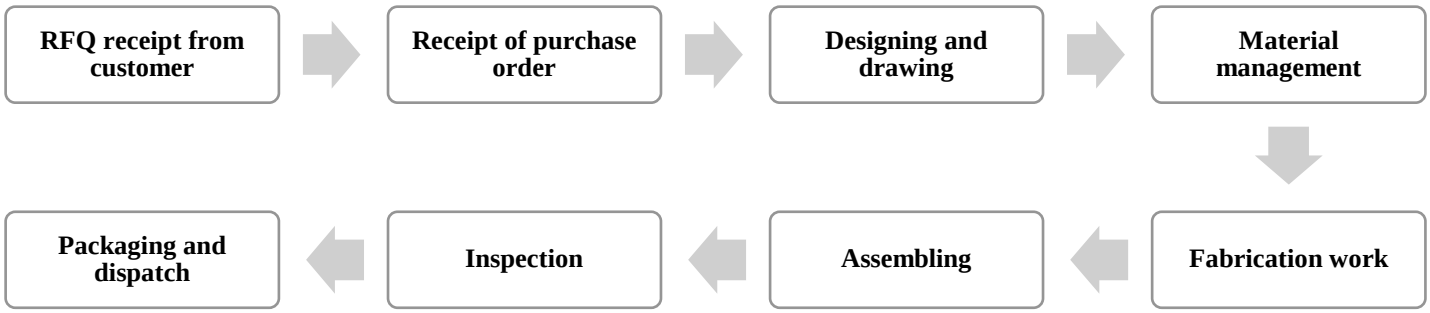








Manufacturing Process:



Brief description of the manufacturing process –

1. **RFQ receipt from customer –** The manufacturing process starts with the receipt of RFQ from the customer. In the RFQ the customer provides us with the details and specification of the product requirements. Based on the RFQ, we determine the availability of the equipment and provide a quotation and expected delivery schedule to the customer.

2. **Receipt of purchase order –** The customer analyse the quotation, then based on the price quoted, delivery schedule and discussions held with the vendors make the vendor selection. Once the vendor is finalized a purchase order is issued along with the delivery schedule, product specification and price of the equipment.

3. **Designing and drawing –** on receipt of the purchase order, we understand the designing requirement of the equipment. In case the customer demand for specific or custom design, we prepare the blueprint of the design according to the specifications mentioned and get the same approved from the customer. In case of regular equipment, we directly move to the production process.

4. **Material management –** Once the design is finalized, we review the material requirement for the equipment to be manufactured. After material planning, we prepare the production plan and also place order for the raw material needed for the production. The materials used for the fabrication of the furnace/transformer include tank cap, CU rectangular tube, M.S. plate, CRGO slit coil, demand controller, CRNGO lamination core, transformer oil, CU round tube of various grades which are selected based on the customer design, specifications and cost, availability and efficiency of the material.

5. **Fabrication Work –** Metal sheets as per the specifications of the customer are cut to dimension and shaped to form the structure of the equipment. For furnace we start the manufacturing of the crucibles, hydraulic work, insulations, capacitor bank, heating equipment etc. For transformers, we start the manufacturing of the internal parts like core, copper winding, insulation etc.

6. **Assembling –** During this step the internal part of the furnace like crucibles, hydraulic work, insulations, capacitor bank, heating equipment are assembled into the structure of the equipment, fabricated earlier and connections are made which can be used for connecting the same with the power source, statis frequency convertor and coolant sources. For furnace the core, winding and insulation material are placed in the tank prepared in the earlier step and filled with transformer oil. The winding is connected with the bushes for connecting the transformer with the power sources.

7. **Inspection –** Once the equipment is ready, we undertake the testing and inspection of the product manufactured to determine the whether the product meets the specifications as mentioned by the customer and work as per the desired functionality with efficiency and accuracy. Sometimes, the customer also undertake the pre-delivery testing and inspection of the product manufactured.

8. Packaging and dispatch – Goods are then packed as per customer requirement and its ready for dispatch.

Installed Capacity & Capacity Utilization:-

Our company is engaged in the business of manufacturing of induction heating and melting products like induction melting furnace, electric arc furnace, ladle refining furnace etc. and transformers. The different type of furnace and transformers we produce require different machine time for manufacturing of the product. Below are the brief details of our installed manufacturing capacity and utilization for last 3 financial years :-

Particulars	2020-21	2021-22	2022-23
Installed Capacity (nos.)	300	300	300
Actual Production (nos.)	95	147	162
Capacity Utilization (in %)	31.67%	49.00%	54.00%

**As certified by Anindhya Ghosh, Chartered Engineer.*

PLANT & MACHINERY

Some of the major plant & machineries owned by our company and installed at our manufacturing facility located at Kharagpur include CNC Lathe Machine, CNC vertical machine centre, Heat chamber, 1600 kVA Auto Main Transformer, vertical inductor forming & copper tube rolling machine, annealing oven, coil fixture machine, coil indexing table, multi-tier storage system, induction heating machine, drying oven, L T coil winding machine, bandsaw machine horizontal swing type, rail bright bar, hydraulic press brake machine, sheering machine, plasma cutter, automatic transformer winding resistance meter, inductor pressing machine, drilling machine, nickel plating machine, electric airless spray paint machine, coil assembly jig, tig welding machine, air compressor, pringing machine, Hydraulic Pipe Bending Machine, vertical inductor forming & copper tube rolling machine, Hydraulic Press Brake Machine etc. and Material Handling Equipments such as EOT Crane, tow truck, fork lift truck, pallet truck, air lift (hydraulic) and Testing machines like Oscilloscope 4 channel, frequency convertor testing setup, conductivity meter (techno four make), furnace oven temperature control panel, CLC unit for testing bay, electronic weighing machine, copper loss test trx, power source for capacitor/ PCB testing machines etc.

Collaborations/Tie Ups/ Joint Ventures:

As on date of the Red Herring Prospectus, our Company does not have any Collaborations/Tie-ups/Joint Ventures.

Export Obligation:

Our Company does not have any export obligation, as on date of this Red Herring Prospectus.

SALES AND MARKETING:-

Our business is predominantly conducted on a business-to-business basis and our focus is on maintaining constant contact with customers and to ensure timely delivery. We remain in continuous touch with the customers to understand their needs and taking new orders, quoting rates and aids in understanding the requirements of the customers. We target our marketing activities towards both domestic and multinational corporations for our products. We maintain customer relations by attending local and overseas exhibitions and meetings in person. Participation in exhibitions helps us to stay updated on industry trends, finding new products and customers.

COMPETITION:-

Though there are no specific entry barriers to the industry in which we operate. But, high capital requirement, manufacturing setup, product knowledge, customer validation and approvals process, expectation from customers for high quality standards and stringent specifications may act as barriers to new entrants. Our competition varies by market, geographic areas and type of product. As a result, to remain competitive in our markets, we must continuously strive to reduce our costs of production, transportation and distribution and improve our operating efficiencies. We face competition primarily from domestic and international manufacturers. We compete primarily on the basis of product quality, technology, cost, product efficiencies, delivery and service, as well as quality and depth of senior level relationships.

Infrastructure & Utilities:

a) **Raw Materials –** Our key raw materials are tank cap, CU rectangular tube, M.S. plate, CRGO slit coil, demand controller, CRNGO lamination core, transformer oil, CU round tube of various grades. For the Fiscals ended September 30, 2023, March 31, 2023, 2022 and 2021 our cost of goods sold was Rs. 11773.71 lakhs, Rs. 20329.04 lakhs, Rs. 14808.65 lakhs and Rs. 7646.17 lakhs respectively constituting 80.16%, 76.46%, 78.84% and 70.14% of our revenue from operations. Our results of operations and financial conditions are significantly dependent on the availability and cost of raw materials as mentioned above. We procure majority of these materials from domestic & international markets where we have maintained relationships with the suppliers over the period. We do not enter into long term sourcing contracts with our suppliers and all our sourcing is based on individual purchase orders placed with our suppliers. Prices are negotiated for each purchase order with the respective supplier. While selecting our suppliers, we consider cost, grade, quality, time to fulfill, supplier's history and experience and capacities.

b) **Power –** Our manufacturing facility and operations require constant power and fuel supply. For Fiscals September 30, 2023, March 31, 2023, March 31, 2022 , March 31, 2021, our power and fuel expenses were Rs. 66.48 lakhs, Rs. 98.36 lakhs, Rs. 83.32 lakhs, Rs. 73.74 lakhs respectively constituting 0.48%, 0.37%, 0.44% and 0.68% of our revenue from operations respectively. Adequate and cost-effective supply of electrical power, fuel and water is critical to our manufacturing process. We rely on the state electricity board through the power grid for the supply of electricity. We have also installed one DG set to meet exigencies of manufacturing facility in case of any sudden disruption or power failure.

c) **Water –** Our manufacturing processes require a certain amount of water, although they are not considered water-intensive. To meet this requirement, we primarily rely on outside resources or local utility companies.

Quality Assurance and Quality Control

We are required to maintain strict quality standards, the same is crucial to avoid defects and non-compliance with customer design specifications. Any such issues could result in order cancellations and damage to our reputation. To ensure compliance with quality standards and customer requirements, we examine the products at each stage of the manufacturing process to ensure that there are no defects from previous stages. Additionally, representatives from our customers regularly inspect our manufacturing facilities and processes to ensure compliance with their specific requirements.

Our manufacturing facilities have been certified in accordance with international standards of quality management systems such as ISO 9001:2015 from SGS United Kingdom Limited.

EMPLOYEES:

As of September 30, 2023, we had 278 permanent employees. The following table provides information about our permanent employees, as of September 30, 2023:

Particular	No of employees
Unskilled employees	9
Semi-skilled employees	10
Skilled employees	117
Engineer & Manager level	114

Upper managerial level	28
Total	**278**

Our Company also appoints independent contractors who in turn engage on-site contract labour for performance of certain of our ancillary operations.

Insurance:

Our business is subject to loss due to theft or occurrence of any unforeseen event such as fire, earthquake, other natural calamities, terrorism and force majeure during transport. These acts can cause our products subject to severe damage, loss of inventory or complete destruction of our property. We maintain insurances for the same which include burglary insurance policy, standard fire and special perils policy, marine sales turnover policy and vehicle insurance policy. We believe that our insurance coverage is adequate for our business needs and operations, however, our insurance policies may not be sufficient to cover our economic loss.

Insurer	Coverage
SBI General Insurance	Marine Insurance endorsement
Universal Sampo General Insurance	Standard Fire and special perils policy (commercial)
Universal Sampo General Insurance	Burglary Policy (commercial)

PROPERTY:-

Intellectual Property

Our Trademarks

Sr. No.	Brand Name/Logo/ Trademark	Class	TM Category	Owner	Application No./ Certificate Number	Issuing Authority	Date of Application	Current Status
1.	megatherm	7	Trademark	Megatherm Electronics Pvt.Ltd.*	Application No. 1850530 Certificate No. 1264642	Registrar of Trademarks	August 13, 2009	Registered

**our corporate promoter and our company have entered into a trademark licensing agreement dated September 30, 2023 for allowing our company to use the said trademark.*

Properties

The following table sets forth the location and other details of the properties of our Company

Sr. No	Location	Owned/ Rented	Purpose of Use	Description
1.	Plot- L1 Block GP, Sector V, Electronics Complex Salt lake City Kolkata-700091 *	Rented	Registered Office	The premises have been taken on rent for period of 36 months from February 01, 2020 to January 31, 2023 and after that abovementioned term i.e. from the 37th month the rent shall be revised to 5,75,000/- monthly for further period of 36 months.
2.	2A/13, Alauddin Khan Bithi, City Centre, Aurobinda, Bardhaman, West Bengal-713216	Rented	Sales Office	The company has taken the said premises on lease through the Leave and License Agreement entered between Shyamali Roy and Megatherm Induction Private Limited for a period from

				June 01, 2023 to April 30, 2024 at an amount of 11550/- monthly rent valid for 11 months.
3.	Udipta Complex Tritiya-UD030401, 4th Floor, Survey Park, Kolkata 700075	Owned	Guest House	The Company acquired this property through Agreement dated June 28, 2019 between the Sangeeta Aggarwal and Megatherm Induction Private Limited. Company has paid a consideration of Rs. 82,00,000 (Rupees Eighty Two Lakhs Only), the Apartment having space of 1210 Sq. ft.
4.	SDF Building -123 Plot No: RS-3 Khatain :RS-1, Salt Lake Electronics complex, Kolkata 700091	Leasehold Property	Branch Office	The company has taken the said premises on lease for a residual period of 63 years through Deed of Assignment dated November 19, 2019 between Megatherm Electronics Private Limited and Megatherm Induction Private Limited and West Bengal Electronics Industry Development Corporation Limited at a consideration of Rs. 75,92,861/-. The WEBEL had executed a deed of Sub Lease in favor of MEPL for a period of 90 years on February 25, 1992 admeasuring at 1345 Sq. Ft.
5.	Plot H 1, Vidyasagar Industrial Park, Village: Rupnarayanpur, Post: Jakpur, Kharagpur – 721301, Under WBEIDCL	Leasehold Property	Factory	The company has taken the said land on lease for a period of 99 years through a registered Deed of Lease dated September 22, 2014 between West Bengal Industrial Development Corporation Limited and Megatherm Transmission & Distribution Private Limited for setting up of Green Field Transformer Manufacturing Unit at consolidated consideration of Rs. 1,03,25,000/- for lease premium and annual lease rent of Rs. 2500/- (Rs. 500 per acre pen annum) admeasuring at 5 acres.
6.	Plot H-3/2 Vidyasagar Industrial Park, Village: Rupnarayanpur, Post: Jakpur, Kharagpur – 721301, Under WBEIDCL	Leasehold Property	Future Expansion	The company has taken the said land on lease for a period of 99 years through a registered Deed of Lease dated February 11, 2011 between West Bengal Industrial Development Corporation Limited and Megatherm Transmission & Distribution Private Limited for setting up of Transformer Manufacturing Unit for future at consolidated consideration of Rs. 2,27,15,000/- for lease premium and annual lease rent of Rs. 5000/- (Rs. 500 per acre pen annum) admeasuring at 10 acres.

Further, the company has entered into an agreement for purchase of area on the 5th floor and 6th floor for office situated at Plot- L1 Block GP, Sector V, Electronics Complex Salt lake City Kolkata-700091 amounting to Rs. 738.85 lakhs dated September 30, 2023.

KEY INDUSTRY REGULATIONS AND POLICIES

Except as otherwise specified in this Red Herring Prospectus, we are subject to several central and state legislations which regulate substantive and procedural aspects of our business.

Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business of manufacturing of induction heating and melting products like induction melting furnace, electric arc furnace, ladle refining furnace along with induction furnace support structure, furnace frame assembly, crucibles etc. and power distribution transformers (upto 50 MVA and 132 kV class) used for industrial purpose. Taxation statutes such as the I.T. Act, GST and applicable Labour laws, contractual laws, and intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive and are only intended to provide general information to Investors and is neither designed nor intended to be a substitute for professional legal advice.

APPROVALS

For the purpose of the business undertaken by our Company, it is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled "***Government and Other Statutory Approvals***" beginning on page 222 of this Red Herring Prospectus.

APPLICABLE LAWS AND REGULATIONS

The following description is a summary of certain key statutes, rules, regulations, notifications, memorandums, circulars and policies which are applicable to our Company and the business undertaken by our Company. The information detailed in this chapter, is based on the current provisions of key statutes, rules, regulations, notifications, memorandums, circulars, and policies, as amended, and are subject to future amendments, changes and/or modifications. The information detailed in this chapter has been obtained from sources available in the public domain. The regulations 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 substitute professional legal advice. The statements below are based on the current provisions of Indian law, and remain subject to judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

BUSINESS AND/OR KEY INDUSTRY AND/OR TRADE RELATED LAWS AND REGULATIONS:

Electricity Act, 2003

The Electricity Act regulates and governs the generation, transmission, and distribution of electricity in India, including by specification of safety standards in relation to electrical supply. The Electricity Act further controls the transmission and use of electricity, including through specifying action to be taken in relation to any electric line or appliance under the control of a consumer for the purpose of eliminating or reducing the risk of personal injury or damage to property or interference with its use. The Central or state Electricity Regulatory Commission is empowered to adjudicate in respect of any noncompliance with such requirement. Additionally, the Electricity Act levies penalties, including imprisonment, for tampering with and unauthorized use of meters.

Electronics and Information Technology Goods (Requirements for Compulsory Registration) Order, 2012 ("Compulsory Registration Order")

The Compulsory Registration Order mandates that the manufacturing, storage, import, sale or distribution of goods which do not meet the specified standard and/or bear a self-declaration confirming conformance to relevant Indian Standard is prohibited. The only exception is for those goods which are manufactured for export. Further, any sub-standard or defective goods must be deformed beyond use by the manufacturer and disposed of as scrap. The Compulsory Registration Order is issued by the Department of Electronics and Information Technology, Ministry of Communication and Information Technology, Government of India ("DEIT").

The Electrical Wires, Cables, Appliances and Protection Devices and Accessories (Quality Control) Order, 2003 ("Quality Control Order")

The Quality Control Order sets out directions and specified standards for a manufacturer for the manufacture, storage for sale, sale and distribution of electrical wires, cables, appliances, protection devices (including low voltage switchgear and fuses) and accessories. It prohibits those products which do not conform to standards specified and those which do not near the standard mark issued by the Bureau of Indian Standards ("BIS"), and further requires any sub-standard or defective electrical wires, cables, appliances, protection devices or accessories to be deformed by such manufacturer beyond use and disposed of as scrap. Further, it directs that the commencement of manufacturing of such electrical equipment can only after obtaining a license from the BIS for the use of standard mark. The Quality Control Order is issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP"). The Central Government is authorized to appoint an officer who shall be empowered to inspect any books or documents, search any premises, seize any electric equipment, as well as require any person engaged in the manufacture, storage, sale or distribution of electrical equipment to furnish information and samples, in the case of contravention of the Quality Control Order.

Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 ("Safety and Electric Supply Regulations")

The Safety and Electric Supply Regulations lay down regulations for safety requirements for electric supply lines and accessories (meters, switchgears, switches and cables). It requires all relevant specifications prescribed by the BIS or the International Electro-Technical Commission to be adhered to. These include all electric supply lines and accessories to:

- have adequate power ratings and proper insulation;
- be of adequate mechanical strength for the duty cycle;
- have a switchgear installation in each conductor of every service line within a consumer's premises; and
- be encased in a fireproof receptacle.

National Electric Code ("NEC")

The NEC is an advisory framework prepared by the BIS in 1985 and subsequently revised in 2011, which contains various established codes of practice to provide assistance on the economic selection, installation and maintenance of electric equipment. The provisions of the NEC are presently not mandatory but are expected to serve as a model for adoption, promoting safety and economy, intending to keep Indian electrical installation practices on par with international best practices. The NEC provides guidelines on the general characteristics of electrical installations, supply characteristics and parameters, including those for switchgears and protection devices, service lines and meters. The NEC is applicable to electrical installations in, amongst others, domestic dwellings, commercial centers and industrial premises, and is applicable to circuits other than internal wiring of electrical apparatus. However, the NEC excludes the requirements falling under the purview of power utilities and tariff related guidance.

National Steel Policy, 2017

The NSP 2017, notified on May 8, 2017, seeks to enhance domestic steel consumption, ensure high quality steel production, and create a technologically advanced and globally competitive steel industry in India. As per the NSP 2017, the Ministry of Steel will facilitate research and development in the sector, through the establishment of Steel Research and Technology Mission of India (SRTMI). The initiative is aimed to spearhead research and development of national importance in the iron and steel sector, by utilizing tripartite synergy amongst industry, national research and development laboratories and academic institutes. The NSP 2017 covers, inter alia, steel demand, steel capacity, raw materials, including iron ore, iron ore pellets, manganese ore, chromite ore, ferro-alloys, land, water, power, infrastructure and logistics, and environmental management. Through policy measures the Ministry of Steel will ensure availability of raw materials such as iron ore, coking coal, natural gas, etc. at competitive rates. The NSP 2017 envisions that in the steel industry, an environment will be created to promote domestic steel and thereby create a scenario where production meets the anticipated pace of growth in consumption, through a technologically advanced and globally competitive steel industry.

Steel and Steel Products (Quality Control) Order, 2020

The Steel and Steel Products (Quality Control) Order, 2020, as amended, was notified by the Ministry of Steel, Government of India, to bring specified steel products under mandatory BIS certification. All manufacturers of steel and steel products are required to apply to the Bureau of Indian Standards for certification and ensure compliance with the Quality Control Order 2020.

The Indian Boilers Act, 1923 and the Indian Boiler Regulations, 1950

The Boilers Act provides for inter alia the safety of life and property of persons from the danger of explosions of steam boilers and regulates the possession of steam boilers. It sets out the requirements for achieving uniformity in registration and inspection during operation and maintenance of boilers in India and provides for penalties for illegal use of boilers. The Boilers Regulations provide for inter alia, standard requirements with respect to material, construction, safety and testing of boilers.

The Micro, Small and Medium Enterprises Development Act, 2006

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the act is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and regulation) Act, 1951 as micro enterprise, where the investment in plant and machinery does not exceed twenty-five lakh rupees; Small enterprise, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise, where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, Micro enterprise, where the investment in equipment does not exceed ten lakh rupees, Small Enterprise where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or Medium Enterprise where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

Bureau of Indian Standards Act, 2016

The Bureau of Indian Standards Act, 2016, as amended, provides for the standardization, marking and quality certification of goods. The Bureau of Indian Standards Act provides for the functions of the bureau which include, among others (a) recognize as an Indian standard, any standard established for any goods, article, process, system or service by any other institution in India or elsewhere; (b) specify a standard mark to be called the Bureau of Indian Standards Certification Mark; and (c) make such inspection and take such samples of any material or substance as may be necessary.

Bureau of Indian Standards Rules, 2018

The Bureau of India Standards Rules, 2018 (the "Bureau of Indian Standards Rules") have been notified, in supersession of the Bureau of Indian Standards Rules, 1987, in so far as they relate to Chapter IV A of the said rules relating to registration of the articles notified by the Central Government, and in supersession of the Bureau of Indian Standards Rules, 2017 except in relation to things done or omitted to be done before such supersession. Under the Bureau of Indian Standards Rules, the bureau is required to establish Indian standards in relation to any goods, article, process, system, or service and shall reaffirm, amend, revise or withdraw Indian standards so established as may be necessary.

Legal Metrology Act, 2009

The Legal Metrology Act came into effect on April 1, 2011, and has replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act was enacted with the objectives to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure, or number and for matters connected therewith or incidental thereto. The Legal Metrology Act provides that no person shall manufacture, repair, sell, or offer, expose, or possess for repair or sale, any weight or measure unless he holds a license issued by the controller.

The Legal Metrology Act contains provisions for verification of prescribed weight or measure by Government approved test center. Qualifications are prescribed for legal metrology officers appointed by the Central Government or State Government. It also provides for exemption regulations of weight or measure norms for goods manufactured exclusively for export. Fees are levied under the Legal

Metrology Act for various services. A director may be nominated by a company who is responsible for complying with the provisions of the enactment. There is a penalty for offences and provision for compounding of offences under the Legal Metrology Act. Further, it provides for appeal against the decision of various authorities and empowers the Central Government to make rules for enforcing the provisions of the enactment.

LAWS RELATING TO SPECIFIC STATE WHERE ESTABLISHMENT IS SITUATED:

West Bengal Shops and Establishments Acts, 1963 read with West Bengal Shops and Establishments Rules, 1964 (the "Shops Act")

The Shops Act read with subsequent rules apply to the areas and to the classes of shops and establishments in State of West Bengal and shall also apply to such other areas or to such other classes of shops or establishments as the State Government may, by notification, specify in this behalf. The Shops Act provides for the regulation of conditions of work in shops, commercial establishments, restaurants, theatres and other establishments.

West Bengal State Tax on Professions, Trades, Callings and Employments Act, 1979 and West Bengal State Tax on Professions, Trades, Callings and Employments Rules, 1979

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 West Bengal 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 income of individuals, profits of business or gains of vocations. 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 persons 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 persons and employer has to obtain the registration from the assessing authority in the prescribed manner.

West Bengal Fire Services Act, 1950

The West Bengal Fire Services Act, 1950 provides for the maintenance of fire brigade, for the licensing of warehouses and for certain other mailers. The WBFS Act provides that the owner or occupier of a premises must not store or process any hazardous substance at any material point of time beyond such quantity as may be prescribed, unless the owner or occupier has been previously granted a license by the Collector.

GENERAL CORPORATE:

Companies Act, 2013

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

The Sale of Goods Act, 1930

The Sale of Goods Act, 1930 governs contracts relating to sale of goods in India. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods,

delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

The Registration Act, 1908

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

The Indian Contract Act, 1872

The Indian Contract Act, 1872 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.

Negotiable Instruments Act, 1881

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

Consumer Protection Act, 2019 ("CPA") and rules framed thereunder.

The CPA, which repeals the Consumer Protection Act, 1986, was enacted to provide simpler and quicker access to redress consumer grievances. It seeks to protect and promote the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. Further, the definition of "consumer" has been expanded under the CPA to include persons engaged in online and offline transactions through electronic means or by tele-shopping, or direct-selling or multi-level marketing.

In line with the CPA, the Ministry of Consumer Affairs, Food and Public Distribution, Government of India has also notified the Consumer Protection (E-Commerce) Rules, 2020 ("E-Commerce Rules") which provides a framework to regulate the marketing, sale and purchase of goods and services online. The E-Commerce Rules govern e-commerce entities which own, operate, or manage, a digital or electronic facility or platform for electronic commerce.

ENVIRONMENTAL LEGISLATIONS:

The Environment Protection Act, 1986 and Environment (Protection) Rules, 1986

The Environmental Protection Act, 1986 is an "umbrella" legislation designed to provide a framework for co-ordination of the activities of various Central and State authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships which exists among water, air and land, and human beings and other living creatures such as plants, micro-organisms, and property. Further, the Ministry of Environment and Forests looks into Environment Impact Assessment. The Ministry receives proposals for expansion, modernization and setting up of projects and the impact which such projects would have on the environment which is assessed by the Ministry in detail before granting clearances for such proposed projects.

National Environmental Policy, 2006

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

1. Conservation of Critical Environmental Resources
2. Intra-generational Equity: Livelihood Security for the Poor
3. Inter-generational Equity
4. Integration of Environmental Concerns in Economic and Social Development
5. Efficiency in Environmental Resource Use
6. Environmental Governance
7. Enhancement of resources for Environmental Conservation.

National Green Tribunal Act, 2010

The NGT Act is an act under which the National Green Tribunal ("NGT") has been constituted for the effective and expeditious disposal of cases relating to environmental protection and conservation of forests and other natural resources including enforcement of any legal right relating to environment and giving relief and compensation for damages to persons and property and for matters connected therewith or incidental thereto. The Tribunal's jurisdiction in environmental matters shall provide speedy environmental justice and help reduce the burden of litigation in the higher courts. The Tribunal shall not be bound by the procedure laid down under the Code of Civil Procedure, 1908, but shall be guided by principles of natural justice. The tribunal is mandated to make and endeavor for disposal of applications or appeals finally within 6 months of filing of the same. Initially, the NGT is proposed to be set up at five places of sittings and will follow circuit procedure for making itself more accessible; New Delhi is the Principal Place of Sitting of the Tribunal and Bhopal, Pune, Kolkata, Allahabad and Chennai shall be the other place of sitting of the Tribunal.

Air (Prevention and Control of Pollution) Act, 1981

Air (Prevention and Control of Pollution) Act 1981 (-the Act) was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Act has declared several areas as air pollution control area and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Act, if a person intends to commence an industrial plant in a pollution control area.

Water (Prevention and Control of Pollution) Act, 1974

The Water (Prevention and Control of Pollution) Act, 1974 (-the Act) was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the board constituted under the Act.

The Plastic Waste Management Rules, 2016

Plastic has multiple uses and the physical and chemical properties lead to commercial success. However, the indiscriminate disposal of plastic has become a major threat to the environment. In particular, the plastic carry bags are the biggest contributors of littered waste and every year, millions of plastic bags end up in to the environment I soil, water bodies, water courses, etc. and it takes an average of one thousand years to decompose completely. In view thereof, the Plastic Waste Management Rules, 2016 was enacted (a) to bring in the responsibilities of producers and generators, both in plastic waste management system and to introduce collect back system of plastic waste by the producers/brand owners, as per extended producers responsibility; (b) to introduce collection of plastic waste management fee through pre-registration of the producers, importers of plastic carry bags/multilayered packaging and vendors selling the same for establishing the waste management system; (c) to promote use of plastic waste for road construction as per Indian road congress guidelines or energy recovery, or waste to oil etc. for gainful utilization of waste and also address the waste disposal issue; and (d) to entrust more responsibility on waste generators, namely payment of user charge as prescribed by local authority, collection and handing over of waste by the institutional generator and event organizers.

The Municipal Solid Wastes (Management and Handling) Rules, 2000 as superseded by Solid Waste Management Rules, 2016

The Waste Management Rules, 2000 applied to every municipal authority responsible for collection, segregation, storage, transportation, processing and disposal of municipal solid wastes. Any municipal solid waste generated in a city or a town, was required to be managed and handled in accordance with the compliance criteria and the procedure laid down in Schedule II of the Waste Management Rules, 2000. The Waste Management Rules, 2000 make the persons or establishments generating municipal solid wastes responsible for ensuring delivery of wastes in accordance with the collection and segregation system as notified by the municipal authority. The Waste Management Rules, 2000 have been superseded by the Waste Management Rules, 2016 which stipulate various duties of waste generators which, inter alia, include segregation and storage of waste generated by them in the manner prescribed in the Waste Management Rules, 2016; separate storage of construction and demolition waste and payment of user fee for solid waste management as specified in the bye-laws of the local bodies.

The Hazardous and other Wastes (Management & Transboundary Movement) Rules, 2016

Hazardous Waste Management Rules are notified to ensure safe handling, generation, processing, treatment, package, storage, transportation, use reprocessing, collection, conversion, and offering for sale, destruction and disposal of Hazardous Waste. These Rules came into effect in the year 1989 and have been amended later in the years 2000, 2003 and with final notification of the Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008 in supersession of former notification. The Rules lay down corresponding duties of various authorities such as MoEF, CPCB, State/UT Govts., SPCBs/PCCs, DGFT, Port Authority and Custom Authority while State Pollution Control Boards/ Pollution Control Committees have been designated with wider responsibilities touching across almost every aspect of Hazardous wastes generation, handing and their disposal.

TAX RELATED LEGISLATIONS:

Income Tax Act, 1961

The 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 thereunder 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, Minimum Alternative Tax and like.

Central Goods and Services Tax Act, 2017

The GST Act levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The GST Act was applicable from July 1, 2017 and combined the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state is levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government.

GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e., bringing into India from a place outside India or at the time of export of goods i.e., taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get itself registered and obtain an IEC (Importer Exporter Code).

EMPLOYMENT AND LABOUR LAWS:

The Code on Wages, 2019 (the "Code")

The Code received the assent of the President of India on August 8, 2019. The provisions of the Code shall come into effect from the date notified in the Official Gazette by the Central Government. The Code will replace the four existing ancient laws namely (i) the Payment of Wages Act, 1936, (ii) the Minimum Wages Act, 1948, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976. The Code will apply to all employees and allows the Central Government to set a minimum statutory wage.

The four existing laws are as follows:

The Payment of Wages Act, 1936

Payment of Wages Act, 1936, as amended, Payment of Wages (Amendment) Act, 2017 is aimed at regulating the payment of wages to certain classes of persons employed in certain specified industries and to ensure a speedy and effective remedy for them against illegal deductions or unjustified delay caused in paying wages to them. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made there under.

The Minimum Wages Act, 1948

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

The Payment of Bonus Act, 1965 (the "PoB Act")

The PoB Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due.

The Equal Remuneration Act, 1976

The Equal Remuneration Act, 1976 aims to provide for the payment of equal remuneration to men and women workers and for the prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. According to the Remuneration Act, no employer shall pay to any worker, employed by him/her in an establishment, a remuneration (whether payable in cash or in kind) at rates less favorable than those at which remuneration is paid by him to the workers of the opposite sex in such establishment for performing the same work or work of a similar nature. In addition, no employer shall for complying with the foregoing provisions of the Remuneration Act, reduce the rate of remuneration of any worker. No employer shall, while making recruitment for the same work or work of a similar nature, or in any condition of service subsequent to recruitment such as promotions, training or transfer, make any discrimination against women except where the employment of women in such work is prohibited or restricted by or under any law for the time being in force.

Occupational Safety, Health and Working Conditions Code, 2020

The Government of India enacted 'The Occupational Safety, Health and Working Conditions Code, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume several separate legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The law that concerns our business are as follows –

The Factories Act, 1948

The Factories Act, 1948, as amended, defines a "factory" to cover any premises which employs 10 or more workers on any day of the preceding 12 months and in which a manufacturing process is carried on with the aid of power or any premises where at least 20 workers are employed, and where a manufacturing process is carried on without the aid of power. Each state government has enacted rules in respect of the prior submission of plans and their approval for the establishment of factories and registration/licensing thereof. The Factories Act provides for imposition of fines and imprisonment of the manager and occupier of the factory in case of any contravention of the provisions of the Factories Act.

Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act, 1970 requires establishments that employ or have employed on any day in the preceding twelve months twenty or more workers as contract labour to be registered. The Act requires the principal employer of an establishment to which the Contract Labour Act applies to make an application for registration of the establishment to employ contract labour in the establishment. Contractor to whom the Contract Labour Act applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The Contract Labour Act imposes certain obligations on the contractor including the establishment of canteens, rest rooms, washing facilities, first aid facilities and provision of drinking water and payment of wages. In the event that the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time.

Industrial Relations Code, 2020

The Government of India enacted 'The Industrial Relations Code, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. Currently the laws are as follows –

Industrial Disputes Act, 1947

The Industrial Disputes Act, 1947 provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the appropriate Government may refer the dispute to a labour court, tribunal, or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workers. The ID Act further provides for direct access for the workers to labour courts or tribunals in case of individual disputes and provided for the constitution of grievance settlement machineries in any establishment having twenty or more workers.

Trade Unions Act, 1926

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

Industrial Employment (Standing Orders) Act, 1946 (the "Standing Orders")

The Standing Orders were passed by the Central Government to bring uniformity in the terms of employment in industrial establishments so as to minimize industrial conflicts. The Standing Orders play a key role in defining the terms and conditions of employment within industrial employment. The highlights of the Standing Orders such as classification of workmen, manner of intimation to workers about work and wage related details. Attendance and conditions for leaves, conditions of termination of employment and means of redressal for workmen in different matters.

Code on Social Security, 2020

The Government of India enacted 'The Code on Social Security, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume several separate legislations including the Employee's Compensation Act,1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972. The laws that the code shall subsume, are currently as follows –

Employee's Compensation Act, 1923

The Employees' Compensation Act, 1923 provides for payment of compensation to injured employees or workmen by certain classes of employers for personal injuries caused due to an accident arising out of and during the course of employment. Under the Employees' Act, the amount of compensation to be paid depends on the nature and severity of the injury. The Employees' Act also lays down the duties/obligations of an employer and penalties in cases of non-fulfilment of such obligations thereof. There are separate methods of calculation or estimation of compensation for injury sustained by the employee. The employer is required to submit to the Commissioner for Employees' Compensation a report regarding any fatal or serious bodily injury suffered by an employee within seven days of death/serious bodily injury.

Employee's State Insurance Act, 1948

It is an Act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government) other than seasonal factories. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

Employee's Provident Fund and Miscellaneous Provisions Act, 1952

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

Maternity Benefit Act, 1961

The Act provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The Act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this Act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

Payment of Gratuity Act, 1972

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this Act has become applicable shall be continued to be governed by this Act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five-year period shall be relaxed in case of termination of service due to death or disablement.

The Public Liability Insurance Act, 1991 and the Public Liability Insurance Rules, 1991

The PLI Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the government by way of a notification. Under the law, the owner or handler is also required to take out an insurance policy insuring against liability. The rules made under the PLI Act mandate the employer to contribute towards the Environmental Relief Fund a sum equal to the premium paid on the insurance policies.

Employees' Deposit Linked Insurance Scheme, 1976

The scheme shall be administered by the Central Board constituted under section 6C of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the Act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to the Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

The Employees' Pension Scheme, 1995

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

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the "Act")

In order to curb the rise in sexual harassment of women at workplace, this Act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the Act. Every employer should also constitute an "Internal Complaints Committee" and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organizing awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

Child Labour (Prohibition and Regulation) Act, 1986 (the "CLPR Act")

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. Part B of the Schedule to the CLPR Act strictly prohibits employment of children in cloth printing, dyeing and weaving processes and cotton ginning and processing and production of hosiery goods.

INTELLECTUAL PROPERTY LEGISLATIONS:

In general, the Intellectual Property Rights includes but is not limited to the following enactments:

- Indian Copyright Act, 1957
- The Trade Marks Act, 1999
- The Designs Act, 2000
- The Patent Act, 1970

The Acts applicable to our Company will be:

Trade Marks Act, 1999

The Trade Marks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

FOREIGN INVESTMENT LAWS:

Foreign Trade (Development and Regulation) Act, 1992

The FTA is the main legislation concerning foreign trade in India. The FTA, read along with the Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. It authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The government has also been given a wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The FTA read with the Foreign Trade Policy, 2023, prohibits anybody from undertaking any import or export except under an importer-exporter code ("IEC") number granted by the Director General of Foreign Trade. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. The IEC shall be valid until it is cancelled by the issuing authority. An IEC number allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain the IEC number shall attract penalty under the FTA.

Foreign Exchange Management Act, 1999 & Rules thereunder

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations and notifications thereunder, as issued by the RBI from time to time and the FEMA Rules and the Consolidated FDI Policy. In terms of the Consolidated FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the Consolidated FDI Policy, the work of granting government approval for foreign investment under the Consolidated FDI Policy and FEMA has now been entrusted to the concerned administrative ministries/departments.

The FEMA Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except for things done or omitted to be done before such supersession. The total holding by any individual NRI, on a repatriation basis, shall not exceed five percent of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

The total holding by each FPI or an investor group, shall be less than 10 percent of the total paid-up equity capital on a fully diluted basis or less than 10 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together, including any other direct and indirect foreign investments in the Indian

company permitted under these rules, shall not exceed 24 per cent of paid-up equity capital on a fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent shall be called the individual and aggregate limit, respectively.

The Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974

COFEPOSA came into force for the reason to provide preventive detention and to protect and augment the guidelines of foreign exchange. The Act also aims to control smuggling activities and other issues in relation to these activities. COFEPOSA confers power on the Central and the State Governments tissue orders for detaining a person if it is satisfied that the person has acted detrimental to the protection and intensification of foreign exchange. The Government shall also issue order of detention on the ground that the person has engaged in the activity of smuggling goods, assists any person in smuggling goods, transports or conceals such goods, harbouring any person employed in the smuggling activities or does any other activity related with smuggling. Such an order shall be issued by the Joint Secretary to the Central Government or Secretary to the State Government or any senior officer authorized by the Government.

ANTI-TRUST LAWS

Competition Act, 2002

The Act is to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The Act deals with prohibition of anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

GENERAL LAWS

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Negotiable Instrument Act 1881, Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, Transfer of Property Act, 1882, Information Technology Act, 2000 and etc.

HISTORY AND CORPORATE STRUCTURE

Brief history of our Company:

Our Company was originally incorporated as a Private Limited Company under the name of "Megatherm Transmission & Distribution Private Limited" on October 22, 2010 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Kolkata, West Bengal. Further, pursuant to the special resolution passed by the shareholders in the Extra Ordinary General Meeting held on September 16, 2015 the name of our Company was changed from "Megatherm Transmission & Distribution Private Limited" to "Megatherm Induction Private Limited" and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Kolkata, West Bengal dated September 23, 2015. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on November 15, 2022, our Company was converted into a Public Limited Company and consequently the name of our Company was changed from "Megatherm Induction Private Limited" to "Megatherm Induction Limited" vide a fresh certificate of incorporation dated December 20, 2022, issued by the Registrar of Companies, Kolkata, West Bengal bearing CIN U31900WB2010PLC154236.

Mr. Shesadri Bhusan Chanda, Mr. Satadri Chanda and Ayati Chanda were the initial subscribers to the Memorandum of Association of our Company.

For information on our Company's profile, activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major Vendors and suppliers, please refer the sections titled ***"Our Business", "Industry Overview", "Our Management", "Financial information of the Company" and "Management's Discussion and Analysis of Financial Condition and Results of Operations"*** on pages 105, 93, 136, 157 and 208 respectively of this Red Herring Prospectus.

Address of the Registered Office:

Registered Office	Plot- L1 Block GP, Sector V, Electronics Complex Salt lake City Kolkata-700091
Branch Office	SDF Building -123 Plot No: RS-3 Khatain :RS-1, Salt Lake Electronics complex, Kolkata 700091
Sales Office	2A/13, Alauddin Khan Bithi, City Centre, Aurobinda, Bardhaman, West Bengal-713216
Factory	Plot H 1, Vidyasagar Industrial Park, Village: Rupnarayanpur, Post: Jakpur, Kharagpur – 721301, Under WBEIDCL

Changes in the Registered Office of the Company since Incorporation:

Except as provided below, there have been no changes in the registered office of our Company:

Effective Date	Detail of Change In Registered Office	Reason for change
October 15, 2014	The registered office of our Company was changed from Plot- L 1, Block- GP, Sector- V, Salt Lake Electronics Complex, Kolkata, Parganas North, West Bengal- 700091, India to 123, SDF Building, Block GP, Sector V, Salt Lake City, Kolkata, West Bengal-WB, India, 700091.	Operational Efficiency
March 20, 2019	The registered office of our Company was changed from 123, SDF Building, Block GP, Sector V, Salt Lake City, Kolkata, West Bengal-WB, India, 700091 to Plot- L 1, Block- GP, Sector- V, Salt Lake Electronics Complex, Kolkata, Parganas North, West Bengal- 700091, India.	Operational Efficiency

Main Objects of our Company as per the Memorandum of Association:

The main objects of our Company, as set forth in our Memorandum of Association, are as follows:

1. To carry on the business of design and engineering, manufacturing, supply, erection and commissioning, repaires, importers, exporters, suppliers, selling agents, distributing agents, intermidatories, representatives for and dealers in all types of electrical equipments such as (a) Transformers and accessories such as tap chargers (b) transmission and distribution equipments and accessories such as circuit breakers, switchgears, isolators, poles and structures, transmission towers, current and potential

transformers, metering and-control equipments, insulators and overhead fittings, substation accessories (c} Capacitors, power factor correction equipments; harmonic fitters; flickering and var compensators (d) voltage regulators and stabilizers.

2. To carry on the business of manufactures of, dealers in, selling agents, intermidatories for cable wires, plates, sheets, strips, rods, welding wares made out of copper, aluminum, brass, steel, electrical stamping, insulating materials and other Raw materials, machineries and. all other machineries and raw materials necessary for manufacture off all types of transformers, all other electrical and mechanical machineries, equipments, devices and appliances for substations and equipments for turn key projects.

3. To plan promote, promote, generate, acquire by purchase in bulk, develop, distribute and accumulate power wind, solar, hydro, thermal, atomic, bio mass, coal, lignite, gas, ocean energy, geothermal or any other form by which energy, power can be produced and to transmit, distribute, sell and supply such power for captive consumption by the company and/ or for consumption by the others.

4. To carry on all or any of the business of manufacturers, installers, maintainers, hirers, repairers of and dealers in electrical and electronics appliances, equipments and apparutes of every descriptions, radio, television and telecommunication requisites and supplies; equipments and stores of all kinds.

5. To carry on business of manufacturers of and dealers in machineries and equipments like Induction Melting and Heating Equipments, ARC Melting Furnace, Ladle Refining Furnace, Continuous Casting Machines, Transformers etc. and various parts thereof which are required by the steel making industries, Foundries and Forging Sectors.

6. To act as engineering consultants and designers for planning and development of machineries and equipments like induction melting and heating Equipments, ARC Melting Furnace, Ladle Refining Furnace, Continuous Casting Machines, Transformers etc. and various parts thereof which are required by the Steel Making Industries, Foundries and Forging Sectors.

Amendments to the Memorandum of Association:

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Date of Meeting	Type of Meeting	Nature of Amendments
January 10, 2014	EGM	Clause 5 and 6 to be added to the main object of the company as follows:- 5. To carry on business of manufacturers of and dealers in machineries and equipments like Induction Melting and Heating Equipments, ARC Melting Furnace, Ladle Refining Furnace, Continuous Casting Machines, Transformers etc. and various parts thereof which are required by the steel making industries, Foundries and Forging Sectors. 6. To act as engineering consultants and designers for planning and development of machineries and equipments like induction melting and heating Equipments, ARC Melting Furnace, Ladle Refining Furnace, Continuous Casting Machines, Transformers etc. and various parts thereof which are required by the Steel Making Industries, Foundries and Forging Sectors.
September 16, 2015	EGM	Clause I of the Memorandum of Association was amended to reflect change in name from Megatherm Transmission & Distribution Private Limited To Megatherm Induction Private Limited and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Kolkata, West Bengal vide letter dated September 23, 2015.
January 18, 2021	EGM	Clause 3(b) [Matters which are necessary for furtherance of the main objects specified in clause 3(a)] of Memorandum of Association of the Company, be and is hereby altered by replacing it with the Clause 3(b) of the altered MOA. The Point which shall be added to the ancillary Objects of the Company after said modifications will be as follows:- "Subject to the provisions of the law in force and the rules framed there under & directives issued by the RBI for time being, to receive money on loan and borrow or raise money in such manner as the company

		shall think fit, and in particular by the issue of debentures and debenture stock perpetual or otherwise and to secure the payment of any money borrowed, raised or owing by the mortgage, charge or lien upon all or any of the property or assets, of the Company (both present or future), including its uncalled capital, and also by a similar mortgage charge or lien to secure and guarantee the performance by the Company or any other person or Company as the case may be, but not amounting to Banking business as defined under the Banking Regulation Act, 1949."
November 15, 2022	EGM	Conversion of our Company from Private Limited to Public Limited Company. Consequently name of the Company was changed from "Megatherm Induction Private Limited" to "Megatherm Induction Limited" vide a Fresh Certificate of Incorporation dated December 20, 2022, bearing CIN: U31900WB2010PLC154236 issued by the Registrar of Companies, West Bengal, Kolkata.
July 12, 2023	EGM	Increase in the authorized share capital of the Company from Rs. 1500.00 Lakhs divided into 1,50,00,000 Equity Shares of Rs. 10/- each to Rs. 1900.00 Lakhs divided into 1,90,00,000 Equity Shares of Rs. 10/- each.

Adoption of new set of Articles of Association of the Company:

Our Company has adopted a new set of Articles of Association in accordance with the applicable provisions of the Companies Act 2013, at the Extra Ordinary General Meeting of the Company held on August 08, 2023.

Major events and milestones of our Company:

The Table below sets forth some of the major events in the history of our company:

Year/F.Y.	Key Events / Milestone / Achievements
2010	Incorporation of the Company in the name of "Megatherm Transmission & Distribution Private Limited"
2015	Change in the name of our Company from Megatherm Transmission & Distribution Private Limited To Megatherm Induction Private Limited
2016	Started operations at the Kharagpur facility
2022	Started the business of transformer manufacturing
2022	Conversion of the Company from Private Limited to Public Limited Company

Other details about our Company:

For details of our Company's activities, products, growth, awards & recognitions, capacity, location of stores, technology, marketing strategy, competition and our customers, please refer section titled ***"Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and "Basis for Issue Price"*** on pages 105, 208 and 82 respectively of this Red Herring Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled ***"Our Management"*** and ***"Capital "structure"*** beginning on page 136 and 59 of the Red Herring Prospectus respectively.

Capital Raising (Debt / Equity):

For details in relation to our capital raising activities through equity, please refer to the chapter titled "***Capital Structure"*** beginning on page 59 of the Red Herring Prospectus. For details of our Company's debt facilities, see "***Statement of Financial Indebtedness***" on page 204 of the Red Herring Prospectus.

Changes in activities of our Company during the last five (5) Years:

Except for starting the business of transformer manufacturing during Fiscal 2021-22, there has not been any change in the activity of our Company during the last five (5) years preceding the date of this Red Herring Prospectus.

Our Holding Company:

As on the date of filing of this Red Herring Prospectus, Megatherm Electronics Private Limited is our Holding Company. For further details on the Business and Capital contribution, please refer to the chapter titled ***"Promoter and Promoter Group"*** beginning on page 150 of the Red Herring Prospectus

Our Subsidiaries, Associates, and Joint Ventures

Our Company does not have any Subsidiaries, Associates or joint ventures as on the date of this Red Herring Prospectus.

Details regarding Acquisition of Business/Undertakings, Mergers, Amalgamation, Revaluation of Assets etc.

Except as disclosed in this Red Herring Prospectus, our Company has not made any material acquisitions or divestments of any business or undertakings, mergers, amalgamation or revaluation of assets in the last 10 years preceding the date of this Red Herring Prospectus.

Injunction or Restraining Order:

Except as disclosed in the section titled ***"Outstanding Litigation and Material Developments"*** beginning on page 218 of this Red Herring Prospectus, there are no injunctions/restraining orders that have been passed against the Company.

Number of Shareholders of our Company:

Our Company has 7 (Seven) shareholders as on the date of this Red Herring Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled ***"Capital Structure"*** beginning on page 59 of the Red Herring Prospectus.

Changes in the Management:

For details of change in Management, please see chapter titled "***Our Management***" on page 136 of the Red Herring Prospectus.

Agreement with key managerial personnel or Directors or Promoters or any other employee of the Company:

There are no agreements entered into by key managerial personnel or Directors or Promoters or any other employee, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

Shareholders Agreements:

There are no subsisting shareholder's agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of the Red Herring Prospectus.

Collaboration Agreements:

As on date of this Red Herring Prospectus, Our Company is not a party to any collaboration agreements.

Material Agreement:

Our Company has not entered into any subsisting material agreements including with strategic partners, joint venture partners and/or financial partners, entered into, other than in the ordinary course of business of the Company.

Strategic or Financial Partners:

Except as disclosed in this Red Herring Prospectus, Our Company does not have any strategic or financial partners as on the date of this Red Herring Prospectus.

Time and Cost Overruns in Setting up Projects:

There has been no time / cost overrun in setting up projects by our Company.

Defaults or Rescheduling of Borrowings with Financial Institutions/Banks:

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of the Red Herring Prospectus.

Other Agreements:

i. Non-Compete Agreement:

Our Company has not entered into any Non- compete Agreement as on the date of filing of this Red Herring Prospectus.

ii. Joint Venture Agreement:

Our Company has not entered into any Joint Venture Agreement as on the date of filing of this Red Herring Prospectus.

OUR MANAGEMENT

Board of Directors:

The following table sets forth the details regarding the Board of Directors of our Company as on the date of filing of this Red Herring Prospectus:

Name, Father's Name, Age, Date of Birth, Designation, Address, Experience, Occupation, Qualification, Nationality & DIN	Date & term of Appointment	No. of Equity Shares held & % of Shareholding (Pre Issue)	Other Directorships
Mr. Shesadri Bhusan Chanda **Father's Name**: Mr. Swadesh Chanda **Age:** 66 years **Date of Birth:** August 21, 1956 **Designation:** Chairman & Managing Director **Address:** Megatherm Tower, 11th Floor, Plot L1, Block GP, Sector V, Salt Lake, Sech Bhawan, North 24 Parganas, West Bengal - 700091 **Experience:** 45 years **Occupation:** Business **Qualification**: Bachelor of Electrical Engineering, **Nationality:** Indian **DIN:** 00961593	Originally Appointed as Director w.e.f. October 22, 2010. Further, Change in Designation as Managing Director w.e.f. November 08, 2011 Further re-appoint and re-designate as Chairman and Managing Director w.e.f. January 05, 2023 for a period of 3 years.	7500 Equity Share [0.05%]	**Companies:** 1. Megatherm Electronics Private Limited 2. SC Aqua Vitae Private Limited 3. SBC Projects & Engineering Private Limited **LLP's:** Nil
Mr. Satadri Chanda **Father's Name**: Mr. Shesadri Bhusan Chanda **Age:** 34 years **Date of Birth:** September 01, 1989 **Designation:** Whole Time Director **Address:** Megatherm Tower, 11th Floor, Plot L1, Block GP, Sector V, Salt Lake, Sech Bhawan, North 24 Parganas, West Bengal - 700091 **Experience:** 9 years **Occupation:** Business **Qualification:** Master of Science (Industrial Engg) **Nationality:** Indian **DIN:** 02302312	Originally Appointed as Director w.e.f. October 22, 2010. Further, Change in Designation as Whole Time Director w.e.f. January 05, 2023 for a period of 3 years.	3600 Equity Share [0.03%]	**Companies:** 1. Megatherm Electronics Private Limited 2. SC Aqua Vitae Private Limited **LLP's:** Nil
Mrs. Christina Paulchowdhury **Father's Name**: Mr. Benu Paulchowdhury **Age:** 32 years **Date of Birth:** December 02, 1991 **Designation:** Non-Executive Director **Address:** 39, B.T. Road, Khardah (M), North 24 Paraganas, West Bengal, India. **Experience:** 7 years **Occupation:** Business **Qualification:** MBA in Marketing and M.Sc. In Business	Originally Appointed as Non-Executive Director w.e.f. September 30, 2022. *(Not liable to retire by rotation)*	75 Equity Share [0.00%] {Negligible Effect}	**Companies:** 1. SC Aqua Vitae Private Limited **LLP's:** Nil

Name, Father's Name, Age, Date of Birth, Designation, Address, Experience, Occupation, Qualification, Nationality & DIN	Date & term of Appointment	No. of Equity Shares held & % of Shareholding (Pre Issue)	Other Directorships
Nationality: Indian **DIN:** 09257875			
Mr. Ankit Rathi **Father's Name**: Mr. Gopal Rathi **Age:** 31 years **Date of Birth:** November 03, 1992 **Designation:** Independent Director **Address:** 608, Balaji Heights, Indralok Phase 2, New Golden Nest Road, Near Gopal Darshan Bldg, Bhaindar East, Thane, Maharashtra 401104, India. **Experience:** 8 years **Occupation:** Professional **Qualification:** Chartered Accountant **Nationality:** Indian **DIN:** 08456577	Originally Appointed as an Independent Director w.e.f. September 16, 2023. ***(Not liable to retire by rotation)***	Nil	**Companies:** 1. Macfos Limited 2. Aspire & Innovative Advertising Limited **LLP's:** Nil
Mr. Siddhartha Sen **Father's Name**: Mr. Sushil Kumar Sen **Age:** 65 years **Date of Birth:** June 23, 1957 **Designation:** Independent Director **Address:** Flat No- A-70, IIT Campus Kharagpur Technology West Midnapore Kharagpur West Bengal 721302 India. **Experience:** 45 years **Occupation:** Business **Qualification:** Master of Technology in Electrical Engineering **Nationality:** Indian **DIN:** 09749054	Originally Appointed as an Independent Director w.e.f. January 05, 2023. ***(Not liable to retire by rotation)***	Nil	**Companies:** Nil **LLP's:** Nil

Brief Profile of Directors:

Mr. Shesadri Bhusan Chanda is the Chairman & Managing Director of our Company. He has been associated with the Company since incorporation. He has completed his Bachelor of Electrical Engineering in the year 1978 from the Jadavpur University. He is awarded with Barindra Memorial Medal for securing highest marks in Power System I and Power System II at the Bachelors of Electrical Engineering Examination, 1976 and also awarded with Ashoke Memorial Medal in the First class with honours at the Bachelors of Electrical Engineering Examination, 1977 and also awarded with the Benoy Sarkar Memorial Gold Medal for securing the highest total marks combining all the different courses of the Bachelors of Engineering Examination, 1977 and is also awarded with M.A. Chakraborty Memorial Medal in the paper Electric Power Systems III at the Bachelors of Electrical Engineering Examination, 1977. He has a work experience of around 45 years in the Induction, Electrical Industry & Metallurgical industry. He primarily looks after the overall business operations of the Company including strategic, operational, finance and formulation of policies for the business development.

Mr. Satadri Chanda is the Promoter, Whole Time Director & Chief Financial Officer of our Company. He has completed his Bachelors of Technology in Electronics & Communication Engineering in the year 2012 from West Bengal University of Technology and Master of Science with major in Industrial and Systems Engineering from Virginia Polytechnic Institute and State University, USA in 2014. He has 2 year work experience in KPMG's Management Consulting (Strategy & Operations) division and over 7 years work experience in

Induction, Electrical and Metallurgical equipment industry. He is instrumental in formulating and implementing strategy and plays pivotal role in business development, diversification, sales, administration and finance functions of our company.

Mrs. Christina Paulchowdhury is the Non-Executive Director of our Company. She has completed her Master of Business Administration specialization in Marketing in the year 2015 from Christ University, Bangalore, India. She has a degree of Master of Science in Business from Virginia Commonwealth University, USA with focus on marketing. She has over 7 years of experience in marketing & business promotion. She looks after marketing & digital presence of the company.

Mr. Ankit Rathi, aged 31 years, is an Independent director of our Company. He has been appointed on the board with effect from September 16, 2023 for a term of 3 years vide Extra Ordinary general meeting dated September 16, 2023. He is a qualified member of the Institute of Chartered Accountants of India. He holds a post qualification work experience of around 8 years in the audit field. He is currently engaged as partner in a CA practicing firm, A D V & Associates, Mumbai.

Mr. Siddhartha Sen is an Independent Director of our Company. He has completed his Bachelors of Electrical Engineering in the year 1977 from Jadavpur University and Master of Technology in Electrical Engineering in the year 1980 from The Indian Institute of Technology Kharagpur and his Doctor of Philosophy in the year 1992 from The Indian Institute of Technology Kharagpur. He has an experience of around 45 years in Electrical Engineering and academics.

Confirmations:

As on the date of this Red Herring Prospectus:

a) None of our Directors is or was a director of any listed company during the last five years preceding the date of this Red Herring Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.

b) None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.

c) None of our Directors are categorized as a wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1)(lll) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation s, 2018.

d) None of our Directors is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018.

Arrangements with major Shareholders, Customers, Suppliers or Others:

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our Directors were selected as Directors or members of the senior management.

Service Contracts:

The Directors of our Company have not entered into any service contracts with our company which provides for benefits upon termination of their employment.

Details of Borrowing Powers of Directors

Pursuant to a special resolution passed at an Extra Ordinary General Meeting of our Company held on August 08, 2023 and pursuant to provisions of SectiI180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company have been authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of Rs. 200.00 Crore (Rupees Two Hundred Crore Only).

Compensation of our Managing Director and Whole Time Director

The compensation payable to our Managing Director and Whole Time Director will be governed as per the terms of his appointment and shall be subject to the provisions of Sections 2(54), 188, 196, 197, 198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V thereto and the rules made there under (including any statutory modification(s) or re-enactment thereof).

The following compensation has been approved for Managing Director and Whole Time Director

Particulars	Mr. Shesadri Bhusan Chanda	Mr. Satadri Chanda
Appointment/Change in Designation	Originally appointed as Director w.e.f. October 22, 2010; Further, Appointed as "Managing Director" w.e.f. November 08, 2022, Further, Re-appointed and Re- designated as Chairman and Managing Director w.e.f. January 05, 2023	Originally appointed as Director w.e.f. October 22, 2010; Further, Appointed as "Whole Time Director" w.e.f. January 05, 2023
Current Designation	Managing Director	Whole Time Director
Terms of Appointment	3 years Liable to retire by rotation	3 years Liable to retire by rotation
Remuneration & Perquisites	Upto Rs. 62,40,000 /- Per Annum and Performance based incentive upto 200% of the remuneration	Upto Rs. 87,00,000 /- Per Annum and Performance based incentive upto 200% of the remuneration
Compensation paid in the year 2022-23	Rs. 62,40,000/- Per Annum*	Rs. 82,90,000/- Per Annum*

**Mr. Shesadri Bhusan Chanda and Mr. Satadri Chanda shall also be entitled to the variable pay in form of incentives based on the achievement of the yearly budget as per the Company's policy;*

Bonus or Profit Sharing Plan for our Directors:

We have no bonus or profit sharing plan for our Directors.

Sitting Fees:

The Articles of Association of our Company provides for the payment of sitting fees to the Directors (other than Managing Director & Whole-time Directors), not exceeding Rs. 1.00 Lakhs, as may be fixed by the Board of Directors from time to time, for attending a meetings of the Board and Committees thereof. Our Board of Directors have resolved at their meeting held on January 13, 2023 for the payment of an amount not exceeding Rs. 1.00 Lakhs as sitting fees to all the Non-executive Directors (including Independent Director) for attending each such meeting of the Board and Committee thereof.

Shareholding of our Director as on the date of this Red Herring Prospectus: -

Sr. No.	Name of the Director	No. of Shares Held	Holding in %
1	Shesadri Bhusan Chanda	7500	0.05
2	Satadri Chanda	3600	0.03
3	Christina Paulchowdhury	75	0.00
	Total	**11,175**	**0.08**

None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Red Herring Prospectus.

We do not have Subsidiary Company as defined under Section 2(87) of the Companies Act, 2013 as on the date of this Red Herring Prospectus.

Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

INTEREST OF DIRECTORS

All the Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, please refer to Chapter titled ***"Our Management"*** beginning on page 136 of this Red Herring Prospectus.

Our Directors may also be regarded as interested to the extent of their shareholding and dividend payable thereon, if any, and to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our Directors are also interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/Members/Partners. Further our Directors are also interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/Members/Partners and for the details of Personal Guarantee given by the Directors towards Financial facilities of our Company please refer to ***"Statement of Financial Indebtedness"*** on page 204 of this Red Herring Prospectus.

Except as stated otherwise in this Red Herring Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of the Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Except as stated in this section ***"Ou" Management"*** or the section titled ***"Financial information of the Company– –Note 36 - Related Part" Disclosure"*** beginning on page 136 and **194** respectively of this Red Herring Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

Interest in the property of Our Company:

Below are the details of the property acquired by our Company or proposed to be acquired by us as on date of this Red Herring Prospectus.

Sr. No	Location	Owned/ Rented	Purpose of Use	Description
1.	Plot- L1 Block GP, Sector V, Electronics Complex Salt lake City Kolkata-700091	Rented	Registered Office	The company has taken the said premises on lease through the Leave and License Agreement dated January 08, 2020 between Megatherm Electronics Private Limited and Megatherm Induction Private Limited for a period of 36 months from February 01, 2020 to January 31, 2023 at an amount of 5,00,000/- monthly rent admeasuring at 5000 Sq. Ft.
2.	SDF Building -123 Plot No: RS-3 Khatain :RS-1, Salt Lake Electronics complex, Kolkata 700091	Owned	Branch Office	The company has taken the said premises on lease for a residual period of 63 years through Deed of Assignment dated November 19, 2019 between Megatherm Electronics Private Limited and Megatherm Induction Private Limited and West Bengal Electronics Industry Development Corporation Limited at a consideration of Rs. 75,92,861/-. The WEBEL had executed a deed of Sub Lease in favor of MEPL for a period of 90 years on February 25, 1992 admeasuring at 1345 Sq. Ft.

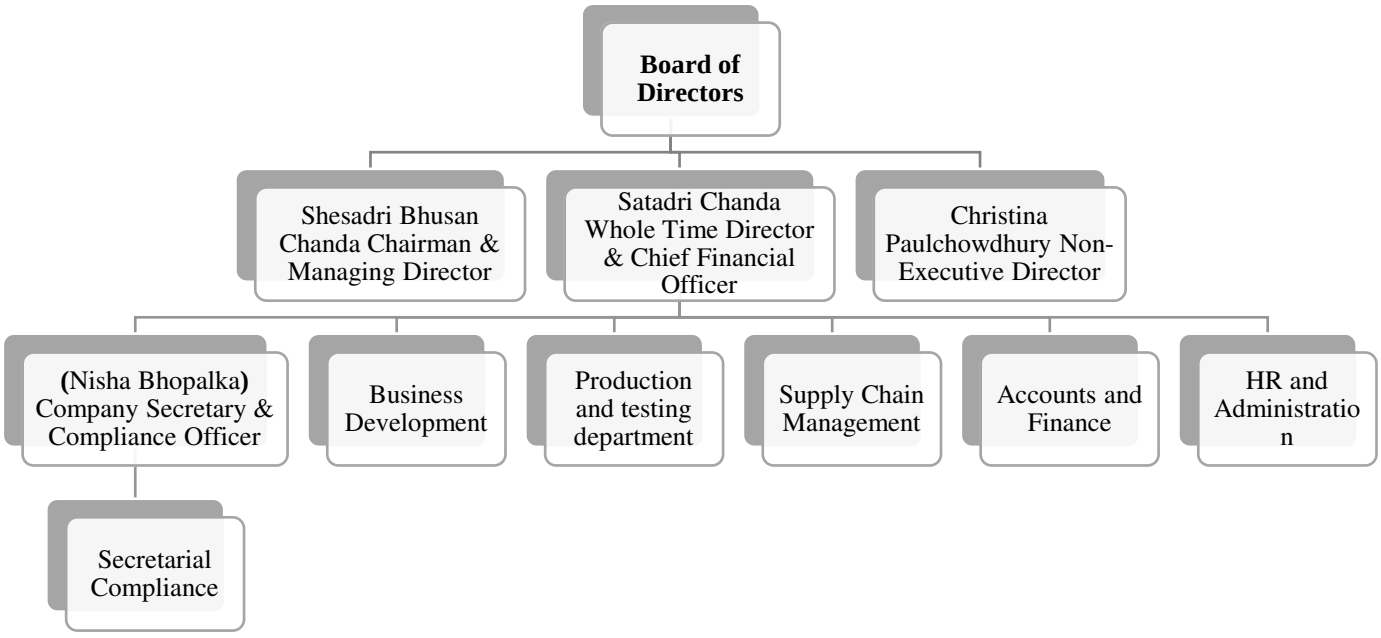
Changes in Board of Directors in Last 3 Years

Sr. No.	Name of Directors	Date of Appointment / Re– appointment	Reasons for Change
1.	Christina Paulchowdhury	Appointed as a Non-Executive Director w.e.f. September 30, 2022 in the Annual General Meeting.	To ensure better Corporate Governance and compliance with the Companies Act, 2013
2.	Prithwis Kumar Kundu	Appointed as an Independent Director w.e.f. October 31, 2022.	To ensure better Corporate Governance and compliance with the Companies Act, 2013

3.	Siddhartha Sen	Appointed as an Independent Director w.e.f. October 31, 2022	To ensure better Corporate Governance and compliance with the Companies Act, 2013
4.	Prithwis Kumar Kundu	Cessation from the office of an Independent Director w.e.f. November 01, 2022	Due to personal reason
5.	Siddhartha Sen	Cessation from the office of an Independent Director w.e.f. November 01, 2022	Due to personal reason
6.	Shesadri Bhusan Chanda	Re-appointment and Re-designation of Managing Director w.e.f. January 05, 2023 in the Extra-Ordinary General Meeting	To ensure better Corporate Governance and compliance with the Companies Act, 2013
7.	Satadri Chanda	Appointment of Whole Time Director w.e.f. January 05, 2023 in the Extra-Ordinary General Meeting	To ensure better Corporate Governance and compliance with the Companies Act, 2013
8.	Prithwis Kumar Kundu	Appointed as an Independent Director w.e.f. January 05 2023 in the Extra-Ordinary General Meeting	To ensure better Corporate Governance and compliance with the Companies Act, 2013
9.	Siddhartha Sen	Appointed as an Independent Director w.e.f. January 05 2023 in the Extra-Ordinary General Meeting	To ensure better Corporate Governance and compliance with the Companies Act, 2013
10.	Prithwis Kumar Kundu	Cessation from the office of an Independent Director w.e.f. September 15, 2023	Due to personal reason
11.	Ankit Rathi	Appointed as an Independent Director w.e.f. September 16, 2023 in the Extra-Ordinary General Meeting	To ensure better Corporate Governance and compliance with the Companies Act, 2013

MANAGEMENT ORGANISATION STRUCTURE

The following chart depicts our Management Organization Structure:-



COMPLIANCE WITH CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and SEBI (ICDR) Regulations, 2018 in respect of corporate governance will be applicable

to our Company immediately upon the listing of our Company's Equity Shares on the SME Platform of NSE (NSE EMERGE). The requirements pertaining to constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committees have been complied with. Our Board undertakes to take all necessary steps to continue to comply with all the requirements of Listing Regulations and the Companies Act, 2013.

Our Board has been constituted in compliance with the Companies Act, 2013 and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors consist of five (5) Directors of which two (2) are Independent Directors, and we have one women director is the Non-Executive Director on the Board. The constitution of our Board is in compliance with the provisions of section 149 of the Companies Act, 2013.

Our Company has constituted the following committees:

1. Audit Committee

Our Company at its Board Meeting held on September 18, 2023, has re-constituted an Audit Committee ("Audit Committee") in compliance with the provisions of the Section 177 of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 18 of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The constituted Audit Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Siddhartha Sen	Chairman	Independent Director
Mr. Ankit Rathi	Member	Independent Director
Mr. Shesadri Bhusan Chanda	Member	Chairman & Managing Director

The Company Secretary of the Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of the Company to furnish clarifications to the shareholders on any matter relating to accounts. The scope and function of the Audit Committee and its terms of reference shall include the following:

A. Tenure: The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

B. Meetings of the Committee: The committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two independent members at each meeting.

C. Role and Powers: The Role of Audit Committee together with its powers as per Part C of Schedule II of SEBI Listing Regulation, 2015 and Companies Act, 2013 shall be as under:

The Audit Committee shall have powers, including the following:

a) to investigate any activity within its terms of reference;
b) to seek information from any employee;
c) to obtain outside legal or other professional advice;
d) to secure attendance of outsiders with relevant expertise, if it considers necessary as may be prescribed under the Companies Act, 2013 (together with the rules thereunder) and SEBI Listing Regulations; and
e) To have full access to information contained in records of Company.

The role of the Audit Committee shall include the following:

1) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
2) Recommending to the Board for the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;
3) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
4) Approving payments to the statutory auditors for any other services rendered by the statutory auditors;
5) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in term If clause (c) of sub-section 3 of Section 134 of the Companies Act;
    b. Changes, if any, in accounting policies and practices and reasons for the same;
    c. Major accounting entries involving estimates based on the exercise of judgment by management;
    d. Significant adjustments made in the financial statements arising out of audit findings;
    e. Compliance with listing and other legal requirements relating to financial statements;
    f. Disclosure of any related party transactions; and
    g. Qualifications and modified opinions in the draft audit report.
6) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
7) Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
8) Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
9) Scrutiny of inter-corporate loans and investments;
10) Valuation of undertakings or assets of the Company, wherever it is necessary;
11) Evaluation of internal financial controls and risk management systems;
12) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
13) Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
14) Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15) Discussing with internal auditors on any significant findings and follow up thereon;
16) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
17) Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19) Reviewing the functioning of the whistle blower mechanism;
20) Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
21) Ensuring that an information system audit of the internal systems process is conducted at least once in two years to assess operational risks faced by the Company;
22) Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding Rs.1,000 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
23) Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
24) Such roles as may be delegated by the Board and/or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law; and
25) Carrying out any other functions as is mentioned in the terms of reference of the audit committee or containing into SEBI (LODR) Regulations 2015.

Further, the Audit Committee shall mandatorily review the following information:

1) management discussion and analysis of financial condition and results of operations;
2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
3) management letters / letters of internal control weaknesses issued by the statutory auditors;
4) internal audit reports relating to internal control weaknesses;
5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
6) statement of deviations:
   a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations;
   b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.

2. Nomination and Remuneration Committee

Our Company at its Board Meeting held on September 18, 2023, has re-constituted the Nomination and Remuneration Committee in compliance with the provisions of Section 178, Schedule V and all other applicable provisions of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Power) Rules, 2014 and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The constituted Nomination and Remuneration Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Siddhartha Sen	Chairman	Independent Director
Mr. Ankit Rathi	Member	Independent Director
Mrs. Christina Paulchowdhury	Member	Non-Executive Director

The Company Secretary of the Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

A. Tenure: The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

B. Meetings: The committee shall meet as and when the need arises, subject to at least one meeting in a year. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher, with at least one Independent Director.

C. Scope and terms of reference: The terms of reference of the Nomination and Remuneration Committee as per Regulation 19 and Part D of Schedule II of SEBI Listing Regulations and Companies Act, 2013 shall be as under:

1) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
2) For the appointment of an independent director, the committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the board of directors of the Company for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
   a. use the services of external agencies, if required;
   b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
   c. Consider the time commitments of the candidates.
3) formulation of criteria for evaluation of the performance of independent directors and the Board;
4) devising a policy on diversity of our Board;
5) identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;

6) determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7) recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;
8) recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
9) recommending to the Board, all remuneration, in whatever form, payable to senior management;
10) performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
11) engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
12) analyzing, monitoring and reviewing various human resource and compensation matters;
13) reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
14) framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
    a. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
    b. The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and
15) Performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

3. Stakeholders Relationship Committee

Our Company at its Board Meeting held on September 18, 2023, has approved the re-constitution of the Stakeholders Relationship Committee in compliance with the provisions of the Section 178(5) and all other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder and Regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.The constituted Stakeholders Relationship Committee comprises the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Siddhartha Sen	Chairman	Independent Director
Mr. Shesadri Bhusan Chanda	Member	Chairman & Managing Director
Mrs. Christina Paulchowdhury	Member	Non-Executive Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholder Relationship Committee. The scope and function of the Stakeholder Relationship Committee and its terms of reference shall include the following:

A. Tenure: The Stakeholder Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder Relationship Committee as approved by the Board.

B. Meetings: The Stakeholder Relationship Committee shall meet at least once in a year, and shall report to the Board on a quarterly basis regarding the status of redressal of the complaints received from the shareholders of the Company. The quorum for the Stakeholders Relationship Committee Meeting shall either be two members or one third of the members of the Stakeholder Relationship Committee, whichever is greater.

C. Scope and terms of reference: The terms of reference of the Stakeholders Relationship Committee as per Regulation 20 and Part D of Schedule II of SEBI Listing Regulations, 2015 and Companies Act, 2013 shall be as under:

1) Consider and resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
2) Review of measures taken for effective exercise of voting rights by shareholders;
3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;

4) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
5) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
6) To approve, register, refuse to register transfer or transmission of shares and other securities.
7) To issue duplicate share or other security(ies), certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
8) To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
9) To dematerialize or rematerialize the issued shares;
10) Ensure proper and timely attendance and redressal of investor queries and grievances;
11) Carrying out any other functions contained in the Companies Act, 2013 and/or other documents (if applicable), as and when amended from time to time; and
12) To perform such functions as may be delegated by the Board and to further delegate all or any of its power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s); and
13) Such terms of reference as may be prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

4. Corporate Social Responsibility Committee

Our Company has reconstituted the Corporate Social Responsibility Committee as per the applicable provisions of the Section 135 of the Companies Act, 2013 (as amended or re-enacted from time to time) read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 vide Resolution dated September 18, 2023. The Corporate Social Responsibility Committee comprises the following:

Name of the Director	Status in Committee	Nature of Directorship
Shesadri Bhusan Chanda	Chairperson	Chairman & Managing Director
Siddhartha Sen	Member	Independent Director
Satadri Chanda	Member	Whole Time Director & CFO

The Company Secretary of our Company shall act as a Secretary to the Corporate Social Responsibility Committee. The terms of reference of the CSR Committee include the following:

1. Formulate and periodically review the CSR Policy.
2. Formulate and recommend the annual action plan.
3. Indicate the list of activities to be undertaken by the Company in areas and subject. For India, this will be aligned to activities specified in Schedule VII of the Companies Act, 2013.
4. Recommend the amount of expenditure to be incurred on the activities referred to in clause (a) of sub-section (3) of Section 135 of the Companies Act, 2013
5. To institute a transparent monitoring mechanism for the implementation of the CSR Projects, programs and activities undertaken the Company from time to time.
6. Monitor and report on the progress on the annual action plan.
7. Ensure Implementation of the activities under CSR.
8. Place the CSR Policy on the Company's website, if any.
9. Ensure expenditure of requisite amount on CSR every year as per law.
10. Disclose reasons for not spending the amount (if applicable) in the Annual Report to the shareholders of the Company.
11. Ensure that the funds so disbursed have been utilized for the purposes and in manner as approved by Board.
12. Approve transfer of unspent CSR Amount in accordance with the law. The Accounts and Finance Team of the Company shall prepare the statement of the spent and unspent CSR Amounts and shall assist and facilitate for transfer of the same.

Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

Policy on Disclosures & Internal procedure for prevention of Insider Trading:

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

KEY MANAGERIAL PERSONNEL

Our Company is supported by a team of professionals having exposure to various operational aspects of our business. A brief detail about the Key Managerial Personnel of our Company is provided below:

Name, Designation & Educational Qualification	Age (Years)	Year of joining	Compensation paid for F.Y. ended 2022-23 (in Rs. Lacs)	Overall experience (in years)	Previous employment
Mr. Shesadri Bhusan Chanda **Designation:** Managing Director **Educational Qualification:** Bachelor of Electrical Engineering **Term of office:** 3 years w.e.f. January 05, 2023	66	2010	62.40	45 Years	-
Mr. Satadri Chanda **Designation:** Whole Time Director & Chief Financial Officer **Educational Qualification:** Master of Science **Term of Office:** 3 years w.e.f. January 05, 2023	33	2010	82.90	9 Years	KPMG
Ms. Abanti Saha Basu **Designation:** Company Secretary and Compliance Officer **Educational–Qualification -** Company Secretary	36	2023	-	1 year	Reverent Dealers Private Limited

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

Mr. Shesadri–Bhusan Chanda - Please refer to section **"Brief Profile of our Directors"** beginning on page 136 of this Red Herring Prospectus for details.

Mr. Satadri Chanda - Please refer to section **"Brief Profile of our Directors"** beginning on page 136 of this Red Herring Prospectus for details.

Ms. Abanti Saha Basu is the Company Secretary and Compliance Officer of our Company. She is a qualified Company Secretary and an associate member of the Institute of Company Secretaries of India. She has experience of 1year in the field of secretarial and corporate law compliances. She is currently responsible for the overall Corporate Governance and secretarial Compliance and functions of our Company.

We confirm that:

a. All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
b. There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
c. None of our KMPs except Mr. Shesadri Bhusan Chanda and Mr. Satadri Chanda is also part of the Board of Directors.
d. In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the period ended September 30, 2023.

e. Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
f. Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
g. None of the Key Managerial Personnel hold any shares of our Company as on the date of filing of this Red Herring Prospectus.
h. Presently, we do not have Employee Stock Option Plan (ESOP)/ Employee Stock Purchase Scheme (ESPS) for our employees.
i. The turnover of KMPs is not high, compared to the Industry to which our company belongs.

Nature of any family relationship between our Directors and Key Managerial Personnel (KMP)

Except as detailed below, none of our other Key Management Personnel or Directors are related to each other, within the meaning of section 2(77) of the Companies Act, 2013.

Sr. No.	Name of the Director/KMPs	Relationship
1.	Mr. Shesadri Bhusan Chanda	Father of Mr. Satadri Chanda and Father-in-Law of Christina Paulchowdhury
2.	Mr. Satadri Chanda	Son of Mr. Shesadri Bhusan Chanda and Spouse of Christina Paulchowdhury
3.	Mrs. Christina Paulchowdhury	Spouse of Mr. Satadri Chanda and Daughter-in-Law of Mr. Shesadri Bhusan Chanda

Payment of benefits to officers of Our Company (*non-salary related*)

Except as disclosed in this Red Herring Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards the Provident fund, Gratuity fund and Employee State Insurance.

Changes in the Key Managerial Personnel in last three years:

There have been no changes in the Key Managerial Personnel of our Company during the last 3 (three) year except as stated below:

Sr. No.	Name of Directors/ KMP's	Designation and period	Appointment/ Cessation/Re-designation	Reasons
1.	Satadri Chanda	Change in Designation from Director to Whole Time Director of the w.e.f. January 05, 2023 for a period of 3 years	Re-designation	To ensure better Corporate Governance and compliance with the Companies Act, 2013
2.	Shesadri Bhusan Chanda	Re-designate to Managing Director of the w.e.f. January 05, 2023 for a period of 3 years.	Re-designation	To ensure better Corporate Governance and compliance with the Companies Act, 2013
3.	Nisha Bhopalka	Cessation from the post of Company Secretary w.e.f. August 31, 2023	Cessation	Due to personal reason
4.	Abanti Saha Basu	Appointed as Company Secretary and Compliance officer w.e.f. September 15, 2023	Appointment	To ensure better Corporate Governance and compliance with the Companies Act, 2013

Interest of our Key Managerial Personnel

Apart to the extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company, none of our Key Managerial Personal are interested in our Company. For details, please refer "section titled ***"Financial information of the Company – Note 36 - Related Party Disclosures"*** beginning on page **194** of this Red Herring Prospectus.

Interest in the property of our Company

Our KMPs do not have any interest in any property acquired by our Company in a period of two years before the filing of this Red Herring Prospectus or proposed to be acquired by us as on the date of filing the Red Herring Prospectus with RoC.

Details of the Service Contracts of the Key Managerial Personnel

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

Loans given/availed by Directors / Key Managerial Personnel of our Company

For details of unsecured loan taken from or given to our Directors/KMPs and for details of transaction entered by them in the past please refer to ***"Note 36 – Related Party Disclosure"*** page **194** of this Red Herring Prospectus.

Employee Stoc' Option Plan ('ESOP')/ employee stock purchase scheme ('ESPS Scheme') to Employees

Presently, we do not have any ESOP/ESPS Scheme for our employees.

OUR PROMOTERS & PROMOTER GROUP

A. OUR PROMOTERS:

The Promoters of our Company are Mr. Shesadri Bhusan Chanda, Mr. Satadri Chanda and Megatherm Electronics Private Limited.

As on date of this Red Herring Prospectus, the Promoters, in aggregate, hold 1,36,94,829 Equity shares of our Company, representing 98.89% of the pre-issue paid-up Equity Share capital of our Company. For details of the build-up of the Promoters' shareholding in our Company, see ***"Capital Structure – History of the Equity Share Capital held by our Promoters"***, on pages 59 of this Red Herring Prospectus.

Details of our Promoters:

(a) Individual Promoters:



Mr. Shesadri Bhusan Chanda – Chairman and Managing Director	
Qualification	Bachelor of Electrical Engineering (Gold Medalist)
Age	66 years
Date of Birth	August 21, 1956
Address	Megatherm Tower, 11th Floor, Plot L1, Block GP, Sector V, Salt Lake, Sech Bhawan, North 24 Parganas, West Bengal - 700091
Experience	45 years
Occupation	Business
PAN No.	AEJPC4522N
No. of Equity Shares &% of Shareholding (Pre-Issue)	7500 Equity Share aggregating to 0.05% of Pre-Issue Paid up Share Capital of the Company.
Other Ventures	**Companies:** 1. Megatherm Electronics Private Limited 2. SC Aqua Vitae Private Limited 3. SBC Projects & Engineering Private Limited **LLP's:** Nil **HUF's:** Nil **Partnership Firm:** Nil



Mr. Satadri Chanda – Whole Time Director & Chief Financial Officer	
Qualification	Master of Science (Major in Industrial Engineering)
Age	34 years
Date of Birth	September 01, 1989
Address	Megatherm Tower, 11th Floor, Plot L1, Block GP, Sector V, Salt Lake, Sech Bhawan, North 24 Parganas, West Bengal - 700091
Experience	9 years
Occupation	Business
PAN No.	ANKPC5561B
No. of Equity Shares &% of Shareholding (Pre-Issue)	3600 Equity Share aggregating to 0.03 % of Pre Issue Paid up Share Capital of the Company.
Other Ventures	**Companies:** 1. Megatherm Electronics Private Limited 2. SC Aqua Vitae Private Limited **LLP's:** Nil **HUF's:** Nil **Partnership Firm:** Nil

*For brief biography of our Individual Promoters, please refer to Chapter titled **"Our Management"** beginning on page 136 of this Red Herring Prospectus.*

(b) Corporate Promoters:

Megatherm Electronics Private Limited

Corporate Information:

Megatherm Electronics Private Limited ("MEPL") was incorporated as Private Company under Companies Act, 1956 in the name and style of "Megatherm Electronics Private Limited" (CIN: U70100WB1989PTC047097). There has been no change in activities since the incorporation of Megatherm Electronics Private Limited.

Brief Description of Business	To carry on the business of designs and engineering manufacturing, supply, erection and commissioning repairers, importers, exporters and suppliers selling agents distributing agents, intermidatories, representatives for and dealers in all types of electrical equipments.
PAN	AACCM0633N
Registered Office	123 SDF Building Block GP Sector V Salt Lake City Kolkata West Bengal 700091 India.

Board of Directors

There has been no change in the Board of Directors of Megatherm Electronics Private Limited in the last three years from the date of this Red Herring Prospectus.

Board of Directors as on the date of the Red Herring Prospectus is as follows:

Sr. No.	Name of the Director	Designation	DIN
1.	Shesadri Bhusan Chanda	Managing Director	00961593
2.	Ayati Chanda	Director	00962425
3.	Satadri Chanda	Director	02302312
4.	Aaditeya Datta	Director	02322749

Shareholding of the Company as on the date of the Red Herring Prospectus is as follows:

Sr. No.	Name of the Shareholders	No. of Share held	Percentage holding %
1.	SB Chanda Family Trust	2,20,149	99.99%
2.	Satadri Chanda	1	0.01%
	Total	**2,20,150**	**100.00%**

SB Chanda Family Trust is the family trust of Satadri Chanda and Shesadri Bhusan Chanda (referred to as Trustees). The beneficial owners of the trust are Shesadri Bhusan Chanda, Satadri Chanda, Cristina Paulchowdhury, Ayati Chanda, Apti Bhattacharya, Agrima Tikader and Aaditeya Datta.

Details of change in control of the promoter companies, if any, including details of the persons who held the controlling interest in the preceding three years.

Sr. No.	Name of the Shareholders	No. of Share held	Percentage holding %
1.	SB Chanda Family Trust	2,20,149	99.99%
2.	Satadri Chanda	1	0.01%
	Total	**2,20,150**	**100.00%**

Financial Information of the Corporate Promoter

Consolidated

Particular	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share Capital (Face value Rs 100 each)	220.15	220.15	220.15
Reserves and Surplus (excluding revaluation reserves)	3731.15	2284.23	2641.43
Networth	3951.30	2504.38	2861.58
NAV per share	1794.82	1137.58	1299.83
Profit for the year	1446.92	(357.20)	(960.15)
Earnings per share	664.11	(161.45)	(552.90)

Standalone

Particular	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share Capital (Face value Rs 100 each)	220.15	220.15	220.15
Reserves and Surplus (excluding revaluation reserves)	1963.43	1810.58	1696.06
Networth	2183.58	2030.73	1916.21
NAV per share	992.54	922.43	870.41
Profit for the year	152.85	114.52	96.43
Earnings per share	69.43	52.02	43.80

Confirmations/Declarations:

In relation to our Individual Promoters, our Company confirms that the PAN, Bank Account Numbers, Passport Number and Aadhaar Card Number shall be submitted to NSE at the time of filing of this Red Herring Prospectus.

In relation to our Corporate Promoters, our Company confirms that the PAN, Bank Account Numbers, the CIN and address of the registrar of companies where our Corporate Promoters are registered, shall be submitted to the NSE at the time of filing of this Red Herring Prospectus.

Undertaking/ Confirmations

None of our Promoters or Promoter Group or Group Company or person in control of our Company has been:

1. prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or

2. refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

3. No material regulatory or disciplinary action is taken by any by a stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the promoters of our company.

4. There are no defaults in respect of payment of interest and principal to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the promoters during the past three years.

5. The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in chapter titled "Outstanding Litigations and Material Developments" beginning on page 218 of this Red Herring Prospectus.

6. None of our Promoters, person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Interest of our Promoters:

1. Interest in promotion and shareholding of Our Company:

Our Promoters are interested in the promotion of our Company and also to the extent of their shareholding and shareholding of their relatives, from time to time, for which they are entitled to receive dividend payable, if any, and other distribution in respect of the Equity Shares held by them and their relatives. As on the date of this Red Herring Prospectus, our Promoters, Mr. Shesadri Bhusan Chanda, Mr. Satadri Chanda and M/s Megatherm Electronics Private Limited collectively holds 1,36,94,829 Equity Shares in our Company i.e. 98.89% of the pre issue paid up Equity Share Capital of our Company. Our Promoters may also be deemed to be interested to the extent of the remuneration, as per the terms of their appointment and reimbursement of expenses payable to them for the rent, purchase and sale transactions. For details, please refer to Note 36 – ***"Related Party Transactions"*** beginning on page **194** of this Red Herring Prospectus.

For details regarding the shareholding of our Promoters in our Company, please see ***"Capital Structure"*** on page 59 of this Red Herring Prospectus.

2. Interest in the property of Our Company:

Except as mentioned below, our Promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Red Herring Prospectus or proposed to be acquired by us as on date of this Red Herring Prospectus.

Sr. No	Location	Owned/ Rented	Purpose of Use	Description
1.	Plot- L1 Block GP, Sector V, Electronics Complex Salt lake City Kolkata-700091	Rented	Registered Office	The company has taken the said premises on lease through the Leave and License Agreement dated January 08, 2020 between Megatherm Electronics Private Limited and Megatherm Induction Private Limited for a period of 36 months from February 01, 2020 to January 31, 2023 at an amount of 5,00,000/- monthly rent admeasuring at 5000 Sq. Ft.
2.	SDF Building -123 Plot No: RS-3 Khatain :RS-1, Salt Lake Electronics complex, Kolkata 700091	Owned	Branch Office	The company has taken the said premises on lease for a residual period of 63 years through Deed of Assignment dated November 19, 2019 between Megatherm Electronics Private Limited and Megatherm Induction Private Limited and West Bengal Electronics Industry Development Corporation Limited at a consideration of Rs. 75,92,861/- . The WEBEL had executed a deed of Sub Lease in favor of MEPL for a period of 90 years on February 25, 1992 admeasuring at 1345 Sq. Ft.

3. ***In transactions for acquisition of land, construction of building and supply of machinery***

None of our Promoters or Directors is interested in any transaction for the acquisition of land, construction of building or supply of machinery.

4. Other Interests in our Company

For transactions in respect of loans and other monetary transactions entered in past please refer ***Note 36*** *on* ***"Related Party Transactions"*** *on page* ***194*** *forming part of* ***"Financial Information of the Company"*** *of this Red Herring Prospectus.*

Further, our promoters may be interested to the extent of personal guarantees given by them in favour of the Company, for the details of Personal Guarantee given by Promoters towards Financial facilities of our Company please refer to ***"Statement of Financial Indebtedness"*** and ***"Financial Information of Our Company"*** on page 204 and 157 respectively of this Red Herring Prospectus.

Payment or Benefits to our Promoter and Promoter Group during the last 2 years:

For details of payments or benefits paid to our Promoter and promoter group, please refer to the paragraph ***"Compensation of our Managing Director"*** in the chapter titled ***"Our Management"*** beginning on page 136 also refer Note 36 on ***"Related Party***

Transactions" on page **194** forming part of "***Financial Information of the Company"*** and Paragraph on ***"Interest of Promoter"*** in chapter titled "***Our Promoter and Promoter Group***" on page 150 of this Red Herring Prospectus.

Companies/Firms with which our Promoters have disassociated in the last (3) three years

Mr. Shesadri Bhusan Chanda has resigned from the directorship of EMT Megatherm Private Limited w.e.f. July 16, 2021. Except this none of our promoters have disassociated themselves from any of the Company, Firms or other entities during the last three years preceding the date of this Red Herring Prospectus.

Other ventures of our Promoter

Save and except as disclosed in this section titled ***"Our Promoter & Promoter Group"*** beginning on page 150 of this Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

Litigation details pertaining to our Promoter

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled ***"Outstanding Litigations and Material Developments"*** beginning on page 218 of this Red Herring Prospectus.

Experience of Promoters in the line of business

Our Promoters, Mr. Shesadri Bhusan Chanda has an experience of around 45 years in the metal heating and furnace industry and Mr. Satadri Chanda has an experience of around 9 years in the metal heating and furnace industry. The Company shall also endeavor to ensure that relevant professional help is sought as and when required in the future.

Related Party Transactions

Except as state– in ***"Note 36 - Related Party Transactions***" beginning on page **194** of this Red Herring Prospectus, and as stated therein, our Promoter or any of the Promoter Group Entities do not have any other interest in our business.

B. OUR PROMOTER GROUP

As per regulation 2(1)(pp) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, we confirm that following persons are part of promoter group:

(a) Natural persons i.e., an immediate relative of the promoter (i.e., any spouse of that person, or any parent, brother, sister or child of the person or of the spouse);

Relationship	Mr. Shesadri Bhusan Chanda	Mr. Satadri Chanda
Father	Late Swadesh Chanda	Shesadri Bhusan Chanda
Mother	Late Anjali Chanda	Ayati Chanda
Spouse	Ayati Chanda	Christina Paul Chowdhury
Brother	• Himadri Chanda, • Ardhendhu Chanda • Subhendhu Sekher Chanda	-
Sister	• Subhra Som • Sukhla Mazumder	-
Son	Satadri Chanda	Adrived Chanda
Daughter	-	-
Spouse's Father	Late. Aashish Datta	Benu Paul Chowdhury
Spouse's Mother	Late. Ajanta Datta	Jhunu Paul Chowdhury
Spouse's Brother	Aaditeya Datta	• Abhishak Paul Chowdhury • Aninda Paul Chowdhury

Spouse's Sister	Ayatakshi Tikader	-

(b) In case promoter is a Body Corporate:

S. No.	Nature of Relationship	Name of Entities
A.	Subsidiary or holding company of Promoter Company.	**Subsidiary Company:-** • Megatherm Induction Limited • EMT Megatherm Private Limited
B.	Any Body Corporate in which the Promoter (Body Corporate) holds 20% or more of the Equity Share Capital; and/or any Body Corporate which holds 20% or more of the Equity Share Capital of the Promoter (Body Corporate);	-

(c) In case the promoter is an Individual:

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

S. No.	Nature of Relationship	Name of Entities
A.	Any Body Corporate in which 20% or more of the Equity Share Capital is held by Promoter or an immediate relative of the Promoter or a firm or Hindu Undivided Family (HUF) in which Promoter or any one or more of his immediate relatives are a member.	SC Aquavitae Private Limited
B.	Any Body Corporate in which a body corporate as provided in (A) above holds twenty per cent. or more, of the equity share capital; and	-
C.	Any Hindu Undivided Family or firm in which the aggregate share of the promoter and their relatives is equal to or more than twenty per cent. of the total capital;	SB Chanda Family Trust

(d) All persons whose shareholding is aggregated under the heading "shareholding of the "Promoter Group":

None of other persons forms part of promoter group for the purpose of shareholding of the Promoter Group under Regulation 2(1) (pp)(v) of SEBI (ICDR) Regulations 2018.

DIVIDEND POLICY

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode.

Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not paid / declared any dividend in last three years from date of this Red Herring Prospectus. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

SECTION VI FINANCIAL INFORMATION OF THE COMPANY

RESTATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT ON RESTATED FINANCIAL INFORMATION

Report of Independent Auditor on the Restated Statement of Assets and Liabilities as at September 30,2023 ,March 31, 2023, March 31, 2022 and March 31, 2021 and Restated Statement of Profits and Losses, Restated Statement of Cash Flows along with the Summary Statement of Significant Accounting Policies and other explanatory information for years ended March 31, 2023, March 31, 2022 and March 31, 2021 of Megatherm Induction Limited (Formerly Megatherm Induction Private Limited) (collectively, the "Restated Financial Information")

The Board of Directors
Megatherm Induction Limited (Formerly Megatherm Induction Private Limited)
Plot- L1 Block GP, Sector V Electronics Complex
Salt lake– City Kolkata - 700091

Dear Sirs/ Madam,

1. We have examined the Restated Financial Information of Megatherm Induction Limited (Formerly Megatherm Induction Private Limited) (the "Company") as at September 30,2023, March 31, 2023, March 31, 2022 and March 31, 2021, annexed to this report for the purpose of inclusion in the Red Herring Prospectus ("RHP") prepared by the Company in connection with its proposed Initial Public Offer (IPO) on SME Platform of NSE ("NSE EMERGE") of equity shares of face value of Rs. 10 each ("Offer"). The Restated Financial Information have been approved by the Board of directors of the Company (the "Board of Directors") at their meeting held on September 04, 2023 and have been prepared by the Company in accordance with the requirements of:

   a. the Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
   b. the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"); and
   c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

2. The Company's management is responsible for the preparation of Restated Financial Information for the purpose of inclusion in the RHP to be filed with Securities and Exchange Board of India ("SEBI"), Registrar of Companies, West Bengal at Kolkata and the NSE ("NSE") in connection with proposed IPO. The Restated Financial Information have been prepared by the management of the Company in accordance with the basis of preparation stated in Note 2.01 to Annexure IV of the Restated Financial Information. The management of the Company is responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The management of the Company is also responsible for identifying and ensuring that the Company complies with the Act, the SEBI ICDR Regulations and the Guidance Note.

3. We have examined the Restated Financial Information taking into consideration:

   a. the terms of reference and our engagement agreed with you vide our engagement letter dated August 10, 2023 , in connection with the Offer.
   b. The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements as stated in the Code of Ethics issued by the ICAI;
   c. the concepts of test check and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
   d. the requirements of Section 26 of the Act and the SEBI ICDR Regulations.

   Our work was performed solely to assist you in meeting your responsibilities in relation to compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the Offer.

4. The Restated Financial Information has been compiled by the management of the Company from:

a) Audited Special purpose Interim condensed financial statements of the Company as at and for the six months period ended September 30, 2023, prepared by the Management of the Company in accordance with the Accounting Standard 25 "Interim Financial Reporting" prescribed under section 133 of the Act read with Companies (Accounts) Rules, 2014 as amended and other accounting principles generally accepted in India, except for inclusion of comparative information as those are not being given in the Restated Financial Information as per the option available to the Issuer under Paragraph (A) (i) of Clause 11(I) of Part A of Schedule VI of the SEBI ICDR Regulations , which have been approved by the Board of Directors at their meeting held on November 09, 2023.

b) Audited financial statements of the Company as at and for the years ended March 31, 2023 and March 31, 2022 prepared in accordance with the Accounting Standards notified under section 133 of the Act read with the Companies (Accounts) Rules, 2014, as amended, as applicable to the Company (the "Indian GAAP") and other accounting principles generally accepted in India, and have been approved by the Board of Directors at their meeting held on July 20, 2023 and September 28, 2022 respectively.

c) Audited financial statements of the Company as at and for the year ended March 31, 2021 prepared in accordance with the Accounting Standards notified under section 133 of the Act read with the Companies (Accounts) Rules, 2014, as amended, as applicable to the Company (the "Indian GAAP") and other accounting principles generally accepted in India, and have been approved by the Board of Directors at their meeting held on September 22, 2021.

5. For the purpose of our examination, we have relied on:

a) Auditor's report issued by us dated November 09, 2023 on the Special purpose interim condensed financial statements of the Company as at and for the six months period ended September 30, 2023, as referred in Para 4 (a) above.

b) Auditor's report issued by us dated July 20, 2023 and September 28, 2022 on the financial statements of the Company as at and for the years ended March 31, 2023 and March 31, 2022 respectively, as referred in Para 4 (b) above.

c) Auditor's report issued by Gupta Saharia & Co. Chartered Accountants ("Previous Auditor") dated September 22, 2021 on the financial statements of the Company as at and for the year ended March 31, 2021, as referred in Para 4 (c) above.

The audit for the year ended March 31, 2021 was conducted by "Previous Auditor" and accordingly reliance is placed on the Restated Statement of Assets and Liabilities, Restated Statement of Profit and Loss, the Restated Statement of Cash Flows for the year ended March 31, 2021 and the Statement of Significant Accounting Policies, and other explanatory information ("March 2021 Restated Financial Information") examined by them for the said year. The examination report included for the said year is based solely on the report submitted by Previous Auditor. They have also confirmed that March 2021 Restated Financial Information:

i have been prepared after incorporating adjustments for the changes in accounting policies, any material errors and regroupings/ reclassifications retrospectively in the financial year as at and for the year ended March 31, 2021 to reflect the same accounting treatment as per the accounting policies and grouping/ classifications followed as at and for the six month period ended September 30, 2023.

ii There are no qualifications in the auditor's reports on the Audited Financial Statements of the Company as at and for the year ended March 31, 2021 which require any adjustments to the March 2021 Restated Financial Information. However, those qualifications 'n the auditors' report as required by the Companies (Auditor's Report) Order 2016, issued by the Central Government of India in terms of sub section (11) of section 143 of the Act on the financial statements for the year ended March 31, 2021, which does not require any corrective adjustments in the Restated Financial Information; and

iii March 2021 Restated Financial Information have been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note.

6. Based on the above and according to the information and explanations given to us and also as per reliance placed on the examination report submitted by Previous Auditor- Gupta Saharia & Co. for the period as stated above, we report that:

    i. Restated Financial Information have been prepared after incorporating adjustments for the changes in accounting policies, any material errors and regroupings/ reclassifications retrospectively in the financial years as at and for the years March 31, 2023, March 31, 2022 and March 31, 2021, to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six month period ended September 30, 2023 , as more fully described in Annexure V to the Restated Financial Information (Statement of Restated Adjustments to Restated Financial Information).

    ii. There are no qualifications in the auditor's reports on the audited special purpose interim condensed financial statements of the company as at and for the six months period ended September 30, 2023 and there are no qualifications in the auditor's reports on the audited financial statements of the Company as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 which require any adjustments to the Restated Financial Information. However, those qualifications 'n the auditors' report as required by the Companies (Auditor's Report) Order 2020 and Companies (Auditor's Report) Order 2016 as applicable, issued by the Central Government of India in terms of sub section (11) of section 143 of the Act on the financial statements for the year ended March 31, 2023, March 31, 2022 and March 31, 2021, which does not require any corrective adjustments in the Restated Financial Statements have been disclosed in Part C of the Annexure V to the Restated Financial Information; and

    iii. Restated Financial Information have been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note.

7. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 4 above.

8. This report should not in any way be construed as a reissuance or re-dating of any of the previous auditor's reports issued by us or by the Previous Auditor, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

9. We have no responsibility to update our report for events and circumstances occurring after the date of this report.

10. Our report is intended solely for the use of the Board of Directors and for inclusion in the RHP to be filed with the SEBI, Registrar of Companies, West Bengal and NSE as applicable in connection with the proposed SME IPO. Our report should not be used, referred to or distributed for any other purpose without prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care towards any other person relying on the report.

For M S K A & Associates
Chartered Accountants
Firm Registration Number: 105047W

Dipak Jaiswal
Partner
Membership No. 063682
UDIN: 23063682BGXVYB5060
Place: Kolkata
Date: December 04, 2023

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakhs)

Particular	Note No. / Annexure VI	As at the Year/Period ended			
		30/09/2023	31/03/2023	31/03/2022	31/03/2021
I. EQUITY AND LIABILITIES					
') Shareholders' funds					
(a) Share capital	3	1,384.87	923.25	923.25	913.25
(b) Reserves and surplus	4	4,437.11	4,139.39	2,738.98	2,598.88
		5,821.98	**5,062.64**	**3,662.23**	**3,512.13**
2) Non-current liabilities					
(a) Long-term borrowings	5	1,144.79	1,372.23	877.01	1,686.94
(b) Deferred tax liabilities (net)	6	315..56	307.06	254.97	311.74
(c) Long-term Provision	7	146.6	137.88	137.11	103.84
		1,606.99	**1,817.17**	**1,269.09**	**2,102.52**
3) Current liabilities					
(a) Short-term borrowings	8	3,335.67	2,909.81	3,161.79	2,640.10
(b) Trade payables	9				
Dues of Micro and Small Enterprises		1,482.57	1,830.68	1,449.91	1,326.05
Dues to Other		2,920.91	2,296.60	2,298.96	1,570.38
(c) Other current liabilities	10	5,651.35	5,117.97	5,303.02	3,386.94
(d) Short-term provisions	7	220.81	163.00	117.76	106.94
		13,611.31	**12,318.06**	**12,331.44**	**9,030.41**
TOTAL		**21,040.28**	**19,197.87**	**17,262.76**	**14,645.06**
II. ASSETS					
1) Non-current assets					
(a) Property, Plant and Equipment and Intangible assets					
(i) Property, Plant and Equipment	11	6,119.50	5,733.75	3,938.56	4,295.87
(ii) Intangible assets	12	78.47	68.05	15.61	-
(iii) Capital work-in-progress	37	160.83	61.52	247.89	13.43
		6,358.80	**5,863.32**	**4,202.06**	**4,309.30**
(b) Other non-current assets	13	1,053.62	934.55	157.38	149.96
		7,412.42	**6,797.87**	**4,359.44**	**4,459.26**
2) Current assets					
(a) Investments	14	300.00	-	-	-
(b) Inventories	15	7,856.00	7,109.34	6,851.11	5,336.69
(c) Trade receivables	16	2,177.39	2,322.00	2,508.25	2,462.34
(d) Cash and Cash Equivalents	17 (a)	794.13	1,690.06	1,430.30	759.62
(e) Other bank balances	17 (b)	494.76	412.44	374.41	228.35
(f) Short-term loans and advances	18	1,700.16	843.67	1,677.22	1,376.89
(g) Other current assets	19	305.42	22.49	62.03	21.91
		13,627.86	**12,400.00**	**12,903.32**	**10,185.80**
TOTAL		**21,040.28**	**19,197.87**	**17,262.76**	**14,645.06**

Note : The above statement should be read with Summary Statement of Significant Accounting Policies forming part of the Restated Financial Information in Annexure IV, Statement of Restated Adjustments to the Restated Financial Information in Annexure V and Notes to Restated Financial Information in Annexure VI.

RESTATED STATEMENT OF PROFITS AND LOSSES

(Rs. in Lakhs)

PARTICULARS	Note No. / Annexure VI	`For the period / Year ended on			
		30/09/2023	**31/03/2023**	**31/03/2022**	**31/03/2021**
I. Revenue from operations	20	14687.50	26,588.15	18,783.13	10,900.92
II. Other Income	21	44.81	55.69	63.79	26.11
III. Total Income (I + II)		**14732.31**	**26,643.84**	**18,846.92**	**10,927.03**
IV. Expenses					
Cost of materials consumed	22	11773.71	20,329.04	14,808.65	7,646.17
Changes in inventories of finished goods and work-in-progress	23	(608.50)	(218.78)	283.43	(43.38)
Employee benefits expense	24	777.75	1,305.03	1,032.76	669.19
Finance costs	25	250.49	583.80	499.35	706.48
Depreciation and amortisation expense	26	161.72	242.82	206.02	210.44
Other expenses	27	1,368.46	2,418.46	1,864.71	1,312.61
Total expenses		**13,723.63**	**24,660.37**	**18,694.92**	**10,501.51**
V. Profit before tax		**1008.68**	**1,983.47**	**152.00**	**425.52**
VI. Tax expenses					
Current tax		240.84	530.97	98.67	86.93
Deferred tax (credit) / charge		8.50	52.09	(56.77)	29.47
Net Tax Expenses		**249.34**	**583.06**	**41.90**	**116.40**
VII. Profit for the year		**759.34**	**1,400.41**	**110.10**	**309.12**
VIII. Earnings per equity share [nominal value of share Rs 10 each (previous year Rs 10 each)]	27				
Basic		**5.48**	**10.11**	**0.80**	**2.25**
Diluted		**5.48**	**10.11**	**0.80**	**2.25**

Note : The above statement should be read with Summary Statement of Significant Accounting Policies forming part of the Restated Financial Information in Annexure IV, Statement of Restated Adjustments to the Restated Financial Information in Annexure V and Notes to Restated Financial Information in Annexure VI.

RESTATED STATEMENT OF CASH FLOWS

(Rs. in Lakhs)

Particular	For the Period/ Year ended on							
	30/09/2023		31/03/2023		31/03/2022		31/03/2021	
Cash Flow from Operating Activities								
Profit Before Provision for Taxation		1,008.68		1,983.47		152.00		425.52
Adjustments for:								
Depreciation & Amortisation	161.72		242.82		206.02		210.44	
Gain on foreign exchange fluctuation	(13.86)							
Provision for Gratuity	23.45							
Bad Debts/Advances written off	2.04		25.45		65.16		35.18	
Provision for Doubtful Debts/Advances	65.04		30.00		21.00		-	
Interest Expenses	250.49		583.80		499.35		706.48	
Interest Income	(16.87)		(13.82)		(26.00)		(19.29)	
Loss on sale/discard of Fixed Assets	-		1.23		63.53		-	
Provision for Warranties	92.81		169.35		93.23		-	
		564.82		1,038.83		922.29		932.81
Operating Profit before Working Capital Changes		**1573.50**		**3,022.30**		**1,074.29**		**1,358.33**
Adjustments for:								
(Increase) in trade receivables	89.51		(579.78)		(132.07)		(1,586.65)	
(Increase)/Decrease in loans and advances	(856.49)		721.12		(342.76)		261.72	
Decrease/(Increase) in Other Assets	(430.95)		25.08		(28.44)		(9.12)	
Increase in trade payables	278.08		378.41		852.44		(121.54)	
(Increase) in inventories	(746.66)		(258.23)		(1,514.42)		(324.41)	
(Decrease) in provisions	(49.70)		(120.72)		(69.28)		91.51	
(Decrease)/Increase in other current liabilities	533.38	(1,182.83)	(185.05)	(19.17)	1,916.08	681.55	907.53	219.32
Cash Generated from Operations		390.67		3,003.13		1,755.84		1,577.65
Direct Taxes Paid		(240.84)		(425.49)		(33.47)		(182.42)
Net Cash from Operating Activities		**149.83**		**2,577.64**		**1,722.37**		**1,395.23**
Cash Flow from Investing Activities								
Purchase of Property, Plant and Equipment, including movement in CWIP and capital advances	(657.18)		(1,905.32)		(162.31)		(94.71)	
Movement In Investment in Mutual Funds	(300.00)		-		-		-	
Movement In Fixed Deposits	(46.15)		(100.30)		(156.12)		(373.29)	
Interest received	9.64		28.30		14.32		14.29	
Net Cash used in Investing Activities		**(993.69)**		**(1,977.32)**		**(304.11)**		**(453.71)**

Cash Flow from Financing Activities								
Repayment of Long Term Borrowings	(211.65)		(730.57)		(978.51)		(213.91)	
Proceeds from Long Term Borrowings			1,238.43		336.50		941.00	
Increase/ (Decrease) in Cash Credit facility & other borrowings	410.07		(264.62)		353.77		(590.20)	
Proceeds from issuance of equity share capital	-		-		40.00		-	
Interest paid	(250.49)		(583.80)		(499.34)		(706.48)	
Net Cash from Financing Activities		**(52.07)**		**(340.56)**		**(747.58)**		**(569.59)**
		(895.93)		**259.76**		**670.68**		**371.94**
Cash and cash equivalents at the beginning of the year		1,690.06		1,430.30		759.62		387.68
Cash and cash equivalents at the end of the year		**794.13**		**1,690.06**		**1,430.30**		**759.62**
	30/09/2023		**31/03/2023**		**31/03/2022**		**31/03/2023**	
Cash and Cash Equivalents comprise: -								
Cash in hand		0.86		0.04		2.23		0.92
Bank Balances with Scheduled Banks:								
Current Account		793.27		1,690.02		1,428.07		758.70
		794.13		**1,690.06**		**1,430.30**		**759.62**

Notes :

1. The above Cash flow statement has been prepared under the indirect method set out in Accounting Standard-3, "Cashflow Statement" notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014.

2. Figures in ( ) represents cash outflow.

3. The above statement should be read with Summary Statement of Significant Accounting Policies forming part of the Restated Financial Information in Annexure IV, Statement of Restated Adjustments to the Restated Financial Information in Annexure V and Notes to Restated Financial Information in Annexure VI.

ANNEXURE – IV

SUMMARY STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES & NOTES TO RESTATED FINANCIAL STATEMENTS

GENERAL INFORMATION

Megatherm Induction Limited (Formerly Megatherm Induction Private Limited) primarily engaged in the business of manufacturing and selling of Capital Equipments like Induction Melting and Heating Equipments, Arc Melting Furnace, Ladle Refining Furnace, Continuous Casting Machines, Transformers etc. and various parts thereof which are required by the Steel Making Industries, Foundry, Forging and Power sector. The company also carries on business of repairs and contractors for servicing and production, modification, reconstruction etc. of all types of Engineering goods, equipments, plant & machineries.

The Company has manufacturing plant at Kharagpur, West Bengal and sells primarily in Domestic Markets. The Company is an Unlisted Public Limited Company and a Subsidiary of Megatherm Electronics Private Limited.

The Restated Financial Information which comprise financial information for the period ending on September 30,2023 and financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 was authorized for issue by the Board of Directors of the Company in the meeting held on December 04, 2023.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation & presentation of Restated Financial Statements

The financial statements has been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis in compliance with all material aspects of the Accounting Standards (AS) notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014 and other relevant provisions of the Companies Act, 2013 (hereinafter together referred to as 'the Act') and Schedule III of the Act.

The restated financial information has been prepared for inclusion in the red herring prospectus ("RHP" or "Offer document") to be filed by the Company with the Securities and Exchange Board of India (‘SEBI’) in connection with proposed Initial Public Offering of its equity shares of face value of Rs 10 each of the Company comprising a fresh issue of equity shares and offer for sale of equity shares held by the certain existing shareholders (the “Offer”), in accordance with the requirements of:

a) Section 26 of part I of Chapter III of the Act
b) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements Regulations, 2018, issued by the Securities and Exchange Board of India ('SEBI') as amended in pursuance of the Securities and Exchange Board of India Act, 1992; and
c) Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”).

The Restated financial information have been compiled from:

a) The audited special purpose interim condensed financial statement of the Company as at and for the six months period ended September 30, 2023 which have been approved by the Board of Directors at their meeting held on November 09, 2023.

d) the audited financial statement of the Company as at March 31, 2023 which have been approved by the Board of Directors at their meeting held on June 20, 2023.

e) the audited financial statement of the Company as at March 31, 2022 which have been approved by the Board of Directors at their meeting held on September 28 ,2022.

f) the audited financial statement of the Company as at March 31, 2021 which have been approved by the Board of Directors at their meeting held on September 22, 2021.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

There were no qualifications in the Audit Reports issued by Statutory Auditors for the six months period ended on September 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021.

Use of estimates

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Property, Plant and Equipment

Tangible assets

Tangible assets, capital work in progress are stated at cost, less accumulated depreciation, revaluation and impairment losses, if any. Cost comprises the purchase price, borrowing costs, if capitalization criteria are met and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during construction/ acquisition and exclusive Input tax credit (IGST/CGST and SGST) or other tax credit available to the Company.

When parts of an item of tangible assets have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure relating to tangible 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.

An item of Property, Plant and Equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognized in the Statement of Profit and Loss."

Intangible assets

An intangible asset is recognized when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during development / acquisition and exclusive of Input tax credit (IGST/CGST and SGST) or other tax credit available to the Company

Subsequent expenditure relating to intangible 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. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss."

Depreciation on property, plant and equipment

Based on management's evaluation, useful life prescribed in Schedule II of the Companies Act, 2013 represent actual useful life of property, plant and equipment. The Company uses Straight Line Methods and has used following useful lives to provide depreciation of different class of its property, plant and equipment and Intangible assets.

Particulars	Year ended September 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022 (Useful life in years)	Year ended March 31, 2021 (Useful life in years)

	(Useful life in years)	(Useful life in years)		
Leasehold Land	99	99	99	99
Buildings	30	30	30	30
Plant and Machinery	15	15	15	15
Electrical Installation	10	10	10	10
Furniture and fixtures	10	10	10	10
Computer	3	3	3	3
Furniture and fixtures	10	10	10	10
Office equipment	3-5	3-5	3’5	3-5
Vehicle'	8	8	8	8

The depreciation charge for each year is recognized in the Statement of Profit and Loss, unless it is included in the carrying amount of any other asset.

The Company has adopted Schedule II to the Companies Act, 2013 which requires identification and determination of separate useful life for each major component of the property, plant and equipment, if they have useful life that is materially different from that of the remaining asset. (Component Accounting)

Leasehold improvements are depreciated over their estimated useful life, or the remaining period of lease from the date of capitalization, whichever is shorter.

Depreciation on addition to tangible assets is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation on sale/discard from tangible assets is provided for upto the date of sale, deduction or discard of tangible assets as the case may be.

The useful life, residual value and the depreciation method are reviewed at least at each year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate."

Amortization of Intangible assets

Amortization of intangible assets has been calculated on straight line basis at the following rates, based on management estimates, which in the opinion of the management are reflective of the estimated useful lives of the Intangible assets.

Particulars	Year ended September 30, 2023 (Useful life in years)	Year ended March 31, 2023 (Useful life in years)	Year ended March 31, 2022 (Useful life in years)	Year ended March 31, 2021 (Useful life in years)
Computer Software’s	3	3	3	3

Amortization on addition to intangible assets is provided on pro-rata basis from the date the assets are ready for intended use. Amortization on sale/discard from intangible assets is provided for up to the date of sale, deduction or discard of intangible assets as the case may be.

The amortization period and the amortization method are reviewed at least at each year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly."

Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets’ net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation/amortization is provided on the revised carrying amount of the asset over its remaining useful life.

Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use or sale are capitalized until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized as expenditure in the period in which they are incurred.

Foreign currency translation

Initial recognition:

Foreign currency transactions are recorded in the reporting currency by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent recognition:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when such values were determined.

Exchange differences:

Exchange differences arising on the settlement of monetary items or on reporting the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they occur."

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.

Revenue from sale of goods

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods are transferred to the buyer and are recorded net of trade discounts, rebates, Sales Tax, Value Added Tax, Goods and Service Tax.

Revenue from services

Revenue from services is recognized pro-rata over the period of the contract as and when services are rendered and the collectability is reasonably assured. The revenue is recognized net of Goods and service tax.

Interest Income

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and applicable interest rate.

Dividend Income

Dividend is recognized when the Company's right to receive dividend is established.

Retirement and other employee benefits

Defined contribution plan

The Company makes defined contribution to Government Employee Provident Fund, Government Employee Pension Fund, Employee Deposit Linked Insurance, ESI and Superannuation Schemes, which are recognized in the Statement of Profit and Loss on accrual basis.

Defined Benefit Plan- Gratuity

The Company provides for retirement benefits in the form of Gratuity. Benefits payable to eligible employees of the company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the Balance Sheet date. In accordance with the Payment of Gratuity Act, 1972, the plan provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost and fair value of plan assets as at the balance sheet date through which the obligations are to be settled. The resultant actuarial gain or loss on change in present value of the defined benefit obligation or change in return of the plan assets is recognized as an income or expense in the Statement of Profit and Loss.

Other Long-term Employee Benefits

Other Long-term Employee Benefits is recognized as a expenses in the statement of Profit and Loss for the period in which employee has rendered services. The company provides for the liability at year end as per the actuarial valuation using the Projected Unit Credit Method. Actuarial gains and losses are recognized in the Statement of Profit and Loss as and when incurred.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

Inventories

Raw materials, components, stores and spares, and packing material are valued at cost. However, these items are considered to be realizable at replacement cost if the finished goods, in which they will be used, are expected to be sold below cost.

Cost of inventories is computed on a weighted-average basis. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition.

Work in progress and manufactured finished goods are valued at the lower of cost and net realizable value. Cost of work in progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, Cost of conversion and other costs incurred in bringing these inventories to their present location and condition. Cost of traded goods is determined on a weighted average basis.

Provision of obsolescence on inventories is considered on the basis of management’s estimate based on demand and market of the inventories."

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on item by item basis.

Income Taxes

Tax expense for the period comprises of current tax, deferred tax and Minimum alternate tax credit (Wherever applicable).

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income-tax Act, 1961. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts, and there is an intention to settle the asset and the liability on a net basis.

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the reporting date.

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and are written-down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized. At each reporting date, the Company reassesses the unrecognized deferred tax assets, if any.
Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as “MAT Credit Entitlement.” The Company reviews the MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period."

Contingent Liability, Provisions and Contingent Asset

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

The Company records a provision for decommissioning, restoration and similar liabilities that are recognized as cost of property, plant and equipment. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

Contingent assets are neither recorded nor disclosed in the financial statements.

Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

The weighted average numbers of equity shares are adjusted for events such as bonus issue, bonus element in the rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Government Grants and Subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy related to revenue, it is recognized as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant is related to an asset, it is adjusted with the gross value of assets.

When the Company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost, it is recognized at a nominal value.

Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Further, inter-segment revenue have been accounted for based on the transaction price agreed to between segments which is primarily market based.

Unallocated items include general corporate income and expense items, which are not allocated to any business segment.

Current and Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Revised Schedule III (Division I) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

Rounding off

All amounts disclosed in the restated financial information and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III of the Act unless otherwise stated.

Part A - Statement of Restated Adjustments to Standalone Summary Statements

Reconciliation of Re-stated Profits				
Particulars	**30 September 2023**	**31 March 2023**	**31 March 2022**	**31 March 2021**
Profit after tax as per audited financial statements	759.34	1,400.41	164.13	212.87
(i) Adjustment on account of change in accounting policies	-	-	-	-
(ii) Other Material Adjustments				
Short/Excess provision for warranty	-	-	64.99	(64.99)
Short/Excess overhead adjustment in closing inventory	-	-	(119.42)	119.42
Short/Excess deferred revenue	-	-	0.40	(0.40)
Earlier year Income Tax Expenses	-	-	-	42.22
Re-stated Profit after tax	**759.34**	**1,400.41**	**110.10**	**309.12**
Reconciliation of Re-stated Shareholder's Fund				
Particulars		**31 March 2023**	**31 March 2022**	**31 March 20'1**
Shareholder's Fund as per audited financial statements	5821.98	5,062.64	3,662.23	3,458.10

Differences carried over pertaining to changes in Profit/Loss due to				
Carry forward impact of previous year	-	-	54.03	-
Impact on Profit/Loss A/c	-	-	(54.03)	54.03
Re-stated Shareholder's Fund	**5821.98**	**5,062.64**	**3,662.23**	**3,512.13**

Note: 1

As required by AS 29 "Provisions, Contingent Liabilities and Contingent Assets", a provision is recognized for the best estimate of the costs of making good under the warranty products sold before the balance sheet date.
The provision of warranty has been estimated as a % of revenue. The % is based on the warranty claimed during the last 3 years compared to the sale of product during that period. The said provision was not accounted in the financial statements for the year ended March 31, 2021.

Hence, the adjustment of the same has been made which has been charged to P&L having a corresponding impact in short term provision.

Note: 2

As required by AS 2 "Valuation of Inventories", cost of inventory shall include systematic allocation of fixed and variable production overheads that are incurred in converting materials into finished goods. The allocation of overheads were not accounted in the financial statements for the year ended March 31, 2021.

Hence, the allocation of the same has been done having a corresponding impact in inventories.

Note: 3

As required by AS 9 "Revenue Recognition", Revenue from service transactions is usually recognized as the service is performed, by the proportionate completion method when services are provided by an indeterminate number of acts over a specific period of time, revenue is recognized on a straight line basis over the specific period unless there is evidence that some other method better represents the pattern of performance.

Hence, the revenue derived from annual maintenance contracts has been recognized on proportionate completion method resulting in deferment of revenue having corresponding impact in unearned revenue under current assets.

Note 4:

As required by Guidance Note, the earlier year tax expenses has been restated and adjusted in opening reserve as on April 01, 2020.

Part B: Material Regrouping

Appropriate regroupings have been made in the Restated Summary Statement of Assets and Liabilities, Restated Summary Statement of Profit & Loss and Restated Summary Statement of Cash Flows, 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 accounting policies and classification as per the latest audited financial statements of the Company, prepared in accordance with Schedule III of Companies Act, 2013 and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

Part C: Non -adjusting items

In the standalone audited financial statements of the Company for the years ended 31 March 2023, 31 March 2022 and 31 March 2021, auditors were required to comment upon the matters included in the Companies (Auditor's Report“) Order, 2016("the ”ARO 2016 Order") for the year ended 31 March 2021 and Companies (Auditor's Report“ Order, 2020 ("the ”ARO 2020 Order") for the years ended

31 March 2022 and 31 March 2023 issued by the Central Government of India under sub-section (11) of Section 143 of Companies Act, 2013. Restated Summary Statement does not contain any qualifications requiring adjustments. However certain qualifications/comments included in the CARO in the standalone financial statements, which do not require any corrective adjustments in the Restated Summary Statement are reproduced below:

Annexure B to Auditor's Report

As at and for the year ended 31 March 2023

Clause (ii) (b)

The Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from Banks/financial institutions on the basis of security of current assets. Quarterly returns / statements are filed with such Banks/ financial institutions which are not in agreement with the books of account.

Quarter Ended	Value as per books of accounts (In Lacs)	Value as per quarterly return/statement (In Lacs)	Difference	Discrepancy (give details)
June 30, 2022	6,299.38	3,670.03	2,629.35	The Company has not considered the trade receivables due for more than 90 days and balances with Group Companies in the quarterly statement.
September 30, 2022	6,181.48	4,790.78	1,390.70	The Company has not considered the trade receivables due for more than 90 days and balances with Group Companies in the quarterly statement.
December 31,2022	7,240.07	5,547.57	1,692.50	The Company has not considered the trade receivables due for more than 90 days and balances with Group Companies in the quarterly statement.
March, 31, 2023	6,014.64	4,202.32	1,812.32	The Company has not considered the trade receivables due for more than 90 days and balances with Group Companies in the quarterly statement.

Clause (vii)

According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, duty of custom, cess have not generally been regularly deposited by the company with the appropriate authorities though delay in deposit have not been serious. As explained to us, the Company does not have any dues on account of sales tax, service tax, duty of excise and value added tax."

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

As at and for the year ended 31 March 2022

Clause (ii) (b)

The Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from Banks/financial institutions on the basis of security of current assets. Quarterly returns / statements are filed with such Banks/ financial institutions which are not in agreement with the books of account.

Quarter Ended	Value as per books of accounts (In Lacs)	Value as per quarterly return/statement	Difference	Discrepancy (give details)

June 30, 2021	4,462.74	3,105.78	(1,356.96)	The Company has not considered the trade receivables due for more than 90 days and balances with Group Companies in the quarterly statement.
September 30, 2021	3,631.56	3,074.84	(556.72)	The Company has not considered the trade receivables due for more than 90 days and balances with Group Companies in the quarterly statement.
December 31,2021	4,901.76	4,413.51	(488.25)	The Company has not considered the trade receivables due for more than 90 days and balances with Group Companies in the quarterly statement.
March, 31, 2022	5,609.48	3,558.88	(2,050.60)	The Company has not considered the trade receivables due for more than 90 days and balances with Group Companies in the quarterly statement.

Clause (v

(a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, duty of custom, cess have not generally been regularly deposited by the company with the appropriate authorities though delay in deposit have not been serious. As explained to us, the Company does not have any dues on account of sales tax, service tax, duty of excise and value added tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

Annexure A to Auditor's Report

As at and for the year ended 31 March 2021

Clause (vi

(a) In our opinion and according to the information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, goods & service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues to appropriate authorities. However there was outstanding of Rs.8.72 lacs in respect of dues which were outstanding for more than 6 months as on 31st March, 2021."

NOTES TO RESTATE SUMMARY STATEMENTS:

Note 3 - Share capital

(Amt in Rs. Lakhs)

Particular		As At		
	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Share Capital				
Authorized				
At the commencement of the year	1,500.00	1,000.00	1,000.00	1,000.00
Add: Increased during the year	400.00	500.00	-	-
At the end of the year	**1900.00**	**1,500.00**	**1,000.00**	**1,000.00**
Issued, subscribed and fully paid up				
1,38,48,729 (September 30,2023 :1,90,00,000 March 31, 2022: 92,32,486, March 31, 2021 : 91,32,486) Equity Shares of Rs. 10/- each	**1384.87**	**923.25**	**923.25**	**913.25**

a. Reconciliation of shares outstanding at the beginning and at the end of the year.

(Amt in Rs. Lakhs)

	30 September 2023		31 March 2023		31 March 2022		31 March 2021	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Equity Shares								
At the commencement of the year	92,32,486	923.25	9232486	923.25	9132486	913.25	9132486	913.25
Add: Issued during the year	46,16,243	461.62	-	-	100000	10.00	-	-
At the end of the year	1,38,48,729	1,384.87	9232486	923.25	9232486	923.25	9186	913.25

b. Rights, preferences and restrictions attached to equity shares

The company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the" shareholders."

c. Pursuant to the approval of the shareholders in Extra-Ordinary General Meeting held on August 08, 2023, the company has allotted 46,16,243 equity shares of ₹ 10 each as fully paid-up bonus shares in the ratio of 1 (One) equity share for every 2 (two) equity share outstanding on the record date i.e. August 09, 2023 by capitalization of securities premium. Further, The company has neither issued any shares for consideration other than cash nor bought back any shares during the period of five years immediately preceding the reporting date. (31 March 2023: nil, 31 March 2022: nil, 31 March 2021: nil).

d. Shares held by holding/ultimate holdings company and/or their subsidiaries/associates

(Amt in Rs. Lakhs)

Particular	As At							
	30 September 2023		31st March 2023		31st March 2022		31st March 2021	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Equity shares of Rs 10 each fully paid up held by: Megatherm Electronics Private Limited, Holding Company	1,36,83,729	1,368.37	91,22,486	912.24	91,22,486	912.24	9122486	912.24

e. Particulars of shareholders holding more than 5% shares of fully paid up equity shares

Particular	As At							
	30 September 2023		31st March 2023		31st March 2022		31st March 2021	
	Number	% of total shares in the class	Number	% of total shares in the class	Number	% of total shares in the class	Number	% of total shares in the class
Equity shares of Rs 10 each fully paid up held by:								
Megatherm Electronics Private Limited., the Holding Company	1,36,83,729	98.81%	91,22,486	98.81%	91,22,486	98.81%	91,22,486	99.89%

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships shares.

f. Details of Shares held by Promoters at the end of the year

Particular	As At											
	30 September 2023			31st March 2023			31st March 2022			31st March 2021		
Promoter name	No. Of Shares	% of total shares	% Change during the year	No. Of Shares	% of total shares	% Change during the year	No. Of Shares	% of total shares	% Change during the year	No. Of Shares	% of total shares	% Change during the year
Megatherm Electronics Private Limited	1,36,83,729	98.81%	50.00%	91,22,486	98.81%	-	91,22,486	98.81%	-	91,22,486	99.89%	-
Shesadri Bhusan Chanda	7,500	0.05%	50.00%	5,000	0.05%	-	5,000	0.05%	-	5,000	0.05%	-
Satadri Chanda	3,600	0.03%	50.00%	2,400	0.03%	4.00%	2,500	0.03%	-	2,500	0.03%	-

Note-4 Reserve & Surplus

(Amt in Rs. Lakhs)

Particular	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Securities Premium				
At the commencement of the year	1,241.69	1241.69	1211.69	1211.69
Add: Received during the year	-	0.00	30.00	0.00
Less :Bonus issue	(461.62)	0.00	0.00	0.00
Securities Premium	**780.07**	**1241.69**	**1241.69**	**1211.69**
Surplus/(deficit) in the Statement of Profit and Loss				
At the commencement of the year	2,897.70	1497.29	1387.19	1078.09
Profit for the year	759.34	1400.41	110.10	309.12
At the end of the year	**3,657.04**	**2897.70**	**1497.29**	**1387.19**
Total Reserves and surplus	**4,437.11**	**4139.39**	**2738.98**	**2598.88**

Note 5 - Long-term borrowings

(Amt in Rs. Lakhs)

Particular	Non-current portion				Current maturities			
	30 September 2023	31 March 2023	31 March 2022	31 March 2021	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Term Loans (secured)								
From banks	1,144.79	1372.23	877.01	1686.94	814.87	799.08	786.44	618.52
Less: Amount disclosed “under the head "Short-”erm borrowings" (Ref Note 8)	-	-	-	-	(814.87)	(799.08)	(786.44)	(618.52)
	1,144.79	**1372.23**	**877.01**	**1686.94**	**0.00**	**0..00**	**0.00**	**0.00**

(A) Terms of repayment
Term loans and COVID Loan

(Amt in Rs. Lakhs)

September 30, 2023

Name of the lender	No of Instalment Due	Rate of Interest (%)	Within one year (Rs.)	After one year but not more than 5 years (Rs.)	More than 5 years (Rs.)
Rupee loans (secured)					
Term Loan Indian bank	5.00	10.75	387.70	34.86	-
Covid Term Loan 20%	10.00	9.25	162.56	-	-
HDFC Equipment Loan-Crane-84766357-14-Cr	11.00	10.35	3.80	-	-
HDFC Equipment Loan-Crane-84766344-12.50-Cr	11.00	10.35	3.39	-	-
HDFC Equipment Loan-Hydra-84529352-13.75-Cr	11.00	10.55	3.74	-	-
PNB CAR LOAN 454800NG0000239	27.00	8.00	2.50	2.97	-
Term Loan Account-7204056815	17.00	10.75	103.76	325.48	-
GECLS Loan Account-7209968838	36.00	9.25	3.04	400.00	-
Axis Bank - AUR031907828586(2nd Battery Car)	47.00	8.75	2.88	9.93	-
Open Term Loan Account -7417195951	15.00	10.75	139.99	370.00	-
Axis Bank-Maruti EECO 5STR	27.00	8.85	1.51	1.55	-
Total			**814.87**	**1,144.79**	**-**

(Amt in Rs. Lakhs)

March 31, 2023

Name of the lender	No of Instalment Due	Rate of Interest (%)	Within one year (Rs.)	After one year but not more than 5 years (Rs.)	More than 5 years (Rs.)
Rupee loans (secured)					
Term Loan Indian Bank	6.00	9.15	384.00	232.44	-
Covid Term Loan 20%	16.00	7.50	207.10	59.86	-
HDFC Equipment Loan-Crane-84766357-14-Cr	17.00	10.35	3.95	1.77	-
HDFC Equipment Loan-Crane-84766344-12.50-Cr	17.00	10.35	3.53	1.58	-
HDFC Equipment Loan-Hydra-84529352-13.75-Cr	17.00	10.55	3.89	1.75	-
PNB CAR LOAN 454800NG0000239	33.00	8.00	2.15	4.41	-
Term Loan Account-7204056815	19.00	10.55	95.24	382.15	-
GECLS Loan Account-7209968838	36.00	7.50	95.29	307.85	-
Axis Bank - AUR031907828586(2nd Battery Car)	53.00	8.75	2.76	11.40	-
Open Term Loan Account -7417195951	54.00	10.15	-	366.50	-
Axis Bank-Maruti EECO 5STR	33.00	8.85	1.17	2.52	-
Total			**799.08**	**1,372.20**	-

(Amt in Rs. Lakhs)

March 31, 2022

Name of the lender	No of Instalment Due	Rate of Interest (%)	Within one year (Rs.)	After one year but not more than 5 years (Rs.)	More than 5 years (Rs.)
Rupee loans (secured)					-
Indian Bank (Formerly Allahabad Bank)	10.00	9.15	384.00	522.88	-
Indian Bank (Formerly Allahabad Bank) 10% Covid Loan	15.00	7.35	182.33	63.89	-
Indian Bank (Formerly Allahabad Bank) 20% Covid Loan	28.00	7.50	207.10	267.88	-
HDFC Bank Equipment Loan	29.00	10.35	3.66	5.64	-
HDFC Bank Equipment Loan	29.00	10.35	3.47	4.83	-
HDFC Bank Equipment Loan	29.00	10.55	3.81	5.33	-
Punjab National Bank--Vehicle Loan	45.00	8.00	2.07	6.56	-
Total			786.44	877.01	

(Amt in Rs. Lakhs)

March 31, 2021

Name of the lender	No of Instalment Due	Rate of Interest (%)	Within one year (Rs.)	After one year but not more than 5 years (Rs.)	More than 5 years (Rs.)
Rupee loans (secured)					-
Indian Bank (Formerly Allahabad Bank)	22.00	9.15	384.00	933.82	-
Indian Bank (Formerly Allahabad Bank) 10% Covid Loan	27.00	7.35	157.61	242.36	-
Indian Bank (Formerly Allahabad Bank) 20% Covid Loan	40.00	7.50	65.59	475.41	-
HDFC Bank Equipment Loan	41.00	10.35	3.22	9.29	-
HDFC Bank Equipment Loan	41.00	10.35	2.87	8.30	-
HDFC Bank Equipment Loan	41.00	10.55	3.15	9.14	-
Punjab National Bank--Vehicle Loan	57.00	8.00	2.07	8.62	-
Total			618.52	1686.94	

(B) Details of security

The term loan and covid loans are secured as under:

Primary
i) Equitable mortgage of 10 acres of leasehold land and factory under construction thereon at Vidyasagar Industrial Park.
ii) Equitable Mortgage of Factory Building and other structure built on 10 Acres of Factory Land allotted by WBSIDC for 99 years and Factory Construction tn.
iii) Exclusive First charge on Plant & Machinery and Other Fixed asset acquired through the Term loan.

Collateral:

i) Equitable mortgage of 5 acres of leasehold land at Vidyasagar Industrial Park.
ii) Equitable Mortgage of Residential Plot at premises No. 05-0685, Plot no. 2128, Block lIC, Rajarhat , New town in the joint name of Mr. S.B.Chanda & Smt. Ayatida
iii) Equitable Mortgage of Residential Flat at premises No. UDITA Tower Tritiya, Flat no 402,1050/1, Survey Park Kolkata-700075 in the joint name of Mr. S.B.Chanda & Smt. Ayati Chanda
iv) Equitable Mortgage of Residential Flat at premises No. 1E Baikunth,114 NSC Bos– Road Kolkata - 700040 in the name of Smt. Ayatianda
v) Equitable Mortgage of Residential Flat at premises No. UDITA Tower Tritiya, Flat no 401/1050/1, Survey Park Kolkata-700075.
vi)Equitable Mortgage of Commercial Premises at 123 SDF Building Sector-V Salt Lake City Kolkata-700091.
vii) Pledge of FDR 286 Lakhs (Previous Year 2022 and 2021: 131 Lakhs)
viii) Pledge of Share held by Megatherm Electronics Private Ltd (MEPL) (Holding Co.) in the name of Megatherm Induction Private Limited (MIPL) to the extent of 30% of Paid up Capital of MIPL with the Bank.

Guarantee:

Personal Guarantee of Sri Shesadri Bhusan Chanda, Sri Satadri Chanda and Smt. Ayati Chanda

(C.) Details of security of Vehicle Loan

Nature of Security

Loan from HDFC Bank secured by hypothecation of the Vehicle Financed and personal guarantee of Mr. Satadri Chanda
Loan from Axis Bank is secured by hypothecation of the Vehicle Financed.
Loan from Punjab National Bank is secured by hypothecation of the Vehicle Financed and personal guarantee of Mr. Satadri Chanda

Note 6 - Deferred tax liabilities (net)

(Amt in Rs. Lakhs)

Particular	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Deferred tax liabilities				
Difference between book depreciation & tax depreciation	390.73	352.68	336.28	344.42
Deferred tax assets				
Expenses provided but allowable in Income Tax on payment basis	(75.17)	(45.62)	(81.31)	(32.68)
C/F Losses to be adjusted against future taxable Income	-	0.00	0.00	0.00
	(75.17)	(45.62)	(81.31)	(32.68)
Deferred tax liability (net)	**315.56**	**307.06**	**254.97**	**311.74**

Note 7 – Provision

(Amt in Rs. Lakhs)

Particular	Long-term				Short-term			
	30 September 2023	31 March 2023	31 March 2022	31 March 2021	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Provision for employee benefits:								
Provision for gratuity (unfunded) (Refer Note 33)	146.64	137.88	137.11	103.84	15.16	12.67	9.34	8.38
Provision for Leave Encashment (unfunded)								
Other provisions:								
Provision for Warranties (Refer Note 29b)	0.00	0.00	0.00	0.00	143.60	137.76	93.23	64.99
Provision for Income tax [net of advance tax of Rs. 424.97 Lacs (previous year 2022 Rs. 35.85 Lacs and 2021 Rs. 63.14 Lakhs)	0.00	0.00	0.00	0.00	62.05	12.57	15.19	33.57
	146.64	**137.88**	**137.11**	**103.84**	**220.81**	**163.00**	**117.76**	**106.94**

Note 8 - Short-term borrowings

(Amt in Rs. Lakhs)

Particular	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Loans repayable on demand				
From banks (secured)				
Rupee loans	2520.80	2110.73	2171.35	1801.08
Current maturities of long-term debt (refer note 5)	814.87	799.08	786.44	618.52
From others (unsecured)				

Loans and advances from related parties (Refer Note 36)	0.00	0.00	204.00	220.50
	3335.67	**2909.81**	**3161.79**	**2640.10**

Note: The secured rupee loans from banks are repayable on demand and other loans are repayable on maturity.

Details of security

Primary Securities:

Bank Borrowings for working capital are secured by first charge o'er the company's stock of materials, receivables and other current assets, both present & future.

Collateral Securities:
Refer note no–5 (B)

Note 9 - Trade payables

(Amt in Rs. Lakhs)

Particular	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Total outstanding dues of micro enterprises and small enterprises	1,482.57	1830.68	1449.91	1326.05
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,920.91	2296.60	2298.96	1570.38
Total	**4,403.48**	**4127.28**	**3748.87**	**2896.43**

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

(Amt in Rs. Lakhs)

Particulars	30 September, 2023	31 March 2023	31 March 2022	31 March 2021
(a) Amount remaining unpaid to any supplier at the end of each accounting year:				
Principal	1482.57	1830.68	1449.91	1326.05
Interest	0.00	0.00	0.00	0.00
Total	1482.57	1830.68	1449.91	1326.05
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	0.00	0.00	0.00	0.00
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	0.00	0.00	0.00	0.00
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.00	0.00	0.00	0.00
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	0.00	0.00	0.00	0.00

(Amt in Rs. Lakhs)

31 September 2023	Current					
Particulars	Unbilled Payables	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.00	1,376.56	41.57	17.58	46.86	1,482.57

(ii) Disputed dues – MSME	0.00	-	-	-	-		-
(iii) Others	0.00	2,574.17	221.72	50.39	72.38		2,918.66
(iv)Disputed dues - Others	0.00	-	-	-	2.25		2.25
Total	**0.00**	**3,950.73**	**263.29**	**67.97**	**121.49**		**4,403.48**

(Amt in Rs. Lakhs)

31 March 2023	**Current**						
Particulars	**Unbilled Payables**	**Outstanding for following periods from due date of payment**					
		Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**		**Total**
(i) MSME	0.00	1686.39	90.01	17.09	37.19		1830.68
(ii) Disputed dues – MSME	0.00	0.00	0.00	0.00	0.00		0.00
(iii) Others	0.00	1979.45	164.45	66.19	84.26		2294.35
(iv)Disputed dues - Others	0.00	0.00	0.00	0.00	2.25		2.25
Total	**0.00**	**3665.84**	**254.46**	**83.28**	**123.70**		**4127.28**

31 March 2022	**Current**						
Particulars	**Unbilled Payables**	**Outstanding for following periods from due date of payment**					
		Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**		**Total**
(i) MSME	0.00	1210.53	46.31	193.07	0.00		1449.91
(ii) Disputed dues – MSME	0.00	0.00	0.00	0.00	0.00		0.00
(iii) Others	0.00	2003.81	63.52	0.00	229.38		2296.71
(iv)Disputed dues - Others	0.00	0.00	0.00	0.00	2.25		2.25
Total	**0.00**	**3214.34**	**109.83**	**193.07**	**231.63**		**3748.87**

31 March 2021	**Current**						
Particulars	**Unbilled Payables**	**Outstanding for following periods from due date of payment**					
		Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**		**Total**
(i) MSME	0.00	1161.56	164.49	0.00	0.00		1326.05
(ii) Disputed dues – MSME	0.00	0.00	0.00	0.00	0.00		0.00
(iii) Others	0.00	968.99	267.16	300.38	31.60		1568.13
(iv)Disputed dues - Others	0.00	0.00	0.00	0.00	2.25		2.25
Total	**0.00**	**2130.56**	**431.65**	**300.38**	**33.85**		**2896.43**

Note 10 - Other current liabilities

(Amt in Rs. Lakhs)

Particular	**30 September 2023**	**31 March 2023**	**31 March 2022**	**31 March 2021**
Advances received from customers	5,383.42	4818.79	5071.62	3168.10
Goods and Service tax payable	1.40	3.43	1.87	0.62
TDS payable	15.18	18.17	17.51	10.77
Other Statutory dues	11.68	20.41	19.22	17.59
Interest accrued and due on borrowings	-	0.00	21.46	24.49
Unearned Revenue	16.54	20.65	6.49	0.98
Other payables	223.13	236.52	164.85	164.39
	5,651.35	**5117.97**	**5303.02**	**3386.94**

Note 11 - Property, Plant and Equipments

(Amt in Rs. Lakhs)

Particulars	Leasehold Land	Buildings	Building on Lease	Plant and Machinery	Material Handling Equipments	Testing & Inspection Equipments	Storage Equipment & Accessories	Electrical Installation	Furniture & fixtures	Office Equipments	Tools & Equipment	Vehicles	Computer	Total
Gross Block														
Balance as at 1 April 2020	530.89	3045.05	-	655.20	240.08	35.10	35.31	332.11	38.06	13.63	0.18	0.00	12.09	4937.70
Additions during the year	0.00	0.00	-	1.92	42.87	15.25	0.00	1.92	0.00	3.59	0.00	22.82	5.67	94.04
Balance as at 31 March 2021	530.89	3045.05	-	657.12	282.95	50.35	35.31	334.03	38.06	17.22	0.18	22.82	17.76	5031.74
Additions during the year	0.00	0.00	-	168.43	0.39	3.46	0.00	0.00	0.00	5.41	0.00	0.00	15.54	193.23
Disposals/Discard	0.00	0.00	-	(88.77)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(88.77)
Subsidy Received	0.00	(141.69)	-	(53.97)	(32.34)	(7.00)	(3.82)	(45.11)	0.00	0.00	0.00	0.00	0.00	(283.93)
Balance as at 31 March 2022	530.89	2903.36	-	682.81	251.00	46.81	31.49	288.92	38.06	22.63	0.18	22.82	33.30	4852.27
Additions during the year	0.00	1203.22	-	555.57	118.15	2.38	84.89	5.19	4.26	12.82	0.83	22.50	19.67	2029.48
Disposals/Discard	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(2.60)	0.00	(2.60)
Subsidy Received	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31 March 2023	530.89	4106.58	-	1238.38	369.15	49.19	116.38	294.11	42.32	35.45	1.01	42.72	52.97	6879.15
Additions during the period	-	3.54	738.85	9.60	0.25	2.46	0.48	-	0.83	0.85	1.84	-	2.44	761.14
Disposals/Discard	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subsidy Received	-	(146.32)	-	(64.58)	(6.42)	(0.65)	-	(8.82)	-	-	-	-	-	226.79
Balance as at 30 September 2023	**530.89**	**3,963.81**	**738.86**	**1,183.40**	**362.97**	**50.99**	**116.86**	**285.28**	**43.14**	**36.30**	**2.84**	**42.72**	**55.40**	7413.49
Accumulated Depreciation														
Balance as at 1 April 2020	50.35	253.63	-	84.01	36.47	3.94	5.07	74.11	7.06	4.55	0.03	0.00	6.21	525.43
Depreciation for the year	5.30	97.15	-	41.43	16.59	4.99	2.23	32.01	3.61	2.79	0.02	0.56	3.76	210.44

Balance as at 31 March 2021	55.65	350.78	-	125.44	53.06	8.93	7.30	106.12	10.67	7.34	0.05	0.56	9.97	735.87
Depreciation for the year	5.30	92.73	-	40.73	16.50	2.82	2.06	27.84	3.61	3.66	0.02	2.71	5.11	203.08
Accumulated depreciation on disposals/discard	0.00	0.00	-	(25.24)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(25.24)
Balance as at 31 March 2022	60.95	443.50	-	140.93	69.56	11.74	9.36	133.96	14.29	11.00	0.06	3.27	15.08	913.70
Depreciation for the year	5.30	106.63	-	46.43	17.28	2.76	2.92	25.08	3.73	5.15	0.10	4.07	12.92	232.37
Accumulated depreciation on disposals/discard	0.00	0.00	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(0.67)	0.00	(0.67)
Balance as at 31 March 2023	66.25	550.13	-	187.36	86.84	14.50	12.28	159.04	18.02	16.15	0.16	6.67	28.00	1145.40
Depreciation for the period	2.15	60.24	-	39.08	11.53	1.72	3.68	17.19	2.03	2.59	0.08	2.54	5.75	148.59
Accumulated depreciation on disposals/discard	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 30 September 2023	68.40	610.36	-	226.44	98.38	16.23	15.95	176.23	20.06	18.74	0.24	9.21	33.74	1293.99
Net Block														
Balance as at 31 March 2021	475.24	2694.27	-	531.68	229.89	41.42	28.01	227.91	27.39	9.88	0.13	22.26	7.79	4295.87
Balance as at 31 March 2022	469.94	2459.84	-	541.88	181.44	35.06	22.13	154.96	23.77	11.63	0.11	19.55	18.22	3938.56
Balance as at 31 March 2023	464.64	3556.45	-	1051.02	282.31	34.69	104.10	135.07	24.30	19.30	0.85	36.05	24.97	5733.75
Balance as at 30 September 2023	**462.49**	**3,353.45**	**738.86**	**956.96**	**264.59**	**34.76**	**100.91**	**109.05**	**23.08**	**17.56**	**2.60**	**33.51**	**21.66**	**6119.5**

Note 1: Details of assets taken on Finance Leases:
(Amt in Rs. Lakhs)

Particulars	Material Handling Equipments	Vehicles	Total
Gross Block			
Balance as at 31 March 2021	0.00	0.00	0.00
Balance as at 31 March 2022	42.87	22.82	65.69
Balance as at 31 March 2023	42.87	42.72	85.59
Balance as at 30 September 2023	42.87	42.72	85.59
Accumulated Depreciation			
Balance as at 31 March 2021	0.00	0.00	0.00
Balance as at 31 March 2022	4.11	3.27	7.38
Balance as at 31 March 2023	6.83	6.67	13.50
Balance as at 30 September 2023	8.18	9.21	17.39
Net Block			
Balance as at 31 March 2021	0.00	0.00	0.00
Balance as at 31 March 2022	38.76	19.55	58.31
Balance as at 31 March 2023	36.04	36.05	72.09
Balance as at 30 September 2023	34.69	33.51	68.20

Note 2: Refer Note 5 (B) for security related de–ails

Note 12 - Intangible Assets

(Amt in Rs. Lakhs)

Owned Asset- Intangible Asset	Software	Total
Gross Block		
Balance as at 1 April 2020		
Additions during the year	0.00	0.00
Balance as at 31 March 2021	0.00	0.00
Additions during the year	18.55	18.55
Balance as at 31 March 2022	18.55	18.55
Additions during the year	62.89	62.89
Balance as at 31 March 2023	81.44	81.44
Additions during the period	23.56	23.56
Balance as at 30 September 2023	104.99	104.99
Accumulated Amortization		
Balance as at 1 April 2020	0.00	0.00
Amortization for the year	0.00	0.00
Balance as at 31 March 2021	0.00	0.00
Amortization for the year	2.94	2.94
Balance as at 31 March 2022	2.94	2.94
Amortization for the year	10.45	10.45
Balance as at 31 March 2023	13.39	13.39
Amortization for the period	13.13	13.13
Balance as at 30 September 2023	26.52	26.52
Net Block		
Balance as at 31 March 2021	0.00	0.00
Balance as at 31 March 2022	15.61	15.61

Balance as at 31 March 2023	68.05	68.05
Balance as at 30 September 2023	78.47	78.47

Note 13 - Other non-current assets

(Amt in Rs. Lakhs)

Particular	30 September 2023	31 March 2023	31 March 2022	31 March 2021
(Unsecured, considered good)				
Security and other deposits	7.81	6.70	2.38	5.02
Deposit with Bank (more than 12 months)	181.10	217.27	155.00	144.94
Trademark on lease	373.33	-	-	-
Retention Money	491.38	710.58	0.00	0.00
	1053.62	**934.55**	**157.38**	**149.96**

Ageing of Retention Money:

(Amt in Rs. Lakhs)

30 September 2023	Non-Current					
Particulars	**Outstanding for following periods from the date of transaction**					
	Less than 6 months	**6 months - 1 year**	**1-2 years years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Retention Money – considered good	201.59	119.39	168.40	2.00	0.00	491.38
Total	**201.59**	**119.39**	**168.40**	**2.00**	**0.00**	**491.38**

(Amt in Rs. Lakhs)

31 March 2023	Non-Current					
Particulars	**Outstanding for following periods from the date of transaction**					
	Less than 6 months	**6 months - 1 year**	**1-2 years years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Retention Money – considered good	348.88	351.60	8.39	1.71	0.00	710.58
Total	**348.88**	**351.60**	**8.39**	**1.71**	**0.00**	**710.58**

Note 14 - Investments	**30 September 2023**		**31 March 2023**		**31 March 2022**		**31 March 2021**	
Current Investments	**Units**	**Book Value**	**Units**	**Book Value**	**Units**	**Book Value**	**Units**	**Book Value**
Short term trade (valued at lower of cost or–market value) - Quoted								
Investments in mutual funds (DSP Overnight Fund- Direct Plan- Growth Option)	24,192	300.00	-	-	-	-	-	-
Net current investments		**300.00**		**-**		**-**		**-**

Aggregate market value as at the end of the year / period:
Market value of quoted investments 300.10

Note 15- Inventories

(Amt in Rs. Lakhs)

Particular	30 September 2023	31 March 2023	31 March 2022	31 March 2021
(Valued at the lower of cost or net realizable value unless stated otherwise)				
Raw materials *	4,969.00	4830.84	4791.39	2993.54
Work-in-progress	2,191.90	1993.82	1707.17	2141.99
Finished goods	695.10	284.68	352.55	201.16
	7,856.00	**7109.34**	**6851.11**	**5336.69**

* Goods in Transit (i.e. Customs Godown) Rs. NIL (31st March 2022: Rs. 307.06 Lacs) (31st March 2021: –IL)

Note 15 - Trade receivables

(Amt in Rs. Lakhs)

Particular	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Unsecured, considered good	2,177.39	2256.96	2508.25	2462.34
Unsecured, considered doubtful	116.04	116.04	21.00	0.00
Less: Provision for doubtful receivables	116.04	51.00	21.00	0.00
	2177.39	**2322.00**	**2508.25**	**2462.34**

(Amt in Rs. Lakhs)

30 September 2023	**Current**					
	Outstanding for following periods from due date of payment					
Particulars	**Less than 6 months**	**6 months - 1 year**	**1-2 years years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	1,268.95	776.85	106.74	13.84	11.01	2,177.39
(ii) Undisputed Trade Receivables – considered doubtful	-	-	0.36	-	20.64	21.00
(iii) Disputed Trade Receivables – considered doubtful	-	-	-	-	95.04	95.04
Less: Provision for doubtful receivable (Disputed + Undisputed)	-	-	(0.36)	-	(115.68)	(116.04)
Total	**1,268.95**	**776.85**	**106.74**	**13.84**	**126.69**	**2,177.39**

(Amt in Rs. Lakhs)

31 March 2023	**Current**					
	Outstanding for following periods from due date of payment					
Particulars	**Less than 6 months**	**6 months - 1 year**	**1-2 years years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	1074.25	936.78	195.79	7.88	42.26	2256.96
(ii) Undisputed Trade Receivables – considered doubtful	0.00	0.00	21.00	0.00	0.00	21.00
(iii) Disputed Trade Receivables – considered doubtful	0.00	0.00	0.00	0.00	95.04	95.04
Less: Provision for doubtful receivable (Disputed + Undisputed)	0.00	0.00	(21.00)	0.00	(30.00)	(51.00)
Total	1074.25	936.78	195.79	7.88	137.30	2322.00

31 March 2022	Current					
	Outstanding for following periods from due date of payment					
Particulars	**Less than 6 months**	**6 months - 1 year**	**1-2 years years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	2043.51	67.44	45.29	234.61	117.40	2508.25
(ii) Undisputed Trade Receivables – considered doubtful	21.00	0.00	0.00	0.00	0.00	21.00
Less: Provision for doubtful receivable (Disputed + Undisputed)	(21.00)	0.00	0.00	0.00	0.00	(21.00)
Total	**2043.51**	**67.44**	**45.29**	**234.61**	**117.40**	**2508.25**

31 March 2021	Current					
	Outstanding for following periods from due date of payment					
Particulars	**Less than 6 months**	**6 months - 1 year**	**1-2 years years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	1885.23	187.49	250.00	130.69	8.92	2462.34
(ii) Undisputed Trade Receivables – considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
Less: Provision for doubtful receivable (Disputed + Undisputed)	0.00	0.00	0.00	0.00	0.00	0.00
Total	**1885.23**	**187.49**	**250.00**	**130.69**	**8.92**	**2462.34**

Note 17 (a) - Cash and Cash Equivalents

(Amt in Rs. Lakhs)

Particular	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Cash on hand	0.86	0.04	2.23	0.92
Balances with banks				
On current accounts	793.27	1690.02	1428.07	758.7
	794.13	**1690.06**	**1430.3**	**759.62**

Note 17 (b) - Other Bank Balances

(Amt in Rs. Lakhs)

Particular	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Current maturities				
Margin money or deposits under lien	494.76	412.44	374.41	228.35
	494.76	**412.44**	**374.41**	**228.35**

Note 18 - Short-term loans and advances (Unsecured considered good unless otherwise stated)

(Amt in Rs. Lakhs)

Particular	30 September 2023	31 March 2023	31 March 2022	31 March 2021
To parties other than related parties				
Advances to supplies & Others	747.09	190.35	181.99	162.81
Advance to employees	26.49	20.09	6.97	19.80
Prepaid expenses	76.95	37.77	32.33	18.25
GST input credit receivable	849.63	595.46	1347.83	1022.87
MAT Credit Entitlement	-	0	108.10	153.16

	1,700.16	**843.67**	**1677.22**	**1376.89**

Note 19 - Other current assets (unsecured considered good)

(Amt in Rs. Lakhs)

Particular	30 September 2023	31 March 2023	31 March 2022	31 March 2021
(Unsecured, considered good)				
To parties other than related parties				
Interest accrued but not due on deposits	17.79	10.56	25.02	13.34
Export incentive receivable	34.17	11.93	31.20	8.57
Trademark on lease	26.67	0.00	0.00	0.00
Other Receivable	226.79	0.00	5.81	0.00
	305.42	**22.49**	**62.03**	**21.91**

Note 20 - Revenue from operations

(Amt in Rs. Lakhs)

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Sale of products				
Finished Goods	14,519.66	26240.56	18604.34	10539.54
Sale of services	91.72	216.20	83.85	245.25
Other operating revenue				
Export incentives	54.50	118.79	76.13	69.98
Scrap Sale	21.62	12.60	18.81	46.15
	76.12	131.39	94.94	116.13
	14,687.50	**26588.15**	**18783.13**	**10900.92**

Note 21 - Other income

(Amt in Rs. Lakhs)

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Interest on fixed deposits with banks	16.87	13.82	26.00	19.29
Gain on foreign exchange fluctuation	19.45	0.00	36.45	0.00
Miscellaneous income	8.49	41.87	1.34	6.82
	44.81	**55.69**	**63.79**	**26.11**

Note 22 - Cost of materials consumed

(Amt in Rs. Lakhs)

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Inventory of raw materials at the beginning of the year	4,830.84	4791.39	2993.54	2712.51
Purchases	11,911.87	20368.49	16606.50	7927.20
	16,742.71	**25159.88**	**19600.04**	**10639.71**
Less: Inventory of raw materials at the end of the year	4,969.00	4830.84	4791.39	2993.54
	11,773.71	**20329.04**	**14808.65**	**7646.17**

(a) Details of raw material and components consumed

(Amt in Rs. Lakhs)

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Copper	3,532.11	6098.71	4462.60	2293.85
CRNGO	1,295.11	2236.19	1628.95	841.08
Steel, and Structure	2,825.69	4878.97	3554.08	1835.08
Other Materials	4,120.80	7115.17	5183.03	2676.16
	11,773.71	**20329.04**	**14808.65**	**7646.17**

(b) Value of imported and indigenous raw materials consumed

(Amt in Rs. Lakhs)

Particulars			31 March 2023		31 March 2022		31 March 2021	
	Amount	%	Amount	%	Amount	%	Amount	%
Imported	306.86	2.61%	2665.98	13.11%	1493.47	10.09%	809.22	10.43%
Indigenous	11,466.85	97.39%	17663.06	86.89%	13315.18	89.91%	6836.95	89.57%
	11,773.71	**100.00%**	**20329.04**	**100.00%**	**14808.65**	**100.00%**	**7646.17**	**100.00%**

(c) Details of closing inventory of raw material and components

(Amt in Rs. Lakhs)

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Copper	966.95	717.50	786.86	461.21
CRNGO	562.06	608.37	38.49	105.28
Steel, and Structure	31.90	387.67	394.42	253.22
Other Materials	3,408.09	3117.30	3571.62	2173.83
	4,969.00	**4830.84**	**4791.39**	**2993.54**

Note 23 - Changes in inventories of finished goods and work-in-progress

(Amt in Rs. Lakhs)

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Opening stock				
Finished goods	284.68	352.55	201.16	210.56
Work-in-progress	1,993.82	1707.17	2141.99	2089.21
	2,278.50	**2059.72**	**2343.15**	**2299.77**
Closing stock				
Finished goods	695.10	284.68	352.55	201.16
Work-in-progress	2,191.90	1993.82	1707.17	2141.99
	2,887.00	**2278.50**	**2059.72**	**2343.15**
	(608.50)	**(218.78)**	**283.43**	**(43.38)**

Note 24 - Employee benefits expense

(Amt in Rs. Lakhs)

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Salaries, wages and bonus	638.80	1134.33	908.98	576.97
Contribution to provident and other funds	35.40	65.62	55.86	40.49
Staff welfare expenses	103.55	105.08	67.92	51.73
	777.75	**1305.03**	**1032.76**	**669.19**

Note 25 - Finance costs

(Amt in Rs. Lakhs)

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Interest expense				
On bank loan	185.01	439.35	381.25	626.08
On assets on finance lease	1.72	3.72	4.12	2.14
Other borrowing costs	15.77	47.16	52.24	20.35
Bank charges	47.99	93.57	61.74	57.91

	250.49	**583.80**	**499.35**	**706.48**

Note 26- Depreciation and amortization expense

(Amt in Rs. Lakhs)

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
on tangible assets (refer note 11)	148.59	232.37	203.08	210.44
on intangible assets (refer note 12)	13.13	10.45	2.94	0.00
	161.72	**242.82**	**206.02**	**210.44**

Note 27 - Other expenses

(Amt in Rs. Lakhs)

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Consumption of stores and spare parts	119.12	184.93	155.44	128.97
Labour Charges	121.14	344.19	232.33	106.34
Erection & Commissioning	10.15	105.26	23.90	3.30
Power and fuel	66.48	98.36	83.32	73.74
Freight, clearing and forwarding	44.77	133.77	151.61	37.04
Packing charges	81.30	179.40	130.31	85.95
Rent	62.05	122.37	114.02	112.96
Repairs to:				0.00
Plant and machinery	9.91	32.77	12.37	3.75
Building	4.48	6.20	1.25	1.98
Computer	1.01	4.93	19.79	4.51
Others	31.28	61.94	23.83	15.58
Insurance	16.44	36.05	33.65	24.46
Rates and taxes	2.42	17.83	4.99	1.04
Travelling and conveyance expenses	30.34	46.93	54.56	55.34
Legal and professional fees	132.00	198.46	129.03	85.54
Payment to auditors' (refer note (a) below)	27.25	19.15	11.10	3.85
Advertisement and Sales Promotion	96.29	102.52	16.59	15.87
Security Service Charges	21.32	30.38	15.12	14.57
Research and Development Expense	0.05	2.49	1.03	2.47
Telephone and communication expenses	13.23	15.13	10.27	7.01
Provision for doubtful debts and advances	65.04	30.00	21.00	0.00
	9.49	-	-	-
Provision for Warranty (Refer Note 29 b)	92.81	169.35	96.16	164.04
Bad Debt/Advance Written Off	2.04	25.45	65.16	35.18
Loss on sale/discard of fixed assets	-	1.23	63.53	0.00
Selling Expenses	277.67	374.35	362.79	280.52
Loss on foreign exchange fluctuation	-	28.35	0.00	24.86
Miscellaneous expenses	30.38	46.67	31.56	23.74
	1,368.46	**2418.46**	**1864.71**	**1312.61**

a. Payment to auditors':	30 September 2023	31 March 2023	31 March 2022	31 March 20’1
As auditors':				
Statutory audit	11.50	10.00	10.00	2.50
Tax audit	0.75	1.50	1.10	1.00
Other Services	15.00	7.65	0.00	0.35
	27.25	**19.15**	**11.10**	**3.85**

Note 28 - Earnings per share (EPS)

(Amt in Rs. Lakhs except otherwise stated)

Particulars		30 September 2023	31 March 2023	31 March 2022	31 March 2021
Profit after tax as reported	(a)	759.34	1400.41	110.10	309.12
Net Profit attributable to Equity Shareholders for calculation of basic and diluted (Rs in lakhs)	(b)	759.34	1400.41	110.10	309.12
Weighted average number of equity shares outstanding during the year for calculation of basic and diluted (in no's)	(c)	1,38,48,729	13,848,729	13,762,613	13,748,711
Basic EPS of Rs 10 each	(d) = (b) / (c)	**5.48**	**10.11**	**0.80**	**2.25**
Diluted EPS of Rs 10 each	(d) = (b) / (c)	**5.48**	**10.11**	**0.80**	**2.25**
Nominal value of equity share (in Rs)		**10.00**	**10.00**	**10.00**	**10.00**

* Pursuant to the approval of the shareholders in Extra-Ordinary General Meeting held on August 08, 2023, the company has allotted 46,16,243 equity shares of Rs. 10 each as fully paid-up bonus shares in the ratio of 1 (One) equity share for every 2 (two) equity share outstanding on the record date i.e. August 09, 2023. Consequent to this bonus issue, the Earning per share (EPS) have been restated for all comparative years as per Accounting Standard (AS) 20 - Earnings Per Share.

Pursuant to the approval of the shareholders in Extra-Ordinary General Meeting held on July 12, 2023, the authorized share capital of the Company has been increased to 1,900 Lacs from INR 1,500 lacs.

Note 29 - Contingent liabilities and Commitments

(to the extent not provided for)

(Amt in Rs. Lakhs)

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
a) Contingent Liabilities:				
(i) Guarantee Issued By Bank	374.56	187.11	170.72	192.31
(ii) Letter of Credit By Bank	2,750.38	2708.61	1727.04	1127.86

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
b) Provision for Warranty				
Opening Balance of Provision for Warranty	137.76	93.23	64.99	0.00
Add : Created during the year	92.81	169.35	93.23	64.99
Less : Utilized during the year	86.97	124.82	64.99	0.00
Closing Balance of Provision for Warranty	**143.60**	**137.76**	**93.23**	**64.99**

Note 30 - CIF value of imports

(Amt in Rs. Lakhs)

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Raw materials	310.46	2671.15	1674.79	838.96
	310.46	2671.15	1674.79	838.96

Note 31 - Expenditure in foreign currency

(Amt in Rs. Lakhs)

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Research and Development Expenses	-	2.49	1.03	0.34
License fees	-	0.00	7.03	0.00

Erection & Commissioning	37.07	83.29	18.31	8.51
Advertisement and Sales Promotion	25.37			
Commission	-	73.99	0.00	16.23
Travelling and conveyance	24.85	17.99	1.34	2.26
Total Expenditure in foreign currency	**87.29**	**177.76**	**27.71**	**27.34**

Note 32 - Earnings in foreign currency

(Amt in Rs. Lakhs)

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Exports at F.O.B. Value	3,088.51	6826.20	3743.40	3784.77
Total Earning in foreign currency	**3,088.51**	**6826.20**	**3743.40**	**3784.77**

Note 33 - Leases

Operating lease: Company as lessee

The Company has entered into commercial leases on certain motor vehicles and items of machinery. These leases have an average life of between three and five years with no renewal option included in the contracts. There are no restrictions placed upon the Company by entering into these leases.

(Amt in Rs. Lakhs)

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
	Minimum payments	Minimum payments	Minimum payments	Minimum payments
Within one year	-	115.20	104.55	102.00
After one year but not more than five years	-	239.20	332.35	436.90
More than five years	-	0.00	0.00	0.00

Note 34 - Corporate Social Responsibility

Particulars	For the Six Months Period ended 30 September 2023	For the Year ended 31 March 2023	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Amount required to be spent by the Company during the year/period as per section 135 for the Companies Act 2013	9.49	-	-	-
Amount approved by the Board	9.49	-	-	-
Amount of expenditure incurred during the period	2.95	-	-	-
Amount of shortfall for the period	6.54	-	-	-
Amount of cumulative shortfall at the end of the period	6.54	-	-	-

Reason for Shortfall

The Company is in its first year of CSR activities and is planning to incur the shortfall amount in the next half of the financial year.

Details of CSR Expenses incurred

a) Contribution to School of Fitness and Personality Development (a Trust registered with ROC for undertaking CSR activities)	1.00	-	-	-
b) Contribution to Kharagpur Yuba Sangha Club for Social Work Project	1.50	-	-	-
c) Contribution to Footstep Foundation for Promoting Education	0.45	-	-	-
	2.95	**-**	**-**	

Note 35 - Employee benefits: Post employment benefit plans

1. Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Superannuation Fund, which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue

2. Defined benefit plans

The following table summarizes the position of assets and obligations relating to the gratuity plan:

(Amt in Rs. Lakhs)

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Net Asset / (liability) recognized in Balance sheet as at the year end				
Fair value of plan assets	**-**	0.00	0.00	0.00
Present value of obligations	**161.80**	150.55	146.45	112.22
Asset / (liability) recognized in balance sheet	**(161.80)**	(150.55)	(146.45)	(112.22)
Classification into current/ non-current				
Current portion	**15.16**	**12.67**	**9.34**	**8.38**
Non-current portion	**146.64**	**137.88**	**137.11**	**103.84**
Movement in present value of defined benefit obligations				
Opening Defined benefit obligation	150.55	146.45	112.22	85.34
Current service cost	6.12	12.35	24.53	16.34
Interest cost	5.42	10.11	7.09	5.56
Actuarial (gains) / losses	11.91	(11.45)	12.08	9.59
Benefits paid by the plan	(12.21)	(6.91)	(9.48)	(4.61)
Closing Defined benefit obligations	**161.80**	**150.55**	**146.45**	**112.22**
Composition of plan assets				
Qualifying insurance policies	0%	0%	0%	0%
Current service cost	6.12	12.35	10.07	7.94
Interest on obligation	5.42	10.11	7.09	5.56
Expected return on plan assets	-	0.00	0.00	0.00
Net actuarial (gain)/ loss recognized in the year	11.91	(11.45)	12.08	9.59
Total included in 'Employee benefits expense' (refer note 23)	**23.45**	**11.01**	**29.24**	**23.09**
Principal actuarial assumptions				
Discount rate	**7.20%**	**7.20%**	**6.60%**	**6.70%**
Expected return on plan assets	**NA**	**NA**	**NA**	**NA**
Salary growth rate	**5.00%**	**5.00%**	**5.00%**	**5.00%**

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Discount rate is based on the prevailing market yield of Indian Government securities as at the yearend for the estimated term of the obligation.
Assumptions regarding future mortality are based on published statistics and mortality tables. The calculation of the defined benefit obligation is sensitive to the mortality assumptions.

Five-year information	**30 September 2023**	**31 March 2023**	**31 March 2022**	**31 March 2021**	**31 March 2020**
Amounts for the current and previous four periods are as follows:					
Gratuity					
Present Value of defined benefit obligation	161.80	150.55	146.45	112.22	85.34
Fair value of plan assets	-	0.00	0.00	0.00	0.00
Surplus / (deficit) in the plan	(161.80)	(150.55)	(146.45)	(112.22)	(85.34)
Experience adjustments arising on plan liabilities [(gain)/ loss]	(11.18)	(11.18)	(19.66)	(8.71)	(1.51)
Experience adjustments arising on plan assets [gain/ (loss)]	-	0.00	0.00	0.00	0.00
Actuarial gain/(loss) due to change in assumption	-	0.00	7.59	(0.89)	(2.28)

Note 36 - Information in accordance with the requirements of Accounting Standard 18 on Related Party Disclosures

(iii) List of related party and relationship where control exists

d) Enterprises having control over the Company with which transaction has taken place during the year and previous year.
Megatherm Electronics Private Limited - Immediate holding company

e) Fellow Subsidiaries (with whom transactions have taken place during the year and previous year):
EMT Megatherm Private Limited

f) Enterprises having significant influence over the Company with which transaction has taken place during the year and previous year.
SC Aqua Vitae Private Limited

(iv) Names of the other related parties with whom transactions have taken place during the year

b) Key Managerial Personnel
Mr. Shesadri Bhusan Chanda, Chairman and Managing Director
Mr. Satadri Chanda, Director
Mr. Vikas Varshneya , Director (up to 16-07-2021)
Mrs. Christina Paulchowdhury
Mrs. Nisha Bhopalka, C.S
Mrs. Abanti Saha Basu, C.S. (w.e.f9.2023)

(iii) Details of transactions with related parties
(Amt in Rs. Lakhs)

Particulars	**30 September 2023**	**31 March 2023**	**31 March 2022**	**31 March 2021**
Relating to Profit and Loss account				
Sale of Products/services				
EMT Megatherm Private Limited	1,433.17	0.00	564.22	699.02

Megatherm Electronics Private Limited	1,230.01	1816.61	564.89	242.72
Purchase of Products/Services				
EMT Megatherm Private Limited	624.48	0.00	0.00	1198.01
Sale of Export Licenses				
Megatherm Electronics Private Limited	-	0.00	6.74	0.00
Interest Expenses				
Megatherm Electronics Private Limited	-	19.83	20.40	105.22
Rent and Electricity Expenses				
Megatherm Electronics Private Limited	63.50	115.77	110.72	111.41
Salaries/ Managerial Remuneration				
Mr. Shesadri Bhusan Chanda	31.20	62.40	28.00	18.00
Mr. Satadri Chanda	43.50	82.90	38.50	24.00
Mr. Vikas Varshneya , Director (upto 16-07-2021)	0.00	0.00	5.80	12.50
Mrs Abanti Saha Basu , C.S	0.22	0.00	0.00	0.00
Mrs. Nisha Bhopalka , C.S	0.55	1.44	1.49	1.49
Relating to Balance Sheet				
Loan Repayment				
Megatherm Electronics Private Limited	0.00	204.00	0.00	900.00
Asset Purchased				
Megatherm Electronics Private Limited	738.86	0.00	0.00	0.00
EMT Megatherm Private Limited	0.00	0.00	138.77	0.00
Advance given				
Megatherm Electronics Private Limited	675.00	1450.00	0.00	0.00
SC Aqua Vitae Private Limited	0.00	0.00	6.00	0.00
Advance refunded				
Megatherm Electronics Private Limited	0.00	1450.00	0.00	0.00
SC Aqua Vitae Private Limited	0.00	6.00	0.00	0.00
Trademark on lease				
Megatherm Electronics Private Limited	400.00	0.00	0.00	0.00
Balances at the year end				
Particulars	**30 September 2023**	**31 March 2023**	**31 March 2022**	**31 March 2021**
Trade Receivables				
EMT Megatherm Private Limited	984.89	0.00	757.48	185.12
Megatherm Electronics Private Limited	331.29	1293.27	603.42	1065.92
Advance to supplier and others				
SC Aqua Vitae Private Limited	0.00	0.00	6.00	0.00
Closing Balance in Interest Payable				
Megatherm Electronics Private Limited	0.00	0.00	18.36	20.39
Closing Balance in Loan				

Megatherm Electronics Private Limited	0.00	0.00	204.00	220.50

Note 37 - Capital-Work-in Progress (CWIP)
For Capital-work-in progress ageing schedule
(Amt in Rs. Lakhs)

CWIP	As on September 30, 2023				Total
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	160.40	-	-	0.43	160.83
Total	**160.40**	**-**	**-**	**0.43**	**160.83**

(Amt in Rs. Lakhs)

CWIP	As on March 31, 2023				Total
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	61.09	0.00	0.00	0.43	61.52
Total	**61.09**	**0.00**	**0.00**	**0.43**	**61.52**

CWIP	As on March 31, 2022				Total
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	234.49	5.73	3.12	4.55	247.89
Total	**234.49**	**5.73**	**3.12**	**4.55**	**247.89**

CWIP	As on March 31, 2021				Total
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	5.78	3.12	4.54	0.00	13.43
Total	**5.78**	**3.12**	**4.54**	**0.00**	**13.43**

Note 38 - Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions
(Amt in Rs. Lakhs)

Name of the Bank	Aggregate Working Capital Limits sanctioned	Amount Utilized During Quarter	Quarter Ended	Amount disclosed as per quarterly return/ statement	Amount as per books of accounts	Amount of difference	Reason for Material Variance
Indian Bank	2700.00	2557.67	June 30, 2023	2718.42	6315.81	(2597.39)	The Company has not considered the trade receivables due for more than 90 days and balances with Group Companies in the quarterly statement.
		2663.76	June 30, 2022	3670.03	6299.38	(2629.35)	
		1897.88	June 30, 2021	3105.78	4462.74	(1356.96)	
		2121.11	June 30, 2020	2890.38	2999.85	(109.47)	
		2512.15	September 30, 2023	4301.68	6006.67	(1704.99)	
		2652.98	September 30, 2022	4790.78	6181.48	(1390.70)	
		1481.13	September 30, 2021	3074.84	3631.56	(556.72)	
		1650.19	September 30, 2020	2939.08	3437.30	(498.22)	
		2464.70	December 31,2022	5547.57	7240.07	(1692.50)	
		1890.36	December 31,2021	4413.51	4901.76	(488.25)	

		1852.65	December 31,2020	2981.91	5444.56	(2462.65)	
		2213.34	March, 31, 2023	4202.32	6014.64	(1812.32)	
		2128.45	March, 31, 2022	3558.88	5609.48	(2050.60)	
		1829.22	March, 31, 2021	2995.49	4633.17	(1637.68)	

Note 39 - Willful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institutions in the six months period ended September 30, 2023and in the year ended March 31, 2023, March 31, 2022 and March 31, 2021.

Note 40 - Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, in the six months period ended September 30, 2023 , in the year ended March 31, 2023, March 31, 2022 and March 31, 2021.

Note 41 - Registration of charges or satisfaction with Registrar of Companies

A brief description of the charges or satisfaction	The location of the Registrar	The period (in days or months) by which such charge had to be registered as on September 30, 2023	The period (in days or months) by which such charge had to be registered as on March 31, 2023	The period (in days or months) by which such charge had to be registered as on March 31, 2022	The period (in days or months) by which such charge had to be registered as on March 31, 2021	Reason for delay in registration
Motor Vehicle	Kolkata	34	28	16	4	No delay
Immovable property or any interest therein; Book debts; other assets of the company	Kolkata	117	111	99	87	No delay

Note - 43 Utilization of Borrowed funds and share premium:

(i) The Company has not advanced or loaned or invested funds in six months period ended September 30, 2023 ,March 31, 2023, March 31, 2022 and March 31, 2021 to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ii) The Company has not received any fund in six months period ended September 30, 2023 ,and year ended March 31, 2023, March 31, 2022 and March 31, 2021 from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

Note 44 - Undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the six months Period ended September 30, 2023, year ended March 31, 2023, year ended March 31, 2022 and year ended March 31, 2021 in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

Note 45 - Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the six months period ended September 30, 2023, year ended March 31, 2023, year ended March 31, 2022 and year ended March 31, 2021.

Note 46 - Details of Benami Property held

'The Company does not have any Benami property in six months period ended September 30, 2023, year ended March 31, 2023, year ended March 31, 2022 and year ended March 31, 2021 where any proceeding has been initiated or pending against the company for holding any Benami property.

Note 47 - Segment information

Primary Segment Information (Business Segment)

Segments have been identified in line with the Accounting Standard 17 - Segment Reporting, taking into account the nature of products and services, the different risks and returns, the organizational structure and the internal financial reporting system. The Company is engaged in the business of manufacturing and sale of induction. It has manufacturing location in India only. Based on the dominant source and nature of risk and returns of the Company, its internal organization and management structure and its system of internal financial reporting, business segment has been identified as the primary segment. The Company has only one business segment.

Secondary Segment Information (Geographical Segment)

(Amt in Rs. Lakhs)

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
Revenue by Geographical Market				
In India	11,598.99	19761.95	15039.73	7116.15
Outside India	3,088.51	6826.20	3743.40	3784.77
Total	**14,687.50**	**26588.15**	**18783.13**	**10900.92**
Carrying Amount of Segment Assets				
In India	20,749.33	18747.03	16601.53	13876.88
Outside India	293.04	450.84	661.24	768.18
Total	**21,042.37**	**19197.87**	**17262.76**	**14645.06**
Additions to Property, Plant and Equipment (including movement in CWIP)				
In India	883.99	1906.00	446.24	94.71
Outside India	-	0.00	0.00	0.00
Total	**883.99**	**1906.00**	**446.24**	**94.71**

Note 48 - Unhedged foreign currency exposures

Foreign currency exposures on account of trade receivables / trade payables not hedged by derivative instruments are as follows:

(Amt in Rs. Lakhs)

Particulars	30 September 2023	31st March 2023	31st March 2022	31st March 2021

	Currency	Amount in FC	Amount	Currency	Amount in FC	Amount	Currency	Amount in FC	Amount	Currency	Amount in FC	Amount
Trade Receivable	**USD**	**3.50**	**290.94**	USD	5.49	450.84	USD	8.76	661.24	USD	10.49	768.18
Trade Payable	**USD**	**9.49**	**788.81**	USD	6.66	547.09	USD	5.82	439.49	USD	4.47	327.45
Trade Payable	**EUR**	**0.14**	**11.91**	EUR	0.14	12.09	-	-	-	-	-	-

Note - 49 The Social Security Code, 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note - 50

The company is in process of listing on SME Platform of National Stock Exchange (NSE) and has filed the Draft red herring prospectus ("DRHP" or "offer document") in connection with proposed Initial Public Offering of its equity shares of face value of Rs 10 each of the Company comprising a fresh issue of equity shares.

Note :51

Previous year's figures have been regrouped / reclassified wherever necessary to conform to current year's classification/ disclosure.

Note - 42 Ratios

		Ratios 's on						
Ratios	**'For the Six Months Period ended 30 September 2023**	**31st March 2023**	**31st March 2022**	**31st March 2021**	**Variation as on March 2023**	**Variation as on March 2022**	**Reason (If variation is more than 25%)**	**Reason (If variation is more than 25%)**
Current Ratio	1.00	1.01	1.05	1.13	(3.80)%	(7.23)%		
Debt-Equity Ratio	0.77	0.85	1.10	1.23	(23.30)%	(10.49)%		
Debt Service Coverage Ratio	3.33	1.67	0.82	0.99	102.39%	(16.37)%	The increase in Debt Service Coverage Ratio is mainly due to increase in margins on product sold on account of increase in sales price of products and also per unit cost of production reduced as compared to previous year.	
Return on Equity Ratio	13.04	27.66	3.01	8.80	820.14%	(65.84)%	The increase in Return on Equity is mainly due to increase in gross margin of product sold on account of increase in sales price of products.	The decrease in Return on Equity is mainly due to decrease in gross margin of product sold on account of hike in sales price of products.
Inventory Turnover Ratio	1.49	2.88	2.48	1.47	16.33%	68.56%		There is increase in Inventory Turnover ratio is mainly due to increase in raw material prices which leads to increase in values of stock.

Trade Receivables Turnover Ratio	5.13	9.55	7.52	6.44	27.00%	16.85%	The increase in Trade Receivable turnover ratio is mainly due to increase in the sales on account of increase in price of product and customer base of the company as compared to previous year.	
Trade Payables Turnover Ratio	3.11	5.79	5.56	1.57	4.09%	254.55%		There is increase in Trade payable turnover Ratio as the suppliers of the company has reduced the credit period as compared to last year.
Net Capital Turnover Ratio	299.15	81.50	21.82	10.12	273.47%	115.62%	There is increase in net capital turnover ratio due to increase in the sales on account of increase in price of product and customer base of the company as compared to previous year and also there is lower utilization of working capital in current year.	There is increase in net capital turnover ratio due to increase in the sales on account of increase in price of product and customer base of the company as compared to previous year and also there is lower utilization of working capital in current year.
Net Profit Ratio	0.05	0.05	0.01	0.03	798.60%	(79.33)%	The increase in net profit ratio is mainly due to increase in margins on product sold on account of increase in sales price of products.	The decrease in net profit ratio is mainly due to decrease in margins on product sold on account of hike in raw material price.

Return on Capital Employed	0.16	0.35	0.11	0.19	223.67%	(41.94)%	The is increase in Return on Capital Employed is mainly due to increase in margins on product sold on account of increase in sales price of products and also per unit cost of production reduced as compared to previous year.	There is decrease in Return on Capital employed is mainly due to decrease in margins on product sold on account of hike in raw materials prices.
Return on Investment	0.13	0.28	0.03	0.09	820.14%	(65.84)%	The increase in Return on Capital Employed is mainly due to increase in margins on product sold on account of increase in sales price of products and also per unit cost of production reduced as compared to previous year.	There is decrease in Return on Investment is mainly due to decrease in margins on product sold on account of hike in raw materials prices.

OTHER FINANCIAL INFORMATION

The audited financial statements of our Company as at and for the period September 30, 2023, year ended March 31, 2023 March 31, 2022 and March 31, 2021 and their respective Audit reports thereon (Audited Financial Statements) at www.megatherm.com.

Our Company is providing a link to this website solely to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) Red Herring Prospectus (iii) Prospectus, a statement in lieu of a prospectus, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. Neither our Company, nor BRLM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below: -

Particular	30/09/2023	31/03/2023	31/03/2022	31/03/2021
Profit After Tax (Rs. in lakhs)	759.34	1,400.41	110.10	309.12
Basic & Diluted Earnings per Share (Based in Weighted Average Number of Shares)*	5.48	10.11	0.80	2.25
Return on Net Worth (%)	13.04%	27.66%	3.01%	8.80%
NAV per Equity Shares (Based on Actual Number of Shares)	42.04	54.84	39.67	38.46
NAV per Equity Shares (Based on Weighted Average Number of Shares - With Bonus Effect)*	42.04	36.56	26.44	25.55
Earnings before interest, tax, depreciation and amortization (EBITDA)	1376.08	2754.40	793.58	1316.33

**based on weighted average number of shares after considering the effect of bonus issue made by the company on August 09, 2023 in the ratio of 1 equity share for every 2 equity shares held.*

STATEMENT OF FINANCIAL INDEBTEDNESS

To,
The Board of Directors,
The Board of Directors
Megatherm Induction Limited
(formerly known as Megatherm Induction Private Limited)
Plot- L1 Block GP, Sector V,
Electronics Complex Salt lake City
Kolkata-700091, West Bengal

Dear Sirs,
Based on the independent examination of Books of Accounts, Audited/Restated Financial Statements and other documents of **Megatherm Induction Limited** and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details as on September 30, 2023 are mentioned below.

A. SECURED LOANS

STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

Name of Lender	Loan/ Agreement A/c No./Ref. No.	Purpose	Sanctioned Amount (Rs. In Lakhs)	Rate of interest	Primary & Collateral Security	Re-Payment Schedule	Outstanding amount as on 30.09.2023 as per Books (Rs. In Lakhs)
Indian Bank	50261504101	Term Loan	2100.00	10.75%	**Primary Security**: Charge on Plant & Machinery and other fixed assets of the company acquired through Term loan. • Equitable Mortgage of factory land along with building & other structures built up/constructed located	First 24 Quarterly Ballooning starting from June'16 instalments of Rs 96.00 Lacs per Qtr. (except Rs. 45.00 Lacs for FY 16-17)	422.56
Indian Bank	58004426682	Covid term loan 20%	541.00	9.25%		Repayable in 36 equated monthly instalments of Rs. 16.83 lacs commencing from 13th month from the date of first disbursement	162.56

Indian bank	7204056815	Term Loan	500.00	10.75%	at JL 226, Mouza Malipur, Baridiha, Dist: · Paschim, Mednipur, PS: Kharagpur, West Bengal **Collateral Security**: Refer Note 1 **Guarantee**: Refer Note 2	Repayable in 20 quarterly instalments of Rs. 25.00 Lacs commencing from 31-12-2022.	429.24
Indian Bank	7209968838	GECL Loan Account	400.00	9.25%		Repayable in 36 equated monthly instalments of commencing from 25th month from the date of disbursement.	403.04
Indian Bank	7417195951	Open Term Loan	540.00	10.75%		Repayable in 16 quarterly instalments of Rs. 34.00 Lacs commencing from 7th month from the date of disbursement	509.99
Indian Bank	50410208036	Cash Credit	2700.00	10.75%	**Primary Security**: Hypothecation charge the company's stocks of materials, receivables and other current assets of the company **Collateral Security**: Refer Note 1 **Guarantee**: Refer Note 2	Repayable on demand	2520.80
HDFC Equipment Loan	84766357	CEMID Equipment loan	14.00	10.35%	**Primary Security**: G H Crane	Repayable in 47 equated monthly instalments of Rs. 36358 commencing from 01.10.2020	3.80
HDFC Equipment Loan	84766344	CEMID Equipment loan	12.50	10.35%	**Primary Security**: G H Crane	Repayable in 47 equated monthly instalments of Rs. 32463 commencing from 01.10.2020	3.39
HDFC Equipment Loan	84529352	CEMID Equipment loan	13.75	10.55%	**Primary Security**: Escorts Hydra	Repayable in 47 equated monthly instalments of Rs. 35839 commencing from 01.10.2020	3.74
PNB Car Loan	454800NG00000239	Car Loan	11.00	8.00%	**Primary Security**: Hypothecation of vehicle	Repayable in 60 equated monthly instalments of Rs. 22068.	5.46

					Guarantee: Satadri Chanda		
Axis Bank	AUR031907828586	Car Loan	15.70	8.75%	**Primary Security**: Hypothecation of vehicle **Guarantee:** Satadri Chanda	Repayable in 60 equated monthly instalments of Rs. 32400 commencing from 01.09.2022	12.81
Axis Bank	AUR031907820603	Car Loan	4.05	8.85%	**Primary Security**: Hypothecation of vehicle **Guarantee:** Satadri Chanda	Repayable in 60 equated monthly instalments of Rs. 12547 commencing from 01.12.2022	3.06
TOTAL (Fund Based)							**4480.46**
TOTAL (Non-Fund Based)							**3124.94**
GRAND TOTAL (Fund and Non fund Based)							**7605.40**

Note 1: Collateral Security -:

- Equitable Mortgage of land admeasuring 5 acres leased out by WBIDC for 99 years located at JL No: 227, Plot No H312, Mouza Baridiha, Dist Paschim Mednipur, PS. Kharagpur, West Bengal.
- Equitable Mortgage of residential plot being premises No.05-0685, Street No.2128,.Block II C, Rajarhat, New Town, 24 Pgs (north) in the joint name of SB Chanda & Smt. Ayati Chanda
- Equitable Mortgage of 2100 sq ft residential flat being premises no UDITA, Tower Tritiya, Flat No 402/1050/1, Survey Park, Kolkata- 700075 in the joint name of SB Chanda & Ayati Chanda
- Equitable Mortgage of 924 sq ft residential flat premises no 1 E Baikunth,114 NSC Bose Road, Tollygunge, Kolkata-700040 in the name of Ayati Chanda.
- Equitable Mortgage of 1210 sq ft residential flat being premises no UDITA, Tower Tritiya Flat no 401, 1050/1, Survey Park, Kolkata-700075 in the name of Megatherm Induction Limited.
- Equitable mortgage of leasehold property of 1360 sq ft of commercial premise being Module no 123, SDF Building, Sector V Salt Lake City, Kolkata-700091 (Leasehold property, Lessor: Megatherm Electronics Pvt Ltd., Lessee: Megatherm Induction Pvt Ltd.)
- Pledge of FDR
- Pledge of shares held by MEPL (holding company) in the name of Megatherm Induction Pvt Ltd (MIPL) to the extent of 30% of paid up capital of MIPL with the bank, which will be held as collateral till repayment of TL in full.
- Proposed Pledge of FDR
- LC/BG margin @ 10%

Note 2:

Further the financial facilities by Indian Bank have personal guarantee of –

- Shesadri Bhushan Chanda

- Satadri Chanda
- Ayati Chanda (As property owner)

Terms and Condition of the above loan –

- The party will submit Qls / MSOD within time frame and in case of delay, penal charges to be levied as per the extant guidelines.
- All assets charged to the Bank shall be adequately insured against all attendant risks at the expense of the borrower(s) except for those where specific relaxation has been permitted by the bank. The Insurance policy with the Bank clause (viz. Bank as mortgagee, hypothecate or pledgee as the case may be) shall be lodged with the Bank. The insurance cover shall be kept in force at all times through prompt renewals and with-suitable enhancements to include any increase in the value-of securities.
- Bank will have the right to examine at all times the borrower's books of accounts and to have the borrower's factories/units inspected, from time to time, by officer(s) of the Bank and lor qualified auditors and/ or technical experts and or managements consultants of the Bank's choice.
- Cost of such inspection shall be borne by the borrower.
- The borrower will provide information as reasonably required by the lender including, annual reports, yearly covenants compliance certificates etc.
- Wherever registration of charge with Registrar of Companies (ROC) is necessary, it should be complied within the mandatory period as per ROC guidelines.
- The Bank reserves the right to discontinue the facility, withhold 1 stop disbursement with giving notice in case of non-compliance/ breach of any of the terms & conditions stipulated herein above and lor to be stipulated from time to time or any information / particulars furnished to us is found to be incorrect or in case of any development which in the opinion of the bank is prejudice to the interest of the Bank.
- All Mandatory Covenants/ Mandatory Negative Covenants / General terms and conditions will be applicable as per Circular ADV-11 0/20 16-17 dat18.08.2016.

B. B. UNSECURED LOANS- Nil

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Yours faithfully,

For P Khetan & Co.
Chartered Accountants
FRN: 327386E

Pankaj Kumar Khetan
Partner
Membership No. 066080
Place: Kolkata
Date: January 18, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

*You should read the following discussion in conjunction with our restated financial statements attached in the chapter titled **"Financial Information of the Company"** beginning on page 157. You should also read the section titled **"Risk Factors"** on page 25 and the section titled **"Forward Looking Statements"** on page 18 of this Red Herring Prospectus, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. The following discussion relates to us, and, unless otherwise stated or the context requires otherwise, is based on our Restated financial Statements. Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditor dated June 14, 2023 which is included in this Red Herring Prospectus under "Financial Statements". The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.*

Business Overview

Our company is engaged in the business of manufacturing of induction heating and melting products by means of electric induction like induction melting furnace and induction heating equipment. Besides induction melting & heating equipments our company produces various up-stream & down-stream plant & machineries associated with steel melt shops such as, transformers, ladle refining furnaces, continuous casting machines, fume extraction systems etc. Our Company also manufacturers electric arc furnaces for alloys & special steel making industries, our services portfolio includes turnkey solutions for steel plant, which involves design, engineering, supply, erection & commissioning of the steel melt shops using both insourced & outsourced plant & machineries and after sales service, involving maintenance contracts & spare parts business.

Following are the key industries to which the products manufactured by our company caters to–

1. Secondary Steel producers involved in scrap recycling.
2. Primary Steel producers involved in conversion of iron ore into sponge iron & subsequent conversion into steel through Induction Melting.
3. Auto ancillaries
4. Ordnance factories & Railways
5. DI pipe producers and diverse engineering industries involved in producing critical parts in its captive casting, forging & metal working units.

Our company was incorporated as a private limited company in the year 2010, with the vision to make its presence across steel, foundry, forging and various other metal working sectors. We stated the construction of our manufacturing facility at Kharagpur, West Bengal during the year 2016. We started our operations of manufacturing the induction furnace in the fiscal 2018 and reached a turnover of 3833 lakhs during the first year of operation. Further, during the year 2021, our company forayed into the manufacturing of transformers segment to cater to the growing demand in the power distribution sector and industrial transformers in the country. As of the date of this Red Herring Prospectus, we own and operate from our manufacturing facility located at Kharagpur, West Bengal. Our annual aggregate installed capacity for manufacturing of furnace and transformers is around 300 numbers as of March 31, 2023.

Our company is the subsidiary of Megatherm Electronics Private Limited. The journey of the group started in the year 1989 with the manufacturing of induction melting & heating equipment. With our experience, we gradually expand our product portfolio including transformers, metallurgical equipment and allied axillary equipment. Apart from this, we have ventured into the business of installation and setting up of steel melt shops. The installation of these steel shops involved planning and understanding of the customer's requirements. The company provides a complete solution to the customers for their steel making needs and include equipment's like transformers, induction melting furnaces, static frequency converters, water cooling plant, fume extraction system, ladle refining furnaces, continuous casting machines, in line induction billet heaters etc. As on December 31, 2023, we have an order book of approximately Rs. 28000 Lakhs.

We have over the years, expanded our customer base spread across many countries around the globe. Further, because of our commitment towards customer satisfaction and performance of our equipment in different sectors and different industry have helped us increase our revenues and operations. We export our products to South America (e.g. Argentina, Brazil, etc), Africa (e.g. South Africa, Kenya, Tanzania, Ghana, Nigeria), Gulf (e.g. Saudi Arabia, UAE), Europe (e.g. Poland, France), SAARC (e.g. Bangladesh, Nepal,

Bhutan) and South East Asia (e.g. Indonesia, Malaysia). For Fiscals 2023, 2022 and 2021 our exports were Rs. 6826.20 lakhs, Rs. 3743.40 lakhs and Rs. 3784.77 lakhs which constituted 25.67%, 19.93%, and 34.72% of our revenue from operations respectively .

Our manufacturing facilities have been certified in accordance with international standards of quality management systems such as ISO 9001:2015 from SGS United Kingdom Limited. Further, making the product more energy efficient is very important to gain and maintain the market share. To make the products more energy efficient and meet the customer specifications, we undertake research and development activities.

Our Company is led by Mr. Shesadri Bhusan Chanda and Satadri Chanda who are the individual Promoter and Executive Director of the Company. Our Promoter, Chairman and Managing Director, Shesadri Bhusan Chanda has been associated with the Company since incorporation and provide strategic guidance and oversees overall performance of our Company. He is a Bachelor of Electrical Engineering and has a work experience of around 45 years in the induction heating and electro-technical industry. Our Promoter and Whole Time Director, Satadri Chanda, holds a master's degree in science with major in industrial engineering from Virginia Polytechnic Institute and State University and has over 2 years of experience management consultancy and around 7 years in the induction and electrical engineering industry, and drives new investment and growth strategy besides managing day to day operations of our Company. Our Promoters and senior management have been instrumental in the growth of our business.

Our manufacturing facility is equipped with requisite infrastructure including machineries, testing laboratory and other handling equipment to facilitate smooth manufacturing process. To ensure efficiency of the products we have designed and established testing at different levels of production. For our products to be effective we need to ensure that they deliver the desired results with minimal energy loss and maximum energy efficiency. To ascertain the suitability of our raw materials, we have in-house testing laboratory that is responsible for conducting tests on raw materials to check their physical properties, so as to ensure that the product conform with the pre-determined standards.

Financial Snapshot

(All amounts in Rs. Lakhs)

Key Financial Performance	For the year			
	30-Sept-23	31-Mar-23	31-Mar-22	31-Mar-21
Revenue from operations[(1)]	14687.50	26588.15	18783.13	10900.92
EBITDA[(2)]	1376.08	2754.40	793.58	1316.33
EBITDA Margin[(3)]	9.37%	10.36%	4.22%	12.08%
PAT	759.34	1400.41	110.10	309.12
PAT Margin[(4)]	5.17%	5.27%	0.59%	2.84%
Networth[(5)]	5821.98	5062.64	3662.23	3512.13
RoNW(%)[(6)]	13.04%	27.66%	3.01%	8.80%
RoCE (%)[(7)]	12.22%	27.47%	8.46%	14.44%

Notes:

(1)Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements

(2)EBITDA is calculated as Profit before tax + Depreciation + Finance Cost - Other Income

(3) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

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

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

(6) Return on Net Worth is ratio of Profit after Tax and Net Worth.

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

Our Registered and other office:-

Purpose of Use	Location
Registered Office	Plot- L1 Block GP, Sector V, Electronics Complex Salt lake City Kolkata-700091
Branch Office	SDF Building -123 Plot No: RS-3 Khatain: RS-1, Salt Lake Electronics complex, Kolkata 700091
Sales Office	2A/13, Alauddin Khan Bithi, City Centre, Aurobinda, Bardhaman, West Bengal-713216

Factory	Plot H 1, Vidyasagar Industrial Park, Village: Rupnarayanpur, Post: Jakpur, Kharagpur – 721301, Under WBEIDCL

Geography-wise revenue break-up

Particulars	Fiscal year ended							
	September 30, 2023	% of Revenue	2022-23	% of Revenue	2021-22	% of Revenue	2020-21	% of Revenue
India	11598.99	78.97	19761.95	74.33	15039.73	80.07	7116.15	65.28
Other countries	3088.51	21.03	6826.20	25.67	3743.40	19.93	3784.77	34.72
Total Revenue	**14687.50**	**100.00**	**26588.15**	**100.00**	**18783.13**	**100.00**	**10900.92**	**100.00**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to Annexure IV of Restated Financial Statements beginning on page 157 of this Red Herring Prospectus.

Factors Affecting our Results of Operations

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Inability to promptly identify and respond to changing customer preferences or evolving trends
3. Failure to successfully upgrade our product portfolio, from time to time;
4. Any change in government policies resulting in increases in taxes payable by us;
5. Our ability to retain our key managements persons and other employees;
6. Changes in laws and regulations that apply to the industries in which we operate.
7. Our ability to grow our business;
8. general economic, political and other risks that are out of our control;
9. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
10. Company's ability to successfully implement its growth strategy and expansion plans ;
11. failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
12. inability to successfully obtain registrations in a timely manner or at all;
13. occurrence of Environmental Problems & Uninsured Losses;
14. conflicts of interest with affiliated companies, the promoter group and other related parties;
15. any adverse outcome in the legal proceedings in which we are involved; and
16. Concentration of ownership among our Promoters.
17. We depend on our brand recognition and reputation and our failure to maintain or enhance our brand image could have a material adverse effect on our business, financial condition, and results of operations.

Discussion on Result of Operations

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the period September 30, 2023 and financial years ended on March 31, 2023, 2022 and 2021.

(Rs. in Lakhs)

Particulars	September 2023	% of Total Income	March 2023	% of Total Income	March 2022	% of Total Income	March 2021	% of Total Income
Revenue From Operation	14687.50	99.70	26,588.15	99.79	18,783.13	99.66	10,900.92	99.76
Other Income	44.81	0.30	55.69	0.21	63.79	0.34	26.11	0.24
Total Income	**14732.31**	100.00	**26,643.84**	**100.00**	**18,846.92**	**100.00**	**10,927.03**	**100.00**
Expenditure								

Cost of Material Consumed	11773.71	79.92	20,329.04	76.30	14,808.65	78.57	7,646.17	69.97
Changes in Inventory of WIP, Finished Goods and Stock in Trade	(608.50)	(4.13)	(218.78)	(0.82)	283.43	1.50	(43.38)	(0.40)
Employee Benefit Expenses	777.75	5.28	1,305.03	4.90	1,032.76	5.48	669.19	6.12
Finance Cost	250.49	1.70	583.80	2.19	499.35	2.65	706.48	6.47
Depreciation and Amortization Expenses	161.72	1.10	242.82	0.91	206.02	1.09	210.44	1.93
Other Expenses	1368.46	9.29	2,418.46	9.08	1,864.71	9.89	1,312.61	12.01
Total Expenditure	**13723.63**	93.15	**24,660.37**	**92.56**	**18,694.92**	**99.19**	**10,501.51**	**96.11**
Profit/(Loss) Before Tax	**1008.68**	6.85	**1983.47**	**7.44**	**152.00**	**0.81**	**425.52**	**3.89**
Tax Expense:								
Tax Expense for Current Year	240.84	1.63	530.97	1.99	98.67	0.52	86.93	0.80
Income Tax Relating to Earlier years	-		-	-	-	-	-	-
Deferred Tax	8.50	0.06	52.09	0.20	(56.77)	(0.30)	29.47	0.27
Net Current Tax Expenses	**249.34**	1.69	**583.06**	2.19	41.90	0.22	116.40	1.06
Profit/(Loss) for the Year	**759.34**	5.15	**1400.41**	**5.25**	**110.10**	**0.58**	**309.12**	**2.83**

Revenue from operations:

Revenue from operations mainly consists of revenue from manufacturing and sale of induction furnace, metal hardening machines, transformers etc., export incentives and sale of scrap.

Other Income:

Our other income primarily comprises of interest on fixed deposits with banks, gain on foreign exchange fluctuation and other miscellaneous income.

Total Expenses:

Company's expenses consist of operating cost like cost of material consumed, Employee benefits expense, Finance costs, Depreciation and amortization expenses and other expenses.

Employee benefits expense:

Our employee benefits expense primarily comprises of salaries, wages & bonus expenses, staff welfare expenses etc.

Finance Costs:

Our finance cost includes interest expense on borrowings, other borrowing costs and bank charges.

Depreciation and Amortization Expenses:

Depreciation includes depreciation on buildings, plant and machinery, material handling equipment, testing & inspection equipment, storage equipment & accessories, electrical installation, furniture and fixtures, office equipment, tools & equipment, vehicles, computer etc.

Other Expenses:

Our Other Expenses consists of selling expenses, labour charges, legal and professional fees, consumption of stores and spare parts

packing charges, provision for warranty, freight, clearing and forwarding, rent, erection & commissioning, advertisement and sales promotion, power and fuel and other miscellaneous expenses etc.

FINANCIAL PERFORMANCE HIGHLIGHTS FOR THE PERIOD ENDED SEPTEMBER 30, 2023

Revenue

Our revenue from operations were Rs. 14687.50 lakhs in six months period ended September 30, 2023. This comprised income from manufacturing and sale of metal heating and melting equipment. Our other income was Rs. 44.81 lakhs which primarily comprised of interest on fixed deposits, gain in foreign currency and other miscellaneous income.

Expenses

Our total expenses were Rs. 13723.63 lakhs in six months period ended September 30, 2023. This was primarily attributable to the following:

Cost of material consumed

Cost of material consumed were Rs. 11773.71 lakhs in six months period September 30, 2023 which comprises of cost incurred for the purchase of raw material.

Employee Benefits Expense

Our employee benefit expenses were Rs. 777.75 lakhs in six months period September 30, 2023.

Finance Costs

Our finance cost was Rs. 250.49 lakhs in six months period September 30, 2023.

Depreciation and Amortization Expenses

Our depreciation and amortization expenses were Rs. 161.72 lakhs in six months period September 30, 2023.

Other expenses

Our other expenses were Rs. 1368.46 lakhs in six months period September 30, 2023.

Restated profit for the period

Our restated profit for the six months period September 30, 2023 was ₹ 759.34 lakhs.

Financial Year 2023 Compared to Financial Year 2022 (Based on Restated Financial Statements)

Total Income:

Total income for the financial year 2022-23 stood at Rs. 26643.84 Lakhs whereas in Financial Year 2021-22 the same stood at Rs. 18846.92 Lakhs representing an increase of 41.37% the main reason of increase in total income was due to increase in the revenue from operations of the company. The export revenue of the company grew from Rs. 3743.40 lakhs in FY 2022 to Rs. 6826.20 lakhs in FY 2023 representing an increase of 82.35% and the revenue from domestic market grew from Rs. 15039.73 lakhs in FY 2022 to Rs. 19761.95 lakhs in FY 2023 representing an increase of 31.40% due to increase in production and sales during the FY 2023.

Revenue from Operations

The Company reported Restated Profit after tax for the financial year 2022-23 of Rs. 1400.41 Lakhs in comparison to Rs. 110.10 lakhs in the financial year 2021-22 majorly due to factors mentioned above. The increase of 1171.94% was mainly due to the increase in revenue from operations of the company from Rs. 18783.13 lakhs in FY 2022 to Rs. 26588.15 lakhs in FY 2023 representing an increase of 41.55%, however the other expenses increased from Rs. 1864.71 lakhs to Rs. 2418.46 lakhs representing an increase of 31.91%. Due to the same the margins of the company increased from 0.59% to 5.27%. increase in the cost as mentioned above. Further, the company achieved a turnover of Rs. 26588.15 lakhs (revenue from operations) as against the material consumed of Rs. 20110.26 lakhs. This leads to a gross profit of Rs. 6477.89 lakhs. Further, the raw material prices also stabilized during the said period which helped in maintaining the margins. .

Other Income:

During the financial year 2022-23 the other income of our Company decreased to Rs. 55.69 Lakhs as against Rs. 63.79 lakhs in the Financial Year 2021-22 representing a decrease of 12.70%. The main reason for decrease in other income was due to decrease in interest on fixed deposits and gain on foreign currency fluctuation.

Total Expenses

The total expense for the financial year 2022-23 increased to Rs. 24660.37 Lakhs from Rs. 18694.92 lakhs in the Financial Year 2021-22 representing an increase of 31.91%. The major reason for increase in total expenses was increase in the cost of material consumed and change in inventory which was Rs. 15092.08 lakhs in FY 2022 and increased to Rs. 20110.26 lakhs in FY 2023 representing an increase of 33.25%. Out of the increase in total expenses by Rs. 5965.45 lakhs, cost of material and change in inventory represents approximately 84.12%.

Cost of material consumed:

The cost of material consumed for the financial year 2022-23 increased to Rs. 20329.04 Lakhs from Rs. 14808.65 lakhs in the Financial Year 2021-22 representing an increase of 37.28%. The major reason for increase in cost of material consumed was due to increase in the revenue of the company. The cost of material consumed to revenue from operation of the company stood at 76.46% during the FY 2023 marginally improved from 78.84% during the year 2022 due to increase in operation bulk discount and reduction in raw material cost.

Employee benefits expense:

Our Company has incurred Rs. 1305.03 Lakhs as Employee benefits expense during the financial year 2022-23 as compared to Rs. 1032.76 Lakhs in the financial year 2021-22. The increase of 26.36% was due to increase in salaries, wages, bonus paid to employees and increase in staff welfare expenses.

Finance costs:

These costs were for the financial Year 2022-23 increased to Rs. 583.80 Lakhs as against Rs 499.35 Lakhs during the financial year 2021-22. The increase of 16.91% was due to increase in interest expenses and bank charges paid by the company due to the increase in the borrowings of the company which increased from Rs. 4038.80 lakhs in FY 2022 to Rs. 4282.04 lakhs in FY 2023.

Depreciation and Amortization Expenses:

Depreciation for the financial year 2022-23 stood at Rs. 242.82 Lakhs as against Rs. 206.02 Lakhs during the financial year 2021-22. The increase in depreciation was around 17.86% in comparison to the previous year. The increase in depreciation was due to the increase in the Fixed assets of the company by 2029.48 lakhs during the FY 2023.

Other Expenses:

Our Company has incurred Rs. 2418.46 Lakhs during the Financial Year 2022-23 on other expenses as against Rs. 1864.71 Lakhs during the financial year 2021-22. There was an increase of 29.70% was mainly due to increase in advertisement expenses from Rs. 16.59 lakhs

to Rs. 102.52 lakhs, repair expenses from Rs. 57.24 lakhs to Rs. 105.84 lakhs, provision for warranty from Rs. 96.16 lakhs to Rs. 169.35 lakhs, labour charges from Rs. 232.33 lakhs to Rs. 344.19 lakhs and increase in other Miscellaneous expenses.

Restated profit before tax:

Net profit before tax for the financial year 2022-23 increased to Rs. 1983.47 Lakhs as compared to Rs. 152.00 Lakhs in the financial year 2021-22, which was majorly due to factors as mentioned above. The revenue from operations of the company increased from Rs. 18783.13 lakhs in FY 2022 to Rs. 26588.15 lakhs in FY 2023 representing an increase of 41.55%, however the expenses increased from Rs. 1864.71 lakhs to Rs. 2418.46 lakhs representing an increase of 31.91%. Due to the same the margins of the company increased from 0.81% to 7.46%.

Restated profit for the year:

The Company reported Restated Profit after tax for the financial year 2022-23 of Rs. 1400.41 Lakhs in comparison to Rs. 110.10 lakhs in the financial year 2021-22 majorly due to factors mentioned above. The increase of 1171.94% was mainly due to the increase in revenue from operations of the company from Rs. 18783.13 lakhs in FY 2022 to Rs. 26588.15 lakhs in FY 2023 representing an increase of 41.55%, however the expenses increased from Rs. 1864.71 lakhs to Rs. 2418.46 lakhs representing an increase of 31.91%. Due to the same the margins of the company increased from 0.59% to 5.27%. increase in the cost as mentioned above.

Financial Year 2022 Compared to Financial Year 2021 (Based on Restated Financial Statements)

Total Income:

Total income for the financial year 2021-22 stood at Rs. 18846.92 Lakhs whereas in Financial Year 2020-21 the same stood at Rs. 10927.03 Lakhs representing an increase of 72.48%. The revenue from domestic market grew from Rs. 7142.66 lakhs in FY 2021 to Rs. 15039.73 lakhs in FY 2022 representing an increase of 110.56% due to increase in production and sales during the FY 2022. The revenue order flow and production of the company was impacted due to pandemic situation in the country. Further, there was no major increase in the export revenue of the company during the above period. The other income of the company also increased during the said period by 144.31% due to the gain in foreign exchange fluctuations amounting to Rs. 36.45 Lakhs.

Revenue from Operations

The Company reported Restated profit after tax for the financial year 2021-22 of Rs. 110.10 Lakhs in comparison to Rs. 309.12 lakhs in the financial year 2020-21 which was majorly due to increase in the cost of material consumed and change in inventory which was Rs. 7602.79 lakhs in FY 2021 and increased to Rs. 15092.08 lakhs in FY 2022 representing an increase of 98.51%. Out of the increase in revenue from operations by 72.31% the cost of material consumed increased by 98.51% due to which the material to turnover ratio increased to 78.84% and the PBT margin decreased to 0.60%. This was due to the increase in the metal prices during the FY 2021-22, due to the increase in metal prices and metal being the major raw material for our company our material cost ratio increased from 69.97% to 78.57%, which lead to the reduction in the profits of the company.

Other Income:

During the financial year 2021-22 the other income of our Company increased to Rs. 63.79 Lakhs as against Rs. 26.11 lakhs in the Financial Year 2020-21representing an increase of 144.31%. The other income of the company increased during the said period due to the gain in foreign exchange fluctuations amounting to Rs. 36.45 Lakhs.

Total Expenses

The total expense for the financial year 2021-22 increased to Rs. 18694.92 Lakhs from Rs. 10501.51 lakhs in the Financial Year 2020-21 representing an increase of 78.02%. The major reason for increase in total expenses was increase in the cost of material consumed and change in inventory which was Rs. 7602.79 lakhs in FY 2021 and increased to Rs. 15092.08 lakhs in FY 2022 representing an increase of 98.51%. Out of the increase in total expenses by Rs. 8193.41 lakhs, cost of material and change in inventory represents approximately 91.41%.

Cost of material consumed:

The cost of material consumed for the financial year 2021-22 increased to Rs. 14808.65 Lakhs from Rs. 7646.17 lakhs in the Financial Year 2020-21 representing an increase of 93.67%. The major reason for increase in cost of material consumed was due to increase in the revenue of the company.

Employee benefits expense:

Our Company has incurred Rs. 1032.76 Lakhs as Employee benefits expense during the financial year 2021-22 as compared to Rs. 669.19 Lakhs in the financial year 2020-21. The increase of 54.33% was due to increase in salaries, wages, bonus paid to employees and increase in staff welfare expenses.

Finance costs:

These costs were for the financial Year 2021-22 decreased to Rs. 499.35 Lakhs as against Rs 706.48 Lakhs during the financial year 2020-21. The decrease of 29.32% was due to the reduction in the interest cost of the company because of reduction in the borrowings of the company.

Depreciation and Amortization Expenses:

Depreciation for the financial year 2021-22 stood at Rs. 206.02 Lakhs as against Rs. 210.44 Lakhs during the financial year 2020-21. The decrease in depreciation was around 2.01% in comparison to the previous year.

Other Expenses:

Our Company has incurred Rs. 1864.71 Lakhs during the Financial Year 2021-22 on other expenses as against Rs. 1312.61 Lakhs during the financial year 2020-21. There was an increase of 42.06% was mainly due to increase of Erection & Commissioning expenses by 624.24%, increase in Rates and taxes from Rs. 1.04 lakhs to Rs. 4.99 lakhs, repair expenses on computer from Rs. 4.51 lakhs to Rs. 19.79 lakhs and on plant and machinery from Rs. 3.75 lakhs to Rs. 12.37 lakhs, freight, clearing and forwarding expenses from Rs. 37.04 lakhs to Rs. 151.61 lakhs, labour charges from Rs. 106.34 lakhs to Rs. 232.33 lakhs and increase in other Miscellaneous expenses.

Restated profit before tax:

Net profit before tax for the financial year 2021-22 decreased to Rs. 152.00 Lakhs as compared to Rs. 425.52 Lakhs in the financial year 2020-21, which was majorly due to increase in the cost of material consumed and change in inventory which was Rs. 7602.79 lakhs in FY 2021 and increased to Rs. 15092.08 lakhs in FY 2022 representing an increase of 98.51%. Out of the increase in revenue from operations by 72.31% the cost of material consumed increased by 98.51% due to which the material to turnover ratio increased to 78.84% and the PBT margin decreased to 0.81%.

Restated profit for the year:

The Company reported Restated profit after tax for the financial year 2021-22 of Rs. 110.10 Lakhs in comparison to Rs. 309.12 lakhs in the financial year 2020-21 majorly due to which was majorly due to increase in the cost of material consumed and change in inventory which was Rs. 7602.79 lakhs in FY 2021 and increased to Rs. 15092.08 lakhs in FY 2022 representing an increase of 98.51%. Out of the increase in revenue from operations by 72.31% the cost of material consumed increased by 98.51% due to which the material to turnover ratio increased to 78.84% and the PBT margin decreased to 0.60%.

Information required as per Item (II)(C)(iv) of Part A of Schedule VI to the SEBI Regulations:

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. Unusual or infrequent events or transactions

Except as disclosed in this Red Herring Prospectus, there are no unusual or infrequent events or transactions in our Company.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section "***Risk Factors***" beginning on page 25 of the Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. Future changes in relationship between costs and revenues

Other than as described in the sections ***"Risk Factors"***, ***"Our Business"*** and ***"Management's Discussion and Analysis of Financial Condition and Results of Operations"*** on pages 25, 105 and 208 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

5. Segment Reporting

Our business activity primarily falls within a single business, for details of geographical segment refer Note 45 as disclosed in "Restated Financial Statements – Segment Reporting" on page 157.

6. Status of any publicly announced New Products or Business Segment

Except as disclosed in the Chapter ***"Our Business"***, our Company has not announced any new product or service.

7. Seasonality of business,

Our business is not subject to seasonality. For further information, see "Industry Overview" and "Our Business" on pages 93 and 105, respectively

8. Dependence on single or few customers

For the period September 30, 2023 and FY 22-23, FY 21-22 and FY 2020-21 our top 10 customers contributed to 47.01%, 41.98%, 30.53% and 36.81% of our revenue from operations. For further information, see "Risk Factors" on page 25 of this Red Herring Prospectus

9. Competitive conditions

Competitive conditions are as described under the Chapters "***Industry Overview***" and "***Our Business***" beginning on pages 93 and 105 respectively of this Red Herring Prospectus.

10. Details of material developments after the date of last balance sheet i.e. September 30, 2023

There is no material change after the date of last Balance sheet i.e. September 30, 2023,

CAPITALISATION STATEMENT

(Amt. Rs. in Lacs)

Particulars	Pre-Offer as at 30 September 2023	As adjusted for the Proposed Offer
Borrowings		
Long Term Borrowings (A)	1,144.79	-
Current maturities of long-term debt (B)	814.87	-
Short Term Borrowings (C)	2,520.80	-
Total Borrowings (D)	**4,480.46**	-
Equity:		
Equity Share Capital	1,384.87	-
Reserves and Surplus	4,437.11	-
Total Equity (E)	**5,821.98**	-
Ratio: Noncurrent borrowings (including current maturities of long-term debt) (A+B) / Total Equity (E)	**33.66%**	-
Ratio: Total Borrowing (D)/ Total Equity (E)	**76.96%**	-

"**Notes**:
As per the Restated Financial Statement
The Corresponding Post IPO capitalization data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence the same have not been provided in the above statement."

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Our Company, our Directors and our Promoters are subject to various legal proceedings from time to time, mostly arising in the ordinary course of our business. Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) disciplinary action including penalty imposed by SEBI or stock exchanges in the last five financial years including outstanding action; (iv) claims relating to direct and indirect taxes; and (v) Material Litigation (as defined below); involving our Company, Directors or Promoters.

*Our Board of Directors, in its meeting held on January 13, 2023, determined that outstanding litigation involving our Company, its directors and its promoters, shall be considered material ("**Material Litigation**") if:*

a. *the aggregate monetary claim made by or against the Company, Directors, or Promoters, as the case may be, in any such pending litigation or arbitration proceeding is in excess of 5% of the profit after tax of the Company, in the most recently completed Financial Year as per the Restated Financial Statements; or*
b. *in such litigation the monetary liability is not quantifiable, or which does not fulfil the threshold specified in (a) above, but the outcome of which could, nonetheless, have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company.*

*Our Board of Directors, in its meeting held on January 13, 2023, determined that outstanding dues to the small-scale undertakings and other creditors exceeding 5% of the Company's trade payables for the last audited Restated Financial Statements shall be considered material dues for the company for the purpose of disclosure in Red Herring Prospectus. ("**Material Dues**").*

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.megatherm.com.

Our Company, its Directors and its Promoters are not Willful Defaulters and there have been no violations of securities laws in the past or pending against them.

A. LITIGATION INVOLVING THE COMPANY

(a) Criminal proceedings against the Company

Except as mentioned below, there are no outstanding criminal proceedings initiated against the Company –

- **Vibot Online LLP v. Megatherm Induction Pvt. Ltd. and Ors.:**

A Criminal Complaint under Section 406/420/506/120B of the Indian Penal Code, 1860 was filed by M/s. Vibot Online LLP ("Complainant"), before the court of Chief Metropolitan Magistrate, District Court – Calcutta, having case no. CS/25025/2019 for Rs. 3,83,798/- against our Company, Shesadri Bhusan Chanda, Ayati Chanda, and Satadri Chanda as Complainant alleges that it had supplied products to our Company for which the payment has not been released. The complaint was then transferred by the Chief Metropolitan Magistrate to the Metropolitan Magistrate 16th Court for enquiry and disposal.

Further, a Revision Petition under Section 482 of the Code of Criminal Procedure, 1973 was filed by our Company, Shesadri Bhusan Chanda, Ayati Chanda, and Satadri Chanda before the High Court of Calcutta having C.R.R. No. 2025 of 2022 for quashing of above proceeding filed by the Complainant in the Chief Metropolitan Magistrate Court, District Court - Calcutta alleging commission of offence under section 4061420/506/120B of the Indian penal Code against Vibot Online LLP. The matters before the Metropolitan Magistrate 16th Court, District Court - Calcutta and High Court of Calcutta are currently pending adjudication.

(b) Criminal proceedings filed by the Company

Except as mentioned below, there are no outstanding criminal proceedings initiated against the Company.

- **M/s. Megatherm Induction Private Limited and Ors. v. M/s Vibot Online LLP:**

A Revision Petition under Section 482 of the Code of Criminal Procedure, 1973 was filed by our Company, Shesadri Bhusan Chanda, Ayati Chanda, and Satadri Chanda before the High Court of Calcutta having C.R.R. No. 2025 of 2022 for quashing of proceeding, being Complaint Case No. CS/25025 of 2019 presently pending before the Learned Metropolitan Magistrate, 16th Court, District Court – Calcutta. The matter before the High Court of Calcutta is currently pending adjudication.

(c) Actions by statutory and regulatory authorities against the Company

As on the date of this Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.

(d) Tax Proceedings

As on the date of this Red Herring Prospectus, there are no outstanding tax proceedings initiated against the Company.

(e) Other pending material litigations against the Company

As on the date of this Red Herring Prospectus, there are no outstanding litigations initiated against the Company, which have been considered material by the Company in accordance with the Materiality Policy.

(f) Other pending material litigations filed by the Company

As on the date of this Red Herring Prospectus, there are no outstanding litigations initiated by the Company, which have been considered material by the Company in accordance with the Materiality Policy.

B. LITIGATIONS INVOLVING THE DIRECTORS/ PROMOTERS OF THE COMPANY

(a) Criminal proceedings against the Directors/ Promoters of the Company

Except as mentioned below, there are no outstanding criminal proceedings initiated against the Directors/ Promoters of the Company.

- **Vibot Online LLP v. Megatherm Induction Pvt. Ltd. and Ors.:**

As discussed above under section Litigations against our company.

(b) Criminal proceedings filed by the Directors/ Promoters of the Company

Except as mentioned below, there are no outstanding criminal proceedings initiated by the Directors/ Promoters of the Company.

- **M/s. Megatherm Induction Private Limited and Ors. v. M/s Vibot Online LLP:**

As discussed above under section Litigations against our company.

(c) Actions by statutory and regulatory authorities against the Directors/ Promoters of the Company

As on the date of this Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Directors/ Promoters.

(d) Tax Proceedings

Except as mentioned below, there are no outstanding criminal proceedings initiated against the Directors/ Promoters of the Company.

(Amt in Rs. Lakhs)

Nature of Cases	Name of Director/ Company	No. of Outstanding Cases	Amount in dispute/demanded to the extent ascertainable
Income Tax	Satadri Chanda	1	0.42
Income Tax	Shesadri Bhusan Chanda	1	19.33
Income Tax	Megatherm Electronics Private Limited	2	1.24*

**The company has received demand notice from the Income tax authorities for the AY 2013-14 and 2019-20, against which the company has filed appeals with the Income Tax authorities. The matters are pending with the income tax department.*

(e) Other pending material litigations against the Directors/ Promoters of the Company

As on the date of this Red Herring Prospectus, there are no Other pending material litigations against the Directors/ Promoters.

(f) Other pending material litigations filed by the Directors/ Promoters of the Company

As on the date of this Red Herring Prospectus, there are no such outstanding litigations initiated by the Directors/ Promoters, which have been considered material by the Company in accordance with the Materiality Policy.

C. LITIGATIONS INVOLVING THE GROUP COMPANIES WHICH CAN HAVE A MATERIAL IMPACT ON OUR COMPANY

(Amt in Rs. Lakhs)

Nature of Cases	Name of Group Company	No. of Outstanding Cases	Amount in dispute/demanded to the extent ascertainable
Income Tax	EMT Megatherm Private Limited	6	1015.46*

**The group company has received demand notice from the Income tax authorities for the AY 2010-11, AY 2011-12, AY2015-16, AY 2018-19, AY 2019-20 and 2021-22, against which the company has filed appeals with the Income Tax authorities. The matters are pending with the income tax department.*

AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS:

The Board of Directors of our Company considers dues exceeding 5% of our Company's trade payables as per the last Restated financial statements, to small scale undertakings and other creditors, as material dues for our Company.

As per Restated Financial Statements, the trade payables of our Company as on September 30, 2023 were Rs. 4403.48 lakhs. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds Rs. 220.17 lakhs as on September 30, 2023. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on January 13, 2023. As on September 30, 2023, there are 2 creditor to each of whom our Company owes amounts exceeding 5% of our Company's total trade payables and the aggregate outstanding dues to them being approximately Rs. 1039.53 lakhs.

As per the above materiality policy, the outstanding amount owned to small scale undertakings and material creditors as on September 30, 2023, by our Company is as follows:

Material Creditors	Number of Cases	Amount Involved (Rs. in Lakhs)
Micro, Small and Medium Enterprises*	4	1482.57
Material Creditors	2	1039.53
Other Creditors	340	1881.38
Total	**346**	**4403.48**

**Entities that are identified as "Micro, Small and Medium Enterprises" under the Restated Financial Statements are considered as micro small and medium enterprises.*

The details pertaining to amounts due towards material creditors are available on the website of our Company at www.megatherm.com.

MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE:

Except as disclosed in Chapter titled **"Management's Discussion & Analysis of Financial Conditions & Results of Operations"** beginning on page 208 of this Red Herring Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date.

GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the issue or continue our business activities and except as mentioned below, no further approvals are required for carrying on our present or proposed business activities.

In view of the approvals listed below, we can undertake this issue and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Red Herring Prospectus.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

The Company has got following licenses / registrations / approvals /consents / permissions from the Government and various other Government agencies required for its present business.

*For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled **'Key Industry Regulations and Policies'** on page no. 118 of this Red Herring Prospectus.*

I. Approvals for the Issue:

The following approvals have been obtained or will be obtained in connection with the Issue.

Corporate Approvals:

1. Our Board has pursuant to a resolution passed at its meeting dated on September 04, 2023, under Section 62(1)(c) of the Companies Act 2013, authorized the Issue of Equity Shares, subject to the approval of the shareholders and such other authorities as may be necessary.

2. Our Shareholders have pursuant to a special resolution passed at their meeting dated September 05, 2023 under Section 62(1)(c) and other applicable provisions of the Companies Act 2013, authorized the Issue of Equity Shares.

3. Our Board approved the Draft Red Herring Prospectus pursuant to its resolution dated September 28, 2023.

Approval from the Stock Exchange:

1. Our Company has received in- principle listing approval from the National Stock Exchange of India Limited (NSE EMERGE) dated January 12, 2024 for listing of Equity Shares issued pursuant to the issue.

Agreements with CDSL and NSDL:

1. Agreement dated December 15, 2023 between CDSL, the Company and the Registrar to the Issue;
2. Agreement dated December 01, 2023 between NSDL, the Company and the Registrar to the Issue;
3. The Company's International Securities Identification Number ("ISIN") is INE531R01010.

II. Incorporation related Approvals:

Sr. No	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	Certificate of Incorporation	U31900WB2010PTC154236	Companies Act, 1956	Deputy Registrar of	October 22, 2010	Valid till cancelled

				Companies, West Bengal		
2.	Fresh Certificate of Incorporation consequent upon change of name of Company.	U31900WB2010PTC154236	Companies Act, 2013	Registrar of Companies, Kolkata, West Bengal	September 23, 2015	Valid till cancelled
3.	Fresh Certificate of Incorporation consequent upon Conversion from private to Public Limited Company.	U31900WB2010PLC154236	Companies Act, 2013	Registrar of Companies, Kolkata, West Bengal	December 20, 2022	Valid till cancelled

III. Corporate/General Authorizations:

Sr. No	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)	AAGCM8455J	Income Tax Act 1961	Commissioner of Income Tax	November 20, 2015	Valid till cancelled
2.	Tax Deduction Account Number (TAN)	CALM11520F	Income Tax Act 1961	Income Tax Department, Government of India	January 24, 2023	Valid till cancelled
3.	GST Registration Certificate –Kolkata	19AAGCM8455J1ZV	Central Goods and Services Tax Act, 2017	Government of India	January 10, 2023	Valid till cancelled
4.	Certificate of Importer –Exporter Code (IEC)	0216901651	Foreign Trade (Development & Regulation) Act, 1992	Add. Director General of Foreign Trade, Directorate General of Foreign Trade, Ministry of Commerce and Industry	May 11, 2016	Valid till cancelled

IV. Business Related Certifications:

Sr. No	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1	Udyam Registration under Micro, Small and Medium Enterprises Development Act, 2006	UDYAM-WB-14-0004171	Government of India, Ministry of Micro, Small and Medium Enterprises	Ministry of Micro, Small and Medium Enterprises	December 21, 2020	Valid till Cancelled
2	Certificate of Registration under the West Bengal State Tax on Professions, Trades, Callings and	191006794371	Commercial Tax Department, Kolkata South Range, Government	WB SOUTH UNIT-III, PASCHIM MEDINIPUR	October 27, 2017 Valid from August, 2017	Valid till Cancelled

	Employments Act, 1979.		of West Bengal			
3	Certificate of Enrolment under the West Bengal State Tax on Professions, Trades, Callings and Employments Act, 1979	192000569071	Commercial Tax Department, Kolkata South Range, Government of West Bengal	WB SOUTH UNIT-III, PASCHIM MEDINIPUR	September 11, 2014	Valid till Cancelled
4.	Shop and establishment registration *(Plot L1, Block Gp Sector V, Electronics Complex, Nabadiganta Shilpo Nagari, P. S. - Saltlake Electronics Complex, Sech Bhawan, North Parganas, 700091, West Bengal, India)*	NP04672N2023000111	West Bengal Shops and Establishment Act 1963	Registering Authority, West Bengal Shops and Establishment rules 1964	October 05, 2023	Valid till Cancelled
5.	Shop and establishment registration *(417, RD 2A A.K.B. Non Company Housing, City Centre, Durgapur, Ward No. - 22, Borough - III, Durgapur Municipal Corporation, Durgapur, City Centre, Paschim Bardhaman, 713216, India.)*	BW03642N2023000059	West Bengal Shops and Establishment Act 1963	Registering Authority, West Bengal Shops and Establishment rules 1964	November 25, 2023	Valid till Cancelled
6.	Shop and establishment registration *(123 SDF Building Block GP Sector V, Electronics Complex, Nabadiganta Shilpo Nagari, Bidhannaga, Nabadiganta Shilpo Nagari, Saltlake Electronics Complex, Sech*	NP04672N2023000133	West Bengal Shops and Establishment Act 1963	Registering Authority, West Bengal Shops and Establishment rules 1964	November 28, 2023	Valid till Cancelled

	Bhawan, Parganas, 700091, India)					

V. Labour Related Licenses

Sr. No.	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1	Registration under Employees' Provident Funds And Miscellaneous Provisions Act, 1952	WBCAL1640321000	Employees' Provident Funds & Miscellaneous Provisions Act, 1952	Employee Provident Fund Organisation	September 01, 2017	Valid till Cancelled
2	Registration under Employees' State Insurance Corporation (ESIC)	41000677060000602	Employee's State Insurance Act, 1948	Regional Office, Employees State Insurance Corporation, Kolkata	August 08, 2017	Valid till Cancelled
3	Licence To Work A Factory	021366	Factories Act, 1948	Directorate of Factories, Government of West Bengal	May 22, 2021	May 31, 2025
4	Gram Panchayat's Trade License	585	Kharagpur -II Panchayat Samity, Lachmapur Gram Panchayat	Kharagpur -II Panchayat Samity, Lachmapur Gram Panchayat	January 11, 2023	March 31, 2025
6	Consent to Establish under Water (Prevention and Control of Pollution), Act, 1974 and Air (Prevention and Control of Pollution), 1981	152583	West Bengal Pollution Control Board	West Bengal Pollution Control Board	March 16, 2018	August 31, 2024
7	Consent to Operate under Water (Prevention and Control of Pollution), Act, 1974 and Air (Prevention and Control of Pollution), 1981	C0113646	West Bengal Pollution Control Board	West Bengal Pollution Control Board	August 26, 2022	May 31, 2027
8	Certificate of Registration	KGP19/CLR/000068	Contract Labour (Regulation & Abolition) Act,1970	Government of West Bengal, Office of The Deputy Labour Commissioner, Kharagpur	February 22, 2018	Valid till Cancelled
9	West Bengal Fire & Emergency Services/Fire Safety Certificate	IND/WB/FES/20172018/4500	West Bengal Fire Service Act of 1950	Government Of West Bengal Office Of The Director General	April 19, 2023	Valid till April 18, 2026

VI. Intellectual Property related approvals: -

Sr. No.	Brand Name/Logo/ Trademark	Class	TM Category	Owner	Trademark Number/	Issuing Authority	Date of Application	Current Status

					Application No./ Registration Certificate Number			
1.		7	Trademark	MEGATHERM ELECTRONICS PVT.LTD.*	Application No. 1850530 Certificate No. 1264642	Registrar of Trademarks	August 13, 2009	Registered

**our corporate promoter and our company have entered into a trademark licensing agreement dated September 30, 2023 for allowing our company to use the said trademark.*

VII. Domain Name

Sr. No.	**Domain Name and ID**	**Sponsoring Registrar and IANA ID**	**Registrant Name**	**Creation Date**	**Registry Expiry Date**
1.	www.megatherm.com Domain Name: MEGATHERM.COM Domain ID – 1361366336_DOMAIN_COM-VRSN	Registrar: GoDaddy.com, LLC Registrar IANA ID 146	Registrant Name: Registration Private Registrar URL: https://www.godaddy.com	December 22, 2007	December 22, 2027

VIII. Quality Certifications:

Sr. No.	**Nature of Registration/ License**	**Registration/ License No.**	**Applicable Laws**	**Issuing Authority**	**Date of Issue**	**Date of Expiry**
1.	Certificate of Approval	IN19/05903	ISO 9001:2015 [Quality Management Systems]	SGS United Kingdom Limited	June 18, 2021	February 17, 2024

IX. Licenses/ Approvals for which applications have been made by our Company and are pending: Nil

OUR GROUP COMPANIES

As per the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Companies, our Company has considered those companies as our Group companies with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years and stub period (if any) and other Companies as considered material by our Board. Further, pursuant to a resolution of our Board dated January 13, 2023 for the purpose of disclosure in relation to Group companies in connection with the Issue, a company shall be considered material and disclosed as a Group companies if such company fulfills both the below mentioned conditions:-

i. Such company that forms part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations; and

ii. Our Company has entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10% of total revenue of the company as per Restated Financial Statements.

Except as stated, there are no companies/entities falling under definition of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 which are to be identified as group companies/entities.

1. EMT Megatherm Private Limited.
2. SC Aqua Vitae Private Limited.

Details of our Group Companies:

1. EMT Megatherm Private Limited ("EMTPL")

EMT Megatherm Private Limited was incorporated in the name of Engel India Machines & Tools (1987) Limited on July 14, 1988 under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Kolkata, West Bengal. EMTPL Company was converted into a Private Limited Company and consequently the name of our Company was changed from "Engel India Machines & Tools (1987) Limited" to "Engel India Machines & Tools (1987) Private Limited" vide a fresh certificate of incorporation dated August 13, 2007, issued by the Registrar of Companies, Kolkata, West Bengal bearing CIN U29299WB1988PTC044800 The name of Company was changed from "Engel India Machines & Tools (1987) Private Limited" to "EMT Megatherm Private Limited" and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Kolkata, West Bengal dated March 26, 2019 bearing CIN U29299WB1988SGC044800.

CIN	U29299WB1988SGC044800
PAN	AAACE6510C
Registered Office	I Taratala Road, Kolkata-700088, West Bengal, India
Corporate Office	Megatherm Tower Plot L-1, Block GP, Electronics Complex Sector V, Salt Lake City Kolkata 700091 West Bengal India.

2. SC Aqua Vitae Private Limited ("SAVPL")

SC Aqua Vitae Private Limited was incorporated in the name of SBC R&D Private Limited on September 30, 2019 under the Companies Act, 2013 pursuant to a certificate of incorporation issued by the Registrar of Companies, Central Registration Centre bearing CIN U73200WB2019PTC234175. subsequently the name of our Company was changed from "SBC R&D Private Limited" to "SC Aqua Vitae Private Limited" vide a fresh certificate pursuant to the change of name dated September 08, 2021, issued by the Registrar of Companies, Kolkata, bearing CIN U15100WB2019PTC234175.

CIN	U15100WB2019PTC234175
PAN	ABCCS7022E
Registered Office	Plot H1 & H2 Vidyasagar Industrial Park Vill: Rupnarayanpur Po Jakpur Paschim Midnapore Kharagpur West Bengal 721301 India.

Financial Information

In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, basis/diluted earnings per share and Net Asset Value, derived from the latest audited financial statements available on a standalone basis of our group companies are available on the website of our company at www.megatherm.com.

It is clarified that such details available on our group companies' websites do not form a part of this Red Herring Prospectus. Anyone placing reliance on any other source of information, including our Group Companies' website, as mentioned above, would be doing so at their own risk.

Other Confirmations:

a) None of our Group Companies securities is listed on any stock exchange nor any of the Group Companies has made any public and/or rights issue of securities in the preceding three years.
b) None of the above-mentioned Group Companies is in defaults in meeting any Statutory/bank/institutional dues and no proceedings have been initiated for economic offences against any of the Group Companies.
c) None of the above-mentioned Group Companies is a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 or is under winding up/insolvency proceedings.
d) Our Group Companies has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

Common pursuits among Group Companies

There are no common pursuits among any of our Group Companies and our Company:

Nature and extent of interest of our Group Companies

a) Interest in the promotion of our Company

None of our Group Companies have any interest in the promotion of our Company.

b) Interest in the property acquired or proposed to be acquired by the Company

None of our Group Companies are interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

c) Interest in transactions for acquisition of land, construction of building, or supply of machinery

Except as disclosed under Note – 34 Related Party Disclosure under section titled "Financial information of our company", none of our Group Companies are interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

Related business transactions and their significance on the financial performance of our Company

Other than the transactions disclosed in the section "Note 36 –Related Party Transactions" on page **194**, there are no related business transactions between the Group Companies and our Company.

Business interest of our Group Companies in our Company

Except as disclosed in the section "Note 36 –Related Party Transactions" on page **194**, our Group Companies have no business interests in our Company.

Litigations

Except as disclosed in the section "Outstanding litigations and material developments" on page 218. Our Group Companies have no litigation proceedings.

Undertaking / Confirmations by our Group Companies

None of our Promoters or Promoter Group or Group companies or person in control of our Company has been

i. Prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority; or

ii. Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoters, person in control of our Company or have ever been a Promoter, Director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the relatives of our individual Promoters (as defined under the Companies Act) nor our Group companies /Promoter Group entities have been declared as a willful defaulter or economic offender by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

The information as required by the SEBI ICDR Regulations with regards to the Group companies, are also available on the website of our company i.e. www.megatherm.com

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue:

Corporate Approvals:

The Board of Directors, pursuant to a resolution passed at their meeting held on September 04, 2023 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013, and such other authorities as may be necessary. The shareholders of our Company have, pursuant to a special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting held on September 05, 2023 authorized the Issue.

In-principle Approval:

Our Company has obtained in-principle approval from the National Stock Exchange of India Limited (NSE EMERGE) for using its name in the Red Herring Prospectus/Red Herring Prospectus/ Prospectus pursuant to an approval letter dated January 12, 2024 NSE is the Designated Stock Exchange.

Prohibition by SEBI or other Governmental Authorities:

We confirm that there is no prohibition on our Company, our Promoters, our Promoter Group, our Directors, or the person(s) in control of our Company from accessing or operating in the Capital Markets or debarment from buying, selling or dealing in securities under any order or direction passed by the Board (SEBI) or any securities market regulator in any other jurisdiction or any other authority/court.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

Neither of our Promoters, Promoter Group, Directors or the person(s) in control of our Company, has ever been part of Promoters, Promoter Group, Directors or the person(s) in control of any other Company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other regulatory or governmental authority.

There has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter ***"Outstanding Litigations and Material Development"*** beginning on page 218 of this Red Herring Prospectus.

Association with Securities Market:

None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors in the past 5 years.

Prohibition by RBI:

Neither our Company, our Promoters, our Directors, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as a wilful defaulter or a fugitive economic offender or a fraudulent borrower and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter ***"Outstanding Litigations and Material Development"*** beginning on page 218 of this Red Herring Prospectus.

Prohibition with respect to wilful defaulters or a fraudulent borrower

Neither our Company, our Promoters, our Directors, Group companies, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as wilful defaulters or a fraudulent borrower as defined by the SEBI ICDR Regulations, 2018.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Directors, our Promoters and members of Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Red Herring Prospectus.

Eligibility for the Issue:

Our Company has complied with the conditions of Regulation 230 of SEBI (ICDR) Regulations, 2018 for this Issue.
Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Issue is an "Initial Public Offer" in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital is more than 10 crore rupees but less than 25 crore rupees and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "NSE EMERGE").

We confirm that:

a) In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue will be 100% underwritten and that the BRLM to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled ***"General Information – Underwriting"*** beginning on page 53 of this Red Herring Prospectus.

b) In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.

c) In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Prospectus.

d) In accordance with Regulation 261 (1) of the SEBI (ICDR) Regulations, we hereby confirm that we shall enter into an agreement with the Book Running Lead Manager and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of NSE (NSE EMERGE). For further details of the arrangement of market making please refer to section titled ***"General Information – Details of the Market Making Arrangements for this Issue"*** beginning on page 56 of this Red Herring Prospectus.

e) In accordance with Regulation 228(c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoter or directors is a wilful defaulter or a fraudulent borrower.

f) In accordance with Regulation 228(d) of the SEBI (ICDR) Regulations, None of the Issuer's promoter or directors is a fugitive economic offender.

g) In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to Emerge Platform of NSE ("NSE Emerge") is the Designated Stock Exchange.

h) In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, our Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued.

i) In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital is fully Paid-up.

j) In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoter is already in dematerialised form

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

1. Our Company shall mandatorily facilitate trading in Demat securities for which we have entered into an agreement with the Central Depositary Services Limited (CDSL) dated December 15, 2023 and National Securities Depository Limited dated December 01,

2023 for establishing connectivity.

2. Our Company has a website i.e., www.megatherm.com

3. There has been no change in the promoters of the Company in the preceding one year from date of filing application to NSE for listing on SME segment.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of NSE (NSE EMERGE): -

1. Our Company was originally incorporated as a Private Limited Company under the name of "Megatherm Transmission & Distribution Private Limited" on October 22, 2010 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Kolkata, West Bengal. Further, pursuant to the special resolution passed by the shareholders in the Extra Ordinary General Meeting held on September 16, 2015 the name of our Company was changed from "Megatherm Transmission & Distribution Private Limited" to "Megatherm Induction Private Limited" and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Kolkata, West Bengal dated September 23, 2015. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on November 15, 2022, our Company was converted into a Public Limited Company and consequently the name of our Company was changed from "Megatherm Induction Private Limited" to "Megatherm Induction Limited" vide a fresh certificate of incorporation dated December 20, 2022, issued by the Registrar of Companies, Kolkata, West Bengal.

2. As on the date of this Red Herring Prospectus, the Company has a Paid-up Capital of Rs 1384.87 Lakhs and the Post Issue Capital will be of Rs. 1884.07 Lakhs which is less than Rs. 25 Crores.

3. The Company confirms that it has track record of more than 3 years.

4. The company/entity has operating profit (earnings before interest, depreciation and tax) from operations for atleast any 2 out of 3 financial years preceding the application and its net-worth should be positive as on March 31, 2023, 2022 and 2021.

(In Rs. Lacs)

Particulars	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Net Worth	5821.98	5062.64	3662.23	3512.13
Operating profit (earnings before interest, depreciation, Profit/(loss) from sale of Fixed Assets and tax)	1376.08	2754.40	793.58	1316.33

5. Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, Group Companies, companies promoted by the promoters of the Company;

6. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR);

7. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.

8. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.

9. The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE

FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, HEM SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER, HEM SECURITIES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 28, 2023.

The filing of this Red Herring Prospectus does not, however, absolve our Company from any liabilities under Section 34, Section 35, Section 36 and Section 38 (1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and / or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the BRLM any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Kolkata in terms of sections 26, 32 and 33 of the Companies Act, 2013.

Statement on Price Information of Past Issues handled by Hem Securities Limited:

Below are the details of the past issues handled by Hem Securities Limited (SME IPOs) –

Sr. No.	Issue name	Issue size (₹ in Cr.)	Issue Price (₹)	Listing date	Opening Price on listing date	+/-% change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Saakshi Medtech And Panels Limited	45.16	97.00	October 03, 2023	146.00	155.10% [-2.03%]	115.05% [11.33%]	N.A.
2.	Arabian Petroleum Limited	20.24	70.00	October 09, 2023	77.40	5.71% [-0.35%]	38.86% [10.25%]	N.A.
3.	E Factor Experiences Limited	25.92	75.00	October 09, 2023	115.00	112.80% [-0.35%]	117.53% [10.25%]	N.A.
4.	Paragon Fine and Speciality Chemical Limited	51.66	100.00	November 03, 2023	225.00	80.20% [7.57%]	N.A.	N.A.
5.	Deepak Chemtex Limited	23.04	80.00	December 06, 2023	152.00	44.19% [3.69%]	N.A.	N.A.

Sr. No.	Issue name	Issue size (₹ in Cr.)	Issue Price (₹)	Listing date	Opening Price on listing date	+/-% change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
6.	S J Logistics (India) Limited	48.00	125.00	December 19, 2023	175.00	N.A.	N.A.	N.A.
7.	Siyaram Recyling Industries Limited	22.96	46.00	December 21, 2023	55.00	N.A.	N.A.	N.A.
8.	Shanti Spintex Limited	31.25	70.00	December 27, 2023	76.00	N.A.	N.A.	N.A.
9.	Shri Balaji Valve Components Limited	21.60	100.00	January 03, 2024	190.00	N.A.	N.A.	N.A.
10.	New Swan Multitech Limited	33.11	66.00	January 18, 2024	125.40	N.A.	N.A.	N.A.

Source: Price Information www.bseindia.com *&* www.nseindia.com*, Issue Information from respective Prospectus.*

1. *The scrip of Saakshi Medtech And Panels Limited, Arabian Petroleum Limited and E Factor Experiences Limited has not completed its 180th days from the date of listing; Paragon Fine and Speciality Chemical Limited and Deepak Chemtex Limited has not completed its 90th day from the date of listing and S J Logistics (India) Limited, Siyaram Recyling Industries Limited, Shanti Spintex Limited, Shri Balaji Valve Components Limited and New Swan Multitech Limited has not completed its 30th day from the date of listing.*

Summary statement of Disclosure:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Cr.)	No. of IPOs trading at discount- 30th calendar days from listing			No. of IPOs trading at Premium- 30th calendar days from listing			No. of IPOs trading at discount- 180th calendar days from listing			No. of IPOs trading at Premium- 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22	6(1)	130.40	-	-	-	4	-	2	-	-	-	6	-	-
2022-23	15(2)	220.57	-	-	-	6	6	3	-	-	-	12	-	3
2023-24	17(3)	533.19	-	-	-	8	2	1	-	-	-	3	-	1

1) The scrip of EKI Energy Services Limited, DU Digital Technologies Limited, Prevest Denpro Limited, Jainam Ferro Alloys (I) Limited, Shri Venkatesh Refineries Ltd. and KN Agri Resources Limited was listed on April 7, 2021, August 26, 2021, September 27, 2021, October 08, 2021, October 11, 2021and March 28, 2022 respectively;

2) The scrip of Krishna Defence and Allied Industries Limited was listed on April 6, 2022; Eighty Jewellers Limited was listed on April 13, 2022; Kesar India Limited was listed on July 12, 2022; Silicon Rental Solutions Limited was listed on October 10, 2022;

Cargosol Logistics Limited was listed on October 10, 2022; Cargotrans Maritime Limited was listed on October 10, 2022; Concord Control Systems Limited was listed on October 10, 2022; Lloyds Luxuries Limited was listed on October 11, 2022; Vedant Asset Limited was listed on October 12, 2022; Baheti Recycling Industries Limited was listed on December 08, 2022; Chaman Metallics Limited was listed on January 16, 2023; Earthstahl & Alloys Limited was listed on February 08, 2023; Macfos Limited was listed on March 01, 2023; Systango Technologies Limited was listed on March 15, 2023 and Labelkraft Technologies Limited was listed on March 23, 2023;

3) *The scrip of Vasa Denticity Limited was listed on June 02, 2023; Hemant Surgical Industries Limited was listed on June 05, 2023; Greenchef Appliances Limited was listed on July 06, 2023; Kaka Industries Limited was listed on July 19, 2023; Asarfi Hospital Limited was listed on July 26, 2023; Kahan Packaging Limited was listed on September 15, 2023; Madhusudan Masala Limited was listed on September 26, 2023; Saakshi Medtech And Panels Limited was listed on October 03, 2023; Arabian Petroleum Limited was listed on October 09, 2023, E Factor Experiences Limited was listed on October 09, 2023, Paragon Fine and Speciality Chemical Limited was listed on November 03, 2023, Deepak Chemtex Limited was listed on December 06, 2023, S J Logistics (India) Limited was listed on December 19, 2023, Siyaram Recyling Industries Limited was listed on December 21, 2023, Shanti Spintex Limited was listed on December 27, 2023, Shri Balaji Valve Components Limited was listed on January 03, 2024 and New Swan Multitech Limited was listed on January 18, 2024.*

Note:

a) Based on date of listing.
b) BSE SENSEX and CNX NIFTY have been considered as the benchmark index.
c) Prices on BSE/NSE are considered for all of the above calculations.
d) In case 30th /90th /180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
e) In case 30th /90th /180th day, scrips are not traded then last trading price has been considered.
f) N.A. – Period not completed.
g) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the Book Running Lead Manager. Hence, disclosures pertaining to recent 10 issues handled by Book Running Lead Manager are provided.

Track Record of past issues handled by Hem Securities Limited:

For details regarding track record of Book Running Lead Manager to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Book Running Lead Manager at www.hemsecurities.com

Disclaimer from our Company and the Book Running Lead Manager:

Our Company, its Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the agreement entered between the BRLM (Hem Securities Limited) and our Company on September 11, 2023 and the Underwriting Agreement dated December 05, 2023 entered into between the Underwriters and our Company and the Market Making Agreement dated December 05, 2023 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, and our affiliates or associates, for which they have received and may in future receive compensation.

Note:

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

Disclaimer in Respect of Jurisdiction:

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of Rs. 2,500.00 Lakhs and pension funds with a minimum corpus of Rs.2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Kolkata, West Bengal only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause of the SME Platform of NSE (NSE EMERGE):

“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/2938 dated January 12, 2024, 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 under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Filing

The Red Herring Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India.

The Draft Red Herring Prospectus was not filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Prospectus will be filed online through SEBI Intermediary Portal at https://siportal.sebi.gov.in.

A copy of the Prospectus, along with the material contracts and documents referred elsewhere in the Prospectus, will be filed with the Registrar of Companies, Kolkata, Nizam Palace, 2nd MSO Building, 2nd Floor, 234/4, A.J.C.B. Road, Kolkata - 700020, West Bengal, India

Listing:

The Equity Shares of our Company are proposed to be listed on NSE (NSE EMERGE). Our Company has obtained in-principle approval from NSE by way of its letter dated January 12, 2024 for listing of equity shares on NSE (NSE EMERGE).

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the NSE (NSE EMERGE) is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Red Herring Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE (NSE EMERGE) mentioned above are taken within three (3) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Offer within three (3) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period Subject to applicable law.

Impersonation:

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

i. Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
ii. Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

iii. Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable to action under section 447 of the Companies, Act 2013

Consents:

Consents in writing of (a) Our Directors, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Banker to the Company; (b) Book Running Lead Manager, Registrar to the Issue, Banker to the Issue (Sponsor Bank), Legal Advisor to the Issue, Underwriter to the Issue and Market Maker to the Issue to act in their respective capacities have been be obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of filing of the Prospectus with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s. MSKA & Associates, Chartered Accountants, Statutory Auditor and Peer Review Auditor of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Special Tax Benefits relating to the possible tax benefits and Restated financial statements as included in this Red Herring Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Red Herring Prospectus.

Experts Opinion:

Except for the reports in the section ***"Financial Information of the Company"*** and ***"Statement of Special Tax Benefits"*** on page 157 and page 88, Our company has not obtained any expert opinions except we have received consent from the Peer review Auditors of the Company to include their name as an expert in this Red Herring Prospectus in relation to the (a) Peer review Auditors' reports on the restated Audited financial statements; and (b) Statement of Special Tax Benefits (c) Statement of Financial Indebtedness and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act 1933.

Fees, Brokerage and Selling Commission payable:

The total fees payable to the Book Running Lead Manager will be as per the (i) Book Running Lead manager Agreement dated September 11, 2023 with the Book Running Lead Manager Hem Securities Limited, (ii) the Underwriting Agreement dated December 05, 2023 with Underwriter and (iii) the Market Making Agreement dated December 05, 2023 with Market Maker, a copy of which is available for inspection at our Registered Office from 10.00 am to 5.00 pm on Working Days from the date of the Prospectus until the Issue Closing Date.

Fees Payable to the Registrar to the Issue:

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company and the Registrar to the Issue dated September 28, 2023 a copy of which is available for inspection at our Company's registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/speed post.

Particulars regarding Public or Rights Issues during the last five (5) years:

For detailed description please refer to section titled ***"Capital Structure"*** beginning on page 59 of this Red Herring Prospectus.

Previous issues of Equity Shares otherwise than for cash:

For detailed description please refer to section titled ***"Capital Structure"*** beginning on page 59 of this Red Herring Prospectus.

Underwriting Commission, brokerage and selling commission on Previous Issues:

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares in last five (5) years.

Particulars in regard to our Company and other listed subsidiaries/ associates under the same management within the meaning of Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:

Neither our Company nor any other companies under the same management within the meaning of Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

Performance vis-a-vis objects – Public/right issue of our Company:

Except as stated in the chapter titled ***"Capital Structure"*** beginning on page 59 our Company has not undertaken any previous public or rights issue.

Performance vis-a-vis objects - Last Issue of Subsidiary Companies:

As on the date of this Red Herring Prospectus, our Subsidiary Companies have not undertaken any public issue.

Option to Subscribe:

a) Investors will get the allotment of specified securities in dematerialization form only.
b) The equity shares, on allotment, shall be traded on stock exchange in Demat segment only.

Outstanding Debentures or Bond Issues or Redeemable Preference Shares:

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Red Herring Prospectus.

Partly Paid-Up Shares

As on the date of this Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

Outstanding Convertible Instruments:

Our Company does not have any outstanding convertible instruments as on the date of filing this Red Herring Prospectus.

Stock Market Data of the Equity Shares:

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

Mechanism for Redressal of Investor Grievances:

The agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there are no investor complaints received during the three years preceding the filing of this Red Herring Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Red Herring Prospectus.

Investors may contact the BRLM for any complaint pertaining to the Issue. All grievances, may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary, where the Application Form was submitted, quoting the full name of the

sole or first Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, address of the Applicant, number of Equity Shares applied for, date of Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Applicant shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. Our Company, BRLM and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of Investor Grievances by our Company:

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Ms. Abanti Saha Basu, as Company Secretary and the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

Abanti Saha Basu
Company Secretary & Compliance Officer
Megatherm Induction Limited
Address: Plot- L1 Block GP, Sector V, Electronics Complex, Salt lake City Kolkata-700091, West Bengal, India.
Tel. No.: + 91 33 4088 6200
Email: info@megatherm.com
Website: www.megatherm.com

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system "**SCORES**". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

Our Board by a resolution on January 13, 2023 constituted a Stakeholders Relationship Committee. For further details, please refer to section titled ***"Our Management"*** beginning on page 136 of this Red Herring Prospectus.

Status of Investor Complaints:

We confirm that we have not received any investor compliant during the three years preceding the date of this Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Red Herring Prospectus.

Disposal of investor grievances by listed companies under the same management as our Company:

We do not have any listed company under the same management.

Tax Implications:

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled ***"Statement of Special Tax Benefits"*** beginning on page 88 of this Red Herring Prospectus.

Purchase of Property:

Other than as disclosed in Section ***"Our Business"*** beginning on page 105 there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Red Herring Prospectus.

Except as stated elsewhere in this Red Herring Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made there under.

Capitalization of Reserves or Profits:

Except as disclosed under section titled ***"Capital Structure"*** beginning on page 59 of this Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time during the last five (5) years.

Revaluation of Assets:

Our Company has not revalued its assets in five (5) years preceding the date of this Red Herring Prospectus.

Servicing Behavior:

Except as stated in this Red Herring Prospectus, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

Payment or benefit to officers of our Company:

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation**.**

Except as disclosed in chapter titled ***"Our Management"*** beginning on page 136 and chapter titled ***"Financial Information"*** beginning on page 157 none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

Exemption from complying with any provisions of securities laws, if any:

Not Applicable

SECTION VIII: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note ("CAN"), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Issue.

Please note that in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

Authority for the Issue

The present Public Issue of upto 49,92,000 Equity Shares has been authorized by a resolution of the Board of Directors of our Company at their meeting held on September 04, 2023 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on September 05, 2023 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our MOA and AOA and shall rank Pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled, ***'Main Provisions of Article of Association'***, beginning on page 286 of this Red Herring Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to section titled ***"Dividend Policy"*** and ***"Main Provisions of Article of Association"*** beginning on page 156 and 286 respectively of this Red Herring Prospectus.

Face Value and Issue Price

The face value of each Equity Share is Rs. 10.00 and the Issue Price at the lower end of the Price Band is Rs. [●] per Equity Share

("Floor Price") and at the higher end of the Price Band is Rs. [●] per Equity Share ("Cap Price"). The Anchor Investor Issue Price is Rs. [●] per Equity Share.

The Price Band and the minimum Bid Lot size were decided by our Company in consultation with the BRLM, and has been advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of Business Standard, an English national daily newspaper and all editions of Business Standard, a Hindi national daily newspaper and Kolkata edition of Ekdin, a regional newspaper each with wide circulation and shall be made available to the Stock Exchange for the purpose of uploading on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company and in consultation with the BRLM, after the Bid/ Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Compliance with SEBI ICDR Regulations, 2018

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Compliance with Disclosure and Accounting Norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

a) Right to receive dividend, if declared;
b) Right to receive Annual Reports and notices to members;
c) Right to attend general meetings and exercise voting rights, unless prohibited by law;
d) Right to vote on a poll either in person or by proxy;
e) Right to receive offer for rights shares and be allotted bonus shares, if announced;
f) Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
g) Right of free transferability of the Equity Shares; and
h) Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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, transfer, transmission and/ or consolidation/ splitting, etc., please refer to section titled ***"Main Provisions of the Articles of Association"*** beginning on page 286 of this Red Herring Prospectus.

Allotment only in Dematerialized Form

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated December 01, 2023 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated December 15, 2023 between CDSL, our Company and Registrar to the Issue.

Market Lot and Trading Lot

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the NSE (NSE EMERGE) from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Minimum Number of Allottees

In accordance with Regulation 268 of SEBI (ICDR) Regulations, 2018 the minimum number of allottees in the 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 unblocked forthwith.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Kolkata, West Bengal.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Joint Holders

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

(a) to register himself or herself as the holder of the Equity Shares; or
(b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied

with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Period of Subscription List of Public Issue

Event	Indicative Dates
Bid/ Issue Opening Date	January 25, 2024
Bid/ Issue Closing Date	January 30, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	On or about January 31, 2024
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI Id Linked Bank Account* (T+2)	On or about February 01, 2024
Credit of Equity Shares to Demat Accounts of Allottees (T+2)	On or about February 01, 2024
Commencement of Trading of The Equity Shares on the Stock Exchange (T+3)	On or about February 02, 2024

The above time table is indicative and does not constitute any obligation on our Company. 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 NSE is taken within Three Working Days from 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.

Note *[1]Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations*

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

**In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Issue Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated in accordance with applicable law by the intermediary responsible for causing such delay in unblocking, which period shall start from the day following the receipt of a complaint from the Bidder. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022 shall be deemed to be incorporated in the deemed agreement of the Bank with the SCSBs to the extent applicable, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable.*

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid/ Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays in receiving

the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid-cum-Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Applicants. The time for applying for Retail Individual Applicants on Issue Closing Date may be extended in consultation with the BRLM, RTA and NSE EMERGE taking into account the total number of applications received up to the closure of timings.

On the Bid/ Issue Closing Date, the Bids shall be uploaded until:
(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/ Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

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

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid-Cum- Application Forms prior to the Bid/ Issue Closing Date. Allocation to Retail Individual Bidders, in his Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum- Application Form, for a particular Bidder, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid-Cum- Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/ Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the

Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

Minimum Subscription and Underwriting

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriter within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received within the time limit as prescribed under the SEBI (ICDR) Regulations and Companies Act, 2013.

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled ***"General Information - Underwriting"*** on page 53 of this Red Herring Prospectus.

Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Migration to Main Board

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

If the Paid-up Capital of the company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

If the Paid-up Capital of the company is more than Rs. 10 crores but below Rs. 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 promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares offered through this Issue are proposed to be listed on the SME Platform of NSE (NSE EMERGE), wherein the Book Running Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of NSE.

For further details of the agreement entered into between the Company, the Book Running Lead Manager and the Market Maker please refer to section titled ***"General Information - Details of the Market Making Arrangements for this Issue"*** on page 56 of this Red Herring Prospectus.

Arrangements for disposal of odd lots

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of NSE.

As per the extent Guideline of the Government of India, OCBs cannot participate in this Issue.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.
The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Allotment of Equity Shares in Dematerialized Form

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Issue shall be allotted only in dematerialized form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Issue.

Application by Eligible NRI's, FPI's, VCF's, AIF's registered with SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting

Except for lock-in of the Pre- Issue Equity Shares and Promoters minimum contribution in the Issue as detailed under section titled ***"Capital Structure"*** beginning on page 59 of this Red Herring Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled ***"Main Provisions of the Articles of Association"*** beginning on page 286 of this Red Herring Prospectus.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

Withdrawal of the Issue

Our Company in consultation with the BRLM, reserve the right to not to proceed with the issue after the Bid/ Issue Opening date but before the Allotment. In such an event, our Company would issue a public notice in the newspaper in which the pre-issue advertisements were published, within two days of the Bid/ Issue Closing date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the issue. The BRLM through, the Registrar of the issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one working day from the date of receipt of such notification. Our Company shall also inform the same to the stock exchange on which equity shares are proposed to be listed.

The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the BRLM are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer, whose post issue face value capital is more than ten crore rupees and upto twenty five crore rupees shall offer equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ***("SME Exchange", in this case being the National Stock Exchange of India Limited (NSE EMERGE).*** For further details regarding the salient features and terms of such an issue please refer chapter titled ***"Terms of the Issue"*** and ***"Issue Procedure"*** on page 242 and 254 of this Red Herring Prospectus.

The present Initial Public Issue of upto 49,92,000 equity shares of face value of Rs. 10 each ("equity shares") for cash at a price of Rs. [●] per equity share (including a share premium of Rs. [●] per equity share) ("issue price") aggregating up to Rs. [●] lakhs of which up to 2,50,800 equity shares of face value of Rs. [●] each for cash at a price of Rs. [●] per equity share including a share premium of [●] per equity share aggregating to Rs. [●] will be reserved for subscription by market maker to the issue (the "market maker reservation portion"). The Issue comprises a reservation of up to 47,41,200 Equity Shares of Rs. 10 each for subscription by the designated Market Maker *("the Market Maker Reservation Portion")* and Net Issue to Public of up to [●] Equity Shares of Rs. 10 each *("the Net Issue").* The Issue and the Net Issue will constitute 26.50 % and 25.16 %, respectively of the post Issue paid up equity share capital of the Company.

This Issue is being made by way of Book Building Process.

Particulars of the Issue[2]	**Market Maker Reservation Portion**	**QIBs[1]**	**Non-Institutional Investors**	**Retail Individual Investors**
Number of Equity Shares available for allocation	Upto 2,50,800 Equity Shares	Not more than23,70,000 Equity Shares	Not less than7,11,600 Equity Shares	Not less than16,59,600 Equity Shares
Percentage of Issue Size available for allocation	5.02% of the Issue Size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion.	Not less than 15.00% of the Issue or the Issue less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation.	Not less than 35.00% of the Issue or the Issue less allocation to QIB Bidders and Non Institutional Bidders shall be available for allocation.
Basis of Allotment[3]	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.	Proportionate basis subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares	Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis.

Particulars of the Issue[(2)]	**Market Maker Reservation Portion**	**QIBs[(1)]**	**Non-Institutional Investors**	**Retail Individual Investors**
		Up to 60% of the QIB Portion (of up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which One-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.		
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 dematerialized form.			
Minimum Bid Size	2,50,800 Equity Shares in multiple of [●] Equity shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds Rs.200,000	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds Rs.200,000	[●] Equity Shares in multiple of [●] Equity shares so that the Bid Amount does not exceed Rs. 2,00,000
Maximum Bid Size	2,50,800 Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue (excluding the QIB portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed Rs.200,000
Trading Lot	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[(4)]			
Mode of Bid	Only through the ASBA process.	Only through the ASBA process. (Except for Anchor investors)	Only through the ASBA process	Through ASBA Process Through Banks or by using UPI ID for payment

**Subject to finalization of basis of allotment*

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

(1) Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall

be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.

(2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.

(3) Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.

(4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

The Bids by FPIs with certain structures as described under ***"Issue Procedure - Bids by FPIs"*** on pages 264 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Withdrawal of the Issue

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/ Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the filing of Draft Red Herring Prospectus/ Red Herring Prospectus with ROC.

Issue Program

Event	Indicative Dates
Bid/Issue Opening Date[1]	January 25, 2024
Bid/Issue Closing Date[2]	January 30, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	On or about January 31, 2024
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account (T+2)	On or about February 01, 2024
Credit of Equity Shares to Demat accounts of Allottees (T+2)	On or about February 01, 2024
Commencement of trading of the Equity Shares on the Stock Exchange (T+3)	On or about February 02, 2024

Note [1]Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date in accordance with the SEBI ICDR Regulations.

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

Applications and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Bid-Cum- Application Form.

Standardization of cut-off time for uploading of applications on the Bid/ Issue Closing Date:

a) A standard cut-off time of 3.00 P.M. for acceptance of applications.
b) A standard cut-off time of 4.00 P.M. for uploading of applications received from other than retail individual applicants.
c) A standard cut-off time of 5.00 P.M. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by BRLM to NSE within half an hour of such closure.

It is clarified that Bids not uploaded would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum- Application Form, for a particular bidder, the details as per physical Bid-Cum-application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding bank holidays).

ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issue, prepared and issued in accordance with the SEBI circular no CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI and updated pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and updated pursuant to SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 (the "General Information Document") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of Stock Exchange, the Company and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of 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 UPI 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 RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days **("UPI Phase I")**. The UPI Phase I was effective till June 30, 2019.

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. 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. This circular is effective for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and the provisions of this circular are deemed to form part of this Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual Investors in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism.

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public issue from existing 6 working days to 3 working days from the date of the closure of the issue. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. Accordingly, the Offer will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40. The list of Stockbrokers, Depository

Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by SME Platform of National Stock Exchange of India Limited ("NSE EMERGE") to act as intermediaries for submitting Application Forms are provided on www1.nseindia.com/emerge For details on their designated branches for submitting Application Forms, please see the above mentioned website of Platform of National Stock Exchange of India Limited ("NSE EMERGE").
Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of Prospectus. Applicants are advised to make their independent investigations and ensure that their application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and this Prospectus.

Further, the Company and the BRLM are not liable for any adverse occurrence's 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: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Issue is being made under Phase III of the UPI (on a mandatory basis).

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI Mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

PART A

Book Building Procedure

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") read with Regulation 253 of SEBI ICDR Regulations, 2018, wherein not more than 50% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Availability of Prospectus and Application Forms

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Book Running Lead Manager to the Offer, Registrar to the Offer as mentioned in the Application form. The application forms may also be downloaded from the website of NSE i.e. www.nseindia.com. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Red Herring Prospectus. The Application Form shall contain space for Indicating number of specified securities subscribed for in Demat form.

Bid cum Application Form

Copies of the Bid cum Application Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE (www.nseindia.com) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorization to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA

Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Offer is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

i. RIIs (other than the RIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

ii. RIIs using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

iii. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

Anchor Investors are not permitted to participate in the Offer through the ASBA process.

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour
Anchor Investor	White
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a Non-repatriation basis. (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

**Excluding Electronic Bid cum Application Form*
*** Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.*

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries")

Sr. No.	Designated Intermediaries

1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by Investors to SCSB	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

Availability of Red Herring Prospectus and Bid cum Application Forms

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE (www.nseindia.com) at least one day prior to the Bid/Issue Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

Who can Bid?

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the RHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: -Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
d) Mutual Funds registered with SEBI;
e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
k) Foreign Venture Capital Investors registered with the SEBI;
l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
o) Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
p) Pension Funds and Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
r) Multilateral and bilateral development financial institution;
s) Eligible QFIs;
t) Insurance funds set up and managed by army, navy or air force of the Union of India;
u) Insurance funds set up and managed by the Department of Posts, India;
v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation

5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM APPLICATION SIZE

1. For Retail Individual Bidders

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed Rs. 2,00,000.

2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs. 2,00,000 and in multiples of [●] Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.

The above information is given for the benefit of the Bidders. The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

METHOD OF BIDDING PROCESS

Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Kolkata Edition of Regional newspaper Ekdin where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid/ Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid/ Issue Period.

a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be published in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Kolkata Edition of Regional newspaper Ekdin where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.

b) During the Bid/ Issue Period, Retail Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.

c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e.,

the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.

d) The Bidder/ Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph "Buildup of the Book and Revision of Bids".

e) Except in relation to the Bids received from the Anchor Investors, the BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, ("TRS"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form

f) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. one working day prior to the Bid/ Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.

g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in ***"Escrow Mechanism - Terms of payment and payment into the Escrow Accounts"*** in the section ***"Issue Procedure"*** beginning on page 254 of this Red Herring Prospectus

h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form prior to uploading such Bids with the Stock Exchange.

i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.

j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.

k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS

a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.

b. Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.

c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.

d. Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

e. The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

Participation by Associates /Affiliates of BRLM and the Syndicate Members

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

Option to Subscribe in the Issue

a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.

b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Information for the Bidders

1. Our Company and the Book Running Lead Manager shall declare the Bid/ Issue Opening Date and Bid/ Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.

2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Bid/ Issue Opening Date.

3. Copies of the Bid Cum Application Form along with Abridged Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.

4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.

5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.

6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.

7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.

8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.

9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.

10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

BIDS BY ANCHOR INVESTORS:

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.

2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least Rs. 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of Rs. 200.00 lakhs

3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.

5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:

   - where allocation in the Anchor Investor Portion is up to Rs. 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
   - where the allocation under the Anchor Investor Portion is more than Rs. 200.00 Lakhs but upto Rs. 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of Rs. 100.00 Lakhs per Anchor Investor; and
   - where the allocation under the Anchor Investor portion is more than Rs. 2500.00 Lakhs:(i)minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto Rs. 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every

additional allocation of Rs. 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of Rs. 100.00 Lakhs per Anchor Investor.

6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Issue Opening Date, through intimation to the Stock Exchange.

7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.

9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.

10) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.

12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

13) Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

BIDS BY ELIGIBLE NRI'S:

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

BIDS BY FPI INCLUDING FII'S:

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI,

whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S:

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.
Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

BIDS BY HUFS:

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made

in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

BIDS BY MUTUAL FUNDS:

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

BIDS BY SYSTEMATICALLY IMPORTANT NON BANKING FINANCIAL COMPANIES:

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

BIDS BY LIMITED LIABILITY PARTNERSHIPS:

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

BIDS BY INSURANCE COMPANIES:

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

1) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time

to time.

BIDS UNDER POWER OF ATTORNEY:

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs.2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
c) With respect to Bids made by provident funds with a minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form
e) Our Company in consultation with the BRLM in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

BIDS BY PROVIDENT FUNDS / PENSION FUNDS:

In case of Bids made by provident funds with minimum corpus of Rs. 25 Crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

BIDS BY BANKING COMPANY:

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A

banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

BIDS BY SCSB'S:

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum Applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE:

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

Terms of payment

The entire Issue price of Rs. [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

Payment mechanism

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of

Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Payment into Escrow Account for Anchor Investors

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

a. In case of resident Anchor Investors: "**MEGATHERM INDUCTION LIMITED IPO – ANCHOR ACCOUNT – R**"

b. In case of Non-Resident Anchor Investors: "**MEGATHERM INDUCTION LIMITED IPO – ANCHOR ACCOUNT – NR**"

Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

Electronic Registration of Applications

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.

2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Offer Closing Date.

3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,

    a) the applications accepted by them,
    b) the applications uploaded by them
    c) the applications accepted but not uploaded by them or
    d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.

4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,

    (i) The applications accepted by any Designated Intermediaries
    (ii) The applications uploaded by any Designated Intermediariesor
    (iii) The applications accepted but not uploaded by any Designated Intermediaries

5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediariesand their authorized agents during the Issue Period. The Designated Branches or agents of

Designated Intermediariescan also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.

6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

**Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:

- Name of the Bidder;
- IPO Name:
- Bid Cum Application Form Number;
- Investor Category;
- PAN (of First Bidder, if more than one Bidder);
- DP ID of the demat account of the Bidder;
- Client Identification Number of the demat account of the Bidder;
- Number of Equity Shares Applied for;
- Bank Account details;
- Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
- Bank account number.

8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.

9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.

10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.

12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

13. The Designated Intermediaries will be given time till 5.00 p.m. on the Bid/Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

14. The SCSBs shall be given one day after the Bid/Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.

15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

Build of the Book

a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.

b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/ Issue Period.

Withdrawal of Bids

a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

Price Discovery and Allocation

a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Issue Price and the Anchor Investor Issue Price.

b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.

c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.

d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.

e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

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

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

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., Rs. 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalize the Issue Price at or below such Cut-Off Price, i.e., at or below Rs. 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Signing of Underwriting Agreement and Filing of Red Herring Prospectus/ Prospectus with RoC

a) Our company has entered into an Underwriting Agreement dated December 05, 2023
b) A copy of Red Herring Prospectus will be filed with the RoC and copy of Prospectus will be filed with RoC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Red Herring Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid/Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICRD Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS:

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

GENERAL INSTRUCTIONS:

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid/Issue period and withdraw their Bids until Bid/issue Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their bid by using UPI mechanism for payment.
9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
23. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
24. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of

fund on your account through UPI ID using UPI application;

25. Ensure that you have correctly signed the authorization / undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceed Rs. 2,00,000/- (for Applications by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Applicant;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Other instructions for the Bidders

Joint Bids

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

Multiple Bids

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum

Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid\ cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

Investor Grievance

In case of any pre-issue or post issue related problems regarding demat credit/ refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

Nomination Facility to Bidders

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

Submission of Bids

a) During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
b) In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
c) For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the RHP.

GROUNDS OF TECHNICAL REJECTIONS

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the RHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the RHP and as per the instructions in the RHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders),the Depository Participant‘s identity (DP ID) and the beneficiary‘s account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the

time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

BASIS OF ALLOCATION

a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.

b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.

c) In case of under subscription in the issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

BASIS OF ALLOTMENT

a. **For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their

valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

b. **For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●]Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

c. **For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

a) In the first instance allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:

- In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
- In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
- Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

b) In the second instance Allotment to all QIBs shall be determined as follows:

- In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
- Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
- Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

d. **ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:

i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;

ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:

- a maximum number of two Anchor Investors for allocation up to Rs. 2 crores;

  a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than Rs. 2 crores and up to Rs. 25 crores subject to minimum allotment of Rs. 1 crores per such Anchor Investor; and

- in case of allocation above twenty five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty five crore rupees and an additional 10 such investors for every additional twenty five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

c) In the event that the Issue Price is higher than the Anchor Investor Allocation Price:

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors

d) In the event the Issue Price is lower than the Anchor Investor Allocation Price:

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

e) Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Issue:

In the event of the Issue being Over-Subscribed, the Issuer may finalize the Basis of Allotment in consultation with the NSE (NSE EMERGE) (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).

b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:

- Each successful Bidder shall be allotted [●] equity shares; and

- The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner

that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.

d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.

e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this RHP.

Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/-.Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director/ Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

Issuance of Allotment Advice

1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.

2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.

   The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 2 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

Designated Date:

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 2 working days of the Bid/Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

Instructions for Completing the Bid Cum Application Form

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected.

Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com.

Bidder's Depository Account and Bank Details

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain front the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Submission of Bid Cum Application Form

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

Disposal of Application and Application Moneys and Interest in Case of Delay

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE (NSE EMERGE) where the Equity Shares are proposed to be listed are taken within 3 (three) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (three) days of the Issue Closing Date;

2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2 (two) working days of the Issue Closing Date, would be ensured; and

3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

Right to Reject Applications

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who-

(a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
(b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
(c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least Rs. 10/- Lakhs or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than Rs. 10/- lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to Rs. 50/- Lakh or with both.

Undertakings by Our Company

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;

2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within three working days from Issue Closure date.

3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;

4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within two Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

5. That our Promoter 's contribution in full has already been brought in;

6. That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;

7. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;

8. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;

9. If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;

10. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

Utilization of Issue Proceeds

The Board of Directors of our Company certifies that:

1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
6) The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

Equity Shares in Dematerialized Form with NSDL or CDSL

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

a) Tripartite Agreement dated December 01, 2023 between NSDL, the Company and the Registrar to the Issue;
b) Tripartite Agreement dated December 15, 2023 between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. INE531R01010.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the "FDI Policy"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/restrictions for overseas entities

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether

it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Foreign Exchange Management. (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

Investment by FPIs under Portfolio Investment Scheme (PIS)

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognized stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2020, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 20003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorized. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Red Herring Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION IX - MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF OUR COMPANY

Pursuant to Schedule I of the Companies Act, and the SEBI (ICDR) Regulations, the main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

The following regulations comprised in the Articles of Association were adopted pursuant to the member's special resolution passed at the Extra Ordinary General Meeting held on August 08, 2023. In substitution for, and to the entire exclusion of, the earlier regulation comprised in the extant Articles of Association of the Company.

INTERPRETATION

I 1. In these regulations-

b. "the Act" means the Companies Act, 2013,

c. "the seal" means the common seal of the company.

2. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

SHARE CAPITAL AND VARIATION OF RIGHTS

II. 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

2. i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,-

a. one certificate for all his shares without payment of any charges; or

b. several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

ii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid - up thereon.

iii. In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. i. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

ii. The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.

4. Except as required by law, no person shall be 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.

5. i. The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

iii. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking Pari-passu therewith.

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

LIEN

9. i. The company shall have a first and paramount lien
   a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
   b. on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

   Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

ii. The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

iii. That fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien: Provided that no sale shall be made-
   a. unless a sum in respect of which the lien exists is presently payable; or
   b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. i. To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof

ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.

iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. i. The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

13. i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

iii. A call may be revoked or postponed at the discretion of the Board.

iv. That any amount paid up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits

14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.

The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board -

a. may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him and

b. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

TRANSFER OF SHARES

19. i. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

ii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

iii. That a common form of transfer shall be used

20. i. The Board may, subject to the right of appeal conferred by section 58 decline to register—

ii. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

iii. any transfer of shares on which the company has a lien.

21. The Board may decline to 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.

That registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Issuer on any account whatsoever

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

TRANSMISSION OF SHARES

23. i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares

ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

iii. That a common form of transmission shall be used

24. i. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-
a. to be registered himself as holder of the share; or
b. to make such transfer of the share as the deceased or insolvent member could have made.

ii. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25. i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

FORFEITURE OF SHARES

27. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

28. The notice aforesaid shall-
   a. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
   b. state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

30. i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

31. i. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

ii. The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

32. i. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

ii. The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

iii. The transferee shall thereupon be registered as the holder of the share; and

iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

33. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

35. Subject to the provisions of section 61, the company may, by ordinary resolution-

i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; and

iv. cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

v. Permission for sub-division/ consolidation of share certificates

36. Where shares are converted into stock,—

- the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

- Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

- the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

- such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law-

- it share capital;
- any capital redemption reserve account; or
- any share premium account.

CAPITALISATION OF PROFITS

38. The company in general meeting may, upon the recommendation of the Board, resolve-

i. that it is desirable to 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, or otherwise available for distribution; and

ii. that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

iii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards-

a. paying up any amounts for the time being unpaid on any shares held by such members respectively;
b. paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
c. partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

iv. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

v. The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

39. i. Whenever such a resolution as aforesaid shall have been passed, the Board shall-

a. make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all
b. allotments and issues of fully paid shares if any; and
c. generally do all acts and things required to give effect thereto.

ii. The Board shall have power-

a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
b. to authorize 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 capitalization, 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

BUY-BACK OF SHARES

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETINGS

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.

42. i. The Board may, whenever it thinks fit, call an extraordinary general meeting.

ii. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

43. i. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

ii. Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

ADJOURNMENT OF MEETING

47. i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

iv. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares,
i. on a show of hands, every member present in person shall have one vote;

ii. and on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

iii. That option or right to call of shares shall not be given to any person except with the sanction of the Issuer in general meetings

49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

50. i. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

52. Any business other than that upon which a poll has been demanded maybe proceeded with, pending the taking of the poll.

53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid

54. i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105

57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

58. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them. The following are the First Directors of the Company:

1. Shesadri Bhusan Chanda
2. Ayati Chanda
3. Satadri Chanda

59. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them-

- in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- in connection with the business of the company.

60. The Board may pay all expenses incurred in getting up and registering the company.

61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

62. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

64. i. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

ii. Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

PROCEEDINGS OF THE BOARD

65. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

66. i. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

ii. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

68. i. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

ii. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

69. i. The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

ii. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

70. i. A committee may elect a Chairperson of its meetings.

ii. If no such Chairperson is elected, or if at any meeting the 72 Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

71. i. A committee may meet and adjourn as it thinks fit.

ii. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

74. Subject to the provisions of the Act,
    i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

    ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer

75. A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

76. i. The Board shall provide for the safe custody of the seal.

    ii. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVE

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

78. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

79. i. The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

    ii. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

80. i. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

ii. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

iii. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly. That there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

81. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

82. i. Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

ii. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

83. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

84. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

85. No dividend shall bear interest against the company.

ACCOUNTS

86. i. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

ii. No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorized by the Board or by the company in general meeting.

WINDING UP

87. Subject to the provisions of Chapter XX of the Act and rules made thereunder-

i. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

88. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of the Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Prospectus, for filing with the Registrar of Companies. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the registered office between 10 a.m. and 5 p.m. on all Working Days from the date of this Red Herring Prospectus until the Issue Closing Date.

Material Contracts

1. Agreement dated September 11, 2023 between pour Company and the Book Running Lead Manager to the Issue.
2. Agreement dated September 28, 2023 executed between our Company and the Registrar to the Issue.
3. Banker to the Issue Agreement dated November, 24, 2023 among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
4. Market Making Agreement dated December 05, 2023 between our Company, Book Running Lead Manager and Market Maker.
5. Underwriting Agreement dated December 05, 2023 between our Company, Book Running Lead Manager and Underwriter.
6. Syndicate Agreement dated December 05, 2023 among our Company, the BRLM and Syndicate Member.
7. Tripartite Agreement dated December 15, 2023 among CDSL, the Company and the Registrar to the Issue.
8. Tripartite Agreement dated December 01, 2023 among NDSL, the Company and the Registrar to the Issue.

Material Documents

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated October 22, 2010 issued by the Registrar of Companies, West Bengal, Kolkata.
3. Fresh Certificate of Incorporation dated September 23, 2015 issued by the Registrar of Companies, West Bengal, Kolkata pursuant to the name change of the Company.
4. Fresh Certificate of Incorporation dated December 20, 2022 issued by the Registrar of Companies, West Bengal, Kolkata consequent upon Conversion of the Company from Private to Public Company.
5. Copy of the Board Resolution dated September 04, 2023 authorizing the Issue and other related matters.
6. Copy of Shareholder's Resolution dated September 05, 2023 authorizing the Issue and other related matters.
7. Copies of Audited Financial Statements of our Company for the period September 30, 2023 and financial year ended March 31, 2023, 2022 and 2021.
8. Statutory Auditors Report dated December 04, 2023 on the Restated Financial Statements for the period ended September, 30, 2023 March 31, 2023, 2022 and 2021.
9. Copy of the Statement of Special Tax Benefits dated September 22, 2023 from the Statutory Auditor.
10. Certificate on KPIs issued by M/s P Ketan & Co., Chartered Accountants dated January 18, 2024.
11. Consents of the Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Syndicate Member, Underwriter, Banker to the Issue/ Sponsor Bank, Statutory Auditor of the Company, Peer review Auditor of the Company, Bankers to our Company, Promoters, Directors, Company Secretary and Compliance Officer and Chief Financial Officer, as referred to, in their respective capacities.
12. Board Resolution dated September 28, 2023 for approval of Draft Red Herring Prospectus, dated January 18, 2024 for approval of Red Herring Prospectus dated [●] for approval of Prospectus.
13. Due Diligence Certificate from Book Running Lead Manager dated September 28, 2023.
14. Approval from NSE vide letter dated January 12, 2024 to use the name of NSE in the Prospectus for listing of Equity Shares on the NSE (NSE EMERGE).

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Mr. Shesadri Bhusan Chanda Chairman & Managing Director DIN: 00961593	

Date: January 18, 2024
Place: China

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Mr. Satadri Chanda Whole Time Director & Chief Financial Officer DIN: 02302312	

Date: January 18, 2024
Place: Kolkata, West Bengal

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Mrs. Christina Paulchowdhury Non-Executive Director DIN: 09257875	

Date: January 18, 2024
Place: Kolkata, West Bengal

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Mr. Ankit Rathi Independent Director DIN: 08456577	

Date: January 18, 2024
Place: Kolkata, West Bengal

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Mr. Siddhartha Sen Independent Director DIN: 09749054	

Date: January 18, 2024
Place: Kolkata, West Bengal

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE COMPANY SECRETARY OF OUR COMPANY:

Name and Designation	Signature
Ms. Abanti Saha Basu Company Secretary & Compliance officer M. No.: A69276	

Date: January 18, 2024
Place: Kolkata, West Bengal.